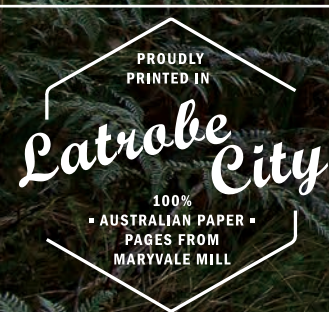


Latrobe City Council
Annual Report





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

Chief Executive Officer's report

This financial year showed the value of Council having close ties with the community - the people and businesses of Latrobe joined with Council to minimise the impact of the COVID-19 pandemic as much as possible.

A lockdown was implemented across Victoria to keep people at home in a bid to contain the virus. Unfortunately, businesses were impacted by the economic effects of the pandemic, as they lost markets and subsequently, income. Some businesses closed permanently, people were made redundant, and many other workers lost hours and income.

Council acted swiftly to help ease the economic impact of the pandemic. Councillors voted to implement a two-phase Business and Community Support and Recovery Package with a suite of initiatives, including grants and vouchers for businesses, webinars, waiving of fees, the uplifting Connections Magazine, an informative COVID-19 Business newsletter, a dedicated COVID-19 helpline and more, as you will read in this Annual Report.

Council further contributed to the local economy by partnering with the State Government to deliver the Working for Victoria program. State funding enabled Council to employ up to 68 people who had lost their jobs due to the pandemic. Staff were able to undertake a suite of projects and services that Council previously did not have the resources to do. A feature of this program was the Bush Crew team of 32 workers who cut grass, planted trees, removed shopping trolleys from waterways and generally beautified the municipality, while learning such skills as operating power equipment and first aid.

Council was not immune from the pandemic. Our services were disrupted, with libraries closing to borrowers and the leisure centres, Latrobe Regional Gallery and Performing Arts shutting their doors. Customer service centres also ceased operation. Many Council staff worked from home from late March, following an order from the State Government that those who could work from home must do so to minimise the risk of the virus spreading. We also made the difficult decision to postpone our annual Sister Cities Festival, which celebrates our sister city relationships with Takasago in Japan and Taizhou in China.

Fortunately, Council was able to minimise the effects by continuing to serve the community where we could. All library branches provided delivery services to older people across the municipality and also a Click and Collect service as restrictions permitted. Latrobe Leisure offered online classes and tips to help people retain their fitness while the leisure centres were closed. Latrobe Regional Gallery introduced virtual tours of exhibitions. Our call centre staff continued to take calls from the public, providing advice and reassurance where they could, in addition to assistance with core Council services.

The experience - although one we would rather not have had - has proven the resilience of this community and that attribute will no doubt position us well as we move towards a new sense of normal.

Apart from the pandemic, the business of Council continued throughout the last financial year. We are working on projects that contribute to our standing as Gippsland's regional city; one of four such regional cities in Victoria, alongside the municipalities of Geelong, Ballarat and Bendigo.

We guided the construction of many projects, such as the Gippsland Regional AFL Centre of Excellence, Morwell Recreation Reserve and Gippsland Sports and Entertainment Park at Morwell; the Gippsland Regional Indoor Sports Stadium at Traralgon; and the Gippsland Regional Cricket Centre of Excellence, Ted Summerton Reserve at Moe. Further projects are still being built, namely the Gippsland Regional Aquatic Centre and Gippsland Performing Arts Centre, both at Traralgon. We acknowledge funding support from various levels of government in enabling these projects to come to fruition.

Latrobe City continues to be the hub of events in the region, which provide rich entertainment opportunities for the residents of our City, as well as people from across Gippsland and even further afield. Morwell Recreation Reserve hosted three matches of AFL and AFLW. A Big Bash League cricket game was held at Moe and other major events included the International Rose Garden Festival Morwell, a Hyundai A-League Friendly Match, a Women's National Basketball League game and the National Archery Championships, to name just a few.

Other highlights of the past 12 months have been:

- The revitalisation of Morwell's Central Business District as part of the Future Morwell project
- The construction of multi-use courts, pavilion, storage facilities and a car park at Monash Reserve, Newborough
- Building a new pavilion at Traralgon's Apex Park
- Completing the construction of stage one of the Moe Access for All Abilities/Apex/Lions Play Space
- Finishing the Moe Botanic Gardens Play Space
- Installing a 30kW solar panel system on Council-managed buildings.

I am honoured to lead Latrobe City Council and thank all of my staff for their contribution to our many and varied services and projects over the past year. I commend this Annual Report to anyone wishing to appreciate what we have achieved, and also seeking a true and accurate record of Council's financial performance.

As we move forward, I am excited about completing major projects and pieces of work already underway, and also for the chance to embrace new opportunities that are in the making in this great municipality of Latrobe City, eastern Victoria's own regional city.



Steven Piasente
Chief Executive Officer



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.

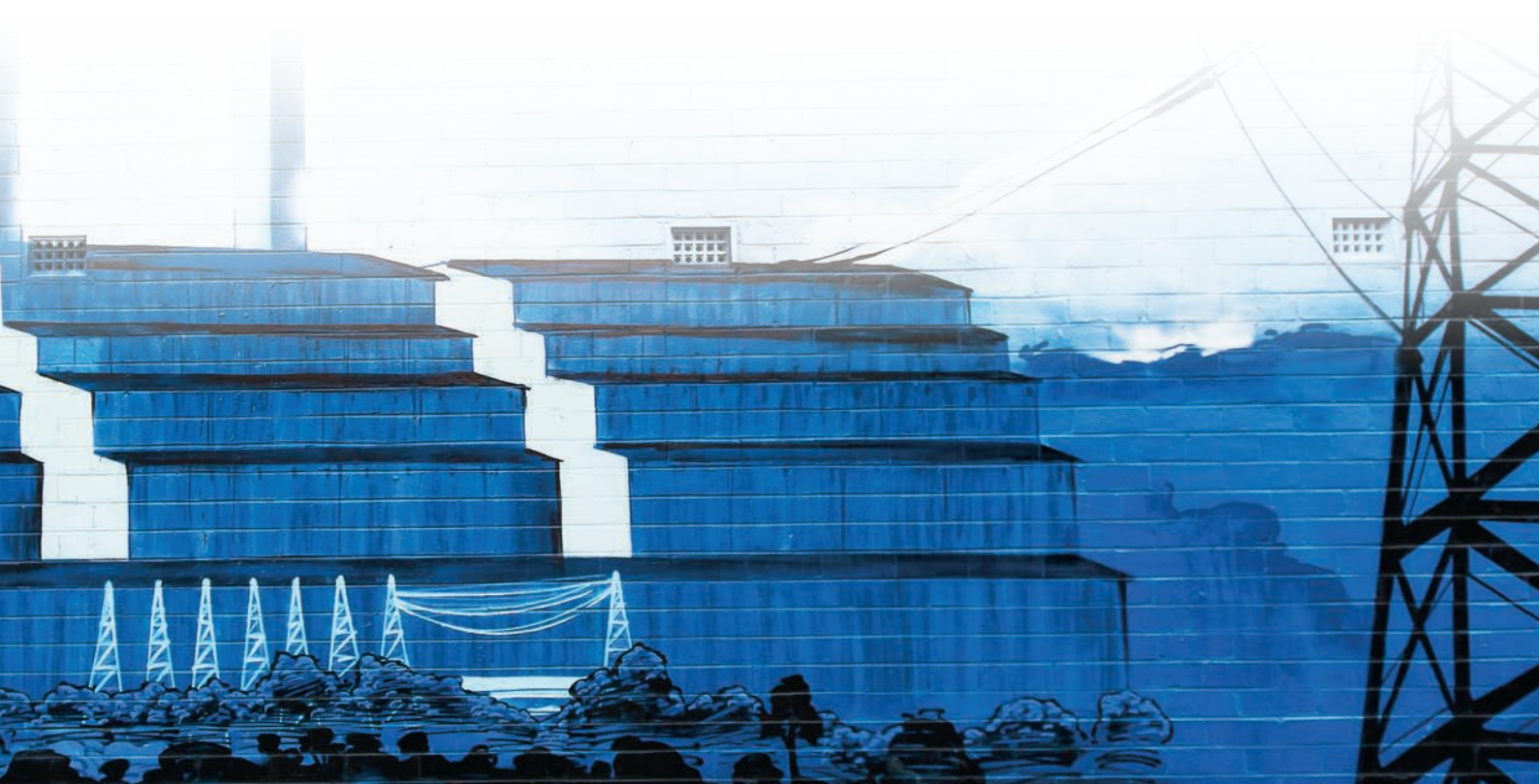
To obtain this information in languages other than English, or in other formats, phone Latrobe City Council on 1300 367 700.

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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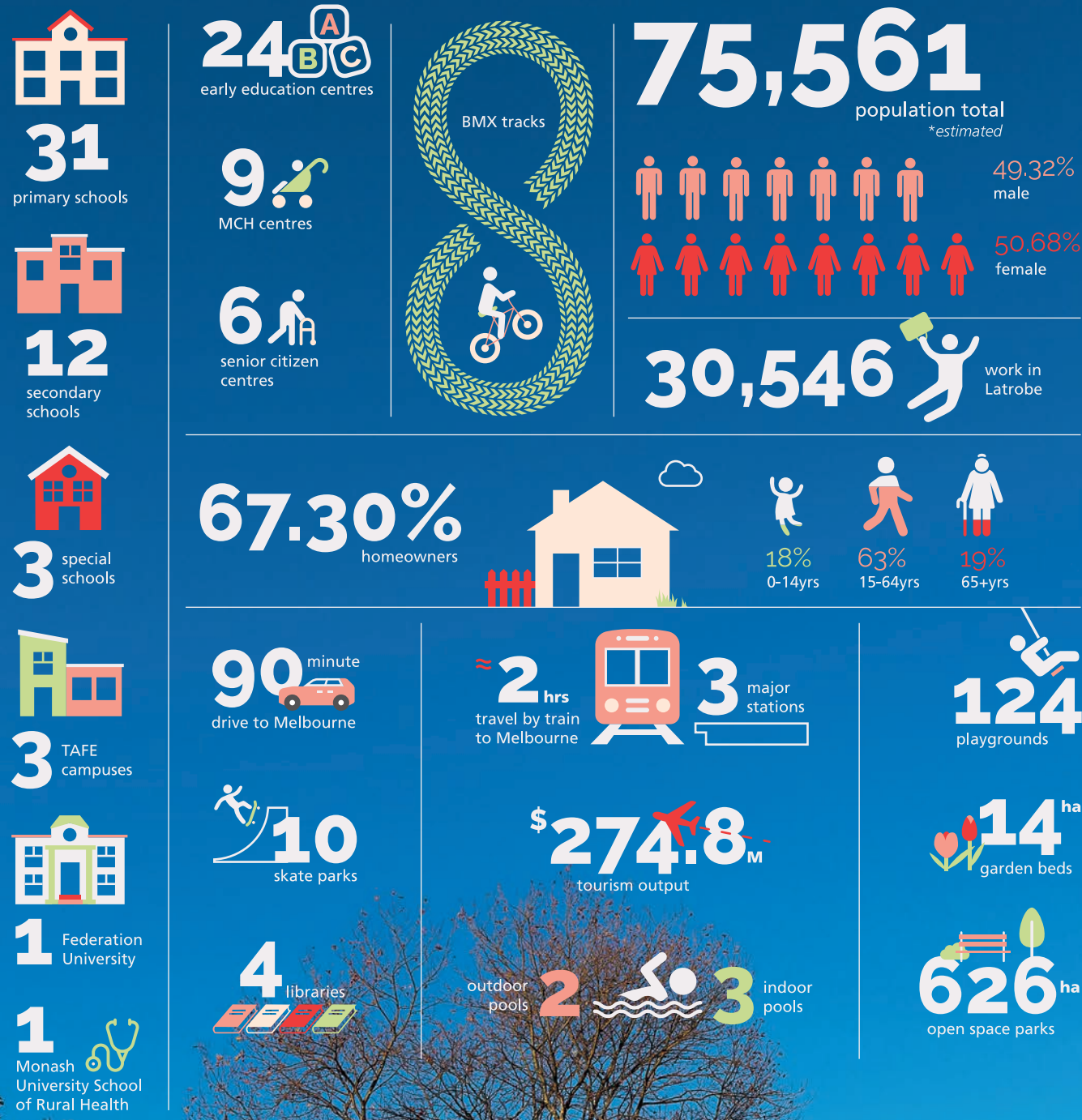
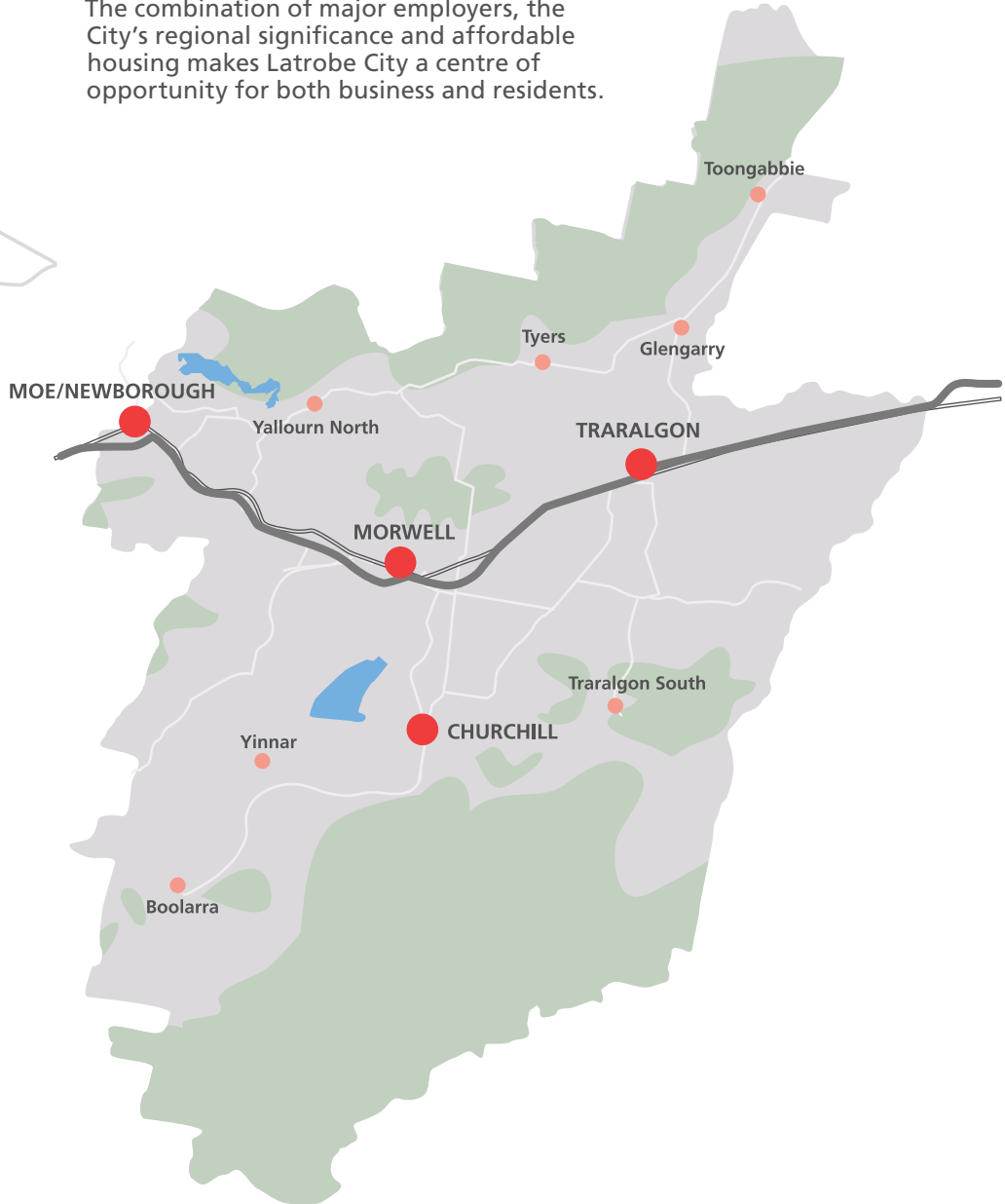
Latrobe City snapshot and profile

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 a 90-minute 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 - Boolarra, Glengarry, Toongabbie, Tyers, Traralgon South, Yallourn North and Yinnar.

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



01

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

Over many decades, we have grown accustomed to connecting with each other in certain ways. We connect via sport, school relationships, book club, arts group, parents' committees, church, work or a common interest we share. This past year has taught us that we have to be imaginative in the ways we connect, the ways we communicate, the ways we bond and rely on each other.

In 2020, the Latrobe City community and the Council have found new ways to connect, to bond and to communicate. We have shown once again that we are a resilient community, an inventive community by adopting new procedures, new methods and new thinking about travelling, congregating, exchanging knowledge and sharing experiences.

As we start to transition back to the new COVID-Normal, many of these new ways may remain in place. Coming together online, while not an ideal format, is effective for sharing information, staying connected and continuing the work that is needed to be done in Latrobe City.

Latrobe City is the New Energy of Victoria; this community is resourceful, creative, active, compassionate and innovative. That is the New Energy.

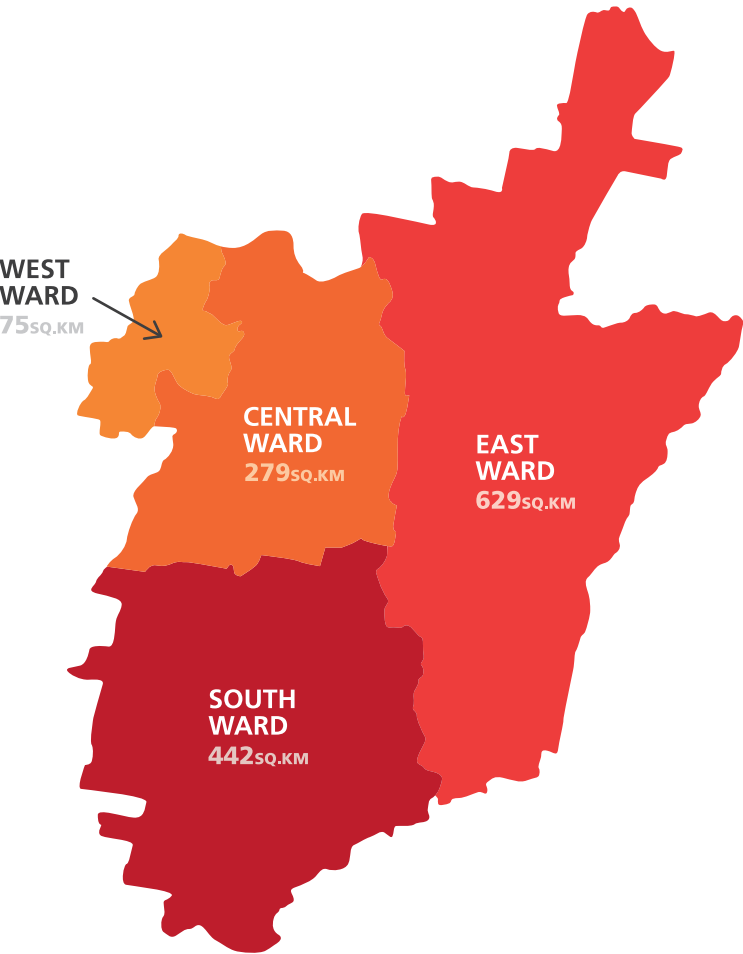


Cr Dan Clancey
Mayor



Your Council representatives

Latrobe City’s Council was elected in 2016 for a four year term comprising nine councillors representing four wards.





Councillor Dan Clancey
Mayor
East Ward

Cr Dan Clancey was first elected in November 2016 and is the current Mayor of Latrobe City Council.
Phone: 0428 664 968
Email: dan.clancey@latrobe.vic.gov.au



Councillor Graeme Middlemiss
Central Ward

Cr Graeme Middlemiss was first elected in 1997 during the first Latrobe Shire Council elections. Cr Middlemiss has been on Council for 19 years and was the Mayor in 2003/2004 and 2019/2020.
Phone: 0417 379 059
Email: graeme.middlemiss@latrobe.vic.gov.au



Councillor Dale Harriman
East Ward

Cr Dale Harriman was first elected in 2011 (following a resignation). Cr Harriman was Mayor in 2014/15 and currently serves his fourth term.
Phone: 0419 399 093
Email: dale.harriman@latrobe.vic.gov.au



Councillor Bradley Law
West Ward

Cr Bradley Law was first elected in November 2016.
Phone: 0428 560 501
Email: bradley.law@latrobe.vic.gov.au



Councillor Darren Howe
East Ward

Cr Darren Howe was first elected in November 2016.
Phone: 0429 113 015
Email: darren.howe@latrobe.vic.gov.au



Councillor Alan McFarlane
Deputy Mayor
Central Ward

Cr Alan McFarlane was first elected in November 2016.
Phone: 0428 645 402
Email: alan.mcfarlane@latrobe.vic.gov.au



Councillor Darrell White
South Ward

Cr Darrell White was first elected in 1997 during the first Latrobe Shire Council elections. Cr White was Mayor in 2018/2019 and has previously been Mayor three times.
Phone: 0417 377 645
Email: darrell.white@latrobe.vic.gov.au



Councillor Sharon Gibson
West Ward

Cr Sharon Gibson was first elected in 2008, 2012 and then again in 2016. Cr Gibson was Mayor in November 2013/2014 after serving as Deputy Mayor three consecutive times.
Phone: 0429 338 762
Email: sharon.gibson@latrobe.vic.gov.au



Councillor Kellie O'Callaghan
East Ward

Cr Kellie O'Callaghan was first elected in 2008, 2012 and then again in 2016. Cr O'Callaghan was Mayor in 2012 and 2017.
Phone: 5128 6185
Email: kellie.o'callaghan@latrobe.vic.gov.au

Year in review

19,124
meals on wheels
delivered to
people in need.

2,799,433
bin lifts as part of
Council's kerbside
waste collection.

60
sporting reserves,
BMX tracks and
skate parks
maintained
for recreation.

05
unfenced off-leash
dog areas.

13,084
pets registered:
10,709 dogs
and 3,005 cats
across the City.

2,193
clients received
care services
in the home.

84,259
calls answered by
Council's Customer
Service staff.

30,798
online visits
to Council's
tourism website,
visitlatrobe.city.com



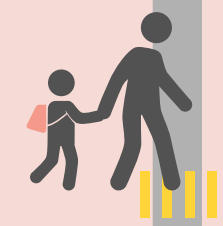
01 fenced off-leash
dog area.



291,400
items borrowed
from Latrobe City
Council libraries.

3,070
vaccines
administered
at public and
school sessions.

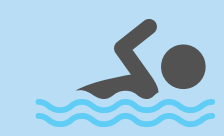
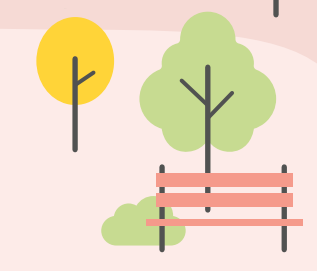
36
supervised school
crossings to ensure
our children and
families remain safe.



9,519
visitors to
Council's Visitor
Information Centre
at Traralgon.

626ha
of open space
parklands
maintained
across the City.

05
public swimming
pools maintained
across the City.



818km
of footpaths maintained
across the City.

2.5%
rate increase, keeping
your rates low in-line
with the rate cap.

61.4km
of roads
resealed.

\$89.76m
capital works
completed.

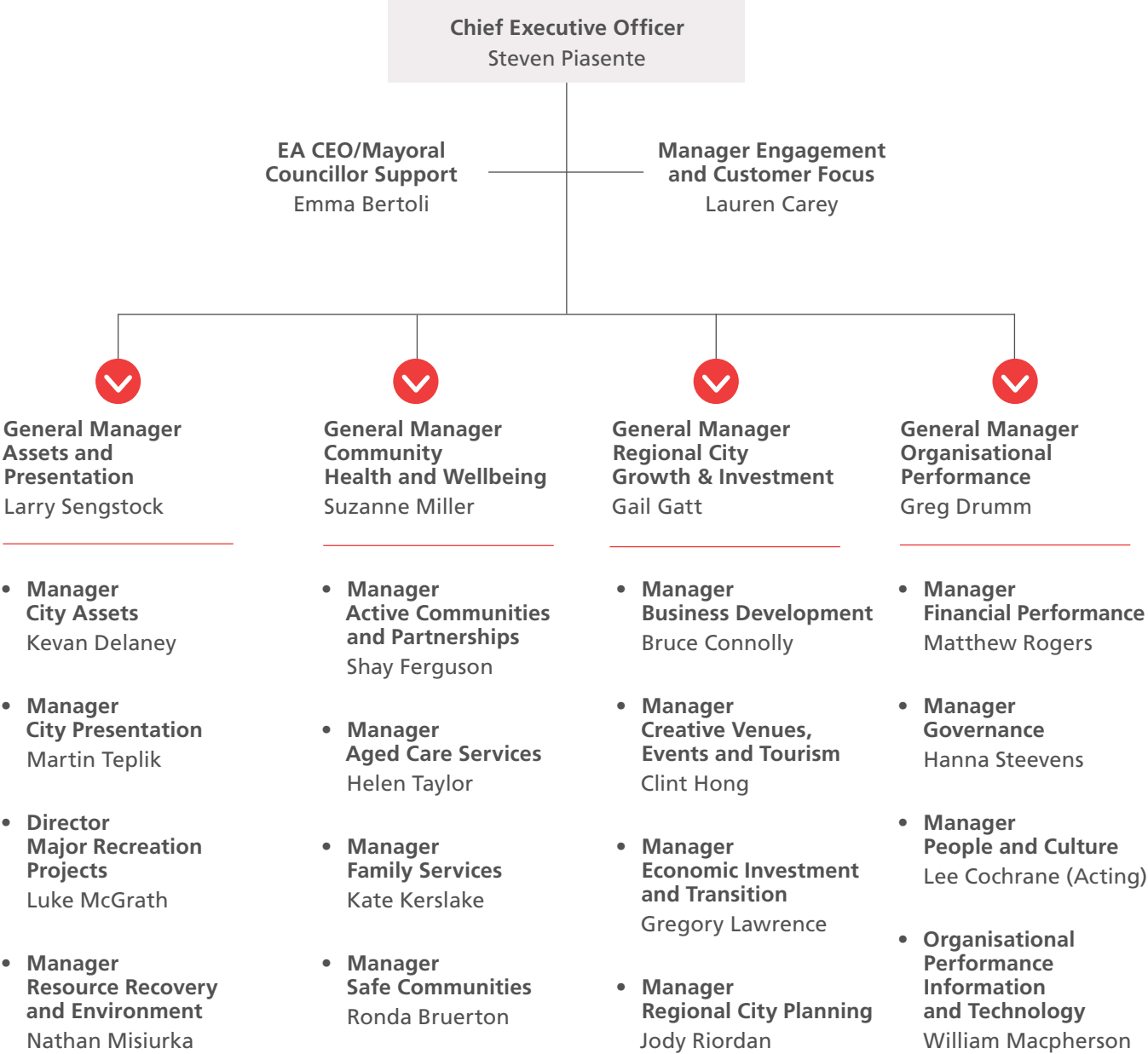
1,607.6km
of roads
maintained.
Combined total
of sealed and
unsealed roads.

