



LATROBE CITY
COUNCIL

Annual Report

2024-2025



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

Why do we have an Annual Report?

Under the *Local Government Act 2020*, Councils are required to report to the community on a variety of topics covering Council operations, performance and finances.

How to obtain a copy of this report

A copy of this report can be found on the Latrobe City Council website latrobe.vic.gov.au/annualreport or a printed version can be viewed at any one of our libraries or service centres.

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

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01

Our Leadership



Message from the Mayor

I'm pleased to present the 2024/25 Annual Report to the Latrobe City community. Over the past year, we've had many successes as a Council, as further highlighted in the Report.

Alongside my fellow Councillors, we have been laying the foundations for the success of the Council's four-year term.

With important strategic documents developed in consultation with the community such as the Council Plan and Community Vision 2025 – 2029, Council is committed to hear from community and work to deliver their aspirations. I am passionate about Council getting back to delivering what the community wants and importantly expects, and am focused on helping Council return to basics, known by many as the three R's – rates, roads and rubbish.

I will continue to focus on roads and footpaths, the presentation of our parks and reserves ensuring they are well maintained and kept. Civic pride and the presentation of our towns is very important to me; I want our streets to look immaculate and instil a sense of pride.

Latrobe City's summer of sport was a resounding success, bringing together athletes, families and sports enthusiasts from across the region for an action-packed season of events. From January through to February 2025, Gippsland Regional Indoor Sports Stadium (GRISS) hosted a diverse lineup of sporting events that showcased Latrobe City as a major sporting destination.

From elite tennis to high-flying basketball, there was something for every sports fan. Highlights include South East Melbourne Phoenix defeating the Brisbane Bullets in front of an enthusiastic crowd and the Australian Boomers taking on Indonesia and Thailand for the FIBA 2025 Men's Asia Cup Qualifiers - delivering two electrifying games that kept fans on the edge of their seat.

Netball Victoria brought the Gippsland Showcase with top-tier talent from across Victoria, interstate and even international programs.

We also saw top-level tennis and bowling talent at the AGL Loy Yang Traralgon Junior International and Energy Australia Classic Singles at Newborough Bowling Club, where the community was invited to soak up the excitement.

Scan the QR Code to watch some of the action with the Australian Boomers:



As a Council, we continue to work on diversifying our economy, including through business engagements and roundtable discussions.

Our region is abundant with natural resources, is strategically located with excellent transportation infrastructure, and has a skilled and capable workforce.

These inherent advantages position Latrobe City as an attractive destination for a wide range of industries and businesses. By capitalising on these strengths, we can create an environment that fosters innovation, entrepreneurship and sustainable economic development.

Just one example of Council attracting investment was the launch of Nova Systems as an alliance member at the Latrobe Aerospace Technology Precinct, located at Latrobe Regional Airport.

Council has been developing the Precinct for the past two years and has already partnered with companies such as Dovetail, along with academic institution Swinburne University of Technology.

To further showcase Advanced Air Manufacturing at Latrobe Aerospace Technology Precinct, I attended the Avalon Air Show, alongside some of my fellow Councillors.

We were proud to connect with senior industry leaders in aerospace, aviation, space, defence, military, and government from around the world.

Attending events like the Avalon Airshow allows us to showcase the strengths of our region and highlight the potential for new industries, leveraging our existing facilities and talented workforce.

We are continuing to attract investment through projects such as the newly established Gippsland Logistics Manufacturing Precinct, which is ready to support investment, drive innovation and create employment in the region.

Anticipated to generate new jobs, this precinct will unite advanced manufacturing, transport, and logistics sectors, fuelling growth in Gippsland's manufacturing and supply chain industries.

Following the endorsement of Council's Federal Election Strategy, I attended a Federal Delegation in Canberra, where productive discussions were held with several federal members and ministers.

Our Federal Election Strategy clearly identifies Council's key priorities, including our New Energy Future for hydrogen development in Latrobe City and infrastructure investments to support industrial and residential growth.

Council's 2024/25 Budget further highlighted opportunities for the region's growth.

Before the Budget was drafted, we undertook community engagement to understand what mattered most to our community, and once the Budget was drafted, we again went out to the community for feedback.

Key priorities identified in this Budget included major capital works projects in progress; Marshalls Road/Traralgon-Maffra Road Signalised Intersection, next stage of the Gippsland Logistics Precinct, continued delivery of the Regional Car Parks Fund in Traralgon and Morwell, flood recovery projects and refurbishment of Park Lane Pre School in Traralgon.

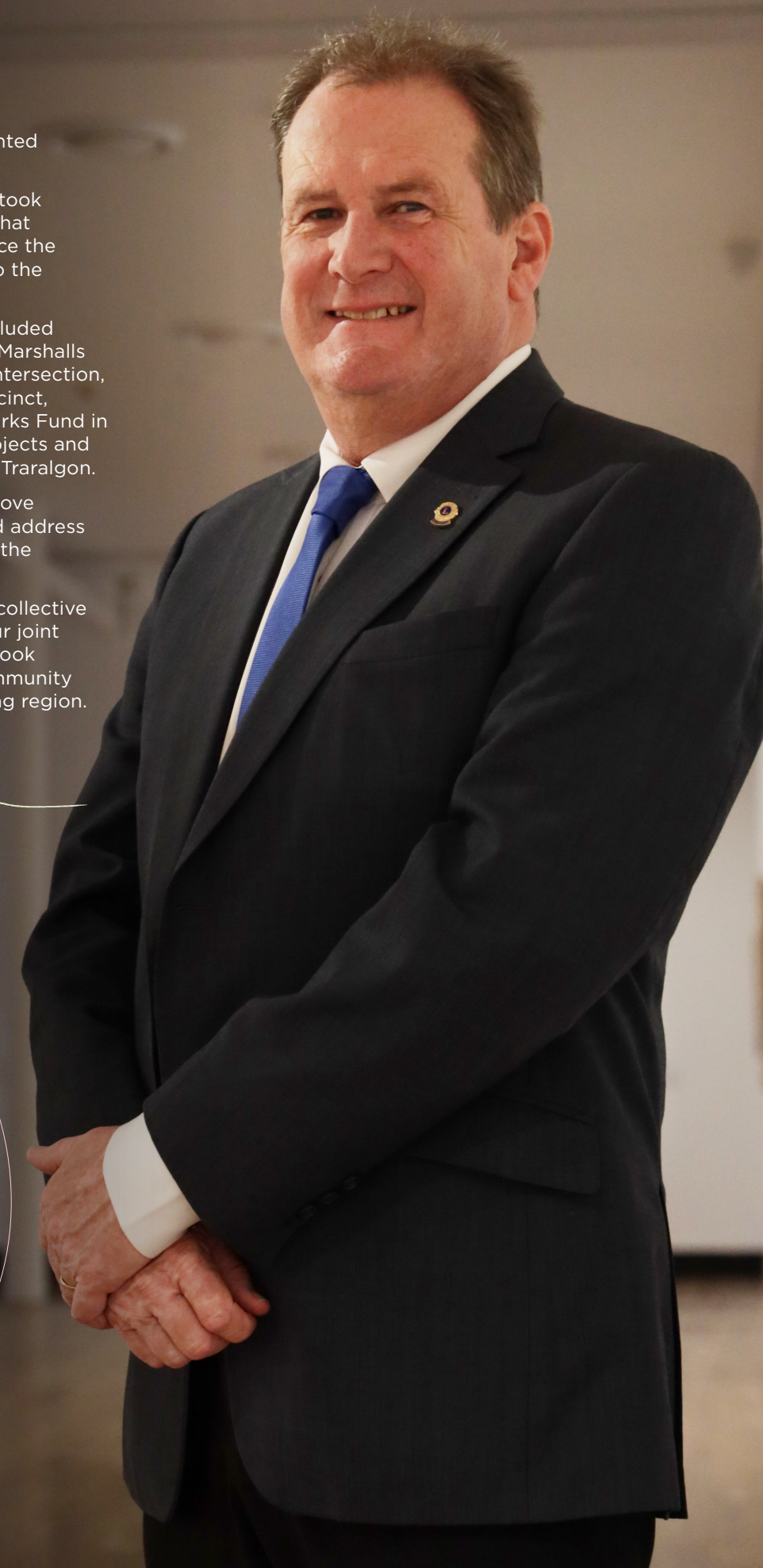
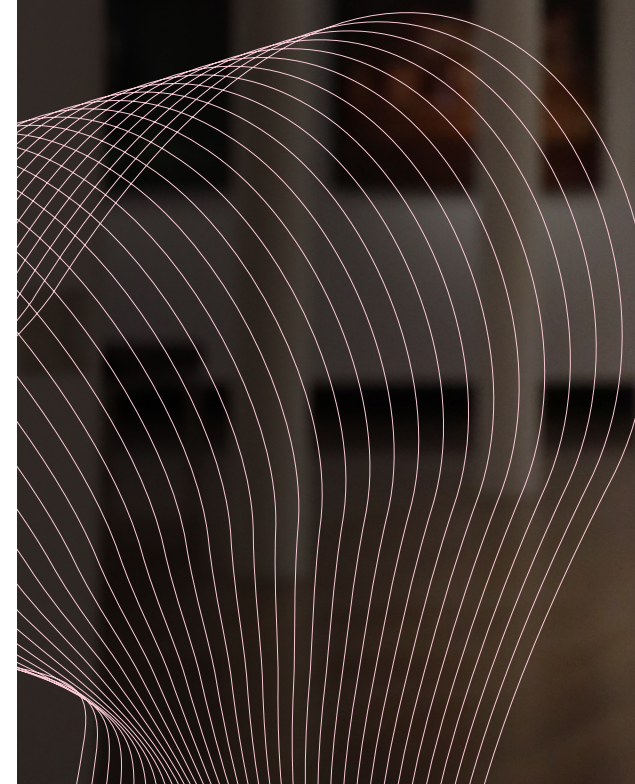
Supporting these major projects will improve community assets, support local jobs, and address community priorities as outlined through the community consultation process.

This Annual Report is a testament to the collective efforts of our Council and community—our joint efforts setting us up for future success. I look forward to continuing to build on our community knowledge and our growth as a prospering region.

Dale Harriman

Cr Dale Harriman

Mayor
Latrobe City Council



Message from the CEO

It is with great pride that I present the Annual Report for 2024/2025, reflecting on the progress Latrobe City Council has made along with celebrating the partnerships, planning and shared vision that underpin everything we do in service of our community.

I wish to begin by thanking the outgoing Council for their leadership, commitment and service to the people of Latrobe City during the previous four-year term. Their stewardship has provided a strong foundation on which the new Council can continue to build.

As we welcome our newly elected Councillors, we look forward to the energy, fresh ideas and renewed focus they bring. A change in term is always a significant moment in local government, offering the chance to reflect on achievements and look ahead with optimism and ambition.

A key milestone this year has been the development of the new Council Plan which integrates the Municipal Public Health and Wellbeing Plan. This Plan is central to shaping how we prioritise investment, services and support for the Latrobe City community. Importantly the plan reflects the voices of our community, informed by extensive community consultation and feedback opportunities. Community members have shared with us what matters most to them including safe and healthy neighbourhoods, a resilient local economy underpinned by business support and growth, urban development and planning that support the way people live, work and connect in Latrobe City, and a council that operates transparently and sustainably.

These insights were invaluable in shaping the Plan, ensuring they reflect not only legislative requirements but also the experiences and aspirations of our residents. The success of the plan will always depend on community input, and I extend my sincere thanks to everyone who contributed their time and ideas.

During this financial year, Council undertook a significant program of engagement activities to ensure the community had genuine opportunities to influence decision-making. These included workshops, pop-up sessions, surveys, our Have Your Say online platform and direct conversations across our city.

Engagement is more than a process, it is about building trust and strengthening relationships. This year's activities have reaffirmed the passion of Latrobe residents for their city and their desire to see it grow and thrive. We have been encouraged by the high level of participation and the quality of feedback provided that supported shaping strategies and policies, planning matters and our approach to health and wellbeing.

Latrobe City continues to grow its reputation as a hub for sport, recreation and community life. This year, Council has delivered and planned for projects that not only enhance local amenities but also position Latrobe as a regional destination.

With the support of the Victorian Government, our focus on sports legacy has delivered significant benefits to grassroots clubs by improving facilities and providing essential resources. These investments have strengthened participation at the community level, encouraged healthier lifestyles, and nurtured social connections and pathways for young athletes.

Building on this success, we are now commencing further projects to expand these opportunities, ensuring an even greater impact for local clubs and communities, while also supporting the growth of our events and tourism visitor economy.

At the same time, Latrobe has confirmed its status as the sporting capital south-east of Melbourne through its ability to attract major events. The benefits of this extends beyond sport itself, stimulating the local economy, creating jobs and showcasing our city to visitors.

Sustainability remains at the core of Council's decision-making. Local government continues to face significant challenges: the rising cost of living, increasing demand for services, inflationary pressures on capital projects and the constraints of rate capping.

Despite these pressures, Latrobe City Council has remained disciplined and forward-looking in its financial management. Careful planning, prioritisation and efficiency measures have allowed us to deliver services and infrastructure that meet community needs without compromising our long-term financial health.

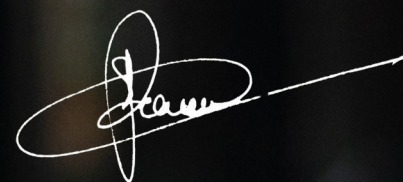
We know that every dollar Council spends comes from our community, and we remain committed to maximising value. This includes exploring partnerships, advocating for state and federal funding, and investing wisely to ensure sustainable outcomes. Our community can be confident that financial sustainability will remain a central focus in the years ahead.

As we look ahead, Council remains committed to building on this year's achievements. Guided by the new Council Plan and Health and Wellbeing Plan, our progress will rely on strong collaboration with residents, businesses, and partners.

Latrobe is a city of resilience, innovation, and opportunity. We honour our heritage while embracing the future, working together to ensure Latrobe is a community where people feel connected, supported, and proud to call home.

I extend my gratitude to Councillors, Council staff, volunteers, community leaders, and every resident who has played a part in shaping this year's story. Your contributions have made a real difference, and they remind us that local government is, above all else, about people.

Thank you for your continued trust and engagement. Together, we look forward to another year of progress, partnership and shared success. We remain committed to serving our community with strength and accountability, working hand in hand to shape a future we can all be proud of.



Steven Piasente

Chief Executive Officer
Latrobe City Council



Your Council Representatives

Latrobe City Council electoral structure update

Prior to the October 2024 Council Election, Latrobe City Council was divided into four wards, represented by a total of nine councillors:

- Central Ward – 2 councillors
- East Ward – 4 councillors
- South Ward – 1 councillor
- West Ward – 2 councillors

In 2023–24, an electoral representation advisory panel conducted a review of Latrobe City Council's electoral structure. As a result of this review, changes were made to the ward structure. These changes took effect at the October 2024 Council Election.

Latrobe City Council is now comprised of nine wards, each represented by one councillor:

- Boola Boola Ward
- Budgerie Ward
- Jeeralang Ward
- Loy Yang Ward
- Moe Ward
- Morwell River Ward
- Newborough Ward
- Tyers Ward
- Yallourn Ward



Your Councillors

Councillors for the 2024 – 2028 term are:



Mayor
Dale Harriman
Loy Yang Ward

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

Cr Dale Harriman was first elected in 2011.
Cr Harriman was Mayor in 2014.



Councillor
Adele Pugsley
Moe Ward

P: 0482 662 318
E: adele.pugsley@latrobe.vic.gov.au

Cr Adele Pugsley was first elected in November 2024.



Deputy Mayor
Sharon Gibson
Newborough Ward

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

Cr Sharon Gibson was first elected in 2008.
Cr Gibson was Mayor in 2013 and 2021.



Councillor
Tracie Lund
Morwell River Ward

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

Cr Tracie Lund was first elected in November 2020.



Councillor
David Barnes
Boola Boola Ward

P: 0474 749 681
E: david.barnes@latrobe.vic.gov.au

Cr David Barnes was first elected in November 2024.



Councillor
Darren Howe
Tyers Ward

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

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



Councillor
Leanne Potter
Budgerie Ward

P: 0488 078 744
E: leanne.potter@latrobe.vic.gov.au

Cr Leanne Potter was first elected in November 2024.



Councillor
Steph Morgan
Yallourn Ward

P: 0428 419 291
E: steph.morgan@latrobe.vic.gov.au

Cr Steph Morgan was first elected in November 2024.



Councillor
Joanne Campbell
Jeeralang Ward

P: 0400 635 996
E: joanne.campbell@latrobe.vic.gov.au

Cr Joanne Campbell was first elected in November 2024.

The following Councillors served until the election in October 2024



Councillor
Graeme Middlemiss
Central Ward

Cr Graeme Middlemiss was first elected in 1997 during the first Latrobe Shire Council elections. Cr Middlemiss was Mayor in 2003 and 2019.



Councillor
Kellie O'Callaghan
East Ward

Cr Kellie O'Callaghan was first elected in 2008. Cr O'Callaghan was Mayor in 2010, 2017, 2022 and 2023.