270
planning permits
issued with a
total value of
\$334,286,971.



Our organisational structure

We adopted this structure on 2 September 2019.



Services snapshot

Business Development	Culture, Leisure and Recreation	Community Information and Development
<ul style="list-style-type: none">Investment attractionManage, maintain and develop the Latrobe Regional AirportSupport aviation-related employment at Latrobe Regional AirportBusiness development, support and training servicesEconomic modelling and impact analysisNew business supportStartup ecosystemPursue new business investment and employment growthDevelop the Gippsland Logistics PrecinctCentre for Australian Automotive FuturesLeveraging opportunities from our International Relations programConcierge system to support people seeking permits and licences	<ul style="list-style-type: none">Three indoor leisure centres and two outdoor pools18 indoor stadiums/courts across four facilitiesTraffic SchoolLake Narracan Caravan Park and WaterwaySupport community committees60 sporting reserves, BMX tracks and skate parksMaintain 626 hectares of open space parks and 14 hectares of garden bedsMaintain 15.6 hectares of wetlands and rain gardensMaintain 124 playgroundsOperate Council's Airlie Bank NurseryKerbside spraying and tree plantingGarden competitionRecreation planningOpen space planningLatrobe Regional GalleryLatrobe Performing Arts Centre	<ul style="list-style-type: none">Operate Latrobe City service centresProvide information about Council servicesRecording and processing customer requestsSupport the delivery of Council projects, programs, strategies and action plans to deliver improved liveability within our communityAdvocate on behalf of our community for better health and wellbeing outcomesImprove liveability for people with a disability within the communitySupport a more connected and engaged community across all agesCreation of training and employment opportunities for Indigenous peoplePromote social justice and reconciliation
Direct Care Services		
<ul style="list-style-type: none">Home, personal and respite careHome maintenance/ramps and railsSocial support programsMeals on WheelsOperation of Senior Citizens CentresSupport community volunteeringHealth promotionWelcoming and Age Friendly clubs/groupsSupport for Carers programAccess and Support for Dementia and People at Risk		





Environment	Events and Tourism	Family and Children	Running Council	Safe Communities	Waste and Recycling
<ul style="list-style-type: none"> • 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 • Environmental education services • Trust for Nature property rate rebates • Biodiversity protection incentive program grants • Community tree planting • Waterway management services 	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 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 • 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 	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> o Pet registrations, collection of stray pets and managing pound operations o Cat cage hire, animal adoptions and microchipping o 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 <i>Building Act 1993</i> • Building audits and education • Plan and prepare communities for disasters • Provide emergency support to disaster-affected communities 	<ul style="list-style-type: none"> • Kerbside rubbish collection, recycling and transfer stations • Manage and monitor landfill facilities • Rehabilitation and after care of closed landfills • Development of new landfill cells • Organic processing • Lead initiatives to divert waste from landfill • Implement biogas energy generation technology
Infrastructure	Libraries	Planning and Building			
<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 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, eNewspapers, databases, research and learning tools • 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 • eMovies • COVID-19 response included: Click and Collect, home delivery, Ask a librarian phone back service, Online Storytime, and Online Book Chat 	<ul style="list-style-type: none"> • Land use planning and permit application services • Ensure adherence to the <i>Planning and Environment Act 1987</i> • 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 			

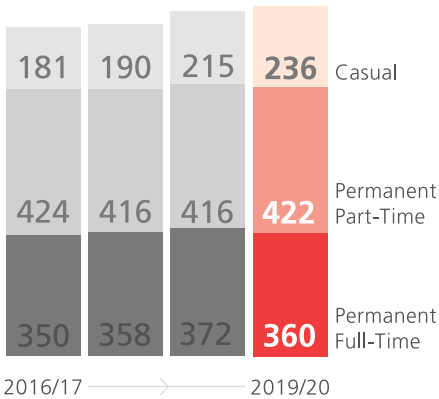
Our employees

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 2020, Latrobe City Council employed 1,018 people, comprising full-time, part-time and casual employees.

The number of equivalent full-time positions (FTE) is 580.6. The total number of employees has increased by 15 from the previous year.

Staffing Levels

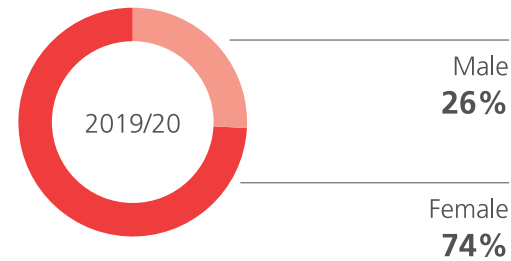


1,018
staff overall

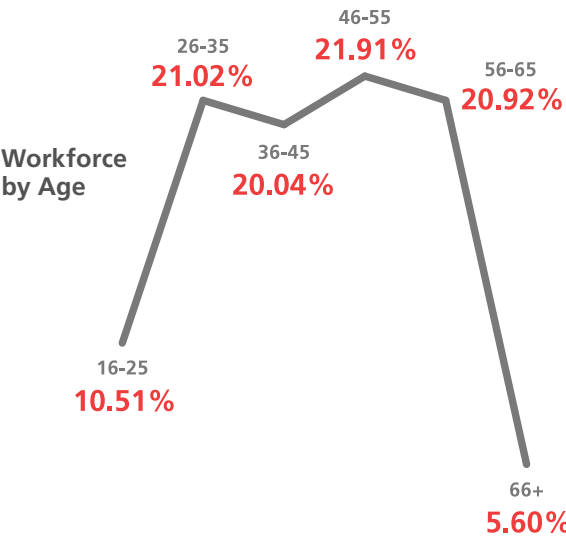
with a 6.2% increase since 2016/17.



Gender Profile



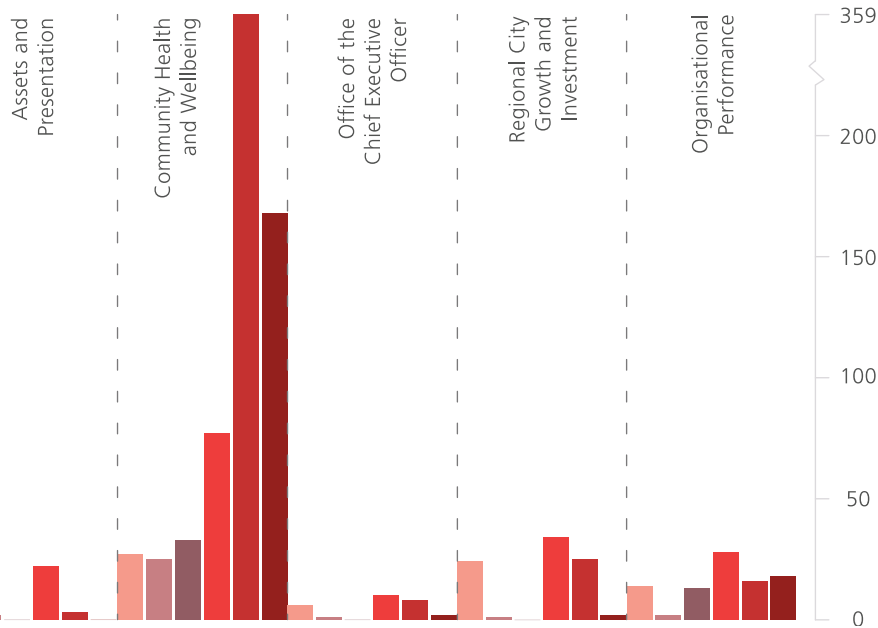
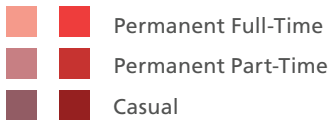
	Male	Female
2016/17	27%	73%
2017/18	27%	73%
2018/19	28%	72%



Council Staff

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

Male | Female

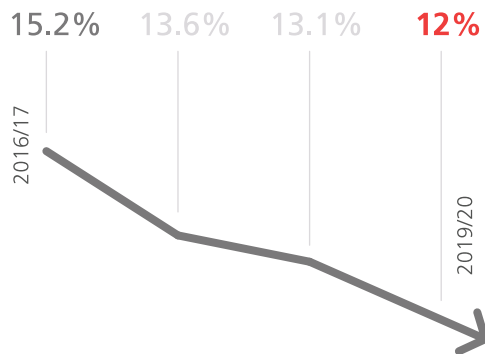


Salary Banding for 2019/20

Male	1	2	3	4	5	6	7	8	Other
Permanent Full-Time	0	4	51	16	32	27	29	9	21
Permanent Part-Time	10	2	11	3	4	0	0	1	0
Casual	2	2	29	10	0	0	0	0	3
Female	1	2	3	4	5	6	7	8	Other
Permanent Full-Time	0	4	5	30	35	50	18	9	20
Permanent Part-Time	101	24	25	89	25	22	4	1	100
Casual	5	26	81	25	2	0	0	0	51

3.2%
reduction in
staff turnover

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



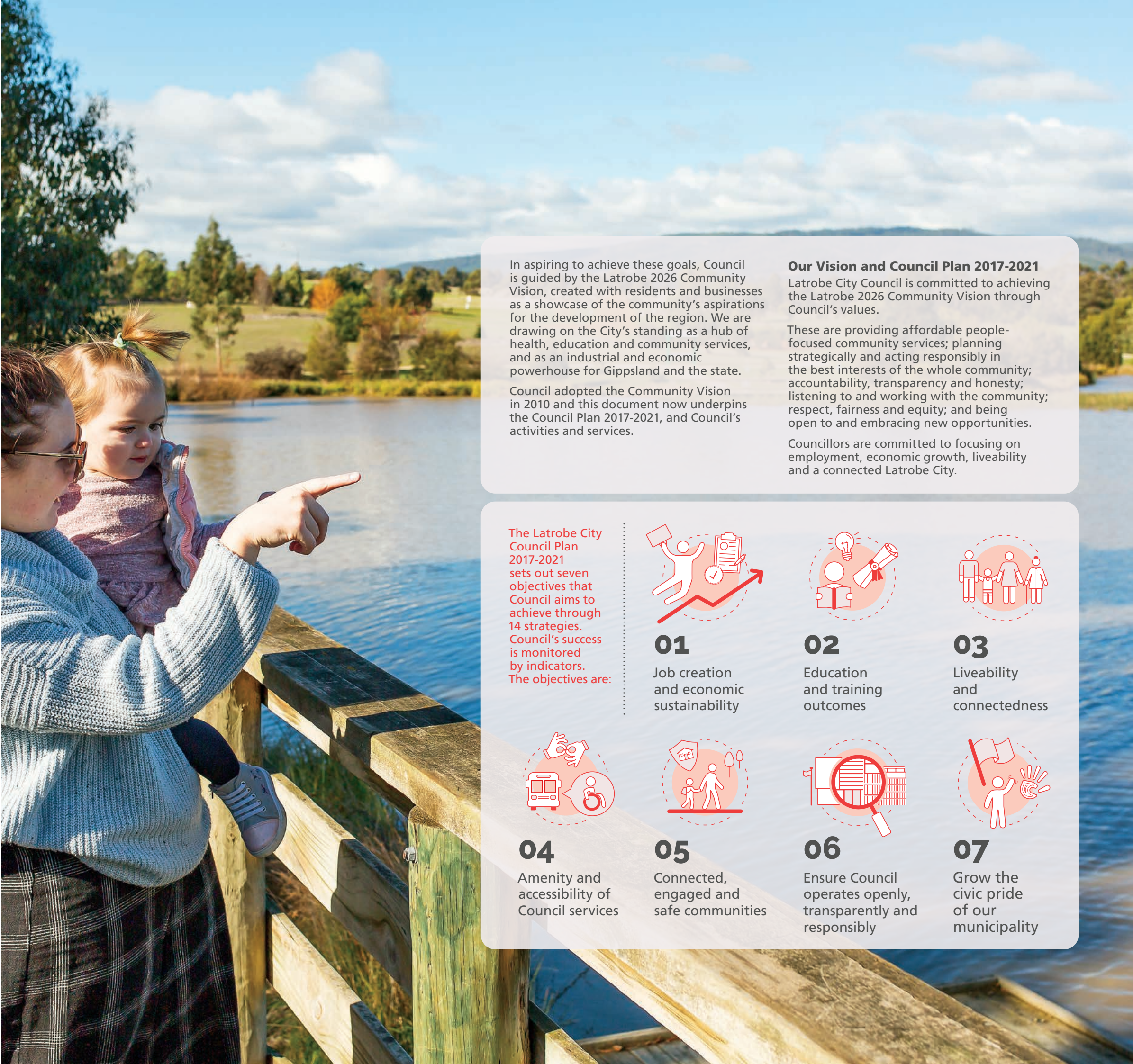


03

Our Direction

Council Plan objectives 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.

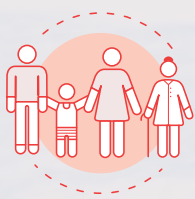
The Latrobe City Council Plan 2017-2021 sets out seven objectives that Council aims to achieve through 14 strategies. Council's success is monitored by indicators. The objectives are:



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 supports the Latrobe community during pandemic

The COVID-19 pandemic of 2020 caused global upheaval on a scale never previously experienced by many of us.

The virus claimed lives and hurt the economy, and life in Latrobe City was not immune from the pandemic’s far-reaching impacts.

Businesses were forced to close, people lost their jobs and children were required to learn from home as Victorians were subjected to a lockdown designed to minimise the threat to community health and safety.

In recognition of the immense challenges our businesses and community faced during the pandemic, Latrobe City Council adopted an immediate short-term emergency Business and Community Support Package - valued at approximately \$162,000 - in response to COVID-19 shutdowns in April 2020. This first phase of the package allowed Council to provide some immediate support to businesses while developing a longer term strategy.

After careful consideration of State and Commonwealth support packages that were being implemented, and by listening to businesses, Council endorsed the implementation of a second phase Business and Community Support and Recovery Package valued up to \$1,728,834. This was funded from an immediate allocation of \$200,000 in the 2019/2020 financial year and \$1,528,834 from the 2020/21 budget. Most phase two measures will be introduced in 2020/21.

Council supported the creation of an extra 1.5 full-time equivalent staff to help implement the package over the next 12 months.

The support package in 2019/20 included the following measures:

Latrobe City COVID-19 Helpline

The telephone Helpline helped community members who needed information and assistance to access local support during the pandemic and to support the community to remain resilient.

The dedicated phone line was a ‘one-stop-shop’, staffed by trained officers to assist the community with up-to-date information in the fast changing COVID-19 landscape.

The Helpline also enabled Council to gain information about how the community was managing during COVID-19, and informed priorities for the Municipal Public Health and Wellbeing Plan and the development of a Community Recovery Action Plan.

The Helpline enabled Council, services and support agencies to work more closely together to identify and respond to current and emerging issues affecting the community due to COVID-19, and strengthened relationships between the community and Council.

The Helpline service was available through the regular Council phone number. A dedicated email address was also established for people to contact.

A free Business Help Desk using Council’s contact centre number was also created.

Charges refunded

Refunds for health registrations from 3 March 2020 to 30 June 2020 were given to businesses impacted by the pandemic, and free health registrations will continue throughout 2020/21. Specific types of planning permit fees were also waived for 2020/21.

Cash flow improved

Council committed to paying all invoices/suppliers within 14 days to improve their cash flow, rather than the usual 30 days.

Permits refunded

Street trading and outdoor dining permit charges were refunded from 1 March 2020 until 30 June 2020, and no permit charges will be applicable in 2020/21.

New publications market Latrobe

Council introduced two publications to inform the community, ensure businesses were aware of assistance available and to celebrate locals achieving during the pandemic.

Connections Magazine was published every two months. It informed the community about major projects under construction, profiled businesses that were adapting to new ways of trading due to the pandemic, and featured unique and long-standing businesses. It demonstrated ways of Council working with the community to deliver beneficial projects, such as the Morwell CBD revitalisation.

A COVID-19 Business e-newsletter was created to promote Council's COVID-19 support packages, disseminate information of interest and detail how Council could help businesses.

Support Local Social Media campaign

Through this campaign, Council promoted local businesses that adopted innovative strategies during the pandemic.

This encouraged the community to support those businesses that had remained open during the pandemic to ensure they would continue to operate beyond it.

Rental relief

Council provided a 50 per cent reduction in rent for café and restaurant tenants in Council-owned buildings until the prohibition on in-house dining was lifted.

Backing business groups

Council provided additional support for chambers of commerce/trader groups. This included an Events Partnership Program, a Business Support Program, and establishing a dedicated business section on Council's corporate website to help local businesses. Council made a contribution to Destination Gippsland for a region-wide tourism campaign.

Supporting sporting, community groups

Council waived permits and fees for sporting clubs using grounds for the summer and winter seasons, and rent for clubs/organisations using Council-owned lands/grounds and buildings from 1 July 2020 to 30 June 2021. Venue hire fees for Latrobe City community groups are being waived from 1 July 2020 to 30 June 2021.

Extending Community Grants Fund

Council extended the Community Grants Fund program to include new fund criteria that encompassed:

- gap funding to assist in meeting operational costs where usual fundraising activities were impacted
- funding to assist the staging of fundraising events that were impacted by COVID-19 restrictions
- grants to assist in the purchase of equipment that supports continuation of online engagement activities.

Business webpage

Latrobe City Council developed a designated page as part of Council's website that provided a business register for businesses to list the goods and services they offer, plus information about delivery, pick-up and/or online services.

Children head online to experience the world

Technology is helping the preschool children of Latrobe City discover the world.

To help learning during the COVID-19 pandemic, Latrobe City Council sourced five iPads for each Council preschool.

"The iPads have given all children the opportunity to actively engage with technology and embrace screen media as part of their daily learning tools," Latrobe City Council Mayor, Cr Dan Clancey, said.

"The partnership between Council's Family Services and Information Technology teams resulted in each iPad being loaded with educational and developmentally appropriate programs and tools designed to support, engage and foster children's learning."

Educators helped children to use the iPads to extend their learning.

"For example, the children at one kindergarten found bugs under large rocks in the garden," Cr Clancey said.

"This led to an investigation using the iPad technology to find out more information about the bugs they'd found, their habitat and what they ate."

Preschool staff used the iPads for their own development and online meetings.

The technology has enabled students to develop language, numeracy and problem solving skills; experience multi-sensory engagement, a sense of community and self-regulation; and develop a respect for others.



Council adapts to new working arrangements

On a typical day, Latrobe City Council's Corporate Headquarters in Morwell would be bustling with close to 300 staff working for the betterment of the municipality.

However, the COVID-19 pandemic resulted in the headquarters being substantially quieter, as most staff worked from home or a Council service centre at the direction of State Government.

By the first week of April 2020, 236 staff were working from a non-standard location such as their home and by the last week of June 2020, this had increased to 290.

Yet for many staff, work was a case of business as usual with approximately 450 staff continuing to work in their normal location, ensuring services such as childcare, outdoor maintenance and aged care services continued to be delivered.

Unfortunately, during this time, 192 Council volunteers were unable to work due to changes and restrictions in some service areas.



Council supports businesses during pandemic

Latrobe City Council was proud to support the business community through the financial and social pressures posed by the COVID-19 pandemic by hosting a series of free webinars.

The online presentations saw local leaders sharing information and ideas to assist business-people negotiate the impacts of the pandemic, such as lost revenue, and finding success beyond COVID-19.

Participants learnt about leadership, branding, communication, social media, technology and online optimisation, process and procedures, as well as the importance of nurturing their mental health.

The one-hour sessions gave an opportunity for listening, learning, sharing, networking and asking questions.

Subjects and speakers were:

- **Sustain yourself successfully**
presented by Maree McPherson
- **Branding and design**
presented by John Calabro
- **Soft is the new hard: how to communicate under pressure**
presented by Leah Methner
- **How to get found on Google in Gippsland**
presented by Jim Radford
- **Learning lean - using the A3 Management System to solve problems**
presented by Neil Betts
- **Mind your mates**
presented by Leanne Potter
- **Rise and shine: increasing your visibility on Facebook and Instagram**
presented by Erika McInerney
- **Getting more out of LinkedIn for business**
presented by Erika McInerney
- **How to build a scalable brand without getting sued**
presented by Ryan Leslie
- **Launching and growing a business during crisis**
presented by Jessie Ballantyne
- **Back to brilliance**
presented by Maree McPherson
- **Business Foundation and start-ups - initial start-up accounting**
presented by Dylan Berends



Sherryn Vardy of Gippsland Heritage Conservation, Traralgon, attended five webinars: Branding and Design, How to get found on Google in Gippsland, Getting more out of LinkedIn for Business, How to Build a Scalable Brand Without Getting Sued, and Business Foundation and Start-Ups presented by Dylan Berends.

"The range of webinars in the Latrobe City Council series gave me a valuable insight into important aspects of managing a small business," Sherryn said.

"The significance of branding, having a clear and consistent message, knowing your audience and forward planning were some of the themes I found helpful. Presenters shared relatable first-hand experience in operating small businesses within Gippsland."

Jenny Davidson of Traralgon was inspired by Jessie Ballantyne sharing her own struggles.

"I really resonated with that. She always talked about growing the team for her business and resilience," she said.

Jenny is starting a coaching program to help people recover from a negative experience and improve their wellbeing, after her son experienced drug addiction.

"It was great for our local community to have these webinars," she said.

"Thanks to Latrobe City Council for presenting them during a difficult time for the community."



Jessica Lee of Traralgon wants to establish an online women's footwear business and found the webinars offered practical advice, from accounting through to effective communication.

"It was like having your own business mentors and having your own group who was attending these sessions," she said.

Jessica also developed a friendship with another attendee at a similar stage of business development to her, and they continue to support each other.

"I appreciate Council running these sessions and the speakers have been fantastic," she said.

"We have been able to take so much away from it."

The COVID-19 Webinar Series was hosted by Council's Business Development team, and funded as part of Council's Business and Community Support Package with the intention of assisting businesses through a tumultuous financial period and giving them the best chance of regaining success in our regional city.

Arts adapt to the pandemic

The pandemic forced a review of the exhibitions and shows offered by Latrobe Regional Gallery and Latrobe Performing Arts.

The gallery in Morwell adapted its service to be delivered entirely online while closed during the COVID-19 lockdown, ensuring the art-loving public could still enjoy exhibitions. The gallery embraced the benefits of technology to showcase works online and also via a 'portal' on the gallery's exterior. PORTAL is an after-hours projection window showing video art from both the gallery's collection and artists across the world.

"Latrobe Regional Gallery's online program evolved rapidly with the closure to the public from 25 March-2 June," Latrobe City Council's Director of Creative Arts, Bec Cole, said.

"First and foremost, our approach was not to try to mimic a gallery visit but instead to create an entirely new way to experience the core purpose of the gallery - access to contemporary art experiences."

Mindful of avoiding the digital glut that followed closures, Bec and her team focused on creating content that offered new ways of experiencing art.

"To begin with, this was digital versions of workshop activities and walk-throughs of current exhibitions with narration," Bec said.

"Next, a series of curated content collections invited audiences to explore more, fulfilling the broader aim of expanding the cultural experiences available to our immediate audiences and emerging online audiences."

LRG Online was launched in April 2020 and included filmed exhibition walk-throughs, online workshops and activities, as well as interviews with artists and highlights from the gallery's collection.

LRG Online has helped the gallery to reach new audiences. More than 80 per cent of visits to the website were new visitors and 25 per cent were from overseas.

This program gained the attention of locals and the arts industry alike, with LRG Online being profiled nationally as an example of innovation and local engagement, and saw the gallery's social media increased by more than 20 per cent.