Councillor
Dan Clancey
East Ward

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



Councillor
Bradley Law
West Ward

Cr Bradley Law was first elected in November 2016



Councillor
Melissa Ferguson
South Ward

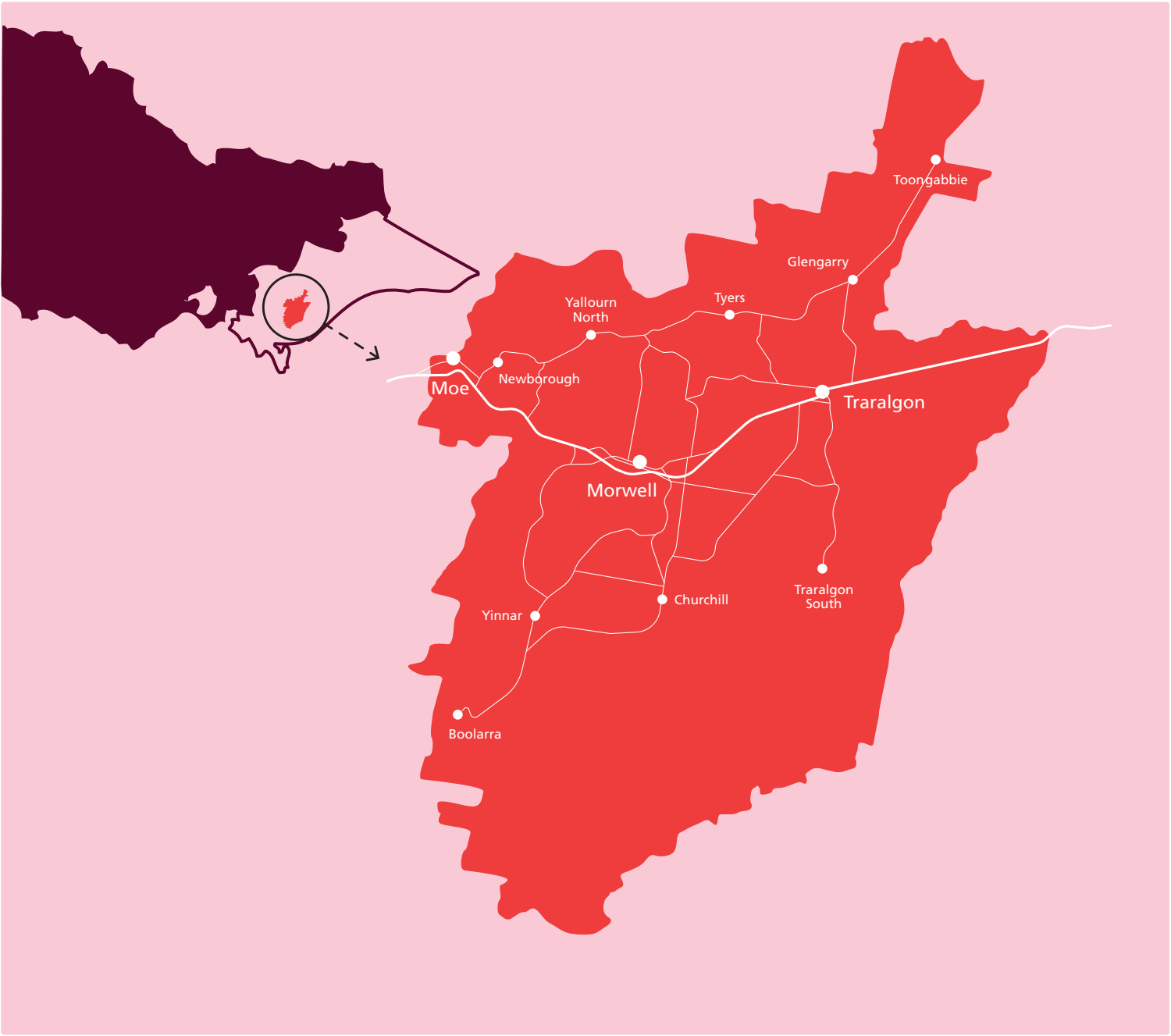
Cr Melissa Ferguson was first elected in November 2020

Latrobe City Snapshot and Profile

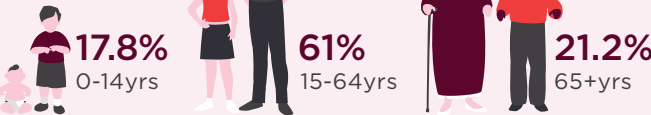
Latrobe City is Victoria's eastern Regional City and Gippsland's primary service centre and employment hub, providing retail, entertainment, education, government and health services to the region.

Latrobe City is 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.

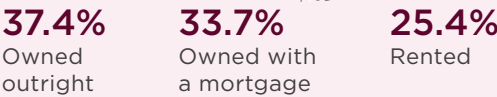
The city is made up of four major towns; Churchill, Moe/Newborough, Morwell and Traralgon; and seven rural townships of Boolarra, Glengarry, Toongabbie, Tyers, Traralgon South, Yallourn North and Yinnar.



POPULATION BY AGE



OCCUPIED PRIVATE DWELLINGS



EMPLOYED LABOUR FORCE



TRAVEL TO MELBOURNE



25

Early education centres

5

Maternal and child health centres

\$7.65b

GROSS REGIONAL PRODUCT

6

Senior citizen centres

4

Libraries

28

Primary schools

3

Specialist schools

2

Council run outdoor pools

3

Council run indoor pools

9

Secondary schools

3

TAFE campuses

8

Skate parks

132

Playgrounds
Council is responsible for maintaining

1

Monash University
School of Rural Health

1

University

Year in Review

108,813

visits to Latrobe City libraries

21,957

registered library members in Latrobe City

2,472,370

bin lifts as part of Council's kerbside waste collection

294

planning decisions made

258,490sq/m

local roads resealed

1,550km

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

760ha+

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

15,374hrs

worked by maternal and child health nurses

41930

calls answered/received by Council's customer service staff

271

community events supported

\$27m

economic impact of major events

325,657

aquatic facility visits

430

animals rehomed

02

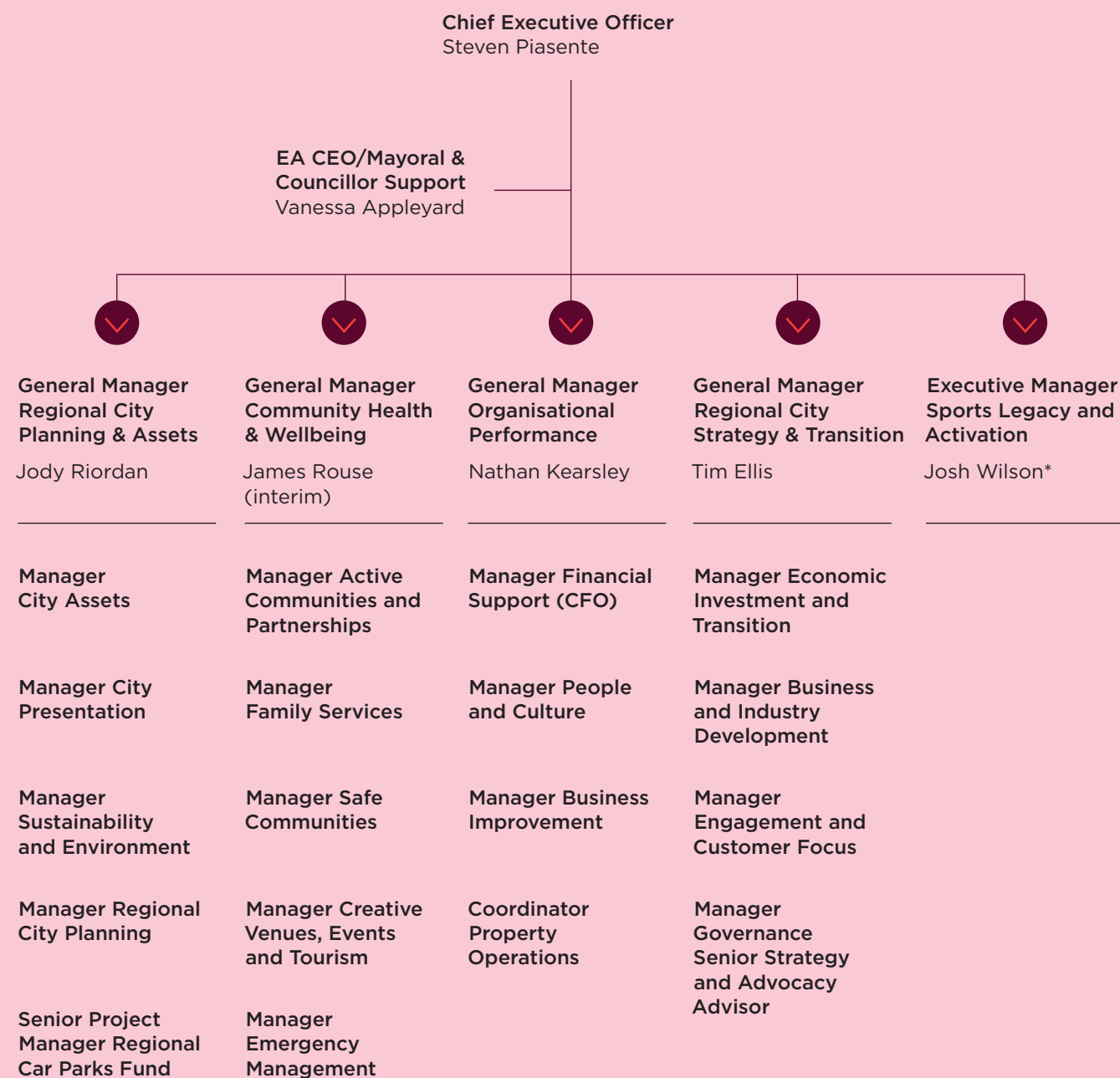
Our Organisation



Organisational Structure

Structure as at 30 June 2025.

*Acting role



Service Snapshot

Business and economic development

- Investment attraction
- Manage, maintain and develop the Latrobe Regional Airport
- Support aviation-related employment at Latrobe Regional Airport
- Business development, support and training services
- Economic modelling and impact analysis
- New business support
- Start-up ecosystem
- Pursue new business investment and employment growth
- Develop the Gippsland Logistics and Manufacturing Precinct
- Concierge system to support people seeking permits and licences
- Focus on transitioning workforce
- Net zero future
- Main street revitalisation
- Advanced air mobility ecosystem developments
- New energy opportunities — hydrogen, off shore wind, batteries and solar
- Advance sister city relationship with Japan

Community information and development

- Provide information about Council services
- Recording and processing customer requests
- Support the delivery of Council strategies, projects and programs to deliver improved health and wellbeing within our community
- Advocate on behalf of our community for better health and wellbeing outcomes
- Improve liveability for people with a disability within the community
- Support a more connected and engaged community across all ages
- Creation of training and employment opportunities for Indigenous people
- Promote reconciliation
- Community grants
- Volunteer support

Creative venues, events and tourism

- Develop, attract and promote events
- Operate Council's creative venues including the Gippsland Performing Arts Centre and Latrobe Regional Gallery
- Facilitate educational and public programming at Council's creative venues
- Support the facilitation of community events
- Deliver Council civic events and festivals
- Operate an accredited Visitor Information Centre
- Produce tourism brochures to promote region, including maps and scenic drives
- Gippsland Performing Arts Centre
- Provide halls and smaller venues for community hire

Culture, leisure and recreation

- Operation of four indoor leisure centres and three outdoor pools
- 18 indoor stadiums/courts across four facilities
- Traffic school
- Support community committees
- 60 sporting reserves, BMX tracks and skate parks
- Maintain open space parks and garden beds
- Maintain wetlands and rain gardens
- Maintain playgrounds
- Kerbside spraying and tree planting
- Recreation planning
- Open space planning

Family and children

- Three and four-year-old kindergarten programs delivered across 25 preschools
- Maternal and child health services provided throughout the municipality
- Enhanced Maternal and Child Health program
- Best Start program
- Early years participation
- Preschool Field Officer program
- Long day care offered in three locations
- Supported playgroups
- Parent education and new parent groups
- Immunisation program
- Regional Assessment Service

Emergency management

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

Infrastructure

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

Environment

- Approximately 1800km of rural roadside weed management
- Planting of native plants
- Vegetation removal permit assessments
- Participate in industry and community environment committees and networks
- Bushland reserve management
- Forestry coup compliance reviews
- Initiate carbon offsets
- Environmental education services
- Trust for nature property rate rebates
- Biodiversity protection incentive program grants
- Community tree planting
- Waterway management services
- Development and implementation of fire management plans

Libraries

- Operation of four public libraries
- Program of social and learning opportunities for adults and seniors
- Resourcing the community, including fiction and non-fiction books, CDs and DVDs, audio books, and hard copy newspapers and magazines
- Digital library resources including eBooks, eMagazines, eAudiobooks, eMovies, eNewspapers, family history databases, research and learning tools for leisure, skills updates and employment prospects
- Community access to meeting rooms, learning spaces, public computers and free WiFi
- Author talks and guest speakers/ presentations
- Community outreach program
- Preschool Storytime, Baby Bounce, Wiggle and Jiggle, school holiday program and other children's activities
- Work experience placements
- Podcast studio and electronic games for community use at the Moe Library

Planning

- Ensure adherence to the *Planning and Environment Act 1987* and *Subdivision Act 1988*
- Provide statutory planning permit application and post—permit compliance services
- Undertake strategic planning research and land use policy development
- Manage Council and community initiated planning scheme amendments and development plans
- Manage development infrastructure contributions
- Facilitate infrastructure delivery planning and coordination



Running Council

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

Safe communities

- Implementing Council local laws, environmental health and building standards, and relevant legislation
- Registration and monitoring of food and beauty premises
- Wastewater management
- School crossing supervision
- Animal management services, including:
- Pet registrations, collection of stray pets and managing pound operations
- Cat cage hire, animal adoptions and microchipping
- Pet care education and promotion
- Unsightly/unsafe property inspections
- Road safety education and awareness
- Building permit services for internal projects
- Pool barriers audit program

Waste, recycling and energy

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

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.

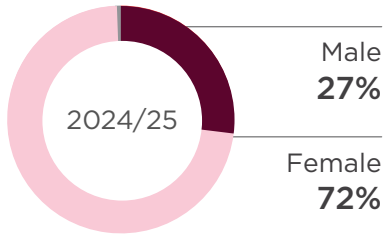
Council values and celebrates the contribution of its people, working together in the spirit of honesty, teamwork and trust. As of 30 June 2025, Latrobe City Council employed 1003 people, comprising full-time, part-time and casual employees. The number of equivalent full-time positions (FTE) is 840.



Staffing levels

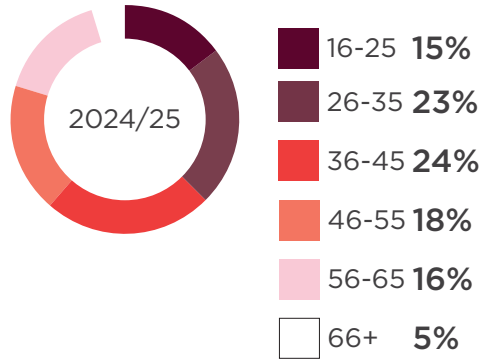
Division	Permanent headcount	Permanent FTE	Temporary headcount	Temporary FTE	Casual headcount	Overall headcount
Community Health and Wellbeing	226	124	194	134	275	695
Office of the Chief Executive	2	2	5	4	0	7
Organisational Performance	45	44	30	25	3	78
Regional City Planning and Assets	132	130	33	31	0	165
Regional City Strategy and Transition	31	29	22	19	2	55
	436	347	284	213	280	1003

Gender profile



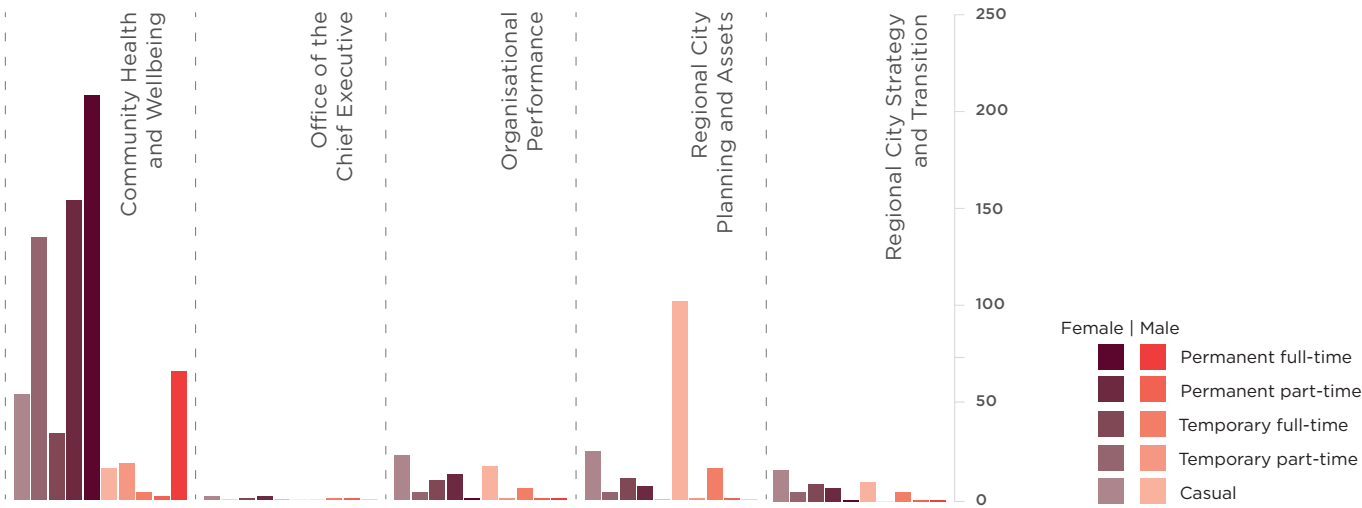
Year	Male	Female
2024/25	27%	72%
2023/24	25%	75%
2022/23	28%	72%
2021/22	25%	75%
2020/21	25%	75%
2019/20	26%	74%

Workforce by age



Council staff

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



Five employees across the organisation have been identified as self described or prefer not to say. They have not been included in the above due to potential privacy concerns.