Online collection exhibitions followed, with collections chosen to suit being viewed via the internet. Of particular note was 'Listen In', an exhibition that paired artworks with sound art.

Gippsland artists featured in the Artist in Conversation pieces, accompanied by the development of comprehensive VCE materials for students who could not access the gallery.

"What we have learned is that multiple points of entry to what galleries do strengthens access, fulfilling the public obligation of cultural production and presentation as an essential community pillar," Bec said.

Rodney Forbes, a member of the Latrobe Regional Gallery Advisory Committee, said the online program had been successful due to interviews with local artists, exhibition tours, technical art demonstrations, children's content and highlights from the collection.

"The pandemic certainly has a lot to do with the increase in public access to the gallery's web offerings, but the gallery has met the challenge well," he said.

"Now that good content is up and the public is connected, the task ahead is to continually refresh this to keep them connected.

"One of the common gripes about public collections is that many of the works see the light of day very seldomly, but with this tool, it's possible to air all of the collection on a regular basis.

"I can say with some authority that the collections held at LRG are very sophisticated, yet accessible, and have a contemporary emphasis but honour key niche streams in art-making such as women's art, craft, industrial landscape and Aboriginal art."

Latrobe Performing Arts faced the huge task of rescheduling and refunding hundreds of theatre tickets to its loyal audiences after closing in March.

An online program was developed, featuring local musical talent on Thursday nights and profiling the many talents of Latrobe's performers on Tuesdays.

These performances were filmed at Latrobe Performing Arts Centre and showcased the theatre to the community and to the world.

The first LPA Online performance premiered to more than 1,000 viewers. These weekly premieres gathered a following of up to 5,000 viewers each week as locals tuned into home-grown performances from the comfort of their homes.



Council
Plan
objectives
met:

See objectives
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01



07

Council was there to help

Support was just a phone call away for Latrobe City residents and businesses during the COVID-19 pandemic.

Latrobe City Council established the Latrobe City COVID-19 Helpline on 11 May 2020, led by the Active Communities and Partnerships team and resourced by Community Strengthening, Community Resilience, and Safe and Inclusive Communities staff.

In July 2020, they were joined by extra staff employed through the Working for Victoria program, providing employment to people who lost their usual jobs due to the pandemic.

The Helpline incorporated the State Government's Community Activation and Social (Isolation) Support Initiative to assist people who were isolated and felt lonely, needed support or information about COVID-19, or needed referral to other services and supports.

Helpline staff also gathered data about the impacts of COVID-19 on the community to inform Council planning, policies and decision-making in response and recovery, particularly in health, wellbeing and community development.

"The care of our community is paramount and the Helpline supported many people to get through this and be on the way to recovering well," Latrobe City Council Mayor, Cr Dan Clancey, said.

"The data we have gathered will enable services, support agencies and Council to work more closely together to respond to current and emerging issues impacting the community as a result of COVID-19."

The Helpline staff:

- Received 349 phone calls from the community and businesses between 11 May 2020 and 25 September 2020. Staff helped callers to understand restrictions, connect with local services and supports, and make good decisions.
- Phoned community groups to find out how they and their members were coping, the strategies they were putting in place during COVID-19 and to identify any needs.
- Gathered information through existing networks such as the Emergency Relief Network of Latrobe City, Latrobe Youth Network, Disability Network, Latrobe Settlement Network, and community and government service providers about the impacts of COVID-19 on the community and their organisations/groups, and to identify needs in service delivery.
- Conducted telephone surveys of 50 community members to identify the social, financial and other impacts of COVID-19, their feelings about the future and what they thought Latrobe City could do to help them recover.
- Worked with the Emergency Management team and other providers to distribute food to vulnerable people who were required to isolate.



Council staff developed a Community Support and Recovery Grants package for community groups, targeted to areas in which organisations identified there had been an impact.

Council made this decision based on the research and information gathered from community groups.

Staff also packed and distributed masks to approximately 8,500 local vulnerable people through such organisations as Victoria Police, neighbourhood centres, private rooming houses, Barrier Breakers mental health group and Gippsland Farmer Relief.

The Helpline was promoted through a postcard that was distributed with rates notices and via service providers and support agencies.

COVID-19 Helpline received

349 
PHONE CALLS
from the community
and businesses

11 May 2020 to 25 September 2020



Staff swap roles during pandemic

Council-staff were among those in the community whose jobs were affected by the COVID-19 pandemic.

Full-time and part-time staff working in the Latrobe Leisure team were unable to work in their usual roles due to the closure of these services.

To help retain these staff and to enable Council to undertake further projects, the displaced workers joined Council's Environment, Building Maintenance and Family Services teams to undertake a range of works across many locations.



Some of the key work they contributed to included weeding, shifting mulch and undertaking other clean-up duties along Narracan Creek, Moe/Newborough and in College Park, Moe/Newborough, giving the Moe Library and Service Centre an early spring clean, and sprucing up the Council leisure centres and Moe Town Hall with new paint jobs.

Major works revitalise the heart of Morwell

Morwell’s Central Business District is being given a facelift with the revitalisation of Commercial Road and Tarwin Street.

The works delivered new public open space by creating 12 parklets and a community gathering space in Tarwin Street, complete with a shade structure, café seating and casual seating.

These spaces will entice people to gather and encourage events to be held in the area, whereas in the past, these areas have largely been used for transport.

The project also created more than 500m² of feature gardens, with additional areas of garden throughout.

To future-proof the CBD, the project included a sensor that counts pedestrians on the street and LED street lighting that can be programmed to be dimmed or brightened. These lights also have the capacity to be fitted with motion sensors in the future, enabling lights to brighten automatically when someone walks beneath them.

There is also decorative lighting within parklets, free public WiFi and wireless mobile phone chargers integrated into street furniture. 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 have an in-built watering system to supply trees and flower beds. Furniture to be installed in The Gathering Place will be movable to make way for special events.

The project will encourage people to visit, walk and spend time in the heart of Morwell. The vision for a village atmosphere will appeal to residents and visitors alike, now and into the future.

Pauline Pike, owner of Alfresh2Go Café and Juice Bar, praised the beautification works undertaken as part of Future Morwell.

“The new seating area up the road will benefit us because people can go up there and have their lunch and coffee,” she said.

Irene O’Donnell, owner of Helloworld Travel at Morwell, said the Commercial Road works were uplifting for the community and her team.

“They will benefit my team by providing a nicer environment for them to spend their lunch break in,” she said.

“The works may also encourage more Morwell locals to visit downtown and be proud of the new landscape.”

Lauren Marks, of A World of Beauty skin centre, liked the new permanent seating, trees and greenery.

“I appreciate the money and works that have gone into this project, and as a retailer in this area, I like the new look to our streetscape,” she said.

Construction works will continue into 2020/21.



Town of Gardens



**\$85 MILLION
INVESTMENT FROM
THE VICTORIAN
GOVERNMENT...**

**...to upgrade key local
infrastructure, and attract
major sporting events and
programs to the region.**

Teamwork builds Latrobe's sporting future

Latrobe City Council is proud to partner with the Latrobe Valley Authority to construct major sporting venues and upgrade existing facilities across the municipality.

The projects are being funded by the Latrobe Valley Sports and Community Initiative - an \$85 million investment from the Victorian Government to upgrade key local infrastructure, and attract major sporting events and programs to the region.

The funding was provided to support the Latrobe City community through the economic impacts of the closure of Hazelwood Power Station in 2017.

These projects aim to reduce disadvantage and barriers to participation, improve health and social outcomes for the area, boost the visitor economy and foster regional pride through major events.

At the 3 August 2020 Ordinary Council Meeting, Council voted to formalise/change the names of major projects. The new names are: Gippsland Regional Aquatic Centre (name formalised), Gippsland Regional Indoor Sports Stadium (formerly Traralgon Sports Stadium), Gippsland Regional Cricket Centre of Excellence, Ted Summerton Reserve (formerly Ted Summerton Reserve Cricket), Gippsland Regional AFL Centre of Excellence, Morwell Recreation Reserve (formerly Morwell Recreation Reserve), Gippsland Sports and Entertainment Park (formerly Latrobe City Sports and Entertainment Stadium) and Gippsland Performing Arts Centre (formerly Latrobe Creative Precinct).



Gippsland Regional Aquatic Centre, Traralgon

The aquatic centre is the flagship project of the Latrobe Valley Sports and Community Initiative program, receiving \$46 million from the state funding program.

Latrobe City Council borrowed a further \$8 million from Sport and Recreation Victoria's Community Sports Infrastructure Loan Scheme, and Council will also contribute \$3 million.

The centre will cater for competitive swimming, leisure, general community use and major regional events.

The aquatic centre is due to open to the public sometime after February 2021.

The centre will include:

- An eight-lane 50 metre indoor swimming pool with 500 spectator seats
- Indoor water play zone
- Warm water therapy pool with spa
- Designated learn to swim pool
- Sauna and steam rooms
- Wellness centre
- Café and retail precinct
- Gymnasium and group fitness rooms
- Wet and dry change facilities
- 25 metre outdoor pool
- Geothermal heating
- Two large water slides.

Gippsland Regional Indoor Sports Stadium, Traralgon

The stadium has recently been expanded for multi-purpose use and will host large-scale events such as regional, national and international competitions.

A highlight is the addition of four new courts, including a new showcourt that meets FIBA (International Basketball Federation) international level standard with the capacity to seat 3,000 spectators.

The community will be treated to new courts for netball, basketball, badminton and other indoor sports, in addition to a new café, amenities, space for officials and much more.

A 'changing places' facility has also been included to ensure the facility is accessible to all.

Basketball Victoria has identified the stadium as a high performance training hub and the home of a new elite pathway program. There are just seven of these hubs across the state.

Jeff White, Secretary of the Traralgon Amateur Basketball Association, said the stadium would benefit the association's 1,200 senior and junior players, and other growth sports, such as netball.

"As more kids come to love the game and how it complements other sports, we are seeing a greater requirement for training opportunities for these young players to hone their skills, while continuing to develop and remain active doing something they love," Jeff said.

The new stadium will cater for extra games, early matches for young basketballers, enable representative basketballers to train on courts they will play matches on and permit local basketballers to train locally rather than travel to other towns.



"We could also attract more teams for tournaments or elite level basketball such as WNBL and NBL (Women's National Basketball League and National Basketball League)," Jeff said.

"Even College teams visiting from the USA could possibly use the venue for a game and coaching clinic.

"Of course we will also have the chance to showcase the region locally and nationally by tendering for special events on the basketball calendar, such as the BVC (Basketball Victoria Country) Championships (Traralgon is hosting the Under 14s titles for 2021 and 2022). This also includes national championships involving teams from all states and territories, along with international events that Latrobe has been involved with in the past.

"All of these bring a spotlight to the game and potentially entice kids to come and try/play," Jeff said.

Traralgon hosts the largest domestic competition between Warragul and the Victorian-New South Wales border.

"We are seeing the more advanced kids from other associations starting to gravitate to our competition to be challenged and help their own development at this level," Jeff said.

"We would expect to see more seniors as we move away from late night game times with more courts available now, and possibly offer veterans or mixed competitions to cater for those who may still like to play, but in a different environment to what has been offered in the past.

"The stadium will help cement the association as the Latrobe Valley's home of basketball, as the State Government funded hub will be based there, and people can watch elite kids being trained."

The association and Council will also work together to stage special events.

The stadium redevelopment has been completed and was funded by \$17 million from the Latrobe Valley Sports and Community Initiative, and \$2 million from Sport and Recreation Victoria's Community Sports Infrastructure Loan Scheme.

Gippsland Regional AFL Centre of Excellence, Morwell Recreation Reserve



The Morwell Recreation Reserve is being transformed into a centre of excellence for Australian Rules Football in Gippsland.

A multi-use synthetic oval was built over the old caravan park site, and the existing facilities and the grandstand changerooms are undergoing a full refurbishment.

The improvements will better serve the needs of local and elite football, and bring the facilities up to the standard required to host AFL and AFLW (Australian Football League and Australian Football League Women's) level matches.

The \$9 million project was jointly funded by the Federal Government (\$5 million) and State Government (\$4 million).

Gippsland Power - the region's elite junior AFL club - is proud to call the new facilities at Morwell home.

"The introduction of the synthetic ground gives us the flexibility to train on numerous grounds at Morwell and also gives us the opportunity to bring our five teams together to train as a club," the Power's head Under 18 boys coach, Rhett McLennan, said.

"It provides a sense of home that has first class facilities to rival that of any AFL club."

New netball courts and a shared cricket/netball multi-use pavilion were previously completed with funding from the Federal Government, in line with Latrobe City Council's high level masterplan.

Neighbouring Keegan Street Reserve, Morwell, has also been upgraded and the oval re-shaped to alleviate drainage issues, providing quality facilities for the key user groups and the community. Construction is complete and the facility will be ready for use in 2021.



Gippsland Sports and Entertainment Park, Morwell

The Latrobe City Sports and Entertainment Park at Morwell was upgraded to become a centre of excellence for football (soccer) in Gippsland.

The facility provides a pathway for promising young athletes to elite sport through Gippsland Football Club and other high performance programs.

Upgrades of grass pitches and construction of a synthetic pitch with lighting were completed.

The new pitch provides for 11-a-side, nine-a-side and seven-a-side soccer as well as multi-purpose usage.

The new synthetic pitch measures 105 x 68 metres plus run-off, and has perimeter pathways, storage areas, officials' and players' benches, a six metre high ball catching net along Crinigan Road, 100 lux LED lighting, removable goals for full size and small sided soccer, about 230 metres of perimeter fencing along Crinigan Road and within the reserve, and a power upgrade for new and future lighting.

National league club Melbourne Victory has since used the facility for A-League pre-season and W-League in-season games.

Depending on future funding opportunities, upgrades to grandstands, changerooms and clubrooms are also being considered in the future.

The project was completed in late 2019 with \$1.7 million from the Latrobe Valley Sports and Community Initiative.

Gippsland Regional Cricket Centre of Excellence, Ted Summerton Reserve, Moe

Ted Summerton Reserve was developed as a regional sporting hub for cricket, housing a centre of excellence with new high quality indoor training facilities to support the ambitions and development of the region's future stars.

Central to this project is a state-of-the-art indoor cricket training centre, incorporating the latest technology to enable high-level coaching and player education.

The indoor facility has evaporative cooling, 1,000 lux lighting with a 30 metre run-up to the wicket, and an outdoor natural turf training block with storage.

Opened in late 2019, the centre is multi-purpose, servicing the needs of many community groups and sporting clubs.

The project received \$3.5 million in funding from the Latrobe Valley Sports and Community Initiative and \$500,000 from Sport and Recreation Victoria's Community Cricket Program, and was supported by Cricket Australia and Cricket Victoria.



Traralgon Tennis Centre

The replacement of the existing dilapidated fencing and resurfacing of 14 tennis courts at Traralgon Tennis Centre was completed in mid-2018 with \$400,000 from the Latrobe Valley Sports and Community Initiative.

The project will ensure Traralgon Tennis Centre can continue to attract and host major events, and meet the needs of the local community.

Traralgon's world class plexicushion tennis surfaces were revamped with new top layering and line-markings to ensure the facility can accommodate internationally significant events and provide high quality facilities for local tennis players.

Finally reaching completion in 2019/20, the legacy court lighting was upgraded to modern LEDs on 20 courts with \$245,437 from the Latrobe Valley Authority's Active Latrobe Valley program and \$81,813 from the Traralgon Tennis Association.

The Latrobe Valley Sports and Community Initiative allocated a further \$5 million to upgrade nine other local sporting reserves across Latrobe City, Baw Baw and Wellington shires.

The facilities in Latrobe City are:

- Traralgon Recreation Reserve
- Glengarry Recreation Reserve
- Ronald Reserve, Morwell East
- Monash Reserve, Newborough
- Peter Siddle Oval, Morwell.

Gippsland Performing Arts Centre, Traralgon

The performing arts centre will include a new state-of-the-art theatre inclusive of a 25 metre high fly tower, 750 seats across two levels, conference/meeting rooms, a café and outdoor event spaces, and an entrance foyer that is sure to impress.

"The arts centre is going to be a generational asset and a community centrepiece of the town and Latrobe City Council," Latrobe City Council Mayor, Cr Dan Clancey, said.

"Latrobe City is Victoria's fourth largest regional city and what we are building here is suited to that title. Having a world class facility in the region will provide world class performances to all in Gippsland, and attract visitors from other regions."

The members of Latrobe Theatre Company, who use the centre to stage productions, cannot wait.

"We are all excited. We have been making do with the venue that we've had - the Little Theatre at the Latrobe Performing Arts Centre - and we're ready for something bigger and better," Latrobe Theatre Company President, Kara Smith, said.

"Everyone shares photos of the new centre as it's being built and we feel that we are part of it and it is part of us. We are all super keen to get inside and play with it. It's exciting to see it make progress."

To cater for the expected extra patronage, the centre will be complemented by additional car parking provided via an underground car park, additional on-street parking and ground-level parking at the nearby Gippsland Regional Aquatic Centre.

The fly tower in the theatre - used for the flying in of stage backdrops - is comparable to other major facilities and will cater for full-scale productions.

A feature will be the use of locally-sourced timber columns in the foyer, representative of trees and milled by Australian Sustainable Hardwoods at Heyfield. These are designed to reflect the City's natural heritage, while showcasing the capabilities of a local business.

When open, the community can use and hire the new facilities, including the large theatre, foyer spaces, and a suite of meeting rooms suitable for functions, small conferences, and corporate training and meetings.

An audience engagement strategy has been completed to guide how existing patrons and new audiences will be attracted to the centre via programming and other avenues.

The existing Latrobe Performing Arts Centre will be repurposed as a Creative Industries Training Centre where students can study creative arts courses and build on their creative practice.

The existing Little Theatre will be retained to accommodate smaller shows and used for creative arts training.

The collaborative project, funded by the Federal Government's Community Development Grants Programme, the Victorian Government's Regional Jobs and Infrastructure Fund, and Latrobe City Council. The centre is due to be completed in the second half of 2021.



AFL draws thousands of football fans to Morwell

Latrobe City footy fans were treated to three matches of AFL and AFLW (Australian Football League and Australian Football League Women's) on home turf early in 2020.

The newly redeveloped Morwell Recreation Reserve hosted the two men's pre-season games along with the in-season game for the women's premier competition.

Latrobe City Council and the Latrobe Valley Authority enjoy a close relationship with the Collingwood Football Club, and that link is helping to bring elite level sport to the City.

"We are thrilled to bring AFL and AFLW games to Gippsland and extremely proud of our partnership with the Latrobe Valley Authority and the Latrobe City Council," Collingwood Football Club President, Eddie McGuire, said.

"We love playing at the Morwell Recreation Reserve and we are very appreciative of the wonderful support we receive from the local community. The reserve has become a magnificent Centre of Excellence for AFL and AFLW football and a fantastic asset for Gippsland. We look forward to supporting local clubs and hosting elite men's and women's football games in the region for many years to come."

Hawthorn played St Kilda in the Emergency Services Practice Match on Friday 28 February 2020.

The clash was held to buoy Gippslanders' spirits after the devastating bushfires in East Gippsland over summer and footy fans were urged to donate to the Victorian Bushfire Appeal.

An estimated crowd of 3,000 watched Morwell's Changkuoth Jiath perform admirably for the Hawks' backline, while Traralgon's Tim Membrey was absent from St Kilda's line-up.

Even though the AFL match was played on the main oval at the reserve, the event was a fitting occasion for the official opening of the new \$3.5 million synthetic oval that serves as an all-weather training ground at the Morwell reserve.

The \$9 million upgrade was jointly funded by the Federal Government (\$5 million) and State Government (\$4 million), and overseen by Latrobe City Council and the Latrobe Valley Authority.

On 8 March, 4,000 football fans were treated to a double delight at Morwell; an in-season AFLW game between Collingwood and Western Bulldogs, and a pre-season AFL game between the Saints and the Magpies as part of the AFL's Marsh Community Series.

The matches highlighted the social and economic value of Council providing modern sporting facilities to the community.

The AFL matches also raised funds for the Morwell Football Netball Club and Morwell Cricket Club, whose members sold food and drinks to fans.

"The games were of huge benefit to us. It was great for our community and a fantastic way of making use of the first-class facilities we have here," Morwell Football Netball Club President, Paul Spagnolo, said.

"We are more than happy with the quality of the new oval and the facilities that we have."

Paul said busloads of club supporters travelled from Melbourne for the occasion and others came from East Gippsland, with many staying overnight locally and further contributing to the City's economy.

"Latrobe City Council staff had the ground looking absolutely fantastic for the games and erected portable grandstands for the comfort of patrons. We could not have done it without Council's help," he said.

For the record, Hawthorn overcame St Kilda, 11.8 (74) to 6.12 (48), while St Kilda defeated Collingwood, 10.8 (68) to 9.3 (57). In the AFLW match, the Magpies were victorious, 8.5 (53) to the Bulldogs' 3.3 (21).

Big Bash Cricket

Hosting an elite cricket match put runs on the board for Latrobe City on 22 December 2019.

The Big Bash League encounter between Melbourne Stars and Hobart Hurricanes at Moe's Ted Summerton Reserve resulted in an economic benefit of nearly \$1.09 million to the City.

A crowd of 6,180 appreciated the opportunity to see professional cricketers in action, and while the bulk of visitors were from Gippsland, others travelled from interstate and overseas.

"It was a great event for Latrobe," Latrobe City Council Mayor, Cr Dan Clancey, said.

"The live telecast put us on the map and the event was well supported by the local community."

"The event provided locals with the opportunity to see a top class cricket without needing to travel to Melbourne for the experience and Council showcased the region to other event organisers to prove that we can hold world class events here in Latrobe City."

"Catering on the day was provided by user groups and local suppliers, so the event was of all-round benefit to the Latrobe community."

The Gippsland Regional Cricket Centre of Excellence at the reserve was used as the event management centre on match day. The centre is a project of Council and the Latrobe Valley Authority.

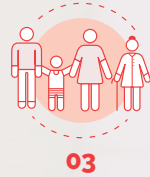
The game was complemented by VIP functions, media events, half-time entertainment with a Christmas theme, family activities and cheerleaders.

The event was funded by the Latrobe Valley Authority. Council acted as event producer and event manager, undertaking traffic and ticketing management, providing facilities, organising scaffolding and camera positions for broadcasters, and organising community groups and catering. Cricket Australia oversaw the match.

The Stars won the game by 52 runs.

Council Plan objectives met:

See objectives page 25



Council Plan objectives met:

See objectives page 25





The garden is a
**REAL GEM,
JUST BRILLIANT**
and is well regarded
throughout Australia

Del Matthews

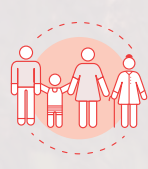


Council
Plan
objectives
met:

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07

Roses colour Morwell's heart

Morwell is known across Australia as a hub of electricity production and manufacturing, but did you know the town is internationally regarded thanks to the humble rose?

In 2009, the Morwell Centenary Rose Garden became one of only 33 rose gardens in the world to receive a Garden of Excellence Award from the World Federation of Rose Societies.

With more than 4,000 roses greeting visitors to the town's western entrance and also home to an annual spring festival, it's little wonder that Morwell is receiving world-wide acclaim for its contribution to the rose-loving community.

Del Matthews has been instrumental in the creation of this floral extravaganza, as the chairperson of the Friends of the Morwell Centenary Rose Garden.

This group is a special committee working in partnership with Latrobe City Council and, together with Council's gardening team, ensures the rose garden continues to be an iconic attraction for the town and Latrobe City.

"The support from Council is marvellous," Del said.

"The staff are always there for advice and will often do the heavy work."

The Friends have traditionally met on Tuesday mornings with Council's Supervisor Horticultural and Landscaping, Kathryn Stolk, to work in the garden but throughout the COVID-19 pandemic, Council staff have undertaken the bulk of the maintenance.

"The garden is a real gem, just brilliant, and is well regarded throughout Australia," Del said.

For the past two years, the garden has been the location for the Morwell International Rose Garden Festival, a two-day celebration in November.

Attractions have included celebrity gardener Costa Georgiadis, Dirtgirl from the ABC's children's gardening show, gardening workshops and activities, and of course, the spectacular blooms themselves, prepared by Del and her team of 40 volunteers for weeks in the lead-up to the festival.

Come Saturday night, the garden is illuminated by the AGL Midsummer Night Lights installation and then on the Sunday, the garden hosts food and beverage stalls, and live music.

"Everybody just sat entranced while listening to Costa and all the little kids were queuing up to see Dirtgirl," Del said.

"It was a really family-orientated event."

The festival draws thousands of visitors to Morwell from as far as Melbourne, and South and East Gippsland. The festival will be delivered a little differently this year due to the COVID-19 pandemic. Council is planning a hybrid event that will showcase the AGL Midsummer Night Lights installation and all other attractions and entertainment will be held online.

The rose garden was the brainchild of former councillor Martin Hill, who was inspired by a similar garden at Corowa, and was established by Barry Johnson, a police officer by profession, with the help of volunteers.

Opened in November 1992, the garden encompasses the Norman Sharpe Reserve, named in honour of Mr Sharpe, who ran an emporium on the site of what is now Manny's Market in Morwell.





Council creates opportunities for Indigenous people

Latrobe City Council has been providing employment programs for Aboriginal people in the Latrobe area for more than 18 years.

Council's Indigenous Employment Program is continuing to present new opportunities for the City's Aboriginal and Torres Strait Islander community.

Latrobe City Council is recognised by the Federal Government as a Vocational Training and Employment Centre (VTEC) and this partnership is creating training and further employment opportunities for Indigenous people.

The program is known as the Latrobe City STEPS to the Future Program and has provided employment to more than 52 Aboriginal and Torres Strait Islander people within such areas as administration, health services, building and construction, manufacturing and retail.

STEPS to the Future fosters employment opportunities across Gippsland, providing ongoing mentoring to workers and cultural training for workplaces.

The program is fully funded by the Federal Government and works in collaboration with job active agencies, registered training organisations and employers.

"Latrobe City Council's Indigenous Employment Program plays an important and active role in addressing issues faced by Indigenous people in our community," Council's Coordinator Employment Development, Joanne Brunt, said.

"It is vital to the improvement of training and job opportunities in Gippsland for the Indigenous community. A placement of individuals in diverse areas has enabled a Koorie perspective to be built into those areas."

The positive outcomes of this program contributed to Latrobe City Council enjoying success at the Wurreker Awards in Melbourne in September 2019. Held by the Victorian Aboriginal Education Association Inc. (VAEAI), these awards recognise the contributions of the Koorie community in vocational education and training, higher education, training and employment.

Teleigha Saunders from Latrobe City Council won the Public Sector Employee Award for her work as a Mentor Intake Worker in the Indigenous Employment Program. The award capped off a successful year for Teleigha, who also won the AGA Best Indigenous Apprentice/Trainee Award for 2019. She works with job-seekers, providing career support during pre-employment training, mentoring and resume development.

"I was surprised and honoured to receive the award, and I'm thankful to Joanne Brunt for mentoring me to be a great Mentor Intake Worker for the program and the Aboriginal community," Teleigha said.

"This job has provided me with skills and has enabled me to be a positive role model to my community to help them achieve their career goals."

Other program participants were finalists. Billy-Jack Smith, employed by AGA as a general education primary school trainee and Hayden Kenny, employed by Fulton Hogan, were finalists in the Private Sector Employee Award. Ricky Dukakis, employed by Parks Victoria at Orbost, was a finalist in the Public Sector Employee Award.

Council has developed a Memorandum of Understanding with the Gunaikurnai Land and Waters Aboriginal Corporation as part of the program.

Employers in the Latrobe City STEPS to the Future Program were also recognised for their efforts, with Fulton Hogan and Energy Australia nominated as finalists for the Private Sector Employee Award and Latrobe Regional Hospital a winner in the Public Sector Employee Award.

Community embraces Boorais

Indigenous children and their families were officially welcomed onto country in the first event of its kind in Latrobe City in 2019.

Thirty-one Boorais (an Indigenous term for 'babies') took part in the first Latrobe Welcome Boorai to Country Ceremony on Sunday, 5 August 2019 at Kernot Hall in Morwell.

This special day was part of the First 1,000 Days Project and was enriched with local Gunaikurnai culture, bringing the whole community together to celebrate.

The traditional ceremony acknowledged the Boorais' connection to the land they were born on and supported families to connect with other families, Elders and the community. More than 200 people attended, including the broader community.

The event was officially opened by local Elder Aunty Vera Briggs with a Welcome to Country and followed by a smoking ceremony that cleansed each baby, representing a new beginning for the families.

Two local traditional dance groups performed; the Boorun Boys, who did a creation dance and the Dreamtime Dance Troupe, which performed a dance about each young girl's totem animal.

During the official part of the ceremony, the Elders invited each Boorai and their family onto the stage and presented them with a certificate, possum skin and bracelet.

The ceremony strengthens relationships between Aboriginal families with young babies and their Elders and community, and has received positive feedback. Among the comments received were, "I felt so proud getting up on the stage with my baby" and "No-one has ever asked me about sharing my culture, I'm so proud to be a part of this".



I FELT SO PROUD
getting up on stage with my baby



Playgroup builds links across the generations

An innovative program run by Latrobe City Council is bridging the generational gap and helping to enrich the lives of seniors and children alike.

Council's Supported Playgroups team runs the Intergenerational Playgroup program, linking aged care residents with young children and their families.

The program enables all age groups to experience the joys of interacting with each other.

"These groups are important to develop and nurture relationships across the generations," Latrobe City Council Mayor, Cr Dan Clancey, said.

"The children bring such joy to the residents, who may not have family or children around them, and children who don't have grandparents,"

"The sense of community created with families, staff and residents is uplifting as they share the laughter and wonder that children bring to each session.

"The bonds that are formed through these groups are something they will cherish for life."

Before the COVID-19 pandemic, Council ran two groups; one at Baptistcare St Hilary's in Morwell, which began in April 2019 and the other at Yallambee

aged care at Traralgon. This program is called Little Bees and started in February 2020.

"The programs involve activities that include the residents, children and their families; songs, books/story time, instruments, craft and sensory activities such as playdough," Cr Clancey said.

"The sessions are run by a qualified supported playgroup facilitator and involve the delivery of a parenting program called smalltalk. The program enhances children's early home learning environments and experiences through increased quality and frequency of everyday interactions.

"There is a strong focus on speech and language through reading, and regular back and forth interactions," Cr Clancey said.

"Connection to community and local

services is also a component of the smalltalk program, which ties in perfectly with the nursing homes."

Up to 10 residents and six families with children aged up to five are involved at St Hilary's. At Yallambee, up to 15 residents and up to 15 families take part.

The bonds that
are formed through
these groups are
something they will
CHERISH FOR LIFE

Cr Dan Clancey

COVID-19 restrictions resulted in the face-to-face operation of these groups ceasing but connections between residents and children continued.

St Hilary's conducted a penpal program at the beginning of the COVID-19 pandemic. Little Bees also started a penpal program and implemented a weekly online catch-up with residents. Families booked in for 10 minute sessions with one or more residents and talked, sang songs and read books.

"The residents and families really enjoy the interaction and the possibility to continue to connect virtually," Cr Clancey said.

Council
Plan
objectives
met:

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05



Solar panels save energy and dollars

Latrobe City Council is reducing its electricity use to the benefit of the environment.

During 2019/20, Council installed solar energy systems at two sites; Moe-Newborough Leisure Centre and Moe Service Centre.

In 2020/21, Council will install further solar systems at Morwell Library, Traralgon Service Centre and the Morwell Depot.

This is Council's largest investment in solar panels in a single year, with a total value of \$218,607.

The 212kW solar systems will generate an estimated total of 279.1 MWh and result in emissions savings equivalent to 300 tonnes of carbon dioxide.

Council's leisure and service centres are among its top energy consumer sites and they have sufficient roof area to allow for the installation of a system big enough to economically generate enough renewable solar power to offset the electricity consumed.

This investment will also lower the operating costs of Council buildings which in turn saves ratepayers. The installation costs are expected to be paid back within four years.



Council approves major developments

In the 2019/20 financial year, Latrobe City Council made 270 planning decisions. Of those, 96 per cent were made in legislated timeframes. The median number of processing days until decisions were made was 60.

While the number of permit applications has remained steady for a number of years, Council has shortened the time taken for assessments by reviewing internal processes and moving to the assessment of planning applications electronically. This has also improved the experience for customers.

"The time taken for Council to make a planning decision has reduced significantly from 2015/16," Latrobe City Council Chief Executive Officer, Steven Piasente, said.

"Latrobe City Council is now one of the best performing councils in the state in relation to the time taken to make a decision,"

Planning permit applications during 2019/20 of particular note included the development of a Battery Energy Storage System at Monash Way, Hazelwood, estimated to cost \$220 million.

With a capacity of up to 300MW, this development will provide valuable functions to the electricity market and network by providing contingency power during temporary loss of supply and in peak demand. This will help stabilise the grid while providing a cheaper alternative temporary electricity source.

The proponent is seeking to have the battery facility operational by the end of 2020 to early 2021.

A Magnesium Metal Production Facility at 320 Tramway Road, Hazelwood North is estimated to cost \$1.5 million. The proponent is seeking to establish a 3,000 tonnes per annum magnesium facility using fly ash from the Yallourn W power station as raw material.

A multi-lot subdivision of land at Ellavale Drive, Traralgon East, will provide a total of 323 residential lots over eight stages. The property is located on the eastern side of Traralgon and is a natural extension of the existing Ellavale estate.

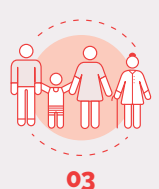


Council Plan objectives met:

See objectives page 25



01



03



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.

Library staff members sent 6,900 items out to around 890 people over the three months from March 2020 to June 2020. More than a half of these were to members aged over 70.

The service was 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 contacted the Home Library patrons to discuss their preferences and made suitable selections from the collection. A team of volunteers then delivered 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 and feedback in the form of notes, thank-you cards and social media comments showed how much of a 'lifeline' the Home Library patrons considered the service.

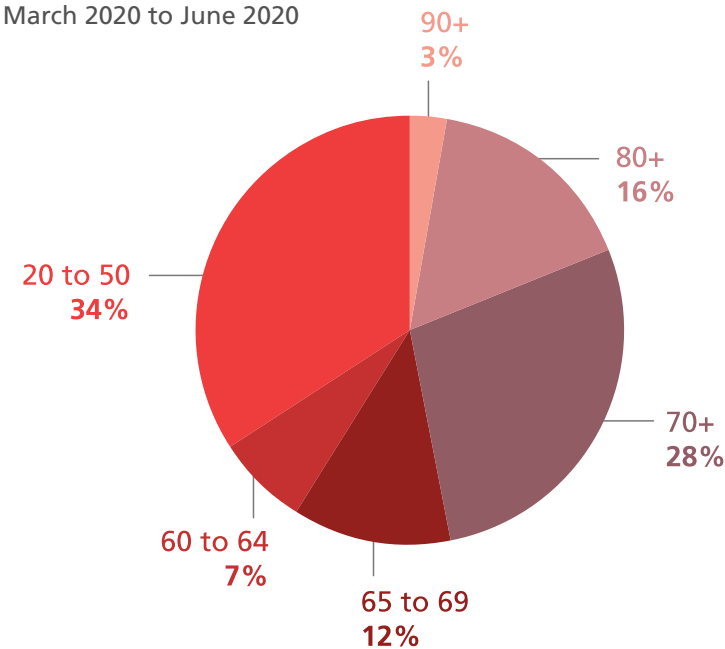
In fact, the service went global when a Home Library service patron received books and read them over Facetime to their grandchildren in London.

This comment on the library Facebook page encapsulates the value of the Home Library service in our community:

"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."

Home Library Members

March 2020 to June 2020



Latrobe City hosts major league soccer

Australia's best soccer players came to Latrobe City when Morwell hosted two national competition matches at Latrobe City Sports and Entertainment Stadium.

Hyundai A-League champions Melbourne Victory played a pre-season friendly match against Perth Glory at the stadium on Saturday 21 September 2019 - a match that had an economic impact of \$81,288 and was watched by 485 spectators.

The event was supported by 40 volunteers and 29 local suppliers, and children refined their skills by playing soccer at inflatable targets and pitches.

Event partners were Latrobe City Council, State Government, Latrobe Valley Authority, Wellington Shire Council, Baw Baw Shire Council and Melbourne Victory.

On Saturday 7 December 2019, the stadium hosted the 2019 Westfield W-League Round 4 match between Melbourne Victory and Western Sydney Wanderers.

This was the third time the Melbourne Victory W-League team had played in Morwell - the second in-season game and the first practice match.

The team had high hopes for overcoming the undefeated Western Sydney Wanderers and after a tightly contested game, the match ended with a 1-1 draw.

The match was enjoyed by 632 people and was televised on the Kayo Sports channel, further promoting the region. Seventy volunteers from three clubs assisted.

The Latrobe Valley Authority led community engagement before the match and on game day, in conjunction with the Melbourne Victory community department.

A pre-game curtain raiser was played by two local junior female teams, giving players and coaches the chance to be involved and have interaction with Victory players and coaching staff.

Local junior players were given the opportunity to perform a number of duties on the day, including being player mascots and ball kids, and being involved in games at half-time.

A female participating forum was held before the match, facilitated by the Latrobe Valley Authority, GippSport and Melbourne Victory.



This forum saw people from mostly the soccer fraternity attend to discuss how leagues/associations and clubs could engage further with females to increase participation rates.

The matches were part of the Latrobe Valley Authority's sport infrastructure/programs. Football Victoria Club Ambassador (Gippsland), Mark Cassar, said the organisation was proud for Latrobe City to host such high quality games.

"There is a long proud history of football (soccer) in the Latrobe Valley and greater Gippsland," he said.

"This extends to a strong connection and sense of belonging within the greater community.

"The region for many years was the most dominating region in regional Victoria. Many clubs have also played and represented football at the higher levels over many years (Morwell/Gippsland Falcons - National Soccer League, Yallourn - State League, Morwell Pegasus - State League, Moe United - Provisional League). These clubs are all back now participating in the Latrobe Valley Soccer League and currently we have the Gippsland Football Club competing in the Junior National Premier League playing at the highest level in Victorian competitions."

The Morwell stadium has since been re-named the Gippsland Sports and Entertainment Park.

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

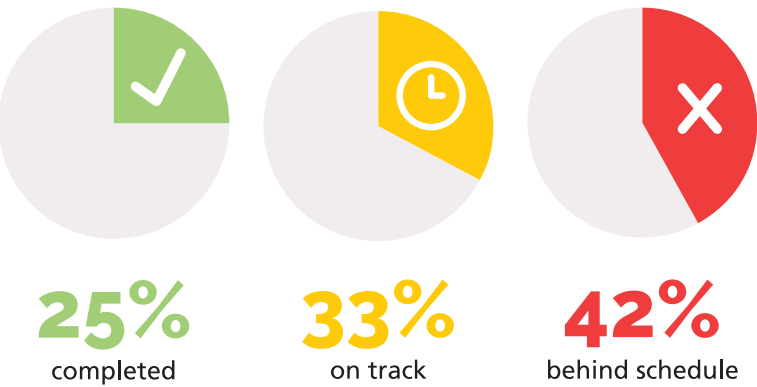
Major and other initiatives

Most significant annual actions included within the Latrobe City Council Annual Budget 2019/20.

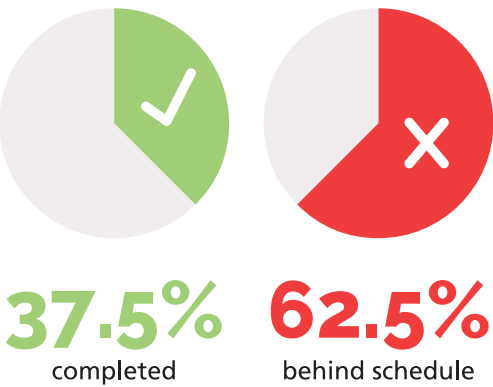
Measured by the delivery of listed projects.

✓ Achieved ⌚ In Progress ✗ Behind Schedule

Of the **12 major initiatives** the following summary is provided:



Of the **8 other initiatives** the following summary is provided:



Major initiatives

Action	2019/20 Result
MI.1 Implement the Economic Development Strategy	✓
MI.2 SR11 Continue the advocacy campaign for the Strength Led Transition	✓
MI.3 Creative Industries Training Centre	⌚
MI.4 Latrobe Creative Precinct	✗
MI.5 Customer Experience Strategy	✗
MI.6 Catterick Crescent Cricket and Multi Purpose Pavilion	✗
MI.7 Mayoral Taskforce for the prevention of family violence	✗
MI.8 Morwell Recreation Reserve Upgrade	⌚
MI.9 Long term Financial Plan	✓
MI.10 Gippsland Regional Aquatic Centre	⌚
MI.11 Traralgon Sports Stadium	⌚
MI.12 Commercial Rd upgrade (part of Future Morwell plan)	✗

Other initiatives

Action	2019/20 Result
OI.1 Gippsland Logistics Precinct	✗
OI.2 Implement the school readiness funding	✓
OI.3 Yinnar Hall and Community Centre redevelopment	✗
OI.4 Construct toilets & assembly shed at Traralgon Railway Reserve	✓
OI.5 Kernot Hall refurbishment design	✗
OI.6 Develop digital solutions for improved customer experiences	✗
OI.7 Sports Lighting - Traralgon West Sporting Complex	✗
OI.8 Pavilion at Apex Park	✓

✓ Completed ⌚ In Progress ✗ Behind Schedule

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.



KPI	Measure	2019/20	2018/19	2017/18	2016/17
AF2	Health inspections of aquatic facilities	1.00	2.00	1.83	2.33
AF6	Utilisation of aquatic facilities	3.59	4.92	4.91	5.18
AF7	Cost of aquatic facilities	7.19	New indicator for 2019/2020		
AM1	Time taken to action animal management requests	2.27	2.69	2.07	1.96
AM2	Animals reclaimed	42%	40%	31%	37%
AM5	Animals re-homed	10.72%	New indicator for 2019/2020		
AM6	Cost of animal management service per population	\$9.65	\$7.54	\$5.04	\$8.34
AM7	Animals management prosecutions	100%	New indicator for 2019/2020		
C1	Expenses per head of municipal population	1,804.54	1,812.98	1,890.50	1,563.30
C2	Infrastructure per head of municipal population	13,865.12	13,210.02	13,086.30	12,929.15
C3	Population density per length of road	45.66	45.92	45.75	45.51
C4	Own-source revenue per head of municipal population	1,356.27	1,325.92	1,288.25	1,350.30
C5	Recurrent grants per head of municipal population	375.31	352.82	377.74	428.82
C6	Relative socio-economic disadvantage	1.00	1.00	1.00	1.00
C7	Staff turnover rate	10.70%	12.46%	9.77%	10.17%
E2	Expenses per property assessment	\$3,518.91	\$3,534.00	\$3,689.81	\$3,037.72
E4	Average rate per property assessment	\$1,541.57	New indicator for 2019/2020		
FS1	Time taken to action food complaints	2.18	1.64	1.78	1.24
FS2	Food safety assessments	75.38%	130%	83%	97%
FS3	Cost of food safety service	\$383.59	\$343.00	\$335.19	\$331.32
FS4	Critical and major non-compliance outcome notifications	63.12%	88.54%	93.44%	79.19%
G1	Council decisions made at meetings closed to the public	20.09%	21.90%	20.78%	17.37%
G2	Satisfaction with community consultation and engagement	55.00	57.00	57.00	54.00
G3	Councillor attendance at Council meetings	97.04%	94.15%	97.04%	95.42%
G4	Cost of governance	\$41,516.42	\$39,306.84	\$39,164.29	\$38,508.56
G5	Satisfaction with Council decisions	53.00	54.00	52.00	51.00
L1	Current assets compared to current liabilities	267.49%	324.70%	321.71%	302.09%
L2	Unrestricted cash compared to current liabilities	25.13%	-71.18%	-4.55%	-55.08%
LB1	Library collection usage	2.54	2.36	2.46	2.60

KPI	Measure	2019/20	2018/19	2017/18	2016/17
LB2	Standard of library collection	49.94%	45.56%	49.36%	55.72%
LB4	Active library members	10.31%	10.34%	10.28%	11.59%
LB5	Cost of library service per population	\$36.32	\$36.72	\$28.78	\$29.95
MC2	Infant enrolments in the MCH service	101.15%	100.98%	100.65%	97.42%
MC3	Cost of the MCH service	\$80.56	\$80.39	\$77.44	\$71.97
MC4	Participation in the MCH service	72.59%	70.48%	72.58%	76.27%
MC5	Participation in the MCH service by Aboriginal children	76.04%	69.14%	70.86%	68.24%
MC6	Participation in first MCH home visit	93.67%	New indicator for 2019/2020		
O2	Loans and borrowings compared to rates	12.72%	19.31%	22.08%	21.50%
O3	Loans and borrowings repayments compared to rates	11.98%	2.91%	3.47%	3.68%
O4	Non-current liabilities compared to own source revenue	24.74%	26.91%	39.01%	30.29%
O5	Asset renewal and upgrade compared to depreciation	152.23%	New indicator for 2019/2020		
OP1	Adjusted underlying surplus (or deficit)	-1.47%	-5.01%	-11.21%	13.24%
R1	Sealed local road requests	37.85	34.56	33.29	30.23
R2	Sealed local roads maintained to condition standards	99.98%	99.71%	99.88%	99.34%
R3	Cost of sealed local road reconstruction	\$155.75	\$104.92	\$153.43	\$185.62
R4	Cost of sealed local road resealing	\$11.25	\$11.68	\$10.36	\$9.75
R5	Satisfaction with sealed local roads	57.00	60.00	56.00	61.00
S1	Rates compared to adjusted underlying revenue	60.11%	60.08%	59.41%	56.32%
S2	Rates compared to property values	0.69%	0.69%	0.70%	0.70%
SP1	Time taken to decide planning applications (days)	52.00	56.00	52.00	73.00
SP2	Planning applications decided within required time-frames	96.30%	95.57%	95.45%	92.16%
SP3	Cost of statutory planning service	\$2,514.72	\$2,477.90	\$2,469.20	\$3,023.27
SP4	Council planning decisions upheld at VCAT	40.00%	40.00%	60.00%	57.14%
WC1	Kerbside bin collection requests	148.12	126.63	153.51	146.44
WC2	Kerbside collection bins missed	3.16	2.80	3.23	3.38
WC3	Cost of kerbside garbage bin collection service	\$106.57	\$103.97	\$101.27	\$99.57
WC4	Cost of kerbside recyclables collection service	\$26.34	\$26.20	\$24.70	\$24.31
WC5	Kerbside collection waste diverted from landfill	51.43%	52.08%	53.95%	53.24%

Financial Report

For the year ended
30 June 2020



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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: 06/10/2020

In our opinion the accompanying financial statements present fairly the financial transactions of Latrobe City Council for the year ended 30 June 2020 and the financial positions of the Council as at that 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 Darrell White OAM
Councillor
Dated: 06/10/2020

Cr Alan McFarlane
Councillor
Dated: 06/10/2020

Steven Piasente
Chief Executive Officer
Dated: 06/10/2020

Auditor General's Report on Financial Report



Independent Auditor's Report

To the Councillors of Latrobe City Council

Opinion	<p>I have audited the financial report of Latrobe City Council (the council) which comprises the:</p> <ul style="list-style-type: none">• balance sheet as at 30 June 2020• comprehensive income statement for the year then ended• statement of changes in equity for the year then ended• statement of cash flows for the year then ended• statement of capital works for the year then ended• notes to the financial statements, including significant accounting policies• certification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2020 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 APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors's 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.