Salary banding

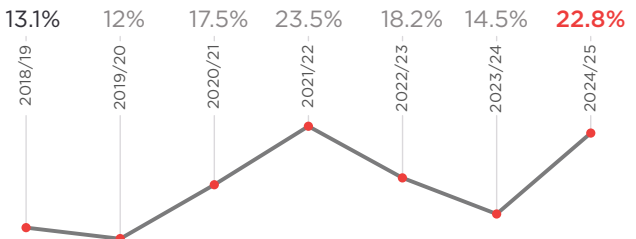
Male	1	2	3	4	5	6	7	8	Other
Permanent full-time	0	0	39	17	28	33	14	12	2
Temporary full-time	0	0	1	4	3	5	3	2	15
Permanent part-time	6	3	8	1	1	0	1	0	1
Temporary part-time	0	0	1	1	2	1	1	0	0
Ongoing casual	1	2	40	23	1	0	0	0	1
Temporary casual	0	0	0	0	0	0	0	0	0
Female	1	2	3	4	5	6	7	8	Other
Permanent full-time	0	2	2	31	26	29	16	10	4
Temporary full-time	0	2	1	12	5	15	8	3	18
Permanent part-time	23	18	13	43	15	8	1	0	27
Temporary part-time	0	5	0	19	19	17	5	0	118
Ongoing casual	5	31	75	27	1	0	0	0	69
Temporary casual	0	1	0	0	0	0	0	0	1

Five employees across the organisation have been identified as self described or prefer not to say. They have not been included in the above due to potential privacy concerns.

Staff turnover

8.3% increase in staff turnover

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



03

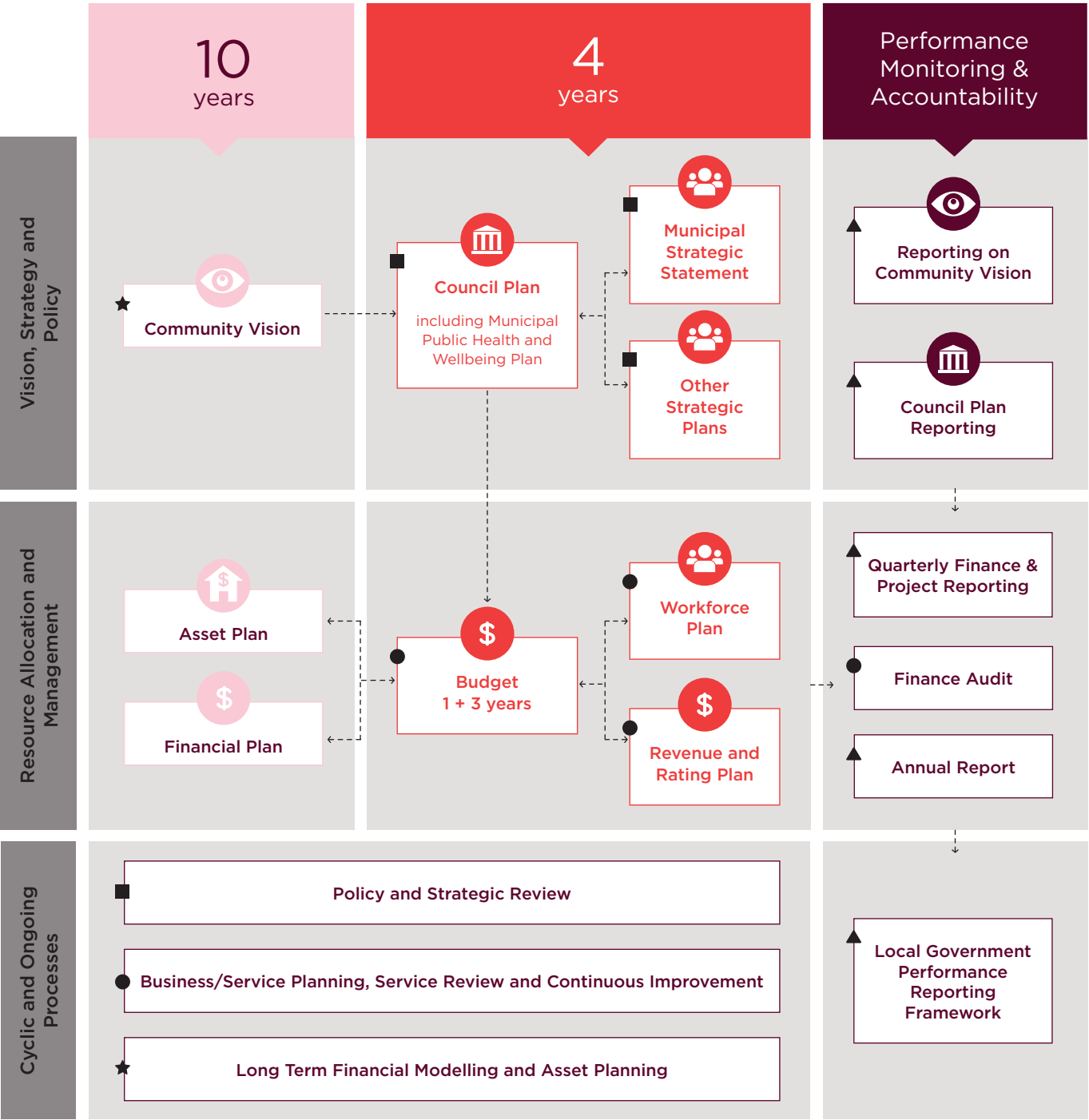
Our Direction



Setting Our Direction

Each year, Latrobe City Council completes business planning, setting out actions that align with the strategic directions of the Council Plan.

Progress toward achieving the objectives of the Council Plan is measured through the completion of identified actions and performance indicators, which are integral to the performance reporting process. This process is detailed in the Planning and Reporting Framework diagram below.



Shapes represent what elements inform or are informed by each other.

Council Plan Objectives 2021-2025

Our Vision

In 2031 Latrobe City will be known for being smart, creative, healthy, sustainable and connected. It will be the most liveable regional city and at the forefront of innovation.

Working together we are a diverse, connected and resilient community, supporting the equitable diversification of our economic base and transition towards a low emissions future.

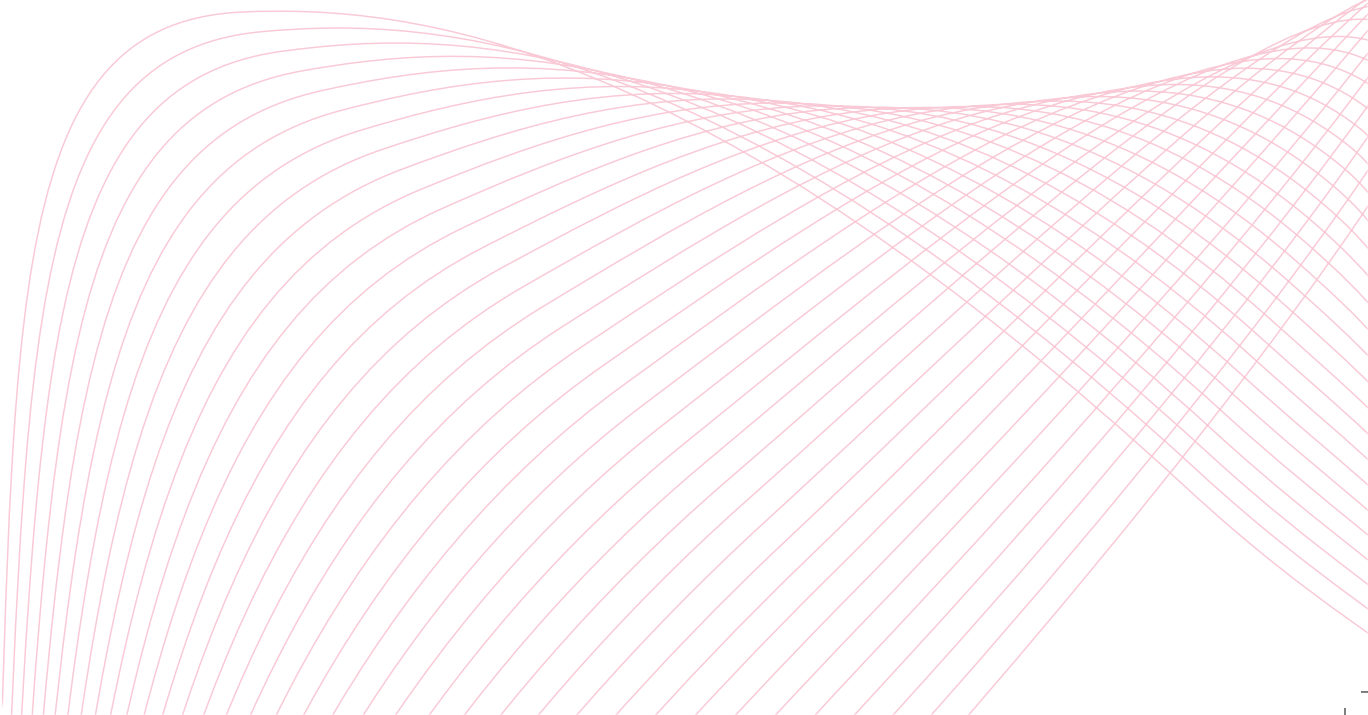
We are known as a community that is equitable, liveable and sustainable, with a continued focus on healthy lifestyles supported by high quality recreational and cultural facilities and a natural environment that is nurtured and respected.

Our Vision and Council Plan 2021-25

In early 2021, over 1,500 people across all ages put forward their ideas for Latrobe City's future. The Community Vision seeks to capture what our community values most. It draws upon the interests and broad identities of our diverse community and their sense of what Latrobe City means now and into the future. Everyone counts in Latrobe City and we continually endeavour to listen to the voices of people from a variety of backgrounds to develop our plans.

The Community Vision sets out the challenge for the Council Plan and Municipal Public Health and Wellbeing Plan. Council has considered community input and survey results in settling on the final form of the Community Vision and Council Plan.

The strategic directions in this plan were drawn heavily from the work of the Community Panel and are drafted with reference to statements developed in the course of the Panel's work.



Smart

Stage 1A of the Gippsland Logistics Precinct was completed in 2024/25 and contracts have been secured for lots 1,2,7,9 and 10. The Creative Industries Training Centre was also completed, with the project providing a dedicated space for creative industries training, offering resources and support for performing artists and organisations.

Significant progression continued towards the establishment of Advanced Air Mobility (AAM) precinct in Latrobe City, with schematic designs and cost estimates having been developed during 2024/25. These designs will now be used to guide Council's future advocacy and funding endeavours. Council also continued to work closely with government and industry to attract investment in hydrogen industries to enhance the potential for liquid hydrogen at the airport precinct. Finally, to maximise fiscal responsibility, Council audited electricity use across all facilities, delivering efficiencies and \$50,000 in savings.

Completed actions for 2024/25 include:

- Work with Advanced Air Mobility (AAM) proponents to establish in Latrobe City.
- Work with government and industry to attract investment in new energy industries.
- Identify and implement actions to attract and support circular economy investment.
- Develop and deliver a utilities audit program to identify efficiencies and cost savings across Latrobe City Council facilities and services.
- Creative Industries Training Centre (CITC).
- Continue to facilitate the Latrobe City industry alliance.
- Develop the infrastructure in the Gippsland Logistics Precinct and secure suitable tenants.
- Gippsland Logistics Precinct construction Stage 1A



Strategic indicators

Indicator	2022/23	2023/24	2024/25
Number of new business registrations within Latrobe City	1769	1654	1610
Vacancy rate of retail and commercial premises*	4.3%	4.2%	4.9%
Amount of state and federal funding received for projects supporting economic diversification and skill development	\$785,000	\$730,000	\$1,365,000
Public Wi-Fi offerings throughout the municipality	155	155	167

*Does not include dormant premises

Services

Business Area	Description
Building Services	Provides building advice, statutory services, registration of swimming pools and enforcement action in accordance with relevant legislation including the <i>Building Act 1993</i> , including approval and monitoring processes, community engagement and education to deliver appropriate and safe building outcomes.
Business Development/ Economic Investment & Transition	Provides business development advice, services and programs to improve the overall prosperity of the municipality. Measures to indicate growth include improvements in education attainment, household income, career advancement and job opportunities. Deliver International Relations services in accordance with the Latrobe City International Engagement and Investment Strategy 2019–2023. Provide regional leadership and facilitate a successful transition for Latrobe City to a low carbon future. 2025/26 budget amounts include Gippsland Logistics and Manufacturing Precinct Stage 1B construction grants and expenditure that will not be capitalised as the roundabout asset will pass to Regional Roads Victoria on completion.
Early Childhood Health & Development	Service provides information, advice, support and health monitoring to parents of children aged 0 to 6 years to ensure the promotion of health and development to optimise the child's wellbeing, learning, development and safety. Responsible for coordinating and delivering the National Immunisation program through providing a schedule of free vaccines to eligible members of the community through community, school and workplace sessions. Support Best Start Partnership which aims to improve the health, development, learning and wellbeing of all Victorian children from infancy through to transition to school (0–8 years) by managing a formal partnership of local agencies and community members.
Early Learning & Care	Three early learning centres and 25 preschools are located at various locations across Moe, Morwell, Traralgon, Churchill, Boolarra, Glengarry, Traralgon South, Tyers, Yallourn North and Yinnar.
Employment Development	Promote, coordinate and providing training and employment opportunities for Aboriginal people.
Latrobe Regional Airport	Maintain, develop and operate Latrobe Regional Airport in accordance with civil aviation safety authority regulations and the Latrobe Regional Airport Masterplan.
Library Services	Operation of four libraries (Moe, Morwell, Traralgon and Churchill) across the municipality that provides access to resources, programs and services that encourages lifelong learning and literacy and numeracy development.
Statutory and Strategic Planning	Provide statutory planning services, advice and enforcement action in accordance with the Latrobe Planning Scheme and <i>Planning and Environment Act</i> . Responsible for undertaking research, policy development and implementing policies and strategies through Planning Scheme Amendments dealing with land-use planning matters.

Creative

Council continued to make strides in ensuring a wide array of performing arts and culture activities were accessible to the community, with the Latrobe Regional Galley (LRG) experiencing a total visitation of 8,101 across the financial year. In total, there has been 48 events which hosted 2,364 program participants. Gippsland Performing Arts Centre and Latrobe Performing Arts Centre collectively held a total of 1,232 shows in 2024/25, with a total of 44,194 tickets sold – highlighting the significant role that these venues play in the local performing arts community.

In 2024/25, all planning and consultation endeavours were finalised for the Art Activation Project (as part of Creative Latrobe), with public art and lighting upgrades scheduled in 2025/26 at Waterhole Creek, Bert Thompson Reserve Underpass and Monash Way Underpass (Churchill).

Likewise, the planning for murals as part of the Morwell Revitalisation Project was fully completed, with works to begin next financial year at five sites across Morwell, including locations on Princes Drive, Commercial Road, Church Street, George Street and a second site on Commercial Road.

Completed actions for 2024/25 include:

- Performing Arts and Culture activities implementation.
- Deliver art activations across Latrobe City through the Creative Latrobe project.
- Latrobe Public Art Program.
- Facilitate network of local artists and creators (Open Call) to advise Council on creative arts programming and professional development opportunities.