Comprehensive Income Statement

For the year ended
30 June 2020

	Note	2020 (\$'000)	2019 (\$'000)
INCOME			
Rates and charges	3.1	80,776	78,013
Statutory fees and fines	3.2	2,396	2,284
User fees	3.3	11,502	13,633
Grants - operating	3.4	29,347	28,947
Grants - capital	3.4	67,831	48,629
Contributions - monetary	3.5	788	1,085
Contributions - non-monetary	3.5	3,588	4,839
Other income	3.6	5,112	5,794
Landfill rehabilitation provision movement	5.5	2,695	(913)
Total income		204,035	182,311
EXPENSES			
Employee costs	4.1	(58,093)	(56,553)
Materials and services	4.2	(39,337)	(38,603)
Depreciation	4.3	(27,956)	(27,074)
Amortisation - intangible assets	4.4	(651)	(586)
Amortisation - right of use assets	4.5	(25)	-
Bad and doubtful debts	4.6	(34)	(40)
Borrowing costs	4.7	(390)	(705)
Finance costs - leases	4.8	(29)	-
Net loss on disposal of property, infrastructure, plant and equipment	4.9	(6,419)	(8,543)
Other expenses	4.10	(3,419)	(3,339)
Total expenses		(136,353)	(135,443)
Surplus/deficit for the year		67,682	46,868
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	9.1	(3,151)	7,196
Total comprehensive result		64,531	54,064

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

Balance Sheet

As at 30 June 2020

Assets	Note	2020 (\$'000)	2019 (\$'000)
CURRENT ASSETS			
Cash and cash equivalents	5.1	38,731	26,117
Trade and other receivables	5.1	6,681	8,080
Other financial assets	5.1	70,169	96,712
Non-current assets classified as held for sale	6.1	-	-
Other assets	5.2	4,402	3,336
Total current assets		119,983	134,245
NON-CURRENT ASSETS			
Trade and other receivables	5.1	9	15
Other financial assets	5.1	2	2
Property, infrastructure, plant and equipment	6.2	1,222,598	1,167,920
Right-of-use assets	5.8	723	-
Intangible assets	5.2	724	1,374
Total non-current assets		1,224,056	1,169,311
TOTAL ASSETS		1,344,039	1,303,556

Liabilities	Note	2020 (\$'000)	2019 (\$'000)
CURRENT LIABILITIES			
Trade and other payables	5.3	22,201	9,472
Trust funds and deposits	5.3	3,247	2,640
Provisions	5.5	16,851	19,993
Interest-bearing loans and borrowings	5.4	2,527	9,239
Lease liabilities	5.8	29	-
Total current liabilities		44,855	41,344
NON-CURRENT LIABILITIES			
Provisions	5.5	16,894	21,012
Interest-bearing loans and borrowings	5.4	7,749	5,826
Lease liabilities	5.8	706	-
Total non-current liabilities		25,349	26,838
TOTAL LIABILITIES		70,204	68,182
NET ASSETS		1,273,835	1,235,374

Equity			
Accumulated surplus	-	784,822	744,259
Reserves	9.1	489,013	491,115
TOTAL EQUITY		1,273,835	1,235,374

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

Statement of Changes in Equity

For the year ended
30 June 2020

	Note	Total (\$'000)	Accumulated Surplus (\$'000)	Revaluation Reserve (\$'000)	Other Reserves (\$'000)
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	5.7	-	-	-	-
Adjusted opening balance		1,209,304	718,189	487,586	3,529
Surplus for the year	-	67,682	67,682	-	-
Net asset revaluation increment	6.2	(3,151)	-	(3,151)	-
Transfers to other reserves	9.1	-	(1,073)	-	1,073
Transfers from other reserves	9.1	-	24	-	(24)
Balance at end of the financial year		1,273,835	784,822	484,435	4,578
2019					
Balance at beginning of the financial year	-	1,181,309	697,515	480,390	3,404
Surplus for the year	-	46,868	46,868	-	-
Net asset revaluation decrement	6.2	7,196	-	7,196	-
Transfers to other reserves	9.1	-	(143)	-	143
Transfers from other reserves	9.1	-	18	-	(18)
Balance at end of the financial year		1,235,374	744,259	487,586	3,529

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 2020

	Note	2020 (\$'000)	2019 (\$'000)
CASH FLOWS FROM OPERATING ACTIVITIES			
Rates and charges	-	80,047	77,990
Statutory fees and fines	-	2,385	2,315
User fees	-	12,651	14,441
Grants - operating	-	32,386	29,103
Grants - capital	-	52,930	50,021
Contributions - monetary	-	889	1,295
Interest received	-	2,955	2,921
Trust funds and deposits taken	-	12,499	11,948
Other receipts	-	3,587	1,989
Net GST refund / (payment)	-	(2,428)	2,541
Employee costs	-	(56,776)	(56,850)
Materials and services	-	(48,858)	(46,177)
Short-term, low value and variable lease payments	-	(36)	(78)
Trust funds and deposits repaid	-	(11,891)	(11,422)
Other payments	-	(3,191)	(3,136)
Net cash provided by operating activities	9.2	77,149	76,901
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, infrastructure, plant and equipment	-	(86,627)	(40,441)
Proceeds from sale of property, infrastructure, plant and equipment	-	808	658
Payments for investments	-	(120,969)	(175,712)
Proceeds from sale of investments	-	147,512	143,518
Loans and advances made	-	-	-
Payments of loans and advances	-	7	5
Net cash used in investing activities		(59,269)	(71,972)
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance costs	-	(435)	(702)
Proceeds from borrowings	-	4,450	-
Repayment of borrowings	-	(9,238)	(1,569)
Interest paid - lease liability	-	(29)	-
Repayment of lease liabilities	-	(14)	-
Net cash used in financing activities	-	(5,266)	(2,271)
Net increase / (decrease) in cash and cash equivalents		12,614	2,658
Cash and cash equivalents at the beginning of the financial year		26,117	23,459
Cash and cash equivalents at the end of the financial year		38,731	26,117
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 2020

	Note	2020 (\$'000)	2019 (\$'000)
PROPERTY			
Land	-	-	-
Total land	-	-	-
Buildings*	-	62,945	18,124
Heritage buildings	-	-	5
Total buildings	-	62,945	18,129
Total property		62,945	18,129
PLANT AND EQUIPMENT			
Plant, machinery and equipment	-	2,451	2,473
Fixtures, fittings and furniture	-	7	37
Computers and telecommunications	-	342	395
Art collection	-	8	16
Total plant and equipment		2,808	2,921
INFRASTRUCTURE			
Roads	-	12,191	10,767
Bridges	-	413	166
Footpaths and cycleways	-	2,935	4,577
Drainage	-	734	632
Recreational, leisure and community facilities	-	2,741	3,550
Waste management	-	425	19
Parks, open space and streetscapes	-	3,900	832
Off street car parks	-	611	352
Other infrastructure	-	60	280
Total infrastructure	-	24,010	21,175
Total capital works expenditure		89,763	42,225
REPRESENTED BY			
New asset expenditure	-	47,205	20,923
Asset renewal expenditure	-	20,860	15,577
Asset expansion expenditure	-	-	3,170
Asset upgrade expenditure	-	21,698	2,555
Total capital works expenditure	1.2	89,763	42,225

* Note - The significant increase in expenditure in the Buildings asset class in 2020 is mainly due to the construction of the Gippsland Regional Aquatic Centre \$23.4M, Traralgon Sports Stadium expansion \$11.8M and Latrobe Creative Precinct \$6.1M.

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 2020

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 rehabilitation 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 short-term or low value (refer to Note 5.8)
- Other areas requiring judgements.

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation (except where transitional requirements of AASB 15 Revenue from Contracts with Customers, AASB 16 Leases and AASB 1058 Income of Not-for-Profit Entities do not require restatement of comparatives under the modified retrospective approach adopted by the Council), and disclosure has been made of any material changes to comparatives.

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 June 2019. 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 2020 (\$'000)	Actual 2020 (\$'000)	Variance 2020 (\$'000)	Variance 2020 (%)	Ref
INCOME					
Rates and charges	80,250	80,776	526	1%	1
Statutory fees and fines	2,266	2,396	130	6%	-
User fees	12,657	11,502	(1,155)	(9%)	2
Grants - operating	25,858	29,347	3,489	13%	3
Grants - capital	41,925	67,831	25,906	62%	4
Contributions - monetary	90	788	698	776%	5
Contributions - non-monetary	3,000	3,588	588	20%	6
Other income	3,587	5,112	1,525	43%	7
Landfill provision movement	-	2,695	2,695	100%	8
Total income	169,633	204,035	34,402	20%	
EXPENSES					
Employee costs	60,267	58,093	2,174	4%	9
Materials and services	35,429	39,337	(3,908)	(11%)	10
Bad and doubtful debts	9	34	(25)	(278%)	11
Depreciation	27,600	27,956	(356)	(1%)	12
Amortisation - Intangible assets	767	651	116	15%	13
Amortisation - Right of use assets	-	25	(25)	(100%)	14
Borrowing costs	615	390	225	37%	15
Finance Costs - Leases	-	29	(29)	(100%)	16
Net loss on disposal of property, infrastructure, plant and equipment	-	6,419	(6,419)	(100%)	17
Other expenses	2,885	3,419	(534)	(19%)	18
Total expenses	127,572	136,353	(8,781)	(7%)	-
SURPLUS / (DEFICIT) FOR THE YEAR	42,061	67,682	25,621	61%	-

(i) Explanation of material variations - Income and Expenditure

REF	ITEM	EXPLANATION
1	Rates and charges	Outcome: Favourable \$0.53 million (1%) Higher than expected growth in Council’s rate base as a result of supplementary valuations from subdivisions and property improvements \$0.4M and additional waste charge assessments \$0.1M.
2	User fees	Outcome: Unfavourable \$1.16 million (9%) The unfavourable variance is mainly as a result of the closure and restricted access to facilities associated with the COVID-19 declared State of Emergency which resulted in reduced fees from leisure facilities (\$1.3M) and Pre-schools (\$0.2M). These variances were partially offset by higher than expected landfill gate fees associated with higher levels of commercial waste (\$0.4M).
3	Grants - operating	Outcome: Favourable \$3.49 million (13%) The variance is mainly the result of additional Pre-School funding for various programs (\$1.4M), advanced Victorian Grants Commission (\$0.9M) and other unbudgeted grants e.g. Working for Victoria COVID-19 relief funding (\$0.4M).

REF	ITEM	EXPLANATION
4	Grants - capital	Outcome: Favourable \$25.9 million (62%) The variance is mainly the result of the introduction of Accounting Standard AASB1058 which changes the timing of recognition of income. Income that had been recognised in previous years on receipt of the grant for incomplete contracts was subsequently reversed in opening equity and recognised again in the current year as Council met the performance obligations associated with the funding. In addition unbudgeted Roads to Recovery funding was received during the year (\$1.2M).
5	Contributions - monetary	Outcome: Favourable \$0.7 million (776%) Unbudgeted funding contributions were received for the Latrobe Regional Hospital Footpath Access Project (\$0.4M) together with higher than expected developer contributions (\$0.3M).
6	Contributions - non-monetary	Outcome: Favourable \$0.59 million (20%) Construction of infrastructure assets and provision of land for open space 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 at which point these assets are brought to account as revenue and capitalised. Higher than expected contribution of land and infrastructure assets have been received in 2019/20 mainly due to the budget being based on conservative development projections due to the uncertainty of timing of developers requesting a Statement of Compliance for their subdivisions.
7	Other income	Outcome: Favourable \$1.53 million (43%) Favourable result due mainly to unbudgeted Major Events and third party reimbursements (\$0.8M), higher than expected interest income from investments and penalty interest on outstanding property rates and charges (\$0.5M), and a back claim of fuel tax credits for the previous five years (\$0.3M).
8	Landfill provision movement	Outcome: Favourable \$2.7 million (100%) Significant savings achieved in the rehabilitation of the Moe and Morwell legacy landfill sites due to the sourcing of local soil. These savings led to an unexpected write down of the provision liability from the balance sheet to income.
9	Employee costs	Outcome: Favourable \$2.17 million (4%) The favourable variance relates mainly to the closure of services due to COVID-19 and additional project management wages capitalised associated with changes in timing of multi-year capital projects and additional unbudgeted externally funded capital works (\$1.5M).
10	Materials and services	Outcome: Unfavourable \$3.91 million (11%) 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 e.g. Gippsland Regional Aquatic Centre site clean-up and decontamination works \$1.7M, together with expenditure funded from income received in previous financial years.
11	Bad and doubtful debts	Outcome: Unfavourable \$0.03 million (278%) Higher than expected write-off of unrecoverable Preschool and Child Care debts.
12	Depreciation	Outcome: Unfavourable \$0.36 million (1%) Higher than expected depreciation incurred associated with a number of minor impacts including higher than anticipated developer contributed assets over the past two years.
13	Amortisation - Intangible assets	Outcome: Favourable \$0.12 million (15%) Minor favourable variance due to an overestimation of the expected cost to construct the most recent landfill cell, together with software assets becoming fully written down.

Note 1: Performance against budget *(continued)*

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

REF	ITEM	EXPLANATION
14	Amortisation - Right of use assets	Outcome: Unfavourable \$0.03 million (100%) The impact of the implementation of AASB 16 Leases had not been assessed when the budget was formulated.
15	Borrowing costs	Outcome: Favourable \$0.23 million (37%) Lower than predicted loan interest expenditure due to Council's decision to internally fund the 2018/19 budgeted borrowings of \$5.0M.
16	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.
17	Net loss on disposal of property, infrastructure, plant and equipment	Outcome: Unfavourable \$6.42 million (100%) Disposals are over budget due mainly to a procedure that was implemented in the 2017/18 year to process disposals of assets renewed as part of the capital works program. This process was not factored in to the 2019/20 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 (\$4.8M) and buildings (\$1.9M). This has been partially offset by a gain on disposal of plant and fleet (\$0.3M).
18	Other expenses	Outcome: Unfavourable \$0.53 million (19%) The unfavourable balance is mainly attributable to above budget levels of State Government landfill levies associated with increased levels of waste to landfill during the year (\$0.2M). In addition there was also a requirement to expense \$0.3M of the opening work in progress balance mainly due to infrastructure works that didn't meet the criteria for capitalisation.

1.2 Capital Works	Budget 2020 (\$'000)	Actual 2020 (\$'000)	Variance 2020 (\$'000)	Variance 2020 (%)	Ref
PROPERTY					
Buildings	79,306	62,945	16,361	21%	1
Total buildings	79,306	62,945	16,361	21%	-
Total property	79,306	62,945	16,361	21%	
PLANT AND EQUIPMENT					
Plant, machinery and equipment	2,652	2,451	201	8%	-
Fixtures, fittings and furniture	10	7	3	30%	2
Computers and telecommunications	600	342	258	43%	3
Art collection	15	8	7	47%	4
Total plant and equipment	3,277	2,808	469	14%	
INFRASTRUCTURE					
Roads	10,450	12,191	(1,741)	(17%)	5
Bridges	600	413	187	31%	6
Footpaths and cycleways	1,031	2,935	(1,904)	(185%)	7
Drainage	154	734	(580)	(377%)	8
Recreational, leisure and community facilities	6,116	2,741	3,375	55%	9
Waste management	100	425	(325)	(325%)	10
Parks, open space and streetscapes	3,569	3,900	(331)	(9%)	11
Off street car parks	50	611	(561)	(1122%)	12
Other infrastructure	3,953	60	3,893	98%	13
Total infrastructure	26,023	24,010	2,013	8%	
Total capital works expenditure	108,606	89,763	18,843	17%	
Represented by:					
New asset expenditure	74,254	47,205	27,049	36%	14
Asset renewal expenditure	17,532	20,860	(3,328)	(19%)	15
Asset expansion expenditure	-	-	-	100%	-
Asset upgrade expenditure	16,819	21,698	(4,879)	(29%)	16
Total capital works expenditure	108,605	89,763	18,842	17%	

(i) Explanation of material variations - Capital Works

REF	ITEM	EXPLANATION
1	Buildings	Outcome: Underspend \$16.3 million (21%) Timing of projects spanning multiple financial years now expected to be spent in the 2020/21 financial year. This includes Latrobe Creative Precinct (\$15M).
2	Fixtures, fittings and furniture	Outcome: Underspend \$0.003 million (30%) Minor underspend due to actual renewal requirements.
3	Computers and telecommunications	Outcome: Underspend \$0.26 million (43%) A number of items purchased were under the capitalisation threshold of Council and were expensed to the Income Statement.
4	Art collection	Outcome: Underspend \$0.007 million (0%) Delay in acquisition of artwork (\$0.007M).
5	Roads	Outcome: Overspend \$1.74 million (17%) Unbudgeted additional government funding programs resulting in increased level of expenditure: Roads to Recovery Program (\$1.2M), Fixing Country Roads Program (\$0.7M).

Note 1: Performance against budget *(continued)*

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

REF	ITEM	EXPLANATION
6	Bridges	Outcome: Underspend \$0.19 million (31%)
		Delay in bridge and culvert works along Crinigan Road (\$0.19M).
7	Footpaths and cycleways	Outcome: Overspend \$1.9 million (377%)
		Timing of funded projects carried over from previous years resulting in increased level of expenditure. Morwell to Traralgon Shared Pathway (\$1.03M) and Latrobe Regional Hospital Footpath Access Project (\$0.58M).
8	Drainage	Outcome: Overspend \$0.58 million (325%)
		Drainage works (\$0.48M) incurred as part of Road Rehabilitation originally budgeted as Roads.
9	Recreational, leisure and community facilities	Outcome: Underspend \$3.38 million (55%)
		Monash Reserve expenditure capitalised into Buildings (Pavilion \$1.26M) and Off Street Car Parks (\$0.61M). Morwell Recreation Reserve Shared Sports Pavilion capitalised into Buildings (\$0.22M). Keegan Street Oval expensed to income statement due to asset recognition policy (\$0.52M).
10	Waste management	Outcome: Overspend \$0.33 million (325%)
		Timing of project spanning multiple financial years - Landfill Biogas to Energy Project (\$0.38M).
11	Parks, open space and streetscapes	Outcome: Overspend \$0.33 million (9%)
		Expenditure incurred on co-funded projects: Moe AAA/Apex/Lions Play Space (\$0.33M) and Moe Botanic Gardens Play Space (\$0.32M). Offset by multi-year project, Future Morwell (\$0.29M), which has delayed expenditure to be incurred in 20/21 financial year.
12	Off street car parks	Outcome: Overspend \$0.56 million (1122%)
		Off street car park constructed as part of Monash Reserve project (\$0.61M) which was budgeted as Recreational, leisure and community facilities.
13	Other infrastructure	Outcome: Underspend \$3.89 million (98%)
		Delayed progress of the Gippsland Logistics Precinct and Intermodal Freight Terminal (\$3.89M).
14	New asset expenditure	Outcome: Underspend \$27.0 million (36%)
		Underspend due to works carried over to the next financial year include the Latrobe Creative Precinct (\$15M) and Gippsland Aquatic Centre (\$5.7M), along with delays in the Logistics Precinct and Intermodal Freight Terminal (\$3.89M). In addition the Future Morwell project (\$2.75M) was budgeted as “new expenditure”, however, actuals reflected as “upgrade expenditure”.
15	Asset renewal expenditure	Outcome: Overspend \$3.33 million (19%)
		Overspend relates to additional expenditure undertaken on funded programs including Roads to Recovery Program (\$1.2M) and Fixing Country Roads Program (\$0.7M). Additionally part of expenditure incurred on Monash Reserve Pavilion and Courts Project was budgeted as “new expenditure”, however, actuals classified as “renewal expenditure” (\$1.05M).
16	Asset upgrade expenditure	Outcome: Overspend \$4.88 million (29%)
		Overspend relates primarily to timing of funded expenditure on multi-year projects where budget estimates have been incorrect. Expenditure incurred in the current year includes Traralgon Sports Stadium (\$0.68M), Traralgon South Pavilion (\$0.57M), Traralgon Railway Reserve (\$0.35M), Moe AAA/Apex/Lions Play Space (\$0.33M), and Traralgon Recreation Reserve change rooms (\$0.25M). Future Morwell project (\$2.75M) budgeted as “new expenditure”, however, actuals reflected as “upgrade expenditure”.

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

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
- Governance

Assets and Presentation

- City Assets (Infrastructure Design, Infrastructure Planning, Civil Works, Major Projects and 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 and 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 and 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 and Landfill capital works)

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

	Income 2020	Expenses	Surplus/ (Deficit)	Grants included in income	Total assets
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
2020					
Office of the Chief Executive	4,747	(4,452)	295	617	79
Regional City Growth and Investment	11,517	(10,223)	1,294	2,144	42,156
Organisational Performance	16,377	(14,391)	1,986	2,696	5,835
Assets and Presentation	41,237	(48,526)	(7,289)	7,250	976,122
Community Health and Wellbeing	38,373	(40,083)	(1,710)	14,712	114,953
Resource Recovery	19,515	(11,902)	7,613	151	27,632
Major Recreation Projects	51,450	581	52,031	50,808	64,942
Other Operating	1,633	(1,633)	-	-	68,093
Capital Works Program	19,186	(5,724)	13,462	18,800	44,228
	204,035	(136,353)	67,682	97,178	1,344,040
2019					
Office of the Chief Executive	3,770	(4,095)	(325)	434	45
Regional City Growth and Investment	10,578	(10,634)	(56)	1,898	42,785
Organisational Performance	14,676	(14,657)	19	1,794	1,426
Assets and Presentation	43,133	(48,513)	(5,380)	6,996	973,396
Community Health and Wellbeing	41,498	(41,166)	332	15,643	119,646
Resource Recovery	16,189	(11,133)	5,056	224	28,577
Major Recreation Projects	37,409	(93)	37,316	37,143	29,436
Other Operating	563	(563)	-	-	75,625
Capital Works Program	14,495	(4,589)	9,906	13,444	32,620
	182,311	(135,443)	46,868	77,576	1,303,556

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 2019/20 was \$11,725 million (2018/19 was \$11,355.50 million).

The applicable rates in the CIV dollar were:

	2020 (\$'000)	2019 (\$'000)
General	0.00466836	0.00468373
Farm	0.00350127	0.00351280
Derelict Properties	0.01400508	0.01405120
Cultural and recreational	0.00233418	0.00234187
Cultural and recreational with gaming facilities	0.00280102	0.00281024

This derived rate revenues of:

	2020 (\$'000)	2019 (\$'000)
General rates	53,716	52,123
Municipal charge	5,389	5,250
Garbage charge	12,437	11,992
EPA Victoria landfill levy	751	724
Supplementary rates and rates adjustments	634	169
Cultural and recreational	84	84
Revenue in lieu of rates	7,765	7,671
Total rates and charges	80,776	78,013

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2019, and the valuation was first applied in the rating year commencing 1 July 2019.

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

	2020 (\$'000)	2019 (\$'000)
Infringement and costs	449	477
Town planning fees	10	10
Land information certificates	54	72
Permits	810	713
Pool and spa registrations	42	-
Health registrations	330	369
Animal registrations	536	527
Other	165	116
Total statutory fees and fines	2,396	2,284

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

	2020 (\$'000)	2019 (\$'000)
Aged and health services	1,807	1,923
Leisure centre and recreation	2,293	3,203
Child care/children's programs	4,092	4,241
Waste management services	2,361	3,029
Other fees and charges	949	1,237
Total user fees	11,502	13,633

User fees by timing of revenue recognition

User fees recognised at a point in time	11,502	-
Total user fees	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:

	2020 (\$'000)	2019 (\$'000)
Summary of grants		
Commonwealth funded grants	24,655	20,021
State funded grants	72,523	57,555
Total grants received	97,178	77,576

(a) Operating Grants

Recurrent – Commonwealth Government

Victorian Grants Commission	13,044	11,660
Aged and disability programs	2,278	2,946
Employment facilitation	282	147
Family and children programs	79	62

Recurrent – State Government

Preschools	4,623	4,249
Family and children programs	2,265	2,290
Maternal and child health	1,265	1,202
Aged and disability programs	1,045	1,889
Libraries	521	509
School crossing supervision	204	199
Arts programs	155	155
Environment sustainability	33	29
Other	15	18

Total recurrent operating grants	25,809	25,355
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Non-Recurrent – Commonwealth Government

Economic development	200	-
Events and international relations	100	-
Aged and disability programs	69	-
Other	21	55

Non-Recurrent – State Government

Recreational, leisure and community facilities	1,650	1,818
Working for Victoria COVID-19 Response	443	-
Economic development	204	424
Natural disaster recovery	166	109
Events and international relations	145	275
Public lighting	108	190
Community support and development programs	87	243
Arts program	59	156
Pre Schools	33	-
Infrastructure planning	8	132
Other	245	190

Total non-recurrent operating grants	3,538	3,592
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Total operating grants	29,347	28,947
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Note 3: Funding for the delivery of our services *(continued)*

3.4 Funding from other levels of government *(continued)*

Grants were received in respect of the following:	2020 (\$'000)	2019 (\$'000)
(b) Capital Grants		
<i>Recurrent – Commonwealth Government</i>		
Roads to Recovery program	2,550	1,181
Total recurrent capital grants	2,550	1,181
<i>Non-Recurrent – Commonwealth Government</i>		
Buildings	2,483	270
Recreation, leisure and community facilities	1,960	2,480
Parks, open spaces and streetscapes	1,319	-
Footpath and cycleways	270	982
Other	-	238
<i>Non-Recurrent – State Government</i>		
Buildings	51,576	32,027
Recreation, leisure and community facilities	4,357	7,592
Parks, open spaces and streetscapes	1,277	200
Roads	1,114	1,194
Footpath and cycleways	712	1,665
Other infrastructure	213	800
Total non-recurrent capital grants	65,281	47,448
Total capital grants	67,831	48,629
Total grants	97,178	77,576
(c) Unspent grants received on condition that they be spent in a specific manner		
<i>Operating</i>		
Balance at start of year	12,649	10,986
Transition to AASB15	(1,227)	-
Received during the financial year and remained unspent at balance date	2,866	11,228
Received in prior years and spent during the financial year	(11,333)	(9,565)
Balance at year end	2,955	12,649
<i>Capital</i>		
Balance at start of year	25,639	1,634
Transition to AASB1058	(25,734)	-
Differences between previous reporting and AASB1058	95	-
Received during the financial year and remained unspent at balance date	-	25,081
Received in prior years and spent during the financial year	-	(1,076)
Balance at year end	-	25,639

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	2020 (\$'000)	2019 (\$'000)
Monetary	788	1,085
Non-monetary	3,588	4,839
Total contributions	4,376	5,924
<i>Contributions of non-monetary assets were received in relation to the following asset classes</i>		
Land	556	637
Roads	1,788	1,943
Other infrastructure	1,240	2,203
Other	4	56
Total non-monetary contributions	3,588	4,839

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

3.6 Other Income

	2020 (\$'000)	2019 (\$'000)
Interest	2,371	3,240
Other rent	828	779
Sales	469	551
Contributions other	1,149	1,031
Rebates	280	142
Other	14	51
Total other income	5,111	5,794

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	2020 (\$'000)	2019 (\$'000)
Salaries and wages	49,486	48,309
Workcover	1,228	1,155
Superannuation	4,714	4,532
Fringe benefits tax	333	329
Other	2,332	2,228
Total employee costs	58,093	56,553

4.1 (b) Superannuation

Council made contributions to the following funds:

Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	325	361
Employer contributions payable at reporting date	-	-
Total defined benefit fund	325	361
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	3,894	3,765
Employer contributions payable at reporting date	495	406
Total accumulation funds	4,389	4,171

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

4.2 Materials and services

Cleaning	906	935
Family day care educators	644	707
Vehicle expenses	989	1,076
Disaster Response - Yinnar South fires	-	660
Parks and reserves	148	46
Sporting grounds and facilities	2,664	2,798
Domestic rubbish collection	3,323	3,315
Transfer stations	1,050	999
Materials recovery facility	821	740
Green waste processing	731	612
Litter bins	455	458
Street sweeping	523	531
Other contracts	6,364	5,518
Building maintenance	1,672	865
General maintenance	3,480	3,315
Utilities	2,883	3,249
Office administration	1,711	2,297
Information technology	1,972	2,296
Insurance	983	879
Consultants	2,594	2,475
Other	5,424	4,832
Total materials and services	39,337	38,603

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

4.3 Depreciation	2020 (\$'000)	2019 (\$'000)
Property	5,936	5,916
Plant, furniture and equipment	2,182	2,090
Infrastructure	19,838	19,068
Total depreciation and amortisation	27,956	27,074

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	39	63
Landfill	612	523
Total Amortisation - Intangible assets	651	586

4.5 Amortisation - Right of use assets

Property	23	n/a
Vehicles	1	n/a
Total Amortisation - Right of use assets	24	-

4.6 Bad and doubtful debts

Other debtors	34	40
Total bad and doubtful debts	34	40

Movement in provision for doubtful debts

Balance at the beginning of the year	60	21
New provisions recognised during the year	10	43
Amounts already provided for and written off as uncollectible	(49)	(4)
Amounts provided for but recovered during the year	(1)	(1)
Balance at the end of the year	20	59

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

Interest on borrowings	390	705
Total borrowing costs	390	705

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	n/a
Total finance costs	29	-

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

Proceeds of sale	808	610
Write down value of assets disposed (sold / written off)	(855)	(2,594)
Write down value of assets disposed (asset renewal)	(6,372)	(6,559)
Total net gain / (loss) on disposal of property, infrastructure, plant and equipment	(6,419)	(8,543)

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	61	61
Auditors' remuneration - Internal	112	57
Audit other	80	26
Councillors' allowances	316	310
Operating lease rentals	33	71
Grants	1,175	1,041
Levies	1,303	1,522
Assets written-off / impaired	339	251
Total other expenses	3,419	3,339

Note 5: Our financial position

5.1 Financial assets

(a) Cash and cash equivalents	2020 (\$'000)	2019 (\$'000)
Cash on hand	11	11
Cash at bank	18,720	11,106
Term deposits	20,000	15,000
Total cash and cash equivalents	38,731	26,117

(b) Other financial assets

Term deposits - current (>90days)	70,169	96,712
Total other financial assets	70,169	96,712

Total financial assets	108,900	122,829
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Council's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:

Trust funds and deposits (Note 5.3 (b))	3,247	2,640
Total restricted funds	3,247	2,640

Total unrestricted cash and cash equivalents	35,484	23,477
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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))	4,578	3,529
Cash held to fund carried forward capital works	16,680	11,092
Unspent grants (Note 3.4)	2,956	38,287
Funds held to rehabilitate previous landfill cells and fund future landfill cell construction	21,802	21,059
Funds held to repay principal for "interest only" loan facility	-	6,656
Funds held to meet future Information Technology capital investment requirements	4,550	4,862
Funds held to meet future Developer Contribution Plan (DCP) infrastructure requirements	770	875
Total funds subject to intended allocations	51,336	86,360

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.