Strategic indicators

Indicator	2022/23	2023/24	2024/25
Community satisfaction with appearance of public areas	64%	64%	61%
Total economic impact of major events	\$17,900,000	\$28,110,219	\$27,000,000
Total gallery attendance	9,881	10,297	13,050
Loans per head of population*	-	3.35	3.73
Library membership (percentage of municipal population that are members)	-	23.76%	28.00%
Library visits per head of population* (percentage of population)	-	2.56	2.66

*Denotes new LGPRF Indicator for 2023/24

Services

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

Healthy

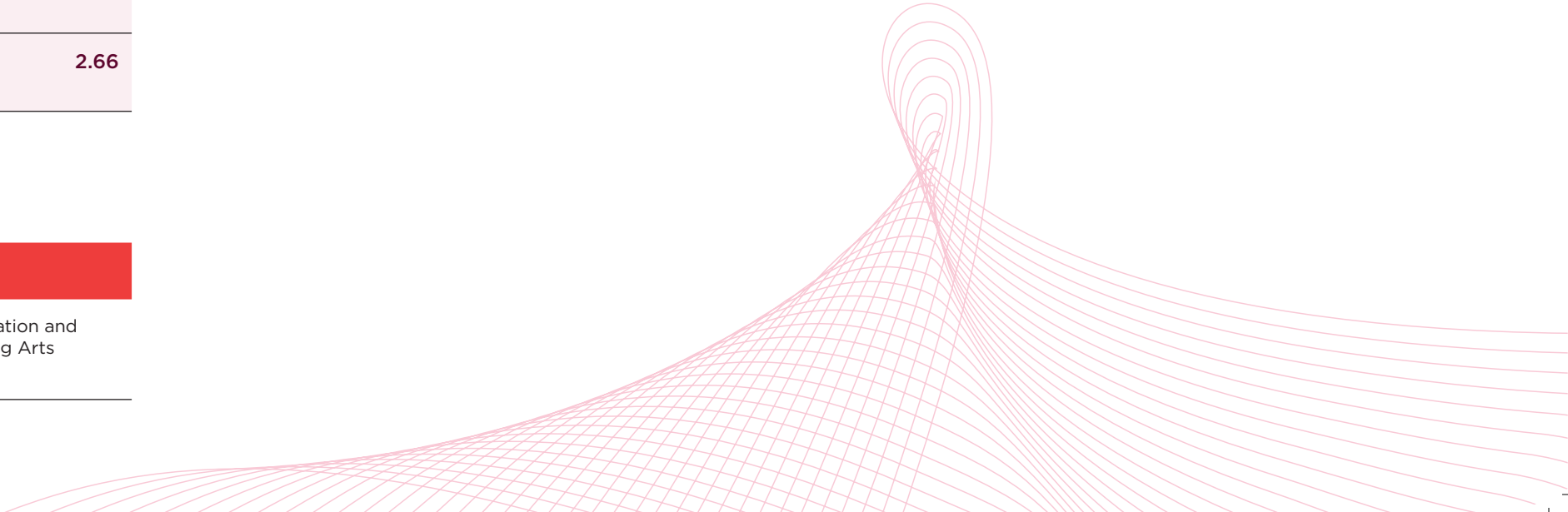
In 2024/25, Council continued to champion health and wellbeing in the community, with a strong focus on engagement. A key initiative was dedicated leisure surveys for both ‘Learn to Swim’ (LTS) and ‘Health and Wellness’ participants, sent to all Latrobe Leisure members. Feedback from these surveys informed a range of operational improvements, including an enhanced LTS client portal, measures to improve instructor consistency, and expanded class options for smaller group sizes.

In the health and wellness space, community input led to program changes such as early morning trial openings and additional group fitness sessions, ensuring services remain accessible and aligned with community needs.

At a strategic level, Council adopted the new Events and Visitor Economy Strategy and introduced a Health Promotion Messages Policy, further strengthening its commitment to community health and wellbeing.

Completed actions for 2024/25 include:

- Seek, review and implement community feedback from the Leisure Customer and Member Satisfaction Survey to inform service improvements.
 - Fire mitigation mowing on Council owned land/property throughout Latrobe City Council.
 - Develop a policy around health promotion messages and campaigns to reflect the best practice mechanisms to facilitate behaviour change in community in collaboration with the Communications and Marketing team.
 - Develop and implement the Leisure Access Policy to address community concerns regarding affordability, flexible membership options and other barriers to access in Latrobe Leisure facilities.
 - Develop an engagement model for community preparedness
- and resilience building within the shared responsibility framework with a particular focus on incorporating the needs of priority populations.
 - Support community members, with a focus on priority population groups, to prepare their properties to meet legislated fire prevention obligations.
 - Commence a Planning Scheme Amendment to introduce the changes to the Land Subject to Inundation Overlay (LSIO) and Flood Overlay (FO) to the Latrobe Planning Scheme.
 - Convened the RAP Working Group which organised successful celebrations between community and staff for Reconciliation Week and NAIDOC Week and identified and piloted cultural learning opportunities to be progressed in the next year.



Strategic indicators

Indicator	2022/23	2023/24	2024/25
Total visits to Latrobe City leisure facilities	417,980	444,203	325,657
Health inspections of aquatic facilities	2.2 per facility	1.6 per facility	1.8 per facility
Time taken to action animal management requests	2.08 days	2.15 days	2.5 days
Animals reclaimed	36.36%	38.70%	33.00%
Animals rehomed	28.48%	46.74%	52.00%
Time taken to action food complaints	1.86 days	1.85 days	1.97 days
Food safety samples*	-	168.75%	96.50%

*Denotes new LGPRF Indicator for 2023/24



Services

Business Area	Description
Emergency Management	Undertake risk based, strategic planning and actions that promote community safety whilst building community resilience from the threat of bushfire, flood and other emergency impacts in collaboration with emergency management agencies and community.
Health Services	Provision of public and environmental health services which covers the areas of wastewater management, infectious disease; monitoring and inspection of food, accommodation, beauty therapies, tobacco etc. to minimise the risk to public and environmental health.
Leisure Facilities	Leisure centres: Provide access for the community to engage in health, fitness and recreation pursuits through the provision of: four indoor leisure facilities (Morwell, Churchill, Moe/ Newborough and Traralgon), indoor swimming pools, learn to swim programs, gymnasium facilities, group fitness and stadium/court space. Outdoor pools: Provision of two outdoor pools (Moe and Yallourn North) providing local water based recreation activities for residents and visitors in the summer months. Gippsland Regional Indoor Sports Stadium: Provision of high quality indoor recreation facilities to the community for personal recreation or public sporting events through the maintenance and management of five indoor courts for basketball, netball and badminton. Gippsland Regional Cricket Centre: A state of the art indoor cricket training centre, incorporating cutting edge technology to facilitate high-level coaching and player education. The centre is multi purpose, catering to a diverse cross-section of community groups and sporting clubs.
Parks, Gardens and Playgrounds	Open space: To improve visual attractiveness, community wellbeing and tourism appeal of the municipality through the creation and maintenance of green public spaces, including parks, gardens and trails, playgrounds, street furniture and streets. Infrastructure maintenance: maintain non-organised sporting recreation spaces and town centre streetscapes to facilitate play, commerce and functional public spaces for the community, including public furniture, BMX and skateboard parks and playgrounds, in keeping with Australian standards, Council horticulture standards and community expectations.
Recreation and Open Space Planning	To develop and maintain recreation and open space policies and provide strategic advice and planning service that enables Latrobe City to meet the open space and recreation needs of the community now and into the future.
Recreation Liaison	Providing stakeholders with a consistent mode of engagement with Council through the provision of a liaison service while also providing timely and accurate advice. Provision of outdoor sporting reserves including maintenance of sporting surfaces and associated facilities and amenities (pavilions, waste, etc.), to provide the community— particularly sporting clubs, with spaces for outdoor sporting and recreation pursuits.
Positive Ageing (Social Support)	Positive Ageing team work directly with senior citizens groups by managing facilities, and providing information about relevant services and programs to the ageing cohort such as awareness and prevention sessions at Latrobe City Libraries or Positive Ageing Festival activities. Latrobe City Council owns, maintains and administers six senior citizens venues across the municipality. These include Traralgon East, Monomeath, Morwell East, Morwell, Newborough and Moe Senior Citizens venues. Positive Ageing team supports the following 10 senior citizens clubs and two community groups: Traralgon East Senior Citizens Club, Monomeath Senior Citizens Club, Morwell East Senior Citizens Club, Morwell Senior Citizens Club, Newborough Senior Citizens Club, Moe Senior Citizens Club, Yallourn North Senior Citizens Club, Morwell Combined Pensioners & Superannuation Incorporated (Community group), Filipino Seniors and Carers Support Group of Gippsland Inc (Club), Moe Combined Pensioners incorporated (Community group), Filipino Spags (Club) and Italian Seniors (Club).

Sustainable

Council continued to make progress towards net zero energy emissions target for its operations by 2025 throughout the year, delivering a range of new energy initiatives, efficiencies and offsets. Completed projects for 2024/25 included; the Latrobe Regional Gallery solar system project, Waterhole Creek LED lighting upgrades, and a wide array of LED projects and street-lighting upgrades throughout the municipality. Additionally, several strategies and policies were developed across 2024/25, with a view to guiding Council's decision-making into a sustainable future.

Completed actions for 2024/25 include:

- Assist the development of Latrobe City Council's net zero energy emissions target and coordinate the delivery of projects and programs to reduce energy demand and increase generation across facilities and services.
 - Develop a Fleet Strategy (non-plant).
 - Develop a suite of inward investment attraction documents on different media platforms
- Work in partnership with indigenous custodians in sustainable land management and preservation and regeneration of our natural environment. (Historical 2023/24FY Major Initiative).
 - The construction of New Leachate Pond at Hyland Highway Landfill.
 - The rehabilitation of Landfill Cells 4 and 5 at Hyland Highway Landfill.

Strategic indicators

Indicator	2022/23	2023/24	2024/25
Kerbside collection waste diverted from landfill	49.33%	60.68%	57%
Kerbside collection bins missed (per 10,000 scheduled bin lifts)	2.84	2.68	3.36
Increase in the number of native plantings on Council owned or managed land (number of plants)	7,825	13,338	10,635

Services

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

Connected

In 2024/25, Council developed the new Council Plan 2025–2029, outlining the community's vision, priorities, and strategies for the next four years. The plan was shaped through extensive community engagement, including surveys, pop-up sessions, and workshops, which helped identify key challenges and priorities to guide Council's strategic direction.

This past year also saw the development and implementation of Council's Community Engagement Plan, which aims to enhance engagement endeavours and increase the effectiveness of messaging, leading to greater connectivity between Council and the broader community.

To maintain future physical connectivity, Council completed a range of asset assessments for key roads, car parks, bridges, and major culverts, enabling Council to target its future maintenance and renewal programs to the highest-priority areas.

Finally, Council also continued to prioritise the activation of various Council-owned community infrastructure, such as the Kernot Hall, which saw a total of 27 events held in 2024/25 (excluding Council meetings).

Completed actions for 2024/25:

- Latrobe Planning Scheme Review Project.
- Prepare a development plan and development contribution plan for the Traralgon West Precinct.
- Asset condition assessment of bridges and major culverts.
- Asset condition assessment of roads and car parks.
- Asset condition assessment of footpaths.
- Develop and implement a community engagement plan and associated tool kit and embed across the organisation.

Strategic indicators

Indicator	2022/23	2023/24	2024/25
Community satisfaction with streets and footpaths	53%	54%	53%
Community satisfaction with sealed local roads	54%	53%	50%
Successful calls received by community information officers on 1300 367 700	60,845	54,887	41,930
Sealed local roads maintained to condition standards	99.87%	98.45%	99.70%
Time taken to decide planning applications	81 days	100 days	82 days

Services

Business Area	Description
Building Maintenance	Provide reactive and planned maintenance/renewal to Council buildings and supporting infrastructure including street lighting, aquatic facilities, pedestrian bridges, bus shelters, shelters and gazebos.
Civil Works Projects	Delivery of the civil capital works program incorporating road reseal, footpath replacement, road rehabilitation, lights replacement etc. to ensure assets are in a working condition, in accordance with relevant legislation and guidelines.
Major Projects	Deliver major infrastructure projects from the Annual Capital Works Program.
Community Engagement	Provide community engagement support services to Latrobe City Council.
Community Grants	The Community Grant Program provides funding to local not-for-profit community groups across capital works, community wellbeing, events and quick response streams, in line with the priorities set out in the Council Plan and integrated Municipal Public Health and Wellbeing Plan.
Community Information	Deliver professional customer service at all Latrobe City Council service centres.
Community Strengthening	Working with community advisory groups: Positive Ageing Community Engagement Group, Disability Access and Inclusion Community Engagement Group, Cultural Diversity Advisory Group, and Youth Council. Also run events and programs to improve community health and wellbeing. The Social Policy and Inclusion team coordinates the implementation and monitoring of the Municipal Public Health and Wellbeing Plan.
Events and Tourism	Attracting visitors to the region through both tourism initiatives and delivery of major events provides economic benefit to a wide range of local businesses. Providing event services to both community and commercial event operators seeks to improve the connectedness and amenity of life in the municipality. Proactively and strategically provide a quality visitor service, support the delivery of events, maintain the tourism website and promote a positive image of Latrobe City.
Infrastructure Maintenance	Maintenance of key infrastructure including all sealed and unsealed roads and roadsides, drains, signage, illegal dumping, graffiti, public conveniences, public litter bins, unsealed footpaths and some small sections of sealed footpaths.
Infrastructure Planning	Planning for the provision and renewal of Council assets that underpin the delivery of Council Services. Compliance to planning regulation to ensure effective and efficient provision of infrastructure that supports development.
Local Laws	Deliver customer focussed Local Law services across the municipality in accordance with Local Law No. 2 and other relevant legislation.
Property Operations	Administer property management, advice and services of Latrobe City Council.
Urban Growth	Manage urban growth planning including ongoing management of planning permits, assessment of development plans and to help facilitate development outcomes by understanding growth and development trends.

Latrobe City Powers Ahead with Sustainability Initiatives

Latrobe City Council is accelerating its shift to a sustainable future through major investments in renewable energy, energy efficiency and emissions reduction projects.

Council is proud to be leading the way in environmental leadership and sustainability. Council's Sustainability Action Plan 2023–2033 outlines a comprehensive 10-year roadmap to enhance environmental sustainability across the region.

The plan focuses on five key priorities including achieving net zero Council energy emissions, adapting to climate change, greening Latrobe City, connecting the community with nature and fostering a circular economy.

It includes practical actions such as upgrading public lighting to LED, expanding solar and biogas energy projects and installing batteries at strategic locations. These renewable energy investments are supporting long-term financial sustainability while helping us deliver better services for our community.

Key projects:

- Streetlighting upgrade**
Approximately 2500 non-LED lights were replaced with energy efficient LED lights in 2023–24, reducing electricity usage by over 700,000 kWh annually— that's enough to power one home for 96 years— saving around \$260,000 per year.
- Solar energy expansion**
Council's renewable energy portfolio now includes over 1,200 kW of solar, with new projects set to increase capacity to 1.8 MW. A major 900 kW solar rollout at all Leisure centres, Kernot Hall, Moe Outdoor Pool and Churchill Hub will save approximately \$200,000 in energy costs annually.
- Biogas energy generation**
A biogas generator at Council's Hyland Highway landfill is generating 4.5 million kWh of power per year saving an estimated \$600,000 and approximately 2500 tonnes of greenhouse gas emissions annually by converting methane from waste into clean electricity.
- Battery storage**
The installation of 700 kWh of battery storage this financial year will further cut costs by time-shifting solar energy to evening peaks, saving around \$45,000 annually.
- Water management**
The installation of 30 water loggers has already helped detect and fix leaks worth over \$125,000 in avoided water costs, conserving around 21,000 kL of water annually. That's equivalent to over eight Olympic-size pools!

We're not just talking about sustainability— we're doing it. From biogas energy to leak detection and solar installations, these are practical, effective projects that make a difference every day.

For more information on Council's renewable energy and sustainability initiatives, visit:
www.latrobe.vic.gov.au/Sustainability_and_Environment



Latrobe City's Summer of Sport!

From January to February 2025, Gippsland Regional Indoor Sports Stadium (GRISS) and venues across the region hosted an exciting lineup of events that captured the attention of sports fans and spectators alike!

Bowls fans enjoyed the Energy Australia Classic Singles at Newborough Bowling Club on Monday 6 January 2025. This prestigious Tier three ranking event has seen world-ranked bowlers and Commonwealth Games Gold medallists battle it out over the past 27 years.

The AGL Loy Yang Traralgon Junior International returned to the Traralgon Tennis Association from Wednesday 8 January to Wednesday 15 January 2025, featuring high energy matches with top international talent. The community soaked up the excitement— with free entry for all to enjoy the action.

The South East Melbourne Phoenix basketball team returned to GRISS to take on the Brisbane Bullets in an in-season game on Saturday 11 January 2025. As local favourites, SEM Phoenix have delivered non-stop thrills in Traralgon for the past two years— and this time, the action was bigger than ever!

A two-day festival of netball brought together top-tier talent from across Victoria, interstate, and even international programs as part of the Gippsland Showcase on the weekend of Saturday 8 and Sunday 9 February 2025, thanks to the support of the Victorian Government and Council.



It was the ultimate chance to witness elite netball action and sharpen skills with community clinics and coaching workshops.

The excitement didn't stop there! In February, the Australian Boomers took on Indonesia on Thursday 20 February and Thailand on Sunday 23 February 2025, delivering two electrifying games that kept fans on the edge of their seats. Victoria has previously held sold-out Asia Cup Qualifiers in Melbourne.

From elite tennis to high-flying basketball, the summer provided something for every sports fan.

Major sporting events such as the Australian Boomers international fixtures brings significant visitation and tourism to the region, helping to support the local economy through overnight visitations, along with our hospitality and retail sectors.



Art for All Exhibition Celebrates International Day of People with Disability

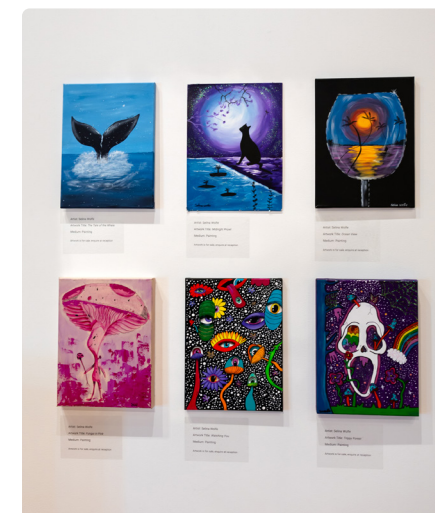
International Day of People with Disability (IDPWD) is celebrated on 3 December each year. To help recognise this important day, Latrobe Regional Gallery hosted an Art for All Exhibition from 6 December 2024 to 22 June 2025.

The Art for All Exhibition highlighted and celebrated the diverse talents of people with disability.

The Exhibition showcased two-dimensional artworks, such as drawings, paintings, photography, screen prints, and sculptural objects like ceramics, glass or mixed media designs.