Non-Current		
MAPS Group Ltd. Shares	2	2
Total non-current other financial assets	2	2

Total financial assets	108,902	122,831
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(c) Trade and other receivables

Current

<i>Statutory receivables</i>		
Rates debtors*	4,569	3,938
Health registrations	5	2
Goods and Services Tax (GST)	1,487	1,036
<i>Non-statutory receivables</i>		
Loans and advances to community organisations	4	5
Other debtors	636	3,159
Provision for doubtful debts - other debtors	(20)	(60)
Total current trade and other receivables	6,681	8,080

*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	9	15
Total non-current trade and other receivables	9	15

Total trade and other receivables	6,690	8,095
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Short term receivables are carried at invoice amount as amortised cost using the effective interest rate method and 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.

Note 5: Our financial position *(continued)*

(d) Ageing of receivables	2020 (\$'000)	2019 (\$'000)
The ageing of the Council's trade and other receivables (excluding statutory receivables) that are not impaired was:		
Current (not yet due)	149	968
Past due by up to 30 days	163	964
Past due between 31 and 60 days	70	162
Past due between 61 and 90 days	35	87
Past due by more than 90 days	232	998
Total trade and other receivables	649	3,179

(e) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$20K (2019 \$60K) were impaired. The amount of the provision raised against these debtors was \$20K (2019 \$60K). 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	20	60
Total trade and other receivables	20	60

5.2 Non-financial assets

(a) Other assets	2020 (\$'000)	2019 (\$'000)
Prepayments	818	582
Accrued income	3,584	2,754
Total other assets	4,402	3,336

(b) Intangible assets

Software	23	62
Landfill air space	701	1,313
Total intangible assets	724	1,375

	Software (\$'000)	Landfill Air Space (\$'000)	Total (\$'000)
Gross Carrying Amount			
Balance at 1 July 2019	1,148	18,422	19,570
Additions from internal developments	-	-	-
Other additions	-	-	-
Balance at 1 July 2020	1,148	18,422	19,570
Accumulated Amortisation and Impairment			
Balance at 1 July 2019	(1,086)	(17,109)	(18,195)
Amortisation expense	(39)	(612)	(651)
Balance at 1 July 2020	(1,125)	(17,721)	(18,846)
Net Book Value at 30 June 2019	62	1,313	1,375
Net Book Value at 30 June 2020	23	701	724

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

5.3 Payables

(a) Trade and other payables	2020 (\$'000)	2019 (\$'000)
Trade payables	11,925	8,378
Accrued expenses	1,402	1,094
Total trade and other payables	13,327	9,472

(b) Trust funds and deposits

Refundable deposits	2,263	1,868
Fire Service Levy	857	597
Retention amounts	95	95
Other refundable deposits	32	80
Total trust funds and deposits	3,247	2,640

(c) Unearned income

Grants received in advance - operating	3,136	-
Grants received in advance - capital	5,708	-
Other	30	-
Total unearned income	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 Service 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

	2020 (\$'000)	2019 (\$'000)
Current		
Borrowings – secured	2,527	9,239
Total current	2,527	9,239
Non-Current		
Borrowings – secured	7,749	5,826
Total non-current	7,749	5,826
Total interest-bearing loans and borrowings	10,276	15,065

All borrowings are secured over Council's Rate Revenue

The maturity profile for Council's borrowings is:

Not later than one year	2,527	9,239
Later than one year and not later than five years	2,198	1,429
Later than five years	5,551	4,397
	10,276	15,065

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

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

Note 5: Our financial position *(continued)*

5.5 Provisions	Long Service Leave (\$'000)	Annual Leave (\$'000)	Landfill Rehabilitation (\$'000)	Total (\$'000)
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
2019				
Balance at beginning of the financial year	4,576	10,055	27,011	41,642
Additional/(reduced) provisions	3,919	1,166	1,836	6,921
Amounts used	(4,217)	(1,184)	(3,209)	(8,610)
Increase/(decrease) in the discounted amount arising because of time and effect of any change in the discount rate	7	132	913	1,052
Balance at the End of the Financial Year	4,285	10,169	26,551	41,005

(a) Employee provisions

	2020 (\$'000)	2019 (\$'000)
Current Provisions Expected to be wholly settled within 12 months		
Annual leave	4,506	3,985
Long service leave	2,398	2,542
	6,904	6,527
Current Provisions Expected to be wholly settled after 12 months		
Annual leave	347	300
Long service leave	6,842	5,864
	7,189	6,164
Total current employee provisions	14,093	12,691
Non-current		
Long service leave	1,553	1,763
Total non-current employee provisions	1,553	1,763
Aggregate Carrying Amount of Employee Provisions		
Current	14,093	12,691
Non-current	1,553	1,763
	15,646	14,454

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.

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.

	2020 (\$'000)	2019 (\$'000)
Key assumptions:		
• discount rate	0.71%	1.07%
• inflation rate	2.70%	2.70%
• settlement period	25 years	25 years

(b) Landfill restoration

	2020 (\$'000)	2019 (\$'000)
Current	2,758	7,302
Non-current	15,341	19,249
	18,099	26,551

Council is obligated to restore the current Hyland Highway landfill site and legacy sites at Moe, Morwell, Traralgon and Yinnar to a particular standard. The forecast life of the Hyland 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.

	2020 (\$'000)	2019 (\$'000)
Key assumptions:		
• discount rate	0.63%	0.94%
• inflation rate	2.00%	2.50%
• settlement period	7.4 years	4.8 years

5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2020

	2020 (\$'000)	2019 (\$'000)
Bank overdraft	1,000	1,000
Credit card facilities	500	500
Other facilities	18,476	15,065
Total facilities	19,976	16,565
Used facilities	10,340	15,145
Unused facilities	9,636	1,420

Note 5: Our financial position *(continued)*

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)
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
Software	1,273	546	12	-	1,831
Landfill	430	-	-	-	430
Recreation	-	-	-	-	-
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
2019					
Operating					
Recycling	2,229	-	-	-	2,229
Garbage collection	3,442	1,764	-	-	5,206
Processing of organic waste	1,056	541	-	-	1,597
Courier service	69	-	-	-	69
Cleaning contracts for council amenities/streets	1,246	625	-	-	1,871
Cleaning contracts for council buildings	1,060	-	-	-	1,060
Meals for delivery	307	-	-	-	307
Software	53	-	-	-	53
Landfill	364	167	-	-	531
Recreation	355	-	-	-	355
Total	10,181	3,097	-	-	13,278
Capital construction					
Buildings	54,372	8,443	-	-	62,815
Landfill	176	-	-	-	176
Footpaths and cycleways	709	-	-	-	709
Recreation	1,835	-	-	-	1,835
Roads	650	-	-	-	650
Total	57,742	8,443	-	-	66,185

5.8 Leases

Policy applicable before 1 July 2019

As a lessee, Council classifies leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to Council.

Operating lease payments, including any contingent rentals, were recognised as an expense in the comprehensive income statement on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. The leased asset was not recognised in the balance sheet.

All incentives for the agreement of a new or renewed operating lease were recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives were received to enter into operating leases, the aggregate cost of incentives were recognised as a reduction of rental expense over the lease term on a straight-line basis, unless another systematic basis was more representative of the time pattern in which economic benefits from the leased asset were consumed.

Policy applicable after 1 July 2019

Council has applied AASB 16 Leases using a modified retrospective approach with the cumulative effect of initial application recognised as an adjustment to the opening balance of accumulated surplus at 1 July 2019, with no restatement of comparative information. The Council applied the approach consistently to all leases in which it is a lessee.

On transition to AASB 16 Leases, Council elected to apply the practical expedient to 'grandfather' the assessment of which transactions are leases. The Council has applied this practical expedient to all of its contracts and therefore applied AASB 16 Leases only to contracts that were previously identified as 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.

Note 5: Our financial position *(continued)*

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.

Right-of-Use Assets

	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

Lease Liabilities

	2020 (\$'000)
Maturity analysis - contractual undiscounted cash flows	
Less than one year	29
One to five years	72
More than five years	634
Total undiscounted lease liabilities as at 30 June	735
Lease liabilities included in the balance sheet at 30 June	
Current	29
Non-current	706
Total lease liabilities	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 existing capitalisation thresholds for a like asset up to a maximum of \$10,000), including IT equipment. Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

	2020 (\$'000)
Expenses relating to:	
Short-term leases	33
Leases of low value assets	-
Total	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	5
Later than one year but not later than five years	1
Later than 5 years	4
Total lease commitments	10

i. Leases classified as operating leases under AASB 117 Leases

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at Council's incremental borrowing rate as at 1 July 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. Council applied this approach to all applicable leases.

Council used the following practical expedients when applying AASB 16 Leases to leases previously classified as operating leases under AASB 117 Leases.

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Adjusted the right-of-use assets by the amount of AASB 137 Provisions, Contingent Liabilities and Contingent Assets onerous contract provision immediately before the date of initial application, as an alternative to an impairment review.
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

ii. Leases previously classified as finance leases

For leases that were classified as finance leases under AASB 117 Leases, the carrying amount of the right-of-use asset and the lease liability at 1 July 2019 are determined at the carrying amount of the lease asset and lease liability under AASB 117 Leases immediately before that date.

Council is not required to make any adjustments on transition to AASB 16 Leases for leases in which it acts as a lessor, except for a sub-lease. Council accounted for its leases in accordance with AASB 16 Leases from the date of initial application.

Impact on financial statements

On transition to AASB 16 Leases, Council recognised an additional \$717K of right-of-use assets and \$717K of lease liabilities, recognising the difference in retained earnings.

When measuring lease liabilities, Council discounted lease payments using its incremental borrowing rate at 1 July 2019. The weighted-average rate applied is 4%.

	2019 (\$'000)
Operating lease commitment at 30 June 2019 as disclosed in Council's financial statements	1,321
Discounted using the incremental borrowing rate at 1 July 2019	(586)
Finance lease liability recognised as at 30 June 2019	735
Recognition exemption for:	
• Short-term leases	(18)
• Leases of low-value assets	-
Lease liabilities recognised as at 1 July 2019	717

Note 6: Assets we manage

6.1 Non-current assets classified as held for sale

	2020 (\$'000)	2019 (\$'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.

6.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At fair value 30 June 2019 (\$'000)	Acquisitions (\$'000)	Contributions (\$'000)	Revaluation (\$'000)	Depreciation (\$'000)	Disposal (\$'000)	Transfers (\$'000)	At fair value 30 June 2020 (\$'000)
Land	174,380	-	556	-	-	-	-	174,936
Buildings	199,519	4,997	-	-	(5,936)	(1,924)	1,745	198,401
Plant and equipment	12,353	2,808	4	-	(2,182)	(504)	-	12,479
Infrastructure	756,269	12,242	3,029	(3,151)	(19,839)	(4,799)	8,847	752,598
Work in progress	25,399	69,715	-	-	-	(339)	(10,593)	84,182
	1,167,920	89,763	3,588	(3,151)	(27,956)	(7,566)	-	1,222,598

Summary of works in progress

	Opening WIP (\$'000)	Additions (\$'000)	Transfers (\$'000)	Write offs (\$'000)	Closing WIP (\$'000)
Buildings	14,021	58,576	(1,745)	(181)	70,671
Infrastructure	11,378	11,139	(8,848)	(158)	13,511
Total	25,399	69,715	(10,593)	(339)	84,182

Note 6: Assets we manage *(continued)*

(a) Property

	Land specialised (incl. land under roads (\$'000))	Land - non specialised (\$'000)	Total land (\$'000)	Buildings specialised (\$'000)	Total buildings (\$'000)	Work in progress (\$'000)	Total property (\$'000)
At fair value 1 July 2019	127,805	46,575	174,380	269,097	269,097	14,021	457,498
Accumulated depreciation at 1 July 2019	-	-	-	(69,578)	(69,578)	-	(69,578)
	127,805	46,575	174,380	199,519	199,519	14,021	387,920
Movements in fair value							
Additions	-	-	-	4,997	4,997	58,576	63,573
Contributions	556	-	556	-	-	-	556
Revaluation	-	-	-	-	-	-	-
Disposal	-	-	-	(2,382)	(2,382)	-	(2,382)
Write-off	-	-	-	-	-	(181)	(181)
Transfers	-	-	-	1,745	1,745	(1,745)	-
	556	-	556	4,360	4,360	56,650	61,566
Movements in accumulated depreciation							
Depreciation and amortisation	-	-	-	(5,936)	(5,936)	-	(5,936)
Revaluation	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-
Accumulated depreciation of disposals	-	-	-	458	458	-	458
Transfers	-	-	-	-	-	-	-
	-	-	-	(5,478)	(5,478)	-	(5,478)
At fair value 30 June 2020	128,361	46,575	174,936	273,457	273,457	70,671	519,064
Accumulated depreciation at 30 June 2020	-	-	-	(75,056)	(75,056)	-	(75,056)
	128,361	46,575	174,936	198,401	198,401	70,671	444,008

(b) Plant and Equipment

	Plant machinery & equipment (\$'000)	Fixtures fittings & furniture (\$'000)	Computers & telecomms (\$'000)	Art collections (\$'000)	Total plant & equipment (\$'000)
At fair value 1 July 2019	16,229	1,771	6,145	3,698	27,843
Accumulated depreciation at 1 July 2019	(9,015)	(1,411)	(5,064)	-	(15,490)
	7,214	360	1,081	3,698	12,353
Movements in fair value					
Additions	2,451	7	342	8	2,808
Contributions	-	-	-	4	4
Disposal	(2,257)	-	-	-	(2,257)
	194	7	342	12	555
Movements in accumulated depreciation					
Depreciation and amortisation	(1,755)	(64)	(363)	-	(2,182)
Accumulated depreciation of disposals	1,753	-	-	-	1,753
	(2)	(64)	(363)	-	(429)
At fair value 30 June 2020	16,423	1,778	6,487	3,710	28,398
Accumulated depreciation at 30 June 2020	(9,017)	(1,475)	(5,427)	-	(15,919)
	7,406	303	1,060	3,710	12,479

(c) Infrastructure

	Roads (\$'000)	Bridges (\$'000)	Footpaths & cycleways (\$'000)	Drainage (\$'000)	Waste management (\$'000)	Parks open spaces & street capes (\$'000)	Aero-dromes (\$'000)	Off street car parks (\$'000)	Recreation, leisure & community facilities (\$'000)	Work in progress (\$'000)	Total infrastructure (\$'000)
At fair value 1 July 2019	730,050	55,398	92,502	208,452	10,145	9,304	4,928	7,276	6,067	11,378	1,135,500
Accumulated depreciation at 1 July 2019	(211,768)	(23,204)	(30,664)	(88,757)	(7,941)	(3,090)	(919)	(777)	(733)	-	(367,853)
	518,282	32,194	61,838	119,695	2,204	6,214	4,009	6,499	5,334	11,378	767,647
Movements in fair value											
Additions	8,038	195	2,083	697	48	77	-	-	1,104	11,139	23,381
Contributions	1,788	-	406	835	-	-	-	-	-	-	3,029
Revaluations	(10,276)	-	(1,285)	23,962	-	-	-	3,220	-	-	15,621
Disposal	(8,603)	(71)	(170)	(91)	-	(105)	-	(77)	-	(158)	(9,275)
Transfers	4,420	35	2,111	286	-	28	-	-	1,967	(8,848)	(1)
	(4,633)	159	3,145	25,689	48	-	-	3,143	3,071	2,133	32,755
Movements in accumulated depreciation											
Depreciation and amortisation	(13,912)	(569)	(1,664)	(1,687)	(1,031)	(414)	(226)	(152)	(184)	-	(19,839)
Contributions	-	-	-	-	-	-	-	-	-	-	-
Revaluations	(6,483)	-	(5,984)	(4,287)	-	-	-	(2,018)	-	-	(18,772)
Accumulated depreciation of disposals	4,157	60	52	25	-	18	-	6	-	-	4,318
Transfers	-	-	-	-	-	-	-	-	-	-	-
	(16,238)	(509)	(7,596)	(5,949)	(1,031)	(396)	(226)	(2,164)	(184)	-	(34,293)
At fair value 30 June 2020	725,417	55,557	95,647	234,141	10,193	9,304	4,928	10,419	9,138	13,511	1,168,255
Accumulated depreciation at 30 June 2020	(228,006)	(23,713)	(38,260)	(94,706)	(8,972)	(3,486)	(1,145)	(2,941)	(917)	-	(402,146)
	497,411	31,844	57,387	139,435	1,221	5,818	3,783	7,478	8,221	13,511	766,109

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	Threshold limit (\$'000)
PROPERTY		
Land	n/a	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	n/a	0.5
INFRASTRUCTURE		
Road pavements and seals	14 - 87 years	10.0
Road formation and earthworks	n/a	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

Note 6: Assets we manage (continued)

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

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

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate

depreciation rate is determined for each component.

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

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

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

Repairs and maintenance

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

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 range from \$84 to \$5,480 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.

Valuation of land and buildings

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

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

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

The date of the current valuation is June 2018.

Details of the Council’s land and buildings and information about the fair value hierarchy as at 30 June 2020 are as follows:

	Level 1 (\$’000)	Level 2 (\$’000)	Level 3 (\$’000)
Land – non specialised	-	46,575	-
Land – specialised	-	-	128,361
Buildings – specialised	-	-	198,401
Total	-	46,575	326,762

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 Roads, Footpaths and cycleways, Drainage and Off street car parks.

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 2020 are as follows:

	Level 1 (\$’000)	Level 2 (\$’000)	Level 3 (\$’000)	Date of valuation
Roads	-	-	497,411	Jun-2020
Bridges	-	-	31,844	Jun-2015
Footpaths and cycleways	-	-	57,387	Jun-2020
Drainage	-	-	139,435	Jun-2020
Recreational, leisure and community facilities	-	-	1,221	Jun-2019
Waste management	-	-	5,818	n/a
Parks, open space and streetscapes	-	-	3,783	Jun-2019
Aerodromes	-	-	7,478	Jun-2015
Off street car parks	-	-	8,221	Jun-2020
Total	-	-	752,598	

	2020 (\$’000)	2019 (\$’000)
Reconciliation of specialised land		
Land under roads	17,780	17,756
Parks, reserves and other	110,581	110,049
Total specialised land	128,361	127,805

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 2020, and their income and expenses for that part of the reporting period in which control existed.

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

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

Council had no subsidiaries in the 2019/20 financial year (2018/19 \$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.

Note 7: People and relationships

7.1 Council and key management remuneration

(a) Related Parties		(b) Key Management Personnel	
Parent entity		Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:	
Latrobe City Council		Councillors Councillor G Middlemiss (Mayor from 1/07/2019 to 31/10/2019) Councillor D Clancey (Mayor from 01/11/2019 to 30/06/2020) Councillor K O'Callaghan Councillor D White Councillor S Gibson Councillor D Harriman Councillor D Howe Councillor B Law Councillor A McFarlane	Other KMP Chief Executive Officer General Manager Assets and Presentation General Manager Community Health and Wellbeing General Manager Regional City Growth and Investment General Manager Organisational Performance
		2020 Number	2019 Number
Total number of councillors		9	9
Chief Executive Officer and other key management personnel		6	7
Total Key Management Personnel		15	16

(c) Remuneration of Key Management Personnel

Total remuneration of key management personnel was as follows:	2020 \$,000	2019 \$,000
Short-term benefits	1,427	1,525
Long-term benefits	30	59
Post employment benefits	100	98
Termination benefits	-	-
Total	1,557	1,682

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

	2020 \$,000	2019 \$,000
Income range:		
\$20,000 - \$29,999	7	8
\$40,000 - \$49,999	1	1
\$60,000 - \$69,999	1	1
\$90,000 - \$99,999	1	-
\$120,000 - \$129,999	1	-
\$130,000 - \$139,999	-	1
\$210,000 - \$219,999	-	1
\$220,000 - \$229,999	-	2
\$230,000 - \$239,999	3	1
\$310,000 - \$319,999	1	1
Total	15	16

(d) Senior Officer Remuneration

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

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$151,000

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

	2020 Number	2019 Number
Income Range:		
< \$151,000	-	6
\$151,000 - \$159,999	6	7
\$160,000 - \$169,999	7	4
\$170,000 - \$179,999	3	-
\$180,000 - \$189,999	-	1
Total	16	18
Total remuneration for the reporting year for senior officers included above, amounted to (\$,000)	\$2,585	\$2,811

7.2 Related party disclosure

(a) Transactions with related parties

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

	2020 \$,000	2019 \$,000
Employee expenses for close family members of key personnel *	12	10
Purchase of materials and services from related parties of key management personnel	39	36
Total	51	46

* 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:

	2020 \$,000	2019 \$,000
Employee commitments for close family members of key personnel	10	9
Total	10	9

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 2020.

Latrobe City Council has paid unfunded liability payments to Vision Super totalling \$nil (2018/19 \$nil). There were \$nil contributions outstanding and \$nil loans issued from or to the above schemes as at 30 June 2020. 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.

Gippsland Regional Aquatic Centre site

Latrobe City Council has been issued with a clean-up notice from the Environment 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 the 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

The following new AAS's have been issued that are not mandatory for the 30 June 2020 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

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

AASB 1059 addresses the accounting for a service concession arrangement by a grantor that is a public sector entity by prescribing the accounting for the arrangement from the grantor's perspective. It requires the grantor to:

- recognise a service concession asset constructed, developed or acquired from a third party by the operator, including an upgrade to an existing asset of the grantor, when the grantor controls the asset;
- reclassify an existing asset (including recognising previously unrecognised identifiable intangible assets and land under roads) as a service concession asset when it meets the criteria for recognition as a service concession asset;
- initially measure a service concession asset constructed, developed or acquired by the operator or reclassified by the grantor at current replacement cost in accordance with the cost approach to fair value in AASB 13 Fair Value Measurement. Subsequent to the initial recognition or reclassification of the asset, the service concession asset is accounted for in accordance with AASB 116 Property, Plant and Equipment or AASB 138 Intangible Assets, as appropriate, except as specified AASB 1059;
- recognise a corresponding liability measured initially at the fair value (current replacement cost) of the service concession asset, adjusted for any other consideration between the grantor and the operator; and
- disclose sufficient information to enable users of financial statements to understand the nature, amount, timing and uncertainty of assets, liabilities, revenue and cash flows arising from service concession arrangements.

Based on the Council's current assessment, there is expected to be no material impact on the transactions and balances recognised in the financial statements.

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

The Standard principally amends AASB 101 Presentation of Financial Statements and AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. The amendments

refine the definition of material in AASB 101. The amendments clarify the definition of material and its application by improving the wording and aligning the definition across AASB Standards and other publications. The impacts on the local government sector are expected to be minimal.

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

This Standard sets out amendments to Australian Accounting Standards, Interpretations and other pronouncements to reflect the issuance of the Conceptual Framework for Financial Reporting (Conceptual Framework) by the AASB. The impacts on the local government sector are expected to be minimal.

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 has 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 has a policy for establishing credit limits for the entities Council deals with;
- Council may require collateral where appropriate; and
- Council only invests 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 provides 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:

- has a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- has readily accessible standby facilities and other funding arrangements in place;
- has a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitors budget to actual performance on a regular basis; and
- sets 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.