The Art for All Exhibition is a great opportunity for us all to celebrate those with a disability and give them a chance to showcase their artwork, which they may not otherwise be able to do.

Council recognises the importance of celebrating art and culture as it enriches lives and communities and encourages social inclusion.



Aviation and Aerospace Careers Expo at Latrobe Regional Airport

On Tuesday 6 May 2025, Latrobe City Council and Baw Baw Latrobe Local Learning and Employment Network (LLEN) hosted an Aviation and Aerospace Careers Expo at Latrobe Regional Airport.

The Expo saw approximately 100 high school students attend in two sessions which included a tour of GippsAero and Helimed. The event also showcased interactive displays and career information from education institutions and aviation industries.

Swinburne University of Technology AIR Hub had its latest hydrogen powered drone on display and discussed opportunities in aerospace courses and programs. RMIT University had a rocket and drone that were designed and built by students. Both universities were also available to discuss education and career pathways.

Industry participation included a demonstration of an unmanned Aircraft Traffic Management system by Thales. Dovetail electric aviation was present, along with local aviation businesses, Jet Aviation and Pilatus.

Latrobe Valley Aero Club provided information on flight training and getting a pilot's licence locally. Gippsland Tech School also attended with a drone simulator for use by the students.

By showcasing the aviation and aerospace sectors, we're helping to position Latrobe City as a destination for future-focused industries. Events like this help attract investment, drive job creation, and encourage partnerships between education providers and industry. The aviation industry offers high-growth opportunities that will keep our region thriving.



Latrobe City Australia Day Awards 2025 Winners Announced

Outstanding citizens, community events and community services have been acknowledged and celebrated at the 2025 Latrobe City Australia Day Awards ceremony.

Strong community volunteer in both the energy sector and community health, Mathias Wood was awarded the 2025 Citizen of the Year award.

Mathias challenges himself to have input in Latrobe City's future, as he wants to make it a better place for his daughter.

Avid dance choreographer, Delia D'Amico received the 2025 Senior Citizen of the Year award for her deep involvement in local community organisations.

Delia is an active member of the International Women's Group and she continues her commitment to the group with weekly dance lessons.

The 2025 Young Citizen of the Year Claire Lindsay is a dedicated youth leader whose contributions to Latrobe City are both inspiring and impactful.

As a key figure in the Blue Light program, Claire has worked to build positive relationships between local youth and law enforcement.

The AGL Loy Yang Traralgon Junior International Tennis Tournament was awarded 2025 Community Event of the Year. A much-loved annual community event, it celebrated its 32nd year this month.

The tournament has provided a crucial platform for young, world-class tennis talent.

Rotary Club of Moe delivered the 2025 Community Service of the Year as it reached 75 years of service to the local community.

Since its founding, the club has made a lasting impact through fundraising, community projects and youth leadership initiatives.

Congratulations to all our award winners and nominees for the Latrobe City Australia Day Awards. Your efforts are all truly inspiring and make a difference to Latrobe City.



Connect, Learn and Grow - Latrobe City Business Festival

Council hosted the Latrobe City Business Festival 2024 in August, with a program of inspiring and innovative workshops and events.

The Festival provided the local business community with the opportunity to hear from thought leaders, engage in knowledge sharing, upskilling and valuable networking opportunities. It was a celebration of the important role business plays not only in the local economy, but our broader community.

The Festival launched on Tuesday 6 August 2024, with the Rediscover Your Mojo workshop with Kerryn Vaughan, an international author and podcast host. Kerryn's award-winning book, 'Magnificent Kids!', inspired the creation of One Planet Classrooms, a global organisation that delivers clean water solutions to African schools and communities.

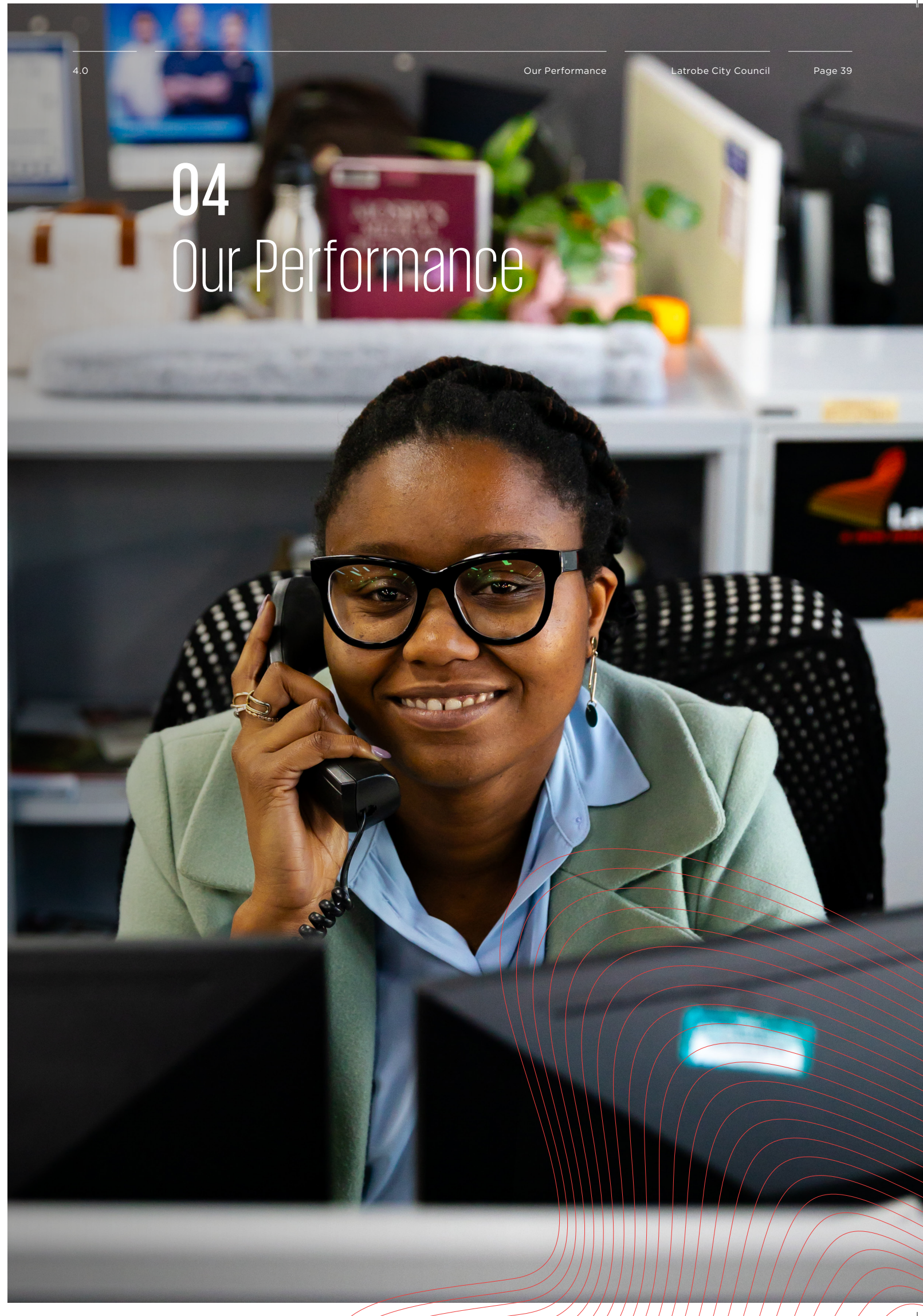
On Thursday 15 August 2024, Latrobe City welcomed The Imperfects, an Australian podcast with over eight million downloads, to Gippsland Performing Arts Centre for a live show. Hosted by The Resilience Project founder, Hugh van Cuylenburg, his brother Josh van Cuylenburg, and comedian Ryan Shelton, the trio embrace vulnerability and imperfection with laughter and connection.

This was followed up with the C3— It's all about Connection event on Friday 16 August 2024, presented by John Calabro, founder of the Traralgon-based brand design agency, The View From Here. This transformative one-day event brought together business leaders and entrepreneurs from Gippsland and Melbourne together to foster connections and drive regional growth. The day included multiple networking opportunities and two keynote speeches— the first by Gippsland entrepreneurial success story, Andy McCarthy, founder of Gippsland Solar, the second by a powerful force of positivity, Victor Perton, CEO and Chief Optimism Officer at The Centre for Optimism.

The Festival was an instrumental event for local businesspeople interested in upskilling, growth-building and networking, and will strengthen the incredible business community that exists in Latrobe City.



04 Our Performance

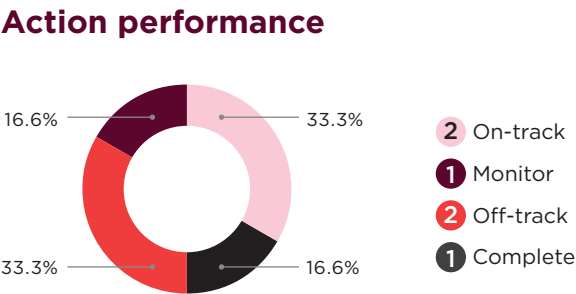


Council Report Card

Major initiatives progress summary

Overview of our major initiatives

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



Theme	Action Title	Division	Status	Performance	%
Smart	MI 01— Gippsland Logistics Precinct construction Stage 1B	Regional City Planning and Assets	On-track		43%
Sustainable	MI 02— Multi Use Pavillion Traralgon Recreation Reserve commence construction	Regional City Planning and Assets	On-track		66%
Sustainable	MI 03— Indoor Multi Sports Hall, Glenview Park Traralgon commence construction	Regional City Planning and Assets	Off-track		30%
Healthy	MI 04— Mathison Park Playground commence construction	Regional City Planning and Assets	Monitor		60%
Smart	MI 05— Traralgon-Maffra Road Signalised Intersection	Regional City Planning and Assets	Complete		100%
Sustainable	MI 06— Regional Car Parking fund (RCPF) projects (Kay Street/Seymour Street/ Commercial Road) design and commence construction	Regional City Planning and Assets	Off-track		75%

Capital works summary

The 24/25 Capital Works Program had an adjusted budget (including sustainability and multi-year projects) of approximately \$73.6M.

The majority of the 24/25 Capital Works Program (excluding sustainability and multi-year projects) has been delivered on time and within budget with forecast carry forward projects of -15% which is in line with previous financial years results.

Highlights of the 24/25 Capital Works Program, include:

- Loch Park Road reconstruction works, including drainage, kerb and channel and road pavement, is completed.
- Traralgon Maffra Road signalised intersection was completed and is operational.
- Traralgon Flood Recovery— Traralgon Recreation Reserve Project progresses, with substantial work completed to date.
- Road Reseal Program completed.
- Regional Car Park Fund Projects continue:
 - Seymour Street— construction completed
 - Kay Street multi-level— construction continues
 - Commercial Road— planning progresses.
- Gippsland Logistics and Manufacturing Precinct (GLaMP):
 - Stage 1A has been completed.
 - For the next stages of works, functional layout plans for both the Tramway Road roundabout and internal lot works have been prepared with early comments now being addressed to progress approvals toward procurement in FY25/26.
- Gaskin Park 2 resurfacing works were completed, including earthworks, irrigation, drainage, new turf wicket, perimeter fencing and new turf surface atop a sand profile.
- A suite of renewal projects, across roads, buildings, footpaths, drainage and open space and recreation asset classes were also completed.

Despite the cancellation of the 2026 Commonwealth Games, Council progressed key legacy projects, finalising scope and funding for upgrades at:

- Gippsland Sports and Entertainment Park (GSEP).
- Gippsland Regional Indoor Sports Stadium (GRISS).
- Ted Summerton Reserve.
- Morwell Gun Club (non-Council land).

Regional Sports Infrastructure Program:

- Design works progressed at GRISS and Ted Summerton Reserve with Project Reference Groups.
- GRISS: Skylight replacements (Courts 1-4) and roof works (Court 9) completed. Main works tendered; construction to commence Q1 2025.
- Ted Summerton Reserve: Tender closes July 2025; construction to follow.
- GSEP: Design led by Development Victoria in collaboration with Council. Builder appointed in May, with demolition works to begin Q1 2025.

Council Support Package:

- Stage One: 17 projects funded (\$4.1M).
- Stage Two: 5 additional projects approved in May 2025, utilising the full \$5M budget.
- Two projects completed; the remainder are in various stages of planning, design, or delivery.

Tiny Towns Fund:

- Two round two funding applications submitted; Yinnar Historical Society & Centenary Park accessibility upgrades were successful, with works scheduled for 2026.
- Round one projects progressing well:
 - Toongabbie cricket net upgrades completed.
 - Drinking fountains installed in Churchill and Hazelwood South; Tyers installation scheduled for the next financial year.
 - Drinking fountains installed in Churchill and Hazelwood South; Tyers installation scheduled for the next financial year.

A full breakdown of capital works expenditure can be found in the Statement of Capital Works on page 72 of this document.

Local Government Performance Reporting Framework Indicators

The Local Government Performance Reporting Framework provides the foundation for standardising and strengthening performance measuring and reporting across the local government sector.

As a tool, the framework enables local communities to compare how their council has performed during the year against others.

Our Report of Operations and audited Performance Statement provide comparative performance data for 2024/25 and data trends for the last four years.

Ratepayers, residents and other stakeholders can compare our performance results against other large rural Victorian councils via the Know Your Council website www.knowyourcouncil.vic.gov.au

KPI	Measure	2024/25	2023/24	2022/23	2021/22
AF2	Health inspections of aquatic facilities	1.80	1.60	2.20	0.60
AF6	Utilisation of aquatic facilities	4.13	5.68	5.39	3.17
AF7	Cost of aquatic facilities	\$8.81	\$5.69	\$5.75	\$9.10
AM1	Time taken to action animal management requests	2.50	2.15	2.08	1.92
AM2	Animals reclaimed	33.39%	38.70%	36.36%	40.05%
AM5	Animals rehomed	52.06%	46.74%	28.48%	28.25%
AM6	Cost of animal management service per population	\$14.47	\$13.65	\$12.62	\$10.70
AM7	Animal management prosecutions	100%	100%	100%	100%
C1	Expenses per head of municipal population	\$2,270.34	\$2,129.14	\$2,003.71	\$2,018.54
C2	Infrastructure per head of municipal population	\$18,075.63	\$15,828.81	\$15,315.49	\$14,342.36
C3	Population density per length of road	50.88	50.50	50.86	52.53
C4	Own-source revenue per head of municipal population	\$1,553.80	\$1,498.68	\$1,447.70	\$1,349.74
C5	Recurrent grants per head of municipal population	\$527.90	\$220.05	\$444.32	\$445.60
C6	Relative socio-economic disadvantage	1.00	1.00	1.00	1.00
C7	Percentage of staff turnover	15.88%	17.99%	13.15%	26.60%
E2	Expenses per property assessment	\$4,382.33	\$4,114.86	\$3,894.22	\$3,896.48
E4	Average rate per property assessment	\$1,745.93	\$1,681.40	\$1,613.23	\$1,600.58
FS1	Time taken to action food complaints	1.98	1.85	1.86	2.24
FS2	Food safety assessments	96.89%	98.84%	151.13%	93.05%
FS3	Cost of food safety service	\$394.82	\$596.41	\$566.76	\$488.02
FS4	Critical and major non-compliance outcome notifications	89.02%	89.05%	60.41%	39.79%
FS5	Food safety samples	96.60%	168.75%	-	-
G1	Council decisions made at meetings closed to the public	15.52%	13.97%	17.48%	13.38%
G2	Satisfaction with community consultation and engagement	49.00	50.00	53.00	55.00

KPI	Measure	2024/25	2023/24	2022/23	2021/22
G3	Councillor attendance at Council meetings	89.58%	94.02%	93.16%	93.16%
G4	Cost of elected representation	\$55,232.92	\$50,938.76	\$45,508.76	\$41,213.89
G5	Satisfaction with Council decisions	47.00	49.00	55.00	52.00
L1	Current assets compared to current liabilities	197.08%	229.08%	254.73%	259.47%
L2	Unrestricted cash compared to current liabilities	-56.14%	-55.74%	-23.46%	7.62%
LB2	Recently purchased library collection	49.45%	49.13%	67.00%	34.92%
LB5	Cost of library service per population	\$38.67	\$34.25	\$34.75	\$37.59
LB6	Loans per head of population	3.73	3.33	N/A	N/A
LB7	Library membership	27.85%	23.76%	N/A	N/A
LB8	Library visits per head of population	2.66	2.56	N/A	N/A
MC2	Infant enrolments in the MCH service	100.72%	100.24%	101.50%	101.11%
MC3	Cost of the MCH service	\$97.93	\$98.87	\$101.11	\$98.52
MC4	Participation in the MCH service	74.13%	72.99%	71.66%	71.51%
MC5	Participation in the MCH service by Aboriginal children	82.15%	90.58%	84.75%	82.45%
MC6	Participation in 4-week key age and stage visit	89.61%	94.53%	94.92%	95.46%
O2	Loans and borrowings compared to rates	15.48%	18.20%	17.16%	17.90%
O3	Loans and borrowings repayments compared to rates	2.70%	3.41%	2.06%	2.07%
O4	Non-current liabilities compared to own source revenue	23.23%	27.38%	27.08%	25.97%
O5	Asset renewal and upgrade compared to depreciation	93.77%	108.16%	104.03%	84.97%
OP1	Adjusted underlying surplus (or deficit)	-5.98%	-23.16%	-3.73%	-4.02%
R1	Sealed local road requests	88.77	88.74	100.26	114.30
R2	Sealed local roads maintained to condition standards	99.74%	98.45%	99.87%	99.69%
R3	Cost of sealed local road reconstruction	\$109.81	\$106.65	\$226.24	\$79.13
R4	Cost of sealed local road resealing	\$24.23	\$28.57	\$15.68	\$14.98
R5	Satisfaction with sealed local roads	50.00	53.00	54.00	57.00
S1	Rates compared to adjusted underlying revenue	56.49%	69.10%	59.44%	57.53%
S2	Rates compared to property values	0.43%	0.43%	0.48%	0.61%
SP1	Time taken to decide planning applications	82.00	100.00	81.00	76.00
SP2	Planning applications decided within required time frames	87.76%	81.58%	88.02%	91.92%
SP3	Cost of statutory planning service	\$2,724.58	\$3,114.91	\$2,946.68	\$2,080.37
SP4	Council planning decisions upheld at VCAT	50.00%	100.%	100%	0%
WC2	Kerbside collection bins missed	3.37	2.68	2.84	2.58
WC3	Cost of kerbside garbage bin collection service	\$152.88	\$138.02	\$133.29	\$121.07
WC4	Cost of kerbside recyclables collection service	\$28.69	\$30.13	\$30.07	\$27.69
WC5	Kerbside collection waste diverted from landfill	56.78%	60.68%	49.33%	50.15%

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 policies in response to local needs and priorities.

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

Audit and Risk Committee

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

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

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

The Audit and Risk Committee consists of two councillors (and one alternate) and three independent external members as outlined below.

Remuneration was set at \$1,640 per meeting for the Chair and \$1,094 per meeting for the other independent members throughout 2024/25. This is subject to annual review by the Chief Executive Officer, giving consideration to the Allowances for Mayors, Deputy Mayors and councillors – annual adjustment made by the Victorian Independent Remuneration Tribunal, as per the Audit and Risk Committee Charter.

The Committee currently consists of the following as at 30 June 2025:

Independent Chair: Mr David Kortum
Appointed by Council on 3 July 2023 as Chair for a three-year period until 1 August 2026

Independent Member: Mr John Purcell
Appointed by Council on 6 June 2022 for a two-and-a-half-year period, and extended on 2 September 2024 until 1 December 2025

Independent Member: Ms Jane Watson
Appointed by Council on 3 July 2023 for a two-and-a-half-year period until 1 February 2026

Council Representative:

- Cr Joanne Campbell (appointed 16 December 2024)
- Cr Leanne Potter (appointed 16 December 2024)

Alternate Council Representative:
Cr Dale Harriman (appointed 16 December 2024)

Prior to the October 2024 general election, the Council representatives on the Audit and Risk Committee were:

- Cr Bradley Law (appointed 3 March 2022)
- Cr Darren Howe (appointed 3 April 2023)
- Cr Graeme Middlemiss (appointed 3 April 2023) (alternative)

The Audit and Risk Committee held five meetings in the 2024/2025 financial year. All independent members attended each of the meetings in 2024/2025, with the exception of one member for one meeting.

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
- Financial reports
- Risk management
- Performance reporting
- Awareness of VAGO, IBAC and Ombudsman reports tabled in state parliament (relating to local and Victorian Government agencies)
- Key policies that have been reviewed that relate to internal controls.

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

Internal audits that were finalised and reported to the Audit and Risk Committee in the 2024/2025 financial year included:

1. Review of long-term financial plan
2. Review of grants management

Two further reviews were commenced as part the of 2024/25 audit program, and will be finalised in early 2025/26:

3. Review of tree management
4. Review of complaints management

Council meetings and decisions

The 2025 council meeting schedule provided for meetings to be held at the Gippsland Performing Arts Centre (GPAC) Traralgon, Kernot Hall Morwell and Moe Town Hall. Each Council meeting includes a public question time as a standard agenda item, designed to encourage community participation in the overall affairs of Council. Members of the public who have an interest in an open item on the advertised agenda are also able to register to speak.

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

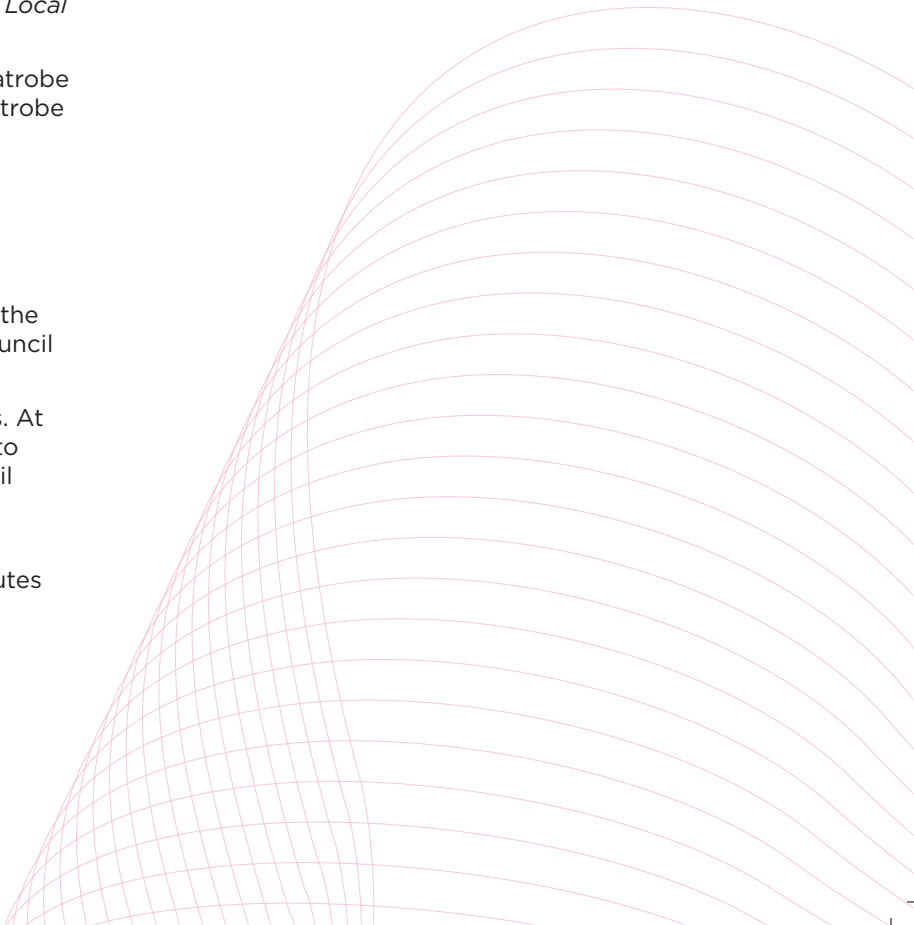
All council meeting dates are advertised in the Latrobe Valley Express newspaper and detailed on the Latrobe City Council website, as well as on its corporate Facebook page.

In the spirit of open, accessible and transparent governance, Latrobe City Council's open council meetings are livestreamed on YouTube.

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

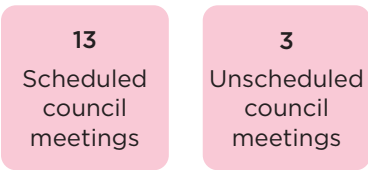
Councillors also meet for closed briefing sessions. At these sessions, councillors have the opportunity to be briefed on strategic items in relation to Council business and on matters of interest within the community.

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



Council meeting attendance 2024/25

During 2024/25, there were 13 scheduled council meetings and three unscheduled council meetings held. Councillor attendance at these meetings is shown in the table below.



Councillor		Scheduled council meeting	Unscheduled council meeting
July 2024 – October 2024			
Cr Dan Clancey	East Ward	5	1
Cr Melissa Ferguson	South Ward	3	1
Cr Sharon Gibson	West/Newborough	4	1
Cr Graeme Middlemiss	East/Loy Yang	5	1
Cr Kellie O’Callaghan	East/Tyers	5	1
Cr Tracie Lund	West Ward	4	1
Cr Dale Harriman	Central/Morwell River	5	1
Cr Darren Howe	Central Ward	5	1
Cr Bradley Law	East Ward	4	1
November 2024 – June 2025			
Cr Dale Harriman	Loy Yang Ward	8	2
Cr Sharon Gibson	Newborough Ward	8	2
Cr Darren Howe	Tyers Ward	8	2
Cr Tracie Lund	Morwell River Ward	4	1
Cr Steph Morgan	Yallourn Ward	8	1
Cr Leanne Potter	Budgerie Ward	8	2
Cr Joanne Campbell	Jeeralang Ward	7	1
Cr Adele Pugsley	Moe Ward	8	2
Cr David Barnes	Boola Boola	6	2

Councillor Code of Conduct

In 2024, the Model Councillor Code of Conduct was introduced through the *Local Government Act 2020*, and applies to all Victorian councils including Latrobe City Council.

- The Model Councillor Code of Conduct sets out councillor standards of conduct and is designed to:
- Assist councillors to maintain the highest standards of conduct and behaviour as well as provide a means to deal with problems they may encounter
 - Attract the highest level of confidence from Council’s stakeholders; and
 - Assist the Mayor and Councillors to discharge the responsibilities of their public office appropriately.

The *Local Government Act 2020* also requires councils to implement and adopt an internal dispute resolution procedure for breaches of the Model Councillor Code of Conduct, with that procedure being guided by the *Local Government (Governance and Integrity) Regulations 2020*. The Model Councillor Code of Conduct and Council’s internal dispute resolution procedure are available at www.latrobe.vic.gov.au.

Completed councillor mandatory induction training

Training matter	Number of sessions	Format (workshop/ seminar/course)
As per the <i>Local Government (Governance and Integrity) Regulations 2020</i> , section 6		
Working together in a Council Activities collectively determined by the councillor group to build relationships, connection and trust between councillors to support working as a cohesive group and holding each other to account. Knowledge and skills to support councillors to understand and differentiate between the roles of the Council, councillor and council staff.	3	Workshop
Decision making, integrity and accountability Knowledge and skills to support councillors to understand good governance, how councils make decisions, how council meetings work and to support ethical and lawful decision-making by councillors.	1	Workshop
Community representation Knowledge and skills to support councillors to understand and represent their municipality.	2	Presentation
Strategic planning and financial management Knowledge and skills to support councillors to understand their role in setting the strategic direction for the Council and ensuring its long-term financial sustainability.	3	Presentation
Conduct Knowledge and skills to support councillors to understand the conduct expected of them when performing the role of councillor.	2	Presentation
Land use planning Knowledge and skills to support a councillor to understand and perform the role of a councillor in Victoria’s Planning System.	2	Presentation

Completed up to 30 June 2025 Councillor calendar Year 1 (2025) mandatory professional development training

Training matter As per the <i>Local Government (Governance and Integrity) Regulations 2020</i> , section 6	Number of sessions	Format (workshop/seminar/course)
Working together in a Council Activities collectively determined by the councillor group to build relationships, connection and trust between councillors to support working as a cohesive group and holding each other to account. Knowledge and skills to support councillors to understand and differentiate between the roles of the Council, councillor and council staff.	1	Workshop
Decision making, integrity and accountability Knowledge and skills to support councillors to understand good governance, how councils make decisions, how council meetings work and to support ethical and lawful decision-making by councillors.	4	Workshop
Community representation Knowledge and skills to support councillors to understand and represent their municipality.	-	
Strategic planning and financial management Knowledge and skills to support councillors to understand their role in setting the strategic direction for the Council and ensuring its long-term financial sustainability.	4	Workshop
Conduct Knowledge and skills to support councillors to understand the conduct expected of them when performing the role of councillor.	-	
Land use planning Knowledge and skills to support a councillor to understand and perform the role of a councillor in Victoria's Planning System.	-	

Councillor remuneration

The Mayor, Deputy Mayor and councillors are entitled to receive from the Council an allowance as determined by the Victorian Independent Remuneration Tribunal.

Effective from the 18 December 2024 the Victorian Independent Remuneration Tribunal issued Determination No 01/2022 (as varied by [2022] DCMA 01, [2023] DCMA 01 and [2024] DCMA 01 – Allowance payable to Mayors, Deputy Mayors and councillors (Victoria) which set the level of annual allowances for a category 2 Council as follows: Mayor \$111,987, Deputy Mayor \$55,994 and councillors \$34,028. The allowance is inclusive of any Superannuation Guarantee Contribution amount, or equivalent, that may be payable under Commonwealth law to the Council member with respect to their service.

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

The Mayor also receives use of a fully maintained motor vehicle, a dedicated office, and support from an assistant. These expenses and resources are specified in the Council Support and Expenses Policy, a copy of which is available at www.latrobe.vic.gov.au

Councillor expenses

Councillor	Period	Ward	Councillor allowance paid	Travel expenses	Professional development	Expenses to support the role	Total
Cr Dale Harriman - Mayor^	01/07/2024-26/10/2024 11/11/2024-30/06/2025	East Ward Loy Yang Ward	\$78,604.95	\$13,349.71	\$6,534.83	\$9,303.98	\$107,793.47
Cr Sharon Gibson - Deputy Mayor^^	01/07/2024-26/10/2024 11/11/2024-30/06/2025	West Ward Newborough Ward	\$45,402.53	\$9,418.18	\$6,611.08	\$10,939.82	\$72,371.61
Cr David Barnes	11/11/2024-30/06/2025	Boola Boola Ward	\$21,628.76	\$1,510.50	\$4,334.82	\$8,512.40	\$35,986.48
Cr Leanne Potter	11/11/2024-30/06/2025	Budgerie Ward	\$21,628.76	\$3,496.83	\$4,334.82	\$7,653.89	\$37,114.30
Cr Joanne Campbell	11/11/2024-30/06/2025	Jeeralang Ward	\$21,628.76	\$2,779.23	\$4,334.82	\$8,844.69	\$37,587.50
Cr Adele Pugsley	11/11/2024-30/06/2025	Moe Ward	\$21,628.76	\$3,471.19	\$4,334.82	\$8,599.80	\$38,034.57
Cr Tracie Lund**	01/07/2024-26/10/2024 11/11/2024-30/06/2025	Central Ward Morwell River Ward	\$38,934.51	-	\$4,334.83	\$7,520.85	\$50,790.19
Cr Darren Howe*	01/07/2024-26/10/2024 11/11/2024-30/06/2025	East Ward Tyers Ward	\$56,271.22	\$6,362.47	\$8,249.83	\$7,667.06	\$78,550.58
Cr Steph Morgan	01/07/2024-26/10/2024	Yallourn Ward	\$21,628.76	\$1,389.70	\$4,334.82	\$8,308.20	\$35,661.48
Cr Graeme Middlemiss	01/07/2024-26/10/2024	Central Ward	\$10,801.11	-	-	\$154.50	\$10,955.61
Cr Dan Clancey	01/07/2024-26/10/2024	East Ward	\$10,760.71	-	-	\$154.50	\$10,915.21
Cr Kellie O'Callaghan	01/07/2024-26/10/2024	East Ward	\$10,708.48	\$3,925.06	-	\$622.70	\$15,256.24
Cr Melissa Ferguson	01/07/2024-26/10/2024	South Ward	\$10,831.81	-	-	\$4,718.15	\$15,549.96
Cr Bradley Law	01/07/2024-26/10/2024	West Ward	\$10,801.11	-	-	\$154.50	\$10,955.61
			\$ 381,260.23	\$45,702.87	\$47,404.67	\$83,155.04	\$557,522.81

Professional development includes expenses associated with mandatory training requirements introduced in 2024. Additionally, expenses to support the role includes communication devices for the 2024-2028 council term.

Cr Darren Howe*: Mayor 01/07/2024 to 26/10/2024
Cr Tracie Lund**: Deputy Mayor 01/07/2024 to 26/10/2024
Cr Dale Harriman^: Mayor 25/11/2024 to 30/06/2025
Cr Sharon Gibson^^: Deputy Mayor 25/11/2024 to 30/06/2025

Note: The 2020-2024 council term ended on 26 October 2024. The Oath/Affirmation of Office for the 2024-2028 council term was conducted on 11 November 2024.

The Mayor also receives use of a fully maintained motor vehicle, these costs have been included under travel.

Councillor representation on Committees

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

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

As at 30 June 2025, Latrobe City Council had 36 committees on which councillors were appointed.

These are as follows:

- Community asset committees (11)
- Delegated committees (1)
- Statutory committees (2)
- Advisory committees and project reference groups (22)

Councillors or officers also represent Latrobe City Council on 16 external committees and associations.