Note 8: Managing uncertainties *(continued)*

(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 0.25%.

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

8.4 Fair value measurement

Fair value hierarchy

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

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

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. 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

Level 2 COVID-19 restrictions remained in place for Latrobe City Council post the 30 June 2020, with an increase to Level 3 restrictions introduced from the 2 August 2020. The financial impact of these continued restrictions is unable to be reliably determined at this time.

No other matters have occurred after balance date that requires disclosure in the financial report. (2018/19 \$Nil).

Note 9: Other matters

9.1 Reserves

(a) Asset revaluation reserves

	Balance at beginning of reporting period (\$'000)	Increment / (Decrement) (\$'000)	Balance at end of reporting period (\$'000)
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	19,675	79,045
Recreation, leisure and community facilities	1,159	-	1,159
Parks, open space and streetscapes	3,387	-	3,387
	259,588	(3,151)	256,437
Other			
Artworks	895	-	895
Other	14	-	14
	909	-	909
Total Asset Revaluation Reserves	487,586	(3,151)	484,435

2019			
Property			
Land	116,600	-	116,600
Buildings	110,489	-	110,489
	227,089	-	227,089
Infrastructure			
Roads	134,136	-	134,136
Bridges	28,982	-	28,982
Footpaths and cycleways	19,311	6,163	25,474
Off street carparks	7,080	-	7,080
Drainage	59,370	-	59,370
Recreation, leisure and community facilities	3,450	(2,291)	1,159
Parks, open space and streetscapes	63	3,324	3,387
	252,392	7,196	259,588
Other			
Artworks	895	-	895
Other	14	-	14
	909	-	909
Total Asset Revaluation Reserves	480,390	7,196	487,586

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

(b) Other reserves

	Balance at beginning of reporting period (\$'000)	Transfer from accumulated surplus (\$'000)	Transfer to accumulated surplus (\$'000)	Balance at end of reporting period (\$'000)
2020				
Developer contributions	3,529	(24)	1,073	4,578
Total other reserves	3,529	(24)	1,073	4,578
2019				
Developer contributions	3,404	(17)	142	3,529
Total other reserves	3,404	(17)	142	3,529

Purpose and nature of other reserves

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

Note 9: Other matters (continued)

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

	2020 (\$'000)	2019 (\$'000)
Surplus/(deficit) for the year	67,682	46,868
Depreciation and amortisation	28,631	27,660
Net (gain)/loss on disposal of property, infrastructure, plant and equipment	6,419	8,543
Contributions non-monetary assets	(3,588)	(4,839)
Finance costs	419	705
Impairment losses/work in progress written off	339	251
Changes in assets and liabilities		
Increase/decrease in trade and other receivables	1,398	358
Increase/decrease in prepayments	(236)	(78)
Increase/decrease in accrued income	61	(297)
Increase/decrease in trade and other payables	(17,323)	(323)
Increase/decrease in trust funds and deposits	608	526
Increase/decrease in provisions	(7,261)	(2,474)
Net cash provided by operating activities	77,149	76,901

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 2020, this was 9.5% as required under Superannuation Guarantee legislation).

Defined Benefit

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

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

Funding arrangements

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

A triennial actuarial review is currently underway for the Defined Benefit category as at 30 June 2020 and is expected to be completed by 31 December 2020.

As at 30 June 2019, a interim triennial actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 106.0%. The financial assumptions used to calculate the VBIs were:

Net investment returns 6.0% pa

Salary inflation 3.5% pa

Price inflation (CPI) 2.0% pa

Vision Super has advised that the estimated VBI at 30 June 2020 was 104.6%. The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2019 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 2017 full 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 2020, this rate was 9.5% of members' salaries (9.5% in 2018/2019). This rate is expected to increase in line with any increases in the SG contribution rate and 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.

Funding calls

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

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

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

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

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

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

The 2019 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Latrobe City Council is a contributing employer. Generally, a full actuarial investigation conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2019 and a full actuarial investigation was conducted as at 30 June 2017.

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

	2019 (\$'000)	2017 (\$'000)
A VBI surplus	151.3	69.8
A total service liability surplus	233.4	193.5
- A discounted accrued benefits surplus	256.7	228.8

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 2019.

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 2019.

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 2019.

Council was notified of the 30 June 2019 VBI during August 2019 (2018: August 2018).

The 2020 triennial actuarial investigation

An triennial actuarial investigation is being conducted for the Fund's position as at 30 June 2020. It is anticipated that this actuarial investigation will be completed in December 2020. The financial assumptions for the purposes of this investigation are;

	2020 Triennial investigation	2017 Triennial investigation
Net investment returns	5.6% pa	6.5% pa
Salary inflation	2.5% pa	3.5% pa
Price inflation	2.0% pa	2.5% pa

Superannuation contributions

Contributions by Latrobe City Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2020 are detailed below:

Scheme	Type of scheme	Rate	2020 (\$'000)	2019 (\$'000)
Vision Super	Defined Benefits	9.5%	325	361
Various	Accumulation	9.5%	3,894	3,765

In addition to the above contributions, Latrobe City Council has paid unfunded liability payments to Vision Super totalling \$nil (2018/19 \$nil).

There were \$495K contributions outstanding (2018/19 \$406K) and \$nil loans issued (2018/19 \$nil) from or to the above schemes as at 30 June 2020.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2021 is \$330K.

Note 10: Change in accounting policy

Council has adopted AASB 15 Revenue from Contracts with Customers, AASB 16 Leases and AASB 1058 Income of Not-for-Profit Entities, from 1 July 2019. This has resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements.

Due to the transition methods chosen by Council in applying these standards, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standards except in relation to contracts that were not complete at 1 July 2019. The transition impact of these are detailed below.

(a) AASB 15 Revenue from Contracts with Customers - Impact of Adoption

AASB 15 Revenue from Contracts with Customers applies to revenue transactions where Council provides services or goods under contractual arrangements.

Council adopted AASB 15 Revenue from Contracts with Customers using the modified (cumulative catch up) method. Revenue for 2019 as reported under AASB 118 Revenue is not adjusted, because the new standard is only applied from the date of initial application.

AASB 15 Revenue from Contracts with Customers requires revenue from contracts with customers to be recognised as Council satisfies the performance obligations under the contract.

(b) AASB 16 Leases

AASB 16 Leases requires right of use assets and related liabilities for all lease agreements to be recognised on the balance sheet. The Statement of Comprehensive Income is to separately recognise the amortisation of the right of use asset, and the finance costs relating to the lease. Council has elected to adopt the modified (cumulative catch up) method under the standard and as such has not adjusted 2019 disclosures. The transition impact of these are detailed below.

(c) AASB 1058 Income of Not-for-Profit Entities

AASB 1058 Income of Not-for-Profit Entities applies to income received where no contract is in place. This includes statutory charges (such as rates) as well as most grant agreements.

Council adopted AASB 1058 Income of Not-for-Profit Entities using the modified (cumulative catch up) method. Income for 2019 is not adjusted, because the new standard is only applied from the date of initial application.

AASB 1058 Income of Not-for-Profit Entities requires income to be recognised as Council satisfies the performance obligations under the contract.

(d) Transition impacts

The following table summarises the impact of transition to the new standards on retained earnings at 1 July 2019.

	2020 (\$'000)
Retained earnings at 30 June 2019	1,235,374
Revenue adjustment - impact of AASB 15 revenue from contracts with customers	(1,238)
Income adjustment - impact of AASB 1058 income of Not-for-Profit entities	(24,832)
Retained earnings at 1 July 2019	1,209,304

Council adopted the practical expedient of deeming the lease asset to be equal in value to the lease liability at 1 July 2019. As such there was no impact on retained earnings on the adoption of AASB 16 Leases.

The following table summarises the impacts of transition to the new standards on Council's balance sheet for the year ending 30 June 2019:

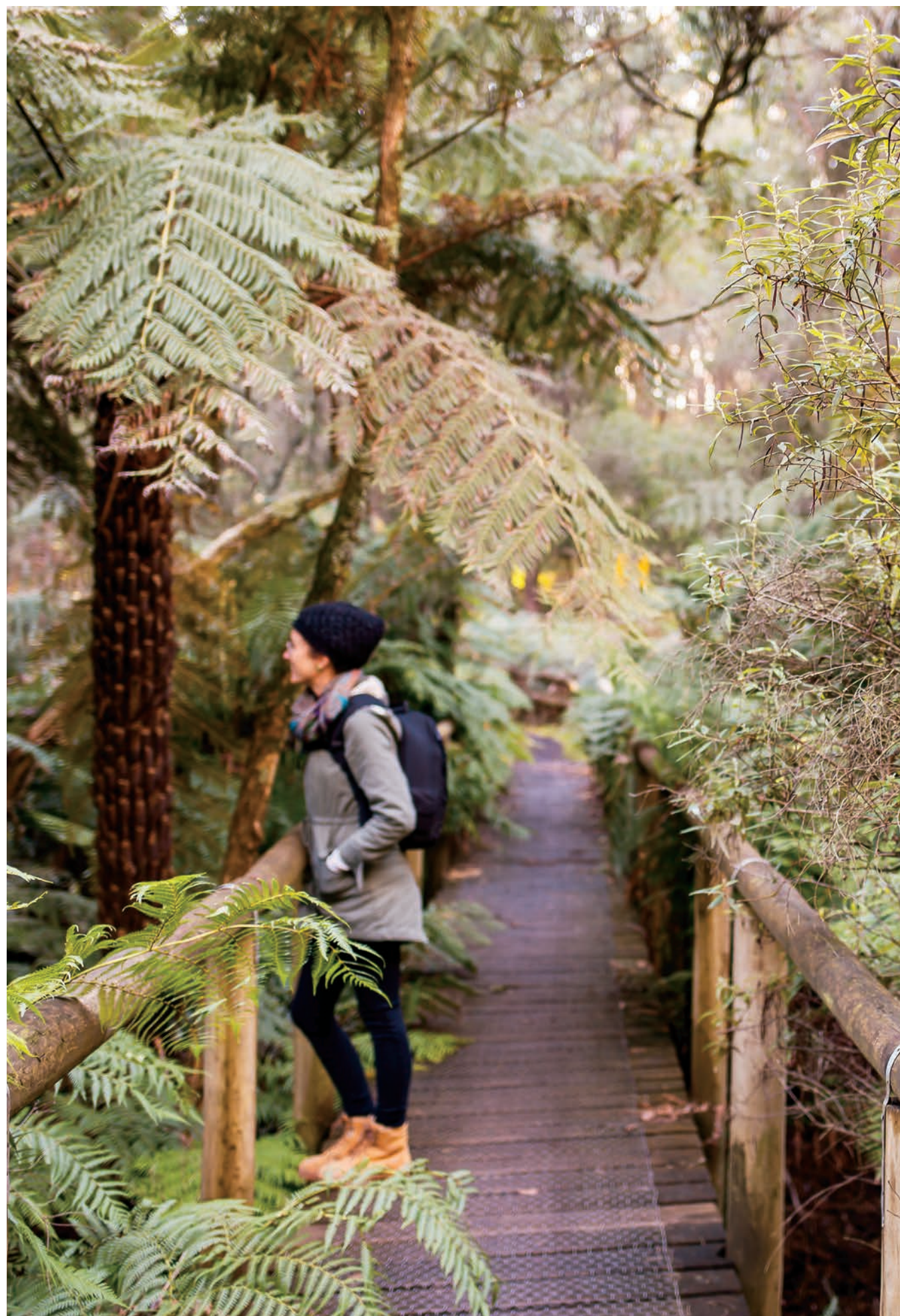
	As reported June 2019 (\$'000)	Adjustment (\$'000)	Post adoption (\$'000)
Assets			
Right of use assets	-	717	717
Grants receivable - operating grants	21	(11)	10
Grants receivable - capital grants	1,278	903	2,181
	1,299	1,609	2,908
Liabilities			
Unearned income - operating grants	-	1,227	1,227
Unearned income - capital grants	-	25,734	25,734
Lease liability - current	-	13	13
Lease liability - non-current	-	704	704
	0	27,678	27,678
Equity			
Accumulated surplus as previously stated	1,235,374	-	1,235,374
Accumulated surplus adj - operating grants	-	(1,238)	(1,238)
Accumulated surplus adj - operating grants	-	(24,832)	(24,832)
Accumulated surplus adj - lease liabilities	-	-	-
	1,235,374	(26,070)	1,209,304

Note 11: Impact of COVID-19 crisis

Impact of COVID-19 crisis on Latrobe City Council operations and 2019/20 financial report

On 30 January 2020, COVID-19 was declared as a global pandemic by the World Health Organisation. Since then, various measures have been taken by all three levels of Government in Australia to reduce the spread of COVID-19. This crisis and measures taken to mitigate it has impacted Latrobe City Council operations in the following areas for the financial year ended 30 June 2020:

- In response to significant decrease in demand / government directive amidst the COVID-19 outbreak, the leisure centre facilities / libraries / performing arts centre, halls and community centres were closed and all community events cancelled or postponed. These closures resulted in a decrease in the Council user fee revenue by \$1.172 million and also decreased associated expenses by \$0.995 million;
- 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:
 - o Refunding street trading and outdoor dining permit charges and the refund of health registration charges from the 1 March until the 30 June 2020 resulting in a decrease in user fees and charges revenue of \$129,000;
 - o A 50% reduction of rent for café and restaurant tenants in Council owned buildings, the waiver of rent/fees for winter sporting ground users and the suspension of rent/fees for community groups utilising Council owned facilities, resulting in a decrease in revenue of \$33,000.
- Financial hardship provisions were introduced for ratepayers resulting in the deferral of rates revenue and waiver of penalty interest fees. This has resulted in the debtor balance as at 30 June 2020 increasing by \$631,000 compared to last year.



06

Performance Statement

For the year ended
30 June 2020

DO NOT OVERTAKE
SLOW MOVING VEHICLE



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 75,561¹.

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, 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, 27 March 2019 E.R.P 2018

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*.

Matthew Rogers CPA
Principal Accounting Officer
Dated: 06/10/2020

In our opinion, the accompanying performance statement of the Latrobe City Council for the year ended 30 June 2020 presents fairly the results of Council's performance in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

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

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 the financial statements in its final form.

Cr Darrell White OAM
Councillor
Dated: 06/10/2020

Cr Alan McFarlane
Councillor
Dated: 06/10/2020

Steven Piasente
Chief Executive Officer
Dated: 06/10/2020

Auditor General's Report on Performance Statement



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 2020• sustainable capacity indicators for the year ended 30 June 2020• service performance indicators for the year ended 30 June 2020• financial performance indicators for the year ended 30 June 2020• other information and• the certification 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 2020 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>

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Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.

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

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

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

MELBOURNE
16 October 2020


Sanchu Chummar
as delegate for the Auditor-General of Victoria

Sustainable Capacity Indicators

Indicator/measure	Results 2017 (\$'000)	Results 2018 (\$'000)	Results 2019 (\$'000)	Results 2020 (\$'000)	Material Variations
POPULATION Expenses per head of municipal population (Total expenses / municipal population)	\$1,563	\$1,891	\$1,813	\$1,805	The result for this measure has increased by \$241 over the 4 year period to 2020. Increased landfill rehabilitation provision and a change in accounting practice which now recognises disposal costs associated with renewing non-current assets resulted in \$327 additional expenses per capita in 2018. These items have reduced over the past two years.
Infrastructure per head of municipal population (Value of infrastructure / municipal population)	\$12,929	\$13,086	\$13,210	\$13,865	The result for this measure increased by \$936 per capita over the 4 year period in line with large capital works programs undertaken by Council with the assistance of State and Commonwealth government grants.
Population density per length of road (Municipal population / kilometres of local roads)	46	46	46	46	The result for this measure has remained stable over the 4 year period.
OWN-SOURCE REVENUE Own-source revenue per head of municipal population (Own-source revenue / municipal population)	\$1,350	\$1,288	\$1,326	\$1,356	The small increase is mainly due to CPI and Rates cap based increases in rates and charges, and user fees income. The higher result in 2017 was due to one-off items relating to a landfill rehabilitation provision write back and legal cost recoveries.
RECURRENT GRANTS Recurrent grants per head of municipal population (Recurrent grants / municipal population)	\$429	\$378	\$353	\$375	The result for this measure has decreased by \$54 per capita over the 4 year period. The significantly higher amount received in 2017 related to Commonwealth Financial Assistance Grants funding received in advance. Recurrent capital grants funding for the Roads to Recovery program had additional allocations in 2018 and 2020 contributing to a higher result when compared to the 2019 result.
DISADVANTAGE Relative socio-economic disadvantage (Index of Relative Socio-economic Disadvantage by decile)	1	1	1	1	The result for this measure has remained unchanged over the 4 year period.
WORKFORCE TURNOVER Resignations and terminations compared to average staff (Number of permanent staff resignations and terminations / average number of permanent staff for the financial year) x100	10.2%	9.8%	12.5%	10.7%	This ratio result has been relatively stable over the 4 year period with the 12.5% result in 2019 remaining within industry expectations of workforce turnover.

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 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

Service/indicator/measure	Results 2017 (\$'000)	Results 2018 (\$'000)	Results 2019 (\$'000)	Results 2020 (\$'000)	Material Variations
AQUATIC FACILITIES Utilisation <i>Utilisation of aquatic facilities</i> (Number of visits to aquatic facilities / municipal population)	5.2	4.9	4.9	3.6	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 two impacts to service: 1. Traralgon Outdoor pool closure in March 2019 for the development of the Gippsland Regional Aquatic Centre, due to open in early 2021. 2. The COVID-19 restrictions and closures of our aquatic facilities from 26 March 2020 - 21 June 2020. Aquatic facilities re-opened on 22 June 2020 under ongoing restrictions, with a reduced capacity of 20 people per session.
ANIMAL MANAGEMENT Health and safety <i>Animal management prosecutions</i> (Number of successful animal management prosecutions)	New in 2020	New in 2020	New in 2020	100%	Although a favourable result of 100% successful prosecutions in 2019/20, 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 food premises) x100	79.2%	93.4%	88.5%	63.1%	The decrease in notifications is attributable to resource availability. Reduced staffing levels and available staff having to prioritise assistance with bushfire recovery resulted in significantly less inspections being completed in the 2019 calendar year.
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)	51	52	54	53	The annual Community Satisfaction Survey assesses the community's satisfaction with Council's performance. Satisfaction with Council decisions has slightly decreased from 54 in 2019 to 53 out of 100 in 2020.
LIBRARIES Participation <i>Active library members</i> ([Number of active library members / municipal population) x100	11.6%	10.3%	10.3%	10.3%	While COVID-19 led to a decrease in active member borrowings of physical resources, this ratio has been maintained at previous year levels as a result of proactive marketing and engagement with members and the broader community leading to an increase in the borrowing of digital resources.

Indicator/measure	Results 2017 (\$'000)	Results 2018 (\$'000)	Results 2019 (\$'000)	Results 2020 (\$'000)	Material Variations
MATERNAL AND CHILD HEALTH Participation <i>Participation in the MCH service</i> (Number of children who attend the MCH service at least once (in the year) / number of children enrolled in the MCH service) x100	76.3%	72.6%	70.3%	72.6%	During the year, 3,570 children were enrolled in the Maternal and Child Health service with 2,591 of those children having attended the service at least once during the year. This is an increase since 2019.
Participation <i>Participation in the MCH service by Aboriginal children</i> (Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service) x100	68.2%	70.9%	69.1%	76.0%	Participation in the Maternal and Child Health service by Aboriginal children has remained consistent with 179 Aboriginal children enrolled, of those, 136 children attended the service at least once during the year.
ROADS Satisfaction <i>Satisfaction with sealed local roads</i> (Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads)	61	56	60	57	The annual Community Satisfaction Survey assesses the community's satisfaction with Council's performance. Satisfaction with sealed local roads has decreased to a rating of 57 out of 100. 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. Council continues to suspect the deterioration of the Regional Roads Victoria sealed road network has impacted the overall trend which is supported by supplementary questioning.
STATUTORY PLANNING Decision making <i>Council planning decisions upheld at VCAT</i> (Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / number of VCAT decisions in relation to planning applications) x100	57.1%	60.0%	40.0%	40.0%	In the 2019/20 financial year five applications were reviewed at VCAT. Of the five applications only two of Council's decisions were upheld.
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	53.2%	54.0%	52.1%	51.4%	Consistent with previous years, over half of the Council's waste is recycled or placed into the green organics bin, rather than into landfill.

Service Performance Indicators *(continued)*

Definitions

- “Aboriginal child” means a child who is an Aboriginal person
- “Aboriginal person” has the same meaning as in the *Aboriginal Heritage Act 2006*
- “active library member” means a member of a library who has borrowed a book from the library
- “annual report” means an annual report prepared by a council under sections 131, 132 and 133 of the Act
- “CALD” means culturally and linguistically adverse and refers to persons born outside Australia in a country whose nationally language is not English
- “class 1 food premises” means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 1 food premises under section 19C of that Act
- “class 2 food premises” means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 2 food premises under section 19C of that Act
- “critical non-compliance outcome notification” means a notification received by council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
- “food premises” has the same meaning as in the *Food Act 1984*
- “local road” means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*
- “major non-compliance outcome notification” means a notification received by a council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken
- “MCH” means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age
- “population” means the resident population estimated by council
- “WorkSafe reportable aquatic facility safety incident” means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the *Occupational Health and Safety Act 2004*.

Financial Performance Indicators

	RESULTS				FORECASTS				
Dimension/indicator /measure	2017 (\$'000)	2018 (\$'000)	2019 (\$'000)	2020 (\$'000)	2021 (\$'000)	2022 (\$'000)	2023 (\$'000)	2024 (\$'000)	Material Variations
EFFICIENCY Expenditure level <i>Expenses per property assessment</i> (Total expenses / number of property assessments)	\$3,038	\$3,690	\$3,534	\$3,519	\$3,408	\$3,546	\$3,394	\$3,412	The result for this measure has increased by \$481 over the 4 year period to 2020. Increased landfill rehabilitation provision and a change in accounting practice which now recognises disposal costs associated with renewing non-current assets resulted in \$658 additional expenses per assessment in 2018. These items reduced in 2019 resulting in a decrease of \$156 per assessment and has remained stable with a small decrease in 2020. 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> (General rates and municipal charges / number of property assessments)	New in 2020	New in 2020	New in 2020	\$1,542	\$1,541	\$1,563	\$1,586	\$1,609	The average rate per property assessment is expected to remain stable in 2021 due to Council passing a zero rate increase as part of its response to the COVID-19 pandemic. Future rate increases are in line with expected Rate Cap amounts currently estimated at 2% per annum.
LIQUIDITY Working capital <i>Current assets compared to current liabilities</i> (Current assets / current liabilities) x100	302.1%	321.7%	324.7%	267.5%	229.7%	229.5%	250.9%	277.0%	The result for this measure has decreased in 2020 as cash and investments from capital grants received in advance of expenditure have been spent on major infrastructure projects. Additionally current liabilities have increased as a result of the introduction of new accounting standards for revenue and leases.

Financial Performance Indicators *(continued)*

	RESULTS				FORECASTS				
Dimension/indicator /measure	2017 (\$'000)	2018 (\$'000)	2019 (\$'000)	2020 (\$'000)	2021 (\$'000)	2022 (\$'000)	2023 (\$'000)	2024 (\$'000)	Material Variations
UNRESTRICTED CASH Unrestricted cash compared to current liabilities (Unrestricted cash / current liabilities) x100	(55.1%)	(4.6%)	(71.2%)	25.1%	44.00%	47.7%	60.3%	78.4%	The result of this measure has increased by 80.0 percentage points during the period. The prior negative result was due to Council holding funds in investments with maturity terms greater than 90 days which are recognised as current "Other Financial Assets" rather than cash. Items classified as "restricted cash" exceeded actual cash holdings resulting in a negative ratio. Council ensures that these investments mature in a timely manner to ensure it meets obligations as they fall due. The large increase is due to higher cash holdings at the end of the year. Future forecasts predict this ratio remaining 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.
OBLIGATIONS Loans and borrowings compared to rates (Interest bearing loans and borrowings / rate revenue) x100	21.5%	22.1%	19.3%	12.7%	31.8%	28.2%	24.7%	21.3%	The result for this measure has decreased by 6.6% in 2020 due to the principal repayment of an \$8.2 million interest only loan. The ratio is forecasted to increase to 31.8% in 2021 as Council draws down the remainder of its 2020 loan facility of \$8.2 million for the Gippsland Regional Aquatic Facility and Traralgon Sports Stadium, together with \$10.0 million new borrowings proposed in the 2020/21 budget for Moe Rail Precinct Revitalisation Stage 2 and Kernot Hall Refurbishment.
<i>Loans and borrowings repayments compared to rates</i> (Interest and principal repayments on interest bearing loans and borrowings / rate revenue) x100	3.7%	3.5%	2.9%	12.0%	4.0%	3.7%	3.6%	3.4%	The result for this measure increased by 9.1% in 2020 due to the principal repayment of an \$8.2 million interest only loan. The measure is forecasted to return to 3.9% in 2021 as loan repayments return to normal levels in line with Council's borrowing profile.