Council membership as at 30 June 2025

Committees	Cr David Barnes	Cr Joanne Campbell	Cr Sharon Gibson	Cr Dale Harriman	Cr Darren Howe	Cr Tracie Lund	Cr Steph Morgan	Cr Leanne Potter	Cr Adele Pugsley
Delegated Committee									
Road, Facility and Place Name Delegated Committee		●	●	●			●		
Community Asset Committees									
Mathison Park Community Asset Committee							○	●	
Callignee and Traralgon South Sporting Facilities Community Asset Committee		●							
Traralgon Railway Reservoir Conservation Reserve Community Asset Committee		●		●					
Edward Hunter Heritage Bush Reserve Community Asset Committee			●						●
Latrobe Regional Airport Community Asset Committee	○				●				
Morwell Centenary Rose Garden Community Asset Committee						●	○		
Ollerton Avenue Bushland Reserve Community Asset Committee			●						●
Baillie Reserve Tyers Community Asset Committee					●				
Crinigan Bushland Reserve Community Asset Committee						○	●		
George Bates Reserve Community Asset Committee							●	○	
Yallourn North Community Housing Community Asset Committee							●		
Statutory Committees									
Audit and Risk Committee		●						●	
Municipal Emergency Management Planning Committee			CR			CR			
External Committees and Associations									
Gippsdown Reserve Committee of Management Inc. (by invitation)			●		●				●
Latrobe City Trust			T	●				●	
Latrobe Valley Mine Rehabilitation Advisory Committee							●	○	
Moe Yallourn Rail Trail Committee of Management			●						●
Municipal Association of Victoria (MAV) Representative			LCC						
National Timber Councils Association				●					
One Gippsland				●					
Regional Capitals Australia				●					
Roadsafe Gippsland Community Road Safety Council					●				
South East Australian Transport Strategy (SEATS)									●

- Member
- Alternate
- ▲ Chair
- T Trustee
- CR Community representative
- LCC LCC representative

Committees	Cr David Barnes	Cr Joanne Campbell	Cr Sharon Gibson	Cr Dale Harriman	Cr Darren Howe	Cr Tracie Lund	Cr Steph Morgan	Cr Leanne Potter	Cr Adele Pugsley
Timber Towns Victoria	○		●						
Victorian Farmers Federation Latrobe Working Group					●				
Australian Local Government Association (ALGA) National General Assembly				●					
Alliance of Councils for Rail Freight Development							●		●
Regional Cities Victoria				●					
Roadsafe Gippsland Community Road Safety Committee							●		
Advisory Committees									
Hyland Highway Municipal Landfill Consultative Committee		●		●					
Regional Car Park Fund Multi-Level Car Park Project Reference Group (2 Kay Street, Traralgon)				●	●				
Traralgon Flood Recovery Project Stage 1 - PRG				●	●			●	
Traralgon Recreation and Showgrounds Advisory Committee				●					
Victory Park Precinct Advisory Committee		●							
Moe Southside Community Precinct Advisory Committee			●						●
Ted Summerton Reserve 2023 Upgrades - PRG			▲						●
Latrobe Regional Gallery Advisory Committee							●	●	○
Lake Narracan Advisory Committee			●						●
Gippsland Sports and Entertainment Park Redevelopment Project						▲	●		
Animal Welfare Advisory Committee		●	●						
Australia Day Advisory Committee				●					●
Centre for Australian Automotive Futures Committee			●		●				●
Chief Executive Officer Employment Matters Committee			●	●	●	●			
Early Years Reference Committee					●			●	
Economic Development Advisory Committee			●	●					
Latrobe City Community Safety Advisory Committee		○	●		●				
Latrobe City Council Rail Freight Working Group							●		●
Latrobe City International Relations Committee			●	●	●		●		
Latrobe Tourism and Major Events Advisory Committee		●	●		●		●		
Sporting Hall of Fame Committee	●			●					
Gippsland Regional Indoor Sports Stadium 2023 Upgrades - PRG		▲			●				

Information Management

Council delegations

Many of the elected Council's powers under the *Local Government Act 1989*, the *Local Government Act 2020* or any other legislation may be delegated by an instrument of delegation to a Delegated Committee of Council, to the Chief Executive Officer or to an individual council officer. Council generally delegates powers, duties and functions to the Chief Executive Officer who is empowered to further delegate some or all of those powers to other officers and to community asset committees. There is also a limited range of powers, duties and functions delegated directly by Council 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.

Council's delegation documents only permit certain officers 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 using the Maddocks authorisation and delegation service.

Freedom of information

Where documents are not available for public inspection or available on Latrobe City Council's website, then access to them may be sought pursuant to the *Victorian Freedom of Information Act 1982* (FOI Act). The *FOI Act* grants the public the right to seek access to all documents held by Latrobe City Council. This general right of access is limited by a number of exceptions and exemptions, which have been prescribed in the *FOI Act* 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. This includes a non-exhaustive list of the types of documents held by Council and how members of the public may access information.

Each person also has a legally enforceable right to access their personal records and request correction of any inaccuracies, with some exceptions.

Appeals against a decision not to give access to information or not to amend a personal record can be made to the Office of the Victorian Information Commissioner.

Latrobe City Council received 48 applications to access information under the *FOI Act* in the 2024/2025 financial year. Freedom of Information requests must be made in writing and accompanied with a \$32.70 application fee. A total of four requests were made under the hardship provisions of the *FOI 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 FOI Act, Latrobe City Council must make a decision on a valid application within 30 days. Of the 48 applications received, 18 were deemed valid within the 2024/2025 financial year and all were processed within the statutory timeframe. 14 applications were either withdrawn by the applicant or did not commence their request by way of unpaid application fees, unclarified request scope or no response. 15 applications were processed outside of the *FOI Act* and one is in progress.

Information privacy

Public interest disclosures

There were no public interest disclosures requiring notification to IBAC in 2024/25.

Fraud and corruption

There is a 'zero tolerance' approach to fraud and corruption at Latrobe City Council. Council is committed to the elimination of all forms of fraud and corruption and to creating an ethical environment and culture that discourages and prevents fraud and corruption.

To achieve this, Latrobe City Council has a fraud and corruption control framework in place. The framework is comprised of the Fraud and Corruption Control Policy, Fraud and Corruption Control Plan, and Fraud and Corruption Control Action Plan, and sets out fraud education, prevention, detection, response, reporting and monitoring requirements. This includes reporting options for staff, contractors and the community to report suspected fraudulent or corrupt activity of Council staff, contractors or councillors. The framework was reviewed and adopted in early 2024, and confirmed it remains appropriate, effective and aligned with Australian Standard AS8001:2021 Fraud and Corruption Control. The review involved endorsement by the Audit and Risk Committee, prior to Council's adoption of the policy and Chief Executive Officer approval of the Plan. The Fraud and Corruption Control Policy is available on Council's website.

Regular reporting is provided to the Executive Team and the Audit and Risk Committee on fraud and corruption reports and delivery of the action plan, to enable monitoring of the control environment.

Documents for public inspection

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

In accordance with section 57 of the *Local Government Act 2020* and Council's adopted Public Transparency Policy, inspection of these documents can be arranged by phoning Latrobe City Council on 1300 367 700.

- Details of overseas or interstate travel taken in an official capacity by councillors or council officers in the previous 12 months.
- Agendas and minutes for scheduled and unscheduled council meetings except where such minutes relate to parts of meetings which have been closed to members of the public under section 66 of the *Local Government Act 2020* or section 89 of the *Local Government Act 1989*.
- Minutes of delegated and community asset committees established under sections 63 and 65 of the *Local Government Act 2020* and held in the previous 12 months, except if the minutes relate to parts of meetings which have been closed to members of the public under section 66 of the *Local Government Act 2020*.
- A register of delegations made pursuant to the *Local Government Act 2020* and any other acts or regulations.
- Register maintained under section 313 of the *Local Government Act 2020* of authorised officers appointed under that section.
- A list of donations and grants made by Latrobe City Council during the financial year. Council also publishes grant information in its annual report each financial year.

Other information available to the public

- Governance Rules
- Council Support and Expenses Policy
- Model Councillor Code of Conduct
- Summary of Personal Interest Returns
- Local Laws 1, 2 and 3
- Council Plan
- Strategic Resource Plan
- Annual Budget
- Annual Report including the Auditor's Report
- All adopted Council policies

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

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

Contracts

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

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

- Kerb and Channel Replacement Program (panel of four)
- Construction of Park Lane Preschool
- Sporting Reserves— Specialist Turf Goods and Services (panel of 18)
- Supply and Delivery of Quarry Products (panel of five)
- Construction of New Footpaths (panel of five)
- Provision of Stump Grinding
- Construction of Traralgon Recreation Reserve Multipurpose Pavilion
- Traralgon Tennis Court Resurfacing
- Provision of Elevator Servicing and Maintenance
- Traralgon West Development Plan and Development Contribution Plan
- Urban Flood Study and Flash Flooding Adaptation Strategy
- Lead Design Consultant for Upgrades at Ted Summerton Reserve, Moe
- Resealing of Municipal Roads
- Reconstruction of Loch Park Road, Traralgon— Stage 1
- Provision of Signage Services (panel of two)
- Design & Construct Sports Lighting at Gaskin Park 2 Oval, Churchill
- Communications and Marketing Services (panel of seven)
- Renewal of Changerooms and Amenities at Baillie Reserve, Tyers
- Kay Street Multi-Level Car Park
- Provision of Bathroom Hygiene Services
- Maryvale Reserve— Surface Upgrade
- Construction of Landfill Cell 7— Hyland Highway Landfill
- Road Safety Improvements at Monash Road, Newborough
- Roof Replacement (Court 9) Gippsland Regional Indoor Sports Stadium, Traralgon
- Glengarry Preschool Redevelopment
- Provision of Painting Services (panel of two)
- Drainage Upgrade— Cross's Road, Traralgon
- Reconstruction of Phelans Lane, Moe
- Latrobe City Council Stormwater Condition Assessments
- Lake Hyland Detailed Design
- Amenities Refurbishment, New Changerooms & Lighting Works— GRISS, Traralgon
- Supply & Installation of Solar Panels & Battery, GRISS

Development contributions plan

Section 46QD of the *Planning and Environment Act 1987* require Councils to provide a report on development contributions.

Total DCP levies received in 2024/25 financial year

DCP name and year approved	Levies received in 2024/25 financial year (\$)
Lake Narracan DCP - 2015	\$365,502.18
Total	\$365,502.18

DCP land, works, services or facilities accepted as works-in-kind in 2024/25 financial year

DCP name and year approved	Project ID	Project description	Item purpose	Project value (\$)
Lake Narracan DCP - 2015	CW-05	Construction of waterway (between Thompsons Road and Centre Way) and associated landscaping	Waterway	\$1,312,250.52
Total				\$1,312,250.52

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

DCP name and year approved	Total levies received (\$)	Total levies expended (\$)	Total works-in-kind accepted (\$)	Total DCP contributions received (levies and works-in-kind) (\$)
Lake Narracan DCP - 2015	N/A	N/A	N/A	N/A
Total	\$0.00	\$0.00	\$0.00	\$0.00

Land, works, services or facilities delivered in 2024/25 financial year from DCP levies collected

Project description	Project ID	DCP name and year approved	DCP fund expended (\$)	Works-in-kind accepted (\$)	Council's contribution (\$)	Other contributions (\$)	Total project expenditure (\$)	Percentage of item delivered
N/A	N/A	Lake Narracan DCP - 2015	N/A	N/A	N/A	N/A	N/A	N/A
Total			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	

Local Government Performance Reporting Framework

Governance and management checklist

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

Checklist item	Definitions	Yes/no	Assessment
Community engagement policy	Policy outlining Council's commitment to engaging with the community on matters of public interest.	Yes	Adopted in accordance with section 55 of the Act. Date of adoption: 21 April 2021.
Community engagement guidelines	Guidelines to assist staff to determine when and how to engage with the community.	No	No guidelines.
Financial Plan	Plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years.	Yes	Adopted in accordance with section 91 of the Act. Date of adoption: 25 October 2021.
Asset Plan	Plan that sets out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years.	Yes	Adopted in accordance with section 92 of the Act. Date of adoption: 05 June 2023.
Revenue and Rating Plan	Plan setting out the rating structure of Council to levy rates and charges.	Yes	Adopted in accordance with section 93 of the Act. Date of adoption: 30 June 2025.
Annual budget	Plan setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required.	Yes	Budget adopted in accordance with section 94 of the Act. Date of adoption: 30 June 2025.
Risk policy	Policy outlining Council's commitment and approach to minimising the risks to Council's operations.	Yes	Current policy in operation. Date of adoption: 08 April 2024.
Fraud policy	Policy outlining Council's commitment and approach to minimising the risk of fraud.	Yes	Current policy in operation. Date of adoption: 08 April 2024.
Municipal emergency management planning	Participation in meetings of the Municipal Emergency Management Planning Committee.	Yes	Municipal Emergency Management Planning Committee (MEMPC) meetings attended by one or more representatives of Council (other than the chairperson of the MEMPC) during the financial year. A delegated Council Officer chairs the committee and two councillors are members of the community. The multi-agency committee the councillors are considered community members for the purpose of the MEMPC membership. Dates of the attended meetings were: • 11 September 2024 • 04 December 2024 • 05 March 2025 • 04 June 2025.

Checklist item	Definitions	Yes/no	Assessment
Procurement policy	Policy outlining the principles, processes and procedures that will apply to all purchases of goods and services by the Council.	Yes	Adopted in accordance with section 108 of the Act. Date of commencement: 24 February 2025.
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	Current plan in operation. Date of commencement: 01 June 2024.
Disaster recovery plan	Plan setting out the actions that will be undertaken to recover and restore business.	Yes	Current plan in operation . Date of commencement: 01 August 2023.
Complaint policy	Policy under section 107 of the Act outlining Council's commitment and approach to managing complaints.	Yes	Policy developed in accordance with section 107 of the Act. Date of commencement: 05 August 2024.
Workforce plan	Plan outlining Council's commitment and approach to planning the current and future workforce requirements of the organisation.	Yes	Plan developed in accordance with section 46 of the Act. Date of commencement: 22 December 2021.
Payment of rates and charges hardship policy	Policy outlining Council's commitment and approach to assisting ratepayers experiencing financial hardship or difficulty paying their rates.	Yes	Current policy in operation. Date of commencement: 07 October 2020.
Risk management framework	Framework outlining Council's approach to managing risks to the Council's operations.	Yes	Current framework in operation. Date of commencement: 07 March 2024.
Audit and Risk Committee	Advisory committee of Council under section 53 and 54 of the Act.	Yes	Established in accordance with section 53 of the Act. Date of commencement: 01 March 2025.
Internal audit	Independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls.	Yes	Internal auditor engaged. Date of engagement: The Audit and Risk Committee endorsed the Internal Audit Program for 2025/26 on 10 June 2025. Internal Audit Charter adopted 28 April 2025.
Performance reporting framework	A set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the Act.	Yes	Current framework in operation. Date of adoption: 01 December 2016.
Council Plan report	Report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year.	Yes	Current report. Date of report: Quarterly Performance Report- includes Council Plan Action progress reporting and indicators reporting Both reports are provided for September, December, March and August every year.

Checklist item	Definitions	Yes/no	Assessment
Quarterly budget reports	Quarterly reports to Council under section 97 of the Act, comparing actual and budgeted results and an explanation of any material variations.	Yes	Quarterly reports presented to Council in accordance with section 97(1) of the Act. Date of report: Statements presented to Council in accordance with section 138(1) of the Act. Finance Report presented to Council as follows: - Quarter 1: November - Quarter 2: February - Quarter 3: May - Quarter 4 included in the annual report scheduled for presentation in October.
Risk reporting	Six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies.	Yes	Risk reports prepared and presented Dates of reports: Risk reports are provided to Audit and Risk Committee and Executive Risk Management Committee (ERMC) on a quarterly basis. 29 August 2024 19 September 2024 (special) 19 December 2024 12 March 2025. Executive Risk Management Committee (ERMC): 1 August 2024 31 October 2024 18 February 2025 8 May 2025.
Performance reporting	Six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 98 of the Act.	Yes	Performance reports prepared. Dates of reports: Quarterly Performance Report— includes Council Plan Action progress reporting. Both reports are provided for September, December, March and June every year.
Annual report	Annual report under sections 98 and 99 of the Act containing a report of operations and audited financial and performance statements.	Yes	Annual report presented at a meeting of Council in accordance with section 100 of the Act. Date of presentation: 21 October 2025.
Councillor Code of Conduct	Code setting out the standards of conduct to be followed by councillors and other matters.	Yes	Code of conduct reviewed and adopted in accordance with section 139 of the Act. Date reviewed and adopted: 26 October 2024.

Checklist item	Definitions	Yes/no	Assessment
Delegations	Documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff.	Yes	Delegations reviewed in accordance with section 11(7) of the Act. and a register kept in accordance with sections 11(8) and 47(7) of the Act. - S5 Delegations: 25 February 2025 - S6 Delegations: 01 August 2025 - S7 Delegations: 01 August 2025 - S13 Delegations: 01 August 2025 - S14 Delegations: 03 April 2024 - S16 Delegations: 03 April 2024.
Meeting procedures	Governance rules governing the conduct of meetings of Council and delegated committees.	Yes	Governance rules adopted in accordance with section 60 of the Act. Date rules adopted: 02 October 2023.

05 Financial Report



Financial Report Contents

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Certification of the Financial Statements

In my opinion the accompanying financial statements have been prepared in accordance with the *Local Government Act 2020*, the *Local Government (Planning and Reporting) Regulations 2020*, Australian Accounting Standards and other mandatory professional reporting requirements.

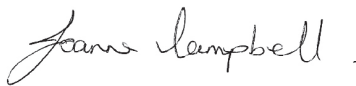


Matthew Rogers CPA
Principal Accounting Officer
Dated: 06/10/2025
Morwell

In our opinion the accompanying financial statements present fairly the financial transactions of Latrobe City Council for the year ended 30 June 2025 and the financial position of the Council as at the date.

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

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify the financial statements in their final form.