	RESULTS				FORECASTS				
Dimension/indicator /measure	2017 (\$'000)	2018 (\$'000)	2019 (\$'000)	2020 (\$'000)	2021 (\$'000)	2022 (\$'000)	2023 (\$'000)	2024 (\$'000)	Material Variations
OBLIGATIONS Indebtedness <i>Non-current liabilities compared to own source revenue</i> (Non-current liabilities / own source revenue) x100	30.3%	39.0%	26.9%	24.7%	39.5%	35.6%	31.7%	28.5%	The reduced ratio in 2019 was due to an interest only loan (\$8.2 million) moving from non-current to current liabilities. The small decrease in 2020 was mainly due to decreasing provisions for landfill rehabilitation due to cost savings achieved. The ratio is forecasted to increase to 39.5% in 2021 mainly due to new borrowings budgeted for the Gippsland Regional Aquatic Centre, Traralgon Sports Stadium, Moe Rail Precinct Revitalisation Stage 2 and Kernot Hall Refurbishment.
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	New in 2020	152.2%	99.2%	60.1%	57.6%	60.6%	This ratio is higher in 2020 than the future forecasted years mainly due to capital expenditure resulting from a number of capital grants including additional allocations for the Commonwealth Roads to Recovery program and other infrastructure renewal and upgrade funding received. The forecasted results in future years are lower due to assumptions of reduced government grant funding availability and increases in depreciation expense resulting from major new infrastructure. The ratio for Council's largest asset class Roads is expected to be maintained around 100% but is lower for 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.

Financial Performance Indicators (continued)

Dimension/indicator /measure	RESULTS				FORECASTS				Material Variations
	2017 (\$'000)	2018 (\$'000)	2019 (\$'000)	2020 (\$'000)	2021 (\$'000)	2022 (\$'000)	2023 (\$'000)	2024 (\$'000)	
OPERATING POSITION Adjusted underlying result # <i>Adjusted underlying surplus (or deficit)</i> (Adjusted underlying surplus (deficit) / adjusted underlying revenue) x100	13.2%	(11.2%)	(5.0%)	(1.5%)	(4.1%)	(6.7%)	(5.4%)	(4.7%)	The result for this measure increased by 3.5 percentage points in the 2020 year. The larger underlying deficit in the 2018 year was mainly due to unexpected landfill rehabilitation provision expenses and the change in accounting practice in 2018 which now recognises disposal costs associated with renewing infrastructure assets. Although these expense items have reduced in the past two years they have still resulted in contributing to an underlying deficit result of 1.5% in 2020. 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 and Latrobe Creative Precinct.
STABILITY Rates concentration <i>Rates compared to adjusted underlying revenue</i> (Rate revenue / adjusted underlying revenue) x100	56.3%	59.4%	60.1%	60.1%	63.9%	63.9%	66.9%	67.1%	The result for this measure has been slightly increasing over the last 4 years indicating an increasing reliance on rate revenue. The ratio is forecast to increase in the future due to conservative recurrent government grants and user fees projections.
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%	0.7%	0.7%	0.7%	0.7%	The result for this measure has remained stable over the 4 year period.

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

1. Basis of preparation

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

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

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council’s strategic resource plan. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and 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 strategic resource plan on 3 August 2020 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting Council.



07

Governance, management and other information

For the year ended
30 June 2020



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 1989* and *Local Government Act 2020*.

Audit and Risk Committee

The Audit and Risk Committee is appointed by Council under Section 139 of the *Local Government Act 1989*.

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

The Audit and Risk Committee consists of two Councillors and three independent external members as outlined below. Remuneration is currently set at \$1,500 per meeting for the Chair and \$1,000 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 Darrell White OAM
Cr Alan McFarlane (from 4 December 2017)

The Audit and Risk Committee held four meetings in the 2019/2020 financial year. All independent members attended each of the meetings in 2019/2020. No apologies for 2019/2020.

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, such as Asset Allocation Policy, Corporate Compliance Policy and Procurement Policy)
- 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 2019/2020 financial year included:
- Cash Handling Procedures (Moe Leisure Centre)
 - Volunteer Management
 - Strategic Procurement
 - Councillor Expenses
 - Data Analytics (Accounts payable and receivable, Purchasing and Payrolls)
 - CCTV Surveillance
 - Payroll (including data analytics)

Council meetings and decisions

Council meetings are held at Latrobe City Council Corporate Headquarters in Morwell from 6pm once a month. Each Council meeting includes a public question time as a standard agenda item, designed to encourage community participation in the overall affairs of Council.

A Council Meeting is where Councillors are able to make formal decisions on items presented to them. Council Meetings include ordinary meetings (the regular meetings held), special meetings and statutory meetings which are all open to the public (unless Council resolves to close the meeting in accordance with guidelines of the *Local Government Act 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 confidential briefing meetings. At these meetings, Councillors have the opportunity to be briefed on strategic items in relation to Council business and on matters of interest within the community. These confidential briefing meetings are considered as Assemblies of Councillors, and records are tabled accordingly at Council Meetings, as per the requirements in the *Local Government Act 1989*.

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

Council meeting attendance 2019/20

During 2019/20, there were 11 Ordinary Council Meetings and four Special Council Meetings held. Councillor attendance at these meetings is shown in the below table.

Councillor	Ordinary Council Meeting	Special Council Meeting
Cr Dan Clancey	11	4
Cr Sharon Gibson	9	4
Cr Dale Harriman	11	3
Cr Darren Howe	10	4
Cr Brad Law	11	4
Cr Alan McFarlane	11	4
Cr Graeme Middlemiss	11	4
Cr Kellie O’Callaghan	11	4
Cr Darrell White	11	4

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 13 February 2017.

The Code of Conduct provides guidelines on:

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

The Code affirms principles of behaviour requiring that Councillors:

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

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

Councillor Remuneration

Mayors 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.

The Council is required to set the amount of the allowance, within the allowable range, following the general election, and the allowance level determined remains 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 is currently 9.5%.

At the Ordinary Council Meeting on 13 February 2017, the Council adopted a resolution to set the Mayor and Councillors allowances for the 2016 to 2020 term, to the maximum allowable amount for a category 2 council, being \$76,521 per annum for the Mayor and \$24,730 per annum for Councillors.

Allowance levels are subject to annual automatic adjustments that are announced in the Victorian Government Gazette by the Minister for Local Government. On 14 November 2019, the Department of Environment Land, Water & Planning (refer Local Government Victorian Bulletin: 29/2019) advised all councils that a notice was published in the Victorian Government Gazette S459 dated 13 November 2019, providing for a 2.0 percent adjustment to apply to all Mayor and Councillor allowances effective from 1 December 2019. Under Section 73B of the *Local Government Act 1989*, a council must increase the Mayoral and Councillor allowance by this adjustment.

In accordance with the Gazette, effective from the 1 December 2019 the Mayor and Councillor allowances were increased to \$81,204 and \$26,245 per annum respectively, plus the equivalent of the superannuation guarantee contribution of 9.5 percent.

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.

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

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Ordinary Council Meetings

04

Special Council Meetings

Statutory information *(continued)*

Councillor	Term	Allowances	Personal development	Conferences/ seminars/ accomm.	Stationery/ supplies	Telecommu- nications	Travel	Other	Total
Cr Alan McFarlane	1 Jul 19 to 30 Jun 20	28,503	-	-	90	390	-	-	28,983
Cr Brad Law	1 Jul 19 to 30 Jun 20	28,503	-	-	-	753	-	-	29,256
Cr Dale Harriman	1 Jul 19 to 30 Jun 20	28,503	145	232	583	828	4,756	550	35,597
Cr Dan Clancey*	1 Jul 19 to 30 Jun 20	68,525	4,900	154	183	650	2,846	728	77,986
Cr Darrell White	1 Jul 19 to 30 Jun 20	28,503	-	-	176	1,688	2,912	-	33,279
Cr Darren Howe	1 Jul 19 to 30 Jun 20	28,503	-	-	-	1,360	2,968	-	32,831
Cr Graeme Middlemiss^	1 Jul 19 to 30 Jun 20	48,170	-	588	209	895	108	184	50,154
Cr Kellie O'Callaghan#	1 Jul 19 to 30 Jun 20	28,503	-	-	151	1,004	10,169	-	39,827
Cr Sharon Gibson	1 Jul 19 to 30 Jun 20	28,503	46	788	273	652	8,380	205	38,847

* Cr Dan Clancey: Mayor from 31 October 2019 to June 30 2020.

^ Cr Graeme Middlemiss: Mayor from 1 November 2018 to 31 October 2019.

Cr Kellie O'Callaghan's expenses paid during 2019-20 include expenses incurred for a 7 month period in 2018-19.

Councillor representation on Committees

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

As at 30 June 2020, Latrobe City Council had 46 committees which Councillors are appointed to.

These are as follows:

- Section 86 Special Committee (8)
- Statutory Committees (2)
- Advisory Committee (31)
- Other Committees and Groups (5)

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 18 external committees and associations.

Council committee memberships appointments from 1 July 2019 to 30 June 2020

Committee	Cr Dan Clancey	Cr Sharon Gibson	Cr Dale Harriman	Cr Darren Howe	Cr Brad Law	Cr Alan McFarlane	Cr Graeme Middlemiss	Cr Kellie O'Callaghan	Cr Darrell White OAM
Special committees									
Callignee and Traralgon South Sporting and Facility Special Committee				●					
George Bates Reserve Special Committee						●	●		
Latrobe Regional Airport Board						○	●		
Mathison Park Special Committee									●
Morwell Centenary Rose Garden Special Committee						●	○		
Traralgon Railway Reservoir Conservation Reserve Special Committee	●		●	●					
Tyers Recreation Reserve Special Committee			●	●					
Yallourn North Community Housing Committee						○	●		
Statutory committees									
Audit and Risk Committee		○				●			●
Municipal Emergency Management Planning Committee		●		●	●	○			
Advisory Committees									
Australia Day Advisory Committee				●					●
Animal Welfare Advisory Committee		●						●	
Chief Executive Officer Recruitment, Performance and Remuneration Review Advisory Committee	M	●				DM	●		
Churchill and District Community Hub Advisory Committee									●
Early Years Reference Committee	●							●	
Economic Development Advisory Committee	M					DM			
Gippsland Regional Aquatic Centre PRG			●	●				●	
Jumbuk and Yinnar South Timber Traffic Reference Group (in adjournment)						●			●
Latrobe City Cultural Diversity Advisory Committee	●								●
Latrobe City Hyland Highway Municipal Landfill Consultative Committee			●	●					
Latrobe City International Relations Committee	●	●	●						●
Latrobe City Lake Narracan Advisory Committee		●			●				
Latrobe City Tourism and Major Events Advisory Committee		●		●		●			●
Latrobe City Sports and Entertainment Stadium Redevelopment PRG						●	●		
Latrobe Creative Precinct PRG	●		●			●			
Latrobe Regional Gallery Advisory Committee	●								●
Link Editorial Committee	M	●					●		
Moe Southside Community Precinct Advisory Committee		●			●				

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

Statutory information *(continued)*

Council committee memberships
appointments from 1 July 2019 to 30 June 2020

Committee	Cr Dan Clancey	Cr Sharon Gibson	Cr Dale Harriman	Cr Darren Howe	Cr Brad Law	Cr Alan McFarlane	Cr Graeme Middlemiss	Cr Kellie O'Callaghan	Cr Darrell White OAM
Advisory Committees (continued)									
Monash Reserve Newborough PRG		●		●					
Motorsports Complex Advisory Committee		●		●			●		
Morwell Town Common Development Plan Project Control Group						●	●		
Morwell Recreation Reserve PRG						●	●		
Rail Freight Working Group		○			●		●		
Road and Place Name Advisory Committee	M	●	●			●			
Social Planning for Wellbeing Committee/Municipal Public Health and Wellbeing Reference Group								●	
Ted Summerton Reserve PCG		●	●						
Traralgon CBD Safety Committee			●	●					
Traralgon Recreation Reserve and Showgrounds Advisory Committee			○	●					
Traralgon Sports Stadium PRG	●		●	●					
Victory Park Precinct Advisory Committee	●		●						
War Memorials Advisory Committee	M								
Other Council Committees and Groups									
Crinigan Bushland Reserve Committee of Management							●		
Edward Hunter Heritage Bush Reserve Committee of Management		●			●				
Latrobe City Synthetic Sports Field User Group									●
Latrobe Leisure Traralgon Sports Stadium User Group	●		●						
Ollerton Avenue Bushland Reserve Committee of Management		●			●				
External Committees and Associations									
Alliance of Councils for Rail Freight Development					●		●		
ENGIE Hazelwood Environmental Review Committee									●
Gippsland Local Government Network (GLGN)	M								
Gippsland Local Government Waste Forum			●				○		
Gippstown Reserve Committee of Management Inc. (by invitation)		○			●				
Hazelwood Mine Fire Health Study Community Advisory Committee	M								
Latrobe City Trust	M					DM			
Latrobe Valley Mine Rehabilitation Advisory Committee							●		
Loy Yang Power Environmental Review Committee	●								
Moe Yallourn Rail Trail Committee Inc		●			●				

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

Committee	Cr Clancey	Cr Gibson	Cr Harriman	Cr Howe	Cr Law	Cr McFarlane	Cr Middlemiss	Cr O'Callaghan	Cr White OAM
External Committees and Associations (continued)									
Municipal Association of Victoria (MAV)		●	○						
National Timber Councils Association		○	●						
Regional Aboriginal Justice Advisory Committee (RAJAC)		●							
Regional Cities Victoria	M								
Roadsafe Gippsland Community Road Safety Council				●		●			
South East Australian Transport Strategy (SEATS)					○		●		
Timber Towns Victoria		●	●						
Victorian Local Governance Association (VLGA)	M					DM			

Council delegations

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 Special Committee of Council, to the Chief Executive Officer or to an individual Council Officer. Council generally delegates powers, duties and functions to the Chief Executive Officer who is empowered to further delegate some or all of those powers to other officers. Delegation is a vital element in assisting Council administration to function effectively and efficiently.

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

The delegation document also provides that only certain officers are allowed to make decisions of a financial nature,

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

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

Assembly of Councillors

Any scheduled meeting between five or more Councillors and one Council staff member, or an advisory committee meeting with one Councillor present, is considered an ‘Assembly of Councillors’ under the *Local Government Act 1989*. A record of each ‘Assembly of Councillors’ is tabled at an Ordinary Council meeting.

Information management

Freedom of Information

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

Latrobe City Council received 10 valid requests to access information under the *Freedom of Information Act 1982*, in the 2019/20 financial year. This was a decrease of 9 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 2 requests were made under the hardship provisions of the Act and no fee was charged.

Requests for access to information should be addressed to:
Freedom of Information Officer
Latrobe City Council
PO Box 264
MORWELL VIC 3840

In accordance with the *Freedom of Information Act 1982*, Latrobe City Council must decide if this information will be provided within 28 days. Of the 10 valid requests received, all were processed within the statutory timeframe.

Information Privacy

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

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

Protected Disclosures

The *Protected Disclosure 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 *Protected Disclosure Act 2012* relates to behaviours and actions of Councillors and Council Officers.

Information management *(continued)*

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

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

During 2019/20 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 Provision of Resources and Support to Councillors Policy)
- Councillor Code of Conduct
- Records of Assembly of Councillors
- Register of Interests
- Council policies
- Local Laws 1, 2 and 3
- The Council Plan
- The Strategic Resource Plan
- The Annual Budget
- The Annual Report including the Auditor’s Report
- All adopted Council policies

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

Contracts

Contracts entered into in 2019/20 valued at \$150,000 or more for services, or \$200,000 or more for works or more of a kind specified in section 186(5) and (c) of the *Local Government Act 1989* are listed below.

- Construction of Traralgon Croquet Club
- Construction of new footpaths
- Traralgon to Morwell Shared Path - Stage 1B - McDonald Street to Monash Way
- Reconstruction of Vincent Road, Morwell
- Design and construction of Traralgon Sports Stadium
- Design and construction of Gippsland Regional Aquatic Centre
- Provision of printing services
- Landfill monitoring and reporting
- Provision of plant hire services
- Supply and delivery of kiosk products to Latrobe Leisure Facilities
- Design and construct - multiple cricket net training facilities
- Provision of electrical services
- Provision of plumbing and gasfitting services
- Provision of planning services
- Specialist turf supplies and services
- Provision of arboriculture maintenance services
- Rehabilitation of Morwell Landfill stages 1 and 2
- Morwell CBD revitalisation
- Latrobe Creative Precinct - supply and installation of specialist theatre equipment
- Sealing of municipal roads in Latrobe City
- Traralgon Tennis Club LED court lighting upgrade
- Drainage Augmentation to the Nixon Court - Furlonger Street Precinct, Traralgon
- Provision of heritage advisor services
- Design and construct - multi-use pavilion at Monash Reserve, Newborough
- Design, deliver and/or facilitate leadership programs
- Provision of garden maintenance at Latrobe City Council early learning and care centres
- Provision of maintenance of aquatic plant and equipment
- Demolition, design and construction of multi-use netball and tennis courts, fencing and lighting at Monash Reserve, Newborough
- Maryvale and Traralgon Recreation Reserves - upgrade change facilities
- Provision of electrical test and tagging services
- Construction and sealing of shoulders at Flynn’s Creek Road
- Latrobe Regional Hospital footpath works
- Provision of veterinary services
- Drilling and construction of geothermal bores
- Hydrogeological engineering supervision of geothermal bore construction
- Redevelopment of the Keegan Street Reserve, Morwell
- Latrobe Creative Precinct Project management consultancy
- Design and construct - multi-use change room facility at Ronald Reserve, Morwell
- Construction of sports lighting at Apex Park, Traralgon
- Provision of consultancy services for development contribution plans, Section 173 Agreements and legal advice

- Reconstruction of Auchterlonie, Church and Franklin Streets, Morwell
- Installation of underground pipeline at Hyland Highway Landfill
- Design and construct of LED sports lighting at Morwell Recreation Reserve
- Project management consultancy for Gippsland Regional Aquatic Centre
- Project management consultancy for Traralgon Sports Stadium
- Construction of sports lighting at Northern Recreation Reserve and Monash Recreation Reserve, Newborough
- Hubert Osborne Park site remediation works
- Design and construct of a synthetic soccer pitch and sports lighting at Latrobe City Sports and Entertainment Stadium

- Design and delivery of startup business support program Glengarry AFL/cricket pavilion refurbishment
- Construction of stormwater outfall to Traralgon Creek
- Design and construct - cricket centre of excellence at Ted Summerton Reserve, Moe
- Construction of a synthetic oval and sports lighting at Morwell Recreation Reserve
- Traralgon Recreation Reserve Netball Court upgrade and sports lighting
- Provision of footpath grinding services

Development Contributions Plan

From 2017/2018 changes to sections 46GM and 46QM of the *Planning and Environment Act 1987* require Councils to provide a report on development contributions.

Total DCP levies received in 2019/20	
DCP name and year approved	Levies received in 2019/20 financial year (\$)
N/A	N/A
Total	-

DCP land, works, services or facilities accepted as works-in-kind in 2019/20				
DCP name and year approved	Project ID	Project description	Item purpose	Project value (\$)
N/A	N/A	N/A	N/A	N/A
Total	-	-	-	-

Total DCP contributions received and expended to date (for DCPs approved after 1 June 2016)				
DCP name and year approved	Total levies received (\$)	Total levies expended (\$)	Total works-in-kind accepted (\$)	Total DCP contributions received (levies and works-in-kind) (\$)
N/A	N/A	N/A	N/A	N/A
Total	-	-	-	-

Land, works, services or facilities delivered in 2019/20 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
Total	-	-	-	-	-	-	-	-

Local Government Performance Reporting Framework - Governance and Management Checklist

The checklist provides an indication of Council’s governance frameworks including community engagement, planning, monitoring and decision-making. The completion of the checklist is a legislative requirement under the *Local Government Act 1989*.

Theme	Checklist item	Definitions	Yes / No	Date of operation of policy and expiry date / strategy	If no policy / strategy-insert explanation
Community engagement	Community engagement policy	Policy outlining Council's commitment to engaging with the community on matters of public interest	Yes	Community Engagement Policy Date of operation: 14 September 2015	
	Community engagement guidelines	Guidelines to assist staff to determine when and how to engage with the community	Yes	Community Engagement Strategy 2015-2019 Date of operation: 14 September 2015 Community Engagement Action Plan 2015-2019 Date of operation: 14 September 2015	
Planning	Strategic resource plan	Plan under Section 126 of the Act outlining the financial and non-financial resources required for at least the next four financial years	Yes	Strategic Resources Plan 2019-2023 Adopted in accordance with Section 126 of the Act. Date of operation: 3 June 2019	
	Annual budget	Plan under Section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required	Yes	Annual Budget 2019/20 Adopted in accordance with Section 130 of the Act. Date of adoption: 3 June 2019	
	Asset management plans	Plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years	Yes	Road Asset Management Plan Adopted: 2 October 2017	
				Bridges and Major Culverts Asset Management Plan Adopted: 4 June 2018	
				Car Park Asset Management Plan Adopted: 4 June 2018	
				Building Asset Management Plan Adopted: 4 June 2018	
				Drainage Asset Management Plan Adopted: 19 June 2017	
				Car Parks Asset Management Plan Adopted: 4 June 2018	
	Rating strategy	Strategy setting out the rating structure of council to levy rates and charges	Yes	Rating Strategy 2019/20 Date of operation of current strategy: 3 June 2019	

Theme	Checklist item	Definitions	Yes / No	Date of operation of policy and expiry date / strategy	If no policy / strategy-insert explanation
Planning <i>(continued)</i>	Risk policy	Policy outlining Council's commitment and approach to minimising the risks to Council's operations	Yes	Risk Management Policy Date of operation of current policy: 1 October 2018	
	Fraud policy	Policy outlining Council's commitment and approach to minimising the risk of fraud	Yes	Fraud and Corruption Control Policy Date of operation of current policy: 2 December 2019	
	Municipal emergency management plan	Plan under Section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery	Yes	Prepared and maintained in accordance with Section 20 of the <i>Emergency Management Act 1986</i> Date of preparation: 14 September 2018	
	Procurement policy	Policy under Section 186A of the Act outlining the matters, practices and procedures that will apply to all purchases of goods, services and works	Yes	Prepared and approved in accordance with Section 186A of the <i>Local Government Act 1989</i> Date of approval: 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 Operational Policy Date of operation of current plan: 26 April 2018	
	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	Recovery Sub Plan 2018-2021 Date of operation of current plan: 14 September 2018	
Monitoring	Risk management framework	Framework outlining Council's approach to managing risks to the Council's operations	Yes	Date of operation of current plan: 5 August 2019	
	Audit committee	Advisory committee of Council under Section 139 of the Act whose role is to oversee the integrity of Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements	Yes	Established in accordance with Section 139 of the Act <i>Current Audit Committee Charter</i> Date of operation: 2 March 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	Engaged: HLB Mann Judd Date of engagement: 13 September 2016	
	Performance reporting framework	A set of indicators measuring financial and non-financial performance including the performance indicators referred to in section 131 of the Act	Yes	Date of operation of current framework: 14 December 2011	

Local Government Performance Reporting Framework - Governance and Management Checklist *(continued)*

Theme	Checklist item	Definitions	Yes / No	Date of operation of policy and expiry date / strategy	If no policy / strategy-insert explanation
Reporting	Council plan reporting	Report reviewing the performance of the Council against the Council Plan including the results in relation to the strategic indicators for the first six months of the financial year	Yes	Date of report: 17 February 2020	
	Financial reporting	Quarterly statements to Council under Section 138(1) of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure	Yes	Statements presented to Council in accordance with Section 138(1) of the Act. Dates statement presented: 21 October 2019 11 November 2019 10 February 2020 4 May 2020	
	Risk reporting	Six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies	Yes	Dates of reports: Audit and Risk Committee 15 August 2019 13 November 2019 2 March 2020 21 May 2020 Executive Risk Management Committee 26 July 2019 18 October 2019 12 February 2020	
	Performance reporting	Six-monthly reports of indicators measuring results against financial and non-financial performance including the performance indicators referred to in Section 131 of the Act	Yes	Dates of reports: 18 October 2019 2 March 2020 19 May 2020 5 August 2020	
	Annual report	Annual report under Sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements	Yes	Considered at meeting of the Council in accordance with section 134 of the Act. Date of consideration: 21 October 2019	
Monitoring	Councillor code of conduct	Code under Section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by all Councillors	Yes	Reviewed in accordance with Section 76C of the Act. Date reviewed: 13 February 2017 Further review: 1 June 2020	
	Delegations	A document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff	Yes	Reviewed in accordance with section 98(6) of the Act. Date of review: Council to CEO: 4 June 2020 Council to staff: 6 April 2020 CEO to staff: 22 June 2020	
	Meeting procedures	A local law governing the conduct of meetings of Council and special committees	Yes	Meeting procedures local law made in accordance with section 91(1) of the Act. Date local law made: 23 March 2018.	

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.

Glossary *(continued)*

Latrobe 2026: The Community Vision for Latrobe City

The Community Vision was generated after identifying three broad concepts shared by the Latrobe City community: Sustainability, Liveability and Leadership. A further nine strategic objectives were identified to take Latrobe City forward: Economy, Natural Environment, Built Environment, Our Community, Culture, Recreation, Governance, Advocacy and Partnerships, and Regulation and Accountability. Development of the community vision was facilitated by Latrobe City Council in consultation with many organisations, agencies, groups and individuals. The Latrobe 2026 Community Vision is an important long-term strategic document for Latrobe City Council which provides the principal direction to the Council Plan.

Latrobe Planning Scheme

The planning scheme that sets out policies and requirements for the use, development and protection of land located in Latrobe City.

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

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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.*