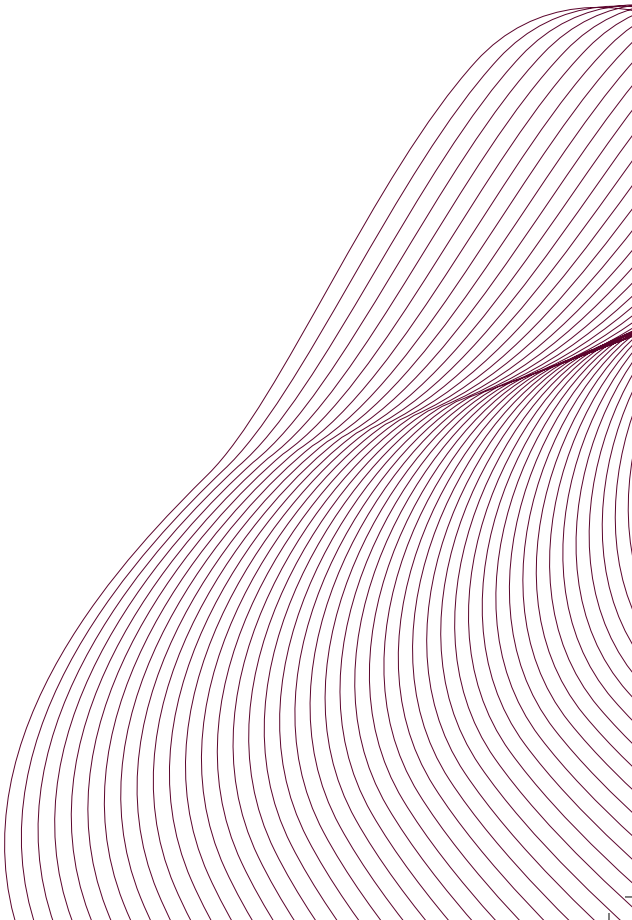
Cr Joanne Campbell
Councillor
Dated: 06/10/2025
Morwell



Cr Leanne Potter
Councillor
Dated: 06/10/2025
Morwell



Steven Piasente
Chief Executive Officer
Dated: 06/10/2025
Morwell



Auditor-General's Report on Financial Report



Independent Auditor's Report

To the Councillors of Latrobe City Council

Opinion	I have audited the financial report of Latrobe City Council (the council) which comprises the: - balance sheet as at 30 June 2025 - comprehensive income statement for the year then ended - statement of changes in equity for the year then ended - statement of cash flows for the year then ended - statement of capital works for the year then ended - notes to the financial statements, including material accounting policy information - certification of the financial statements. In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2025 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the Local Government (Planning and Reporting) Regulations 2020 and applicable Australian Accounting Standards.
Basis for Opinion	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. 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. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Councillors' responsibilities for the financial report	The Councillors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Local Government Act 2020</i> and the Local Government (Planning and Reporting) Regulations 2020, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. 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.

Auditor-General's Report on Financial Report

Auditor's responsibilities for the audit of the financial report	As required by the <i>Audit Act 1994</i>, 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.
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MELBOURNE
14 October 2025


Travis Derricott
as delegate for the Auditor-General of Victoria

Comprehensive Income Statement

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$'000	2024 \$'000
Income/revenue			
Rates and charges	3.1	95,417	93,358
Statutory fees and fines		3,136	2,891
User fees	3.2	13,059	11,676
Grants - operating	3.3	44,182	16,285
Grants - capital	3.3	20,337	17,856
Contributions - monetary	3.4	2,104	599
Contributions - non monetary	3.4	27,273	21,705
Other income	3.5	10,897	9,203
Total income/revenue		216,405	173,573
Expenses			
Employee costs	4.1	(65,648)	(63,370)
Materials and services	4.2	(55,244)	(53,712)
Depreciation	4.3	(35,885)	(34,711)
Amortisation - intangible assets		(944)	(944)
Depreciation - right of use assets		(145)	(160)
Allowance for impairment losses		(36)	(11)
Borrowing costs		(363)	(374)
Finance costs - leases		(46)	(50)
Net loss on disposal of property, infrastructure, plant and equipment	4.4	(5,383)	(5,438)
Other expenses	4.5	(15,311)	(7,631)
Total expenses		(179,005)	(166,401)
Surplus/ (deficit) for the year		37,400	7,172
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation gain/(loss)	6.1	170,666	2,376
Total other comprehensive result		170,666	2,376
Total comprehensive result		208,066	9,548

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

Balance Sheet

AS AT 30 JUNE 2025

	Note	2025 \$'000	2024 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1	19,256	5,339
Trade and other receivables	5.1	6,091	4,884
Other financial assets	5.1	120,000	95,000
Prepayments		1,401	865
Contract assets		5,008	3,875
Non-current assets held for sale		2,258	-
Total current assets		154,014	109,963
Non-current assets			
Trade and other receivables	5.1	-	1
Other financial assets	5.1	2	2
Property, infrastructure, plant and equipment	6.1	1,694,802	1,503,179
Right-of-use assets		1,022	1,149
Intangible assets		447	1,391
Total non-current assets		1,696,273	1,505,722
Total assets		1,850,287	1,615,685
Liabilities			
Current liabilities			
Trade and other payables	5.2	12,773	12,592
Trust funds and deposits	5.2	7,959	6,308
Contract and other liabilities	5.2	37,378	11,101
Provisions	5.4	14,279	15,652
Interest-bearing liabilities	5.3	5,626	2,217
Lease liabilities		133	132
Total current liabilities		78,148	48,002
Non-current liabilities			
Provisions	5.4	18,343	16,213
Interest-bearing liabilities	5.3	9,145	14,771
Lease liabilities		969	1,083
Total non-current liabilities		28,457	32,067
Total liabilities		106,605	80,069
Net assets		1,743,682	1,535,616
Equity			
Accumulated surplus		919,320	882,908
Reserves	9.1	824,362	652,708
Total equity		1,743,682	1,535,616

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

Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2025

	Note	Total \$'000	Accumulated surplus \$'000	Revaluation reserve \$'000	Other reserves \$'000
2025					
Balance at beginning of the financial year		1,535,616	882,908	644,670	8,038
Surplus for the year		37,400	37,400	-	-
Net asset revaluation gain/(loss)	6.2	170,666	-	170,666	
Transfers to other reserves	9.1	-	(1,672)	-	1,672
Transfers from other reserves	9.1	-	684	-	(684)
Balance at end of the financial year		1,743,682	919,320	815,336	9,026
2024					
Balance at beginning of the financial year		1,526,068	876,495	642,294	7,279
Surplus for the year		7,172	7,172		
Net asset revaluation gain/(loss)	6.1	2,376		2,376	
Transfers to other reserves	6.1	-	(1,085)	-	1,085
Transfers from other reserves	9.1	-	326	-	(326)
Restated balance at end of the financial year		1,535,616	882,908	644,670	8,038

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 2025

	Note	2025 \$'000	2024 \$'000
Cash flows from operating activities			
Rates and charges		93,544	93,536
Statutory fees and fines		3,144	2,886
User fees		13,502	12,271
Grants - operating		55,777	16,615
Grants - capital		35,603	18,198
Contributions - monetary		1,887	607
Interest received		6,280	5,947
Trust funds and deposits taken		16,600	14,809
Other receipts		5,706	2,115
Net GST refund/ (payment)		3,594	5,138
Employee costs		(65,939)	(63,321)
Materials and services		(65,974)	(59,335)
Short-term, low value and variable lease payments		(180)	(86)
Trust funds and deposits repaid		(14,949)	(13,948)
Other payments		(5,135)	(4,574)
Net cash provided by operating activities	9.2	83,460	30,858
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(42,918)	(51,801)
Proceeds from sale of property, infrastructure, plant and equipment		1,129	973
Payments for investments		(162,728)	(135,000)
Proceeds from sale of investments		137,728	135,000
Payments of loans and advances		3	5
Net cash used in investing activities		(66,786)	(50,823)
Cash flows from financing activities			
Finance costs		(362)	(382)
Proceeds from borrowings		-	4,500
Repayment of borrowings		(2,217)	(2,803)
Interest paid - lease liability		(46)	(50)
Repayment of lease liabilities		(132)	(142)
Net cash used in financing activities		(2,757)	1,123
Net increase/ (decrease) in cash and cash equivalents		13,917	(18,842)
Cash and cash equivalents at the beginning of the financial year		5,339	24,181
Cash and cash equivalents at the end of the financial year		19,526	5,339
Financing arrangements	5.5		
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 2025

	Note	2025 \$'000	2024 \$'000
Property			
Buildings		18,860	9,836
Total buildings		18,860	9,836
Total property		18,860	9,836
Plant and equipment			
Plant, machinery and equipment		3,705	3,063
Fixtures, fittings and furniture		46	53
Computers and telecommunications		712	462
Art collection		14	18
Total plant and equipment		4,477	3,596
Infrastructure			
Roads		11,667	18,087
Bridges		216	151
Footpaths and cycleways		1,628	1,754
Drainage		1,197	894
Recreational, leisure and community facilities		1,965	1,713
Waste management		1,926	415
Parks, open space and streetscapes		1,398	5,162
Off street car parks		252	3,037
Other infrastructure		2,332	3,376
Total infrastructure		22,581	34,589
Total capital works expenditure		45,918	48,021
Represented by:			
New asset expenditure		12,267	8,771
Asset renewal expenditure		23,145	26,113
Asset expansion expenditure		-	1,706
Asset upgrade expenditure		10,506	11,431
Total capital works expenditure	2.1.2	45,918	48,021

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

Notes to the Financial Statement

Note 1: Overview

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

Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board (AASB), the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

The Council is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to a not-for-profit entity under the Australian Accounting Standards.

Accounting policy information

Basis of accounting

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. Specific accounting policies applied are disclosed in sections where the related balance or financial statement matter is disclosed.

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

The financial statements are based on the historical cost convention unless a different measurement basis is specifically disclosed in the notes to the financial statements.

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

The financial statements have been prepared on a going concern basis. The financial statements are in Australian dollars. The amounts presented in the financial statements have been rounded to the nearest thousand dollars unless otherwise specified. Minor discrepancies in tables between totals and the sum of components are due to rounding.

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

- The fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1).
- The determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 6.1).
- The determination of employee provisions (refer to note 5.4).
- The determination of landfill provisions (refer to note 5.4).
- The determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income of Not-for-Profit Entities* (refer to Note 3).
- The determination, in accordance with *AASB 16 Leases*, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is substance shot-term or low value.
- Other areas requiring judgements.

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

Statutory fees and fines

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

Contract assets

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

Intangible assets

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

Right of use assets and lease

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

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

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

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

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

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

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

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

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

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

Under *AASB 16 Leases*, Council as a not-for-profit entity has elected not to measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

Short-term and low value leases

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

Goods and Services Tax (GST)

Income and expenses are recognised net of the amount of associated GST. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

1.2 Impact of emergencies and natural disasters

During 2024–25 emergencies or natural disasters impacted Council's operations. Council has noted the following significant impacts on its financial operations:

- Additional revenue— Disaster Recovery Funding Arrangements funding received for August/September 2024 storms \$843K and February 2024 storms \$1,591K
- Additional costs— engagement of external contractors to assist with the clean up of the August/September 2024 storms \$1,315K

Note 2: Analysis of our results

2.1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$250,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 3 June 2024. The budget was based on assumptions that were relevant at the time of adoption of the budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

These notes are prepared to meet the requirements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

2.1.1 Income/revenue and expenditure

	Budget 2025 \$'000	Actual 2025 \$'000	Variance \$'000	Variance %	Ref
Income/revenue					
Rates and charges	95,226	95,417	191	0%	
Statutory fees and fines	2,758	3,136	378	14%	1
User fees	12,270	13,059	789	6%	2
Grants - operating	28,898	44,182	15,284	53%	3
Grants - capital	36,246	20,337	(15,909)	(44%)	4
Contributions - monetary	90	2,104	2,014	2238%	5
Contributions - non monetary	5,000	27,273	22,273	445%	6
Other income	6,845	10,897	4,052	59%	7
Total income/revenue	187,333	216,405	29,072	16%	
Expenses					
Employee costs	65,288	65,648	(360)	(1%)	8
Materials and services	47,625	55,244	(7,619)	(16%)	9
Allowance for impairment losses	4	36	(32)	(800%)	10
Depreciation	33,530	35,885	(2,355)	(7%)	11
Amortisation - Intangible assets	944	944	-	0%	
Depreciation - rights of use assets	159	145	14	9%	
Borrowing costs	363	363	-	0%	
Finance costs - Leases	44	46	(2)	(5%)	
Net loss on disposal of property, infrastructure, plant and equipment	5,000	5,383	(383)	(8%)	12
Other expenses	4,407	15,311	(10,904)	(247%)	13
Total expenses	157,364	179,005	(21,641)	(14%)	
Surplus/(deficit) for the year	29,969	37,400	7,431	25%	

(i) Explanation of material variations - income and expenditure

Ref	Item	Explanation
1	Statutory fees and fines	Outcome: Favourable\$378K14% The favourable variance is mainly due to higher than expected income received for city planning \$255K, electoral fines \$63K and land information certificates \$37K.
2	User fees	Outcome: Favourable\$789K6% The favourable variance is mainly due to higher than expected income received for landfill gate fees \$444K and subdivision supervision fees \$291K.
3	Grants - operating	Outcome: Favourable\$15,284K53% The favourable variance is largely due to an advance payment of Council's 2025/26 Annual Financial Assistance Grants (FAGS) funding received in June \$8,361K, together with higher than expected 2024/25 FAGS funding received \$302K. In addition Council has received higher than expected and unbudgeted grants for various programs including family services programs \$2,193K, natural disaster recovery for the February 24 storm event \$1,591K and August 24 event \$843K, Gippsland Logistics Precinct \$711K, the Sports Legacy & Activation Council Support Package Fund (CSPF) \$527K, Flood Studies \$180k and the Free from Violence program \$133K.
4	Grants - capital	Outcome: Unfavourable\$15,909K44% The unfavourable variance is due to the expected timing of recognition of Regional Car Parks Fund \$13,405K, Gippsland Logistics Precinct \$5,150K, Multi Use Pavilion Traralgon Rec Reserve \$1,698K, Traralgon Indoor Multi Sports Hall \$648K and Mathison Park playspace upgrade \$363K. Receipt of these grant funds was budgeted in the current year but is now expected to be recognised in the 2025/26 financial year based on current projections of the construction of these projects. These variances have been partially offset by favourable variances including additional Roads to Recovery funding \$510K and unbudgeted grants for the Nation Building Blackspot Program \$818KM, the Sports Legacy & Activation Council Support Package Fund (CSPF) \$2,309K, Traralgon Railway Conservation Reserve Large Dam rehabilitation \$608K together with Sports Legacy projects and other various grants.
5	Contributions - monetary	Outcome: Favourable\$2,014K2238% The favourable variance is mainly due to higher than expected receipt of developer contributions including Lake Narracan & Traralgon North Developer contribution schemes \$492K, Public Open Space contributions \$478K and Street Trees \$220K. In addition contributions were received for capital works for the Marshall's road signalised intersection \$450K and the 3-year-old Preschool Transition project \$266K.
6	Contributions - non monetary	Outcome: Favourable\$22,273K445% Council receives non-monetary contributions of land and infrastructure from property developers. It is difficult to predict the annual level of contributions as they are realised at the time the subdivision statement of compliance is received. This year saw a higher than expected level of development activity which resulted in higher contributions.
7	Other income	Outcome: Favourable\$4,052K59% Increasing interest rates and higher than expected funds available for investment led to a favourable variance of 1,652K in investment income. Other favourable variances were received for interest on outstanding rates and charges \$468K, third party rebates and carbon generation credits earned on energy efficiency initiatives \$962K, insurance claims \$495K and container deposit scheme \$255K.
8	Employee costs	Outcome: Unfavourable\$360K1% The additional salaries and wages is mainly associated with positions that were funded by unbudgeted government grant funding relating to family services programs \$574K, together with a higher than budgeted Enterprise Bargaining Agreement increase and parental leave taken.

Ref	Item	Explanation
9	Materials and services	Outcome: Unfavourable\$7,619K16% The variance is predominantly a result of the expensing of costs budgeted as capital expenditure due to them not meeting Council's capitalisation criteria \$5,300K e.g Traralgon-Maffra/Marshall's road signalised intersection \$4,334K which is a state government asset. Other factors include expenditure funded from unbudgeted government grants and income received in previous financial years for expenditure incurred in the 2024/25 financial year e.g. August 2024 storm emergency works \$1,315K and higher than expected costs/demand for gas \$454K, electricity \$383K and water charges \$154K.
10	Allowance for impairment losses	Outcome: Unfavourable\$32K800% The relatively low value but high percentage unfavourable variance was mainly due to bad debts incurred for sundry debtors which were higher than anticipated in the budget.
11	Depreciation	Outcome: Unfavourable\$2,355K7% The unfavourable variance is mainly a result of the initial recognition of previously unvalued recreational, leisure and community facilities \$908K and associated parks, open space and streetscape assets \$884K, together with higher levels of infrastructure depreciation largely due to unbudgeted gifted assets and new and upgraded infrastructure funded from government grants, increasing the depreciable value of assets over the past two years.
12	Net loss on disposal of property, infrastructure, plant and equipment	Outcome: Unfavourable\$383K8% The variation is associated with the higher than estimated write down of the residual value of assets renewed as part of the capital works program.
13	Other expenses	Outcome: Unfavourable\$10,904K247% The unfavourable variance is mainly due to the expensing of items from opening capital works in progress (\$7,155k) due to them not meeting Council's capitalisation criteria, together with unbudgeted increased landfill provision expense \$2,644K, an impairment loss \$423K the expected sale of the ex Hazelwood House property and community grants expenditure funded from previous financial years and unallocated cash reserves \$315K.

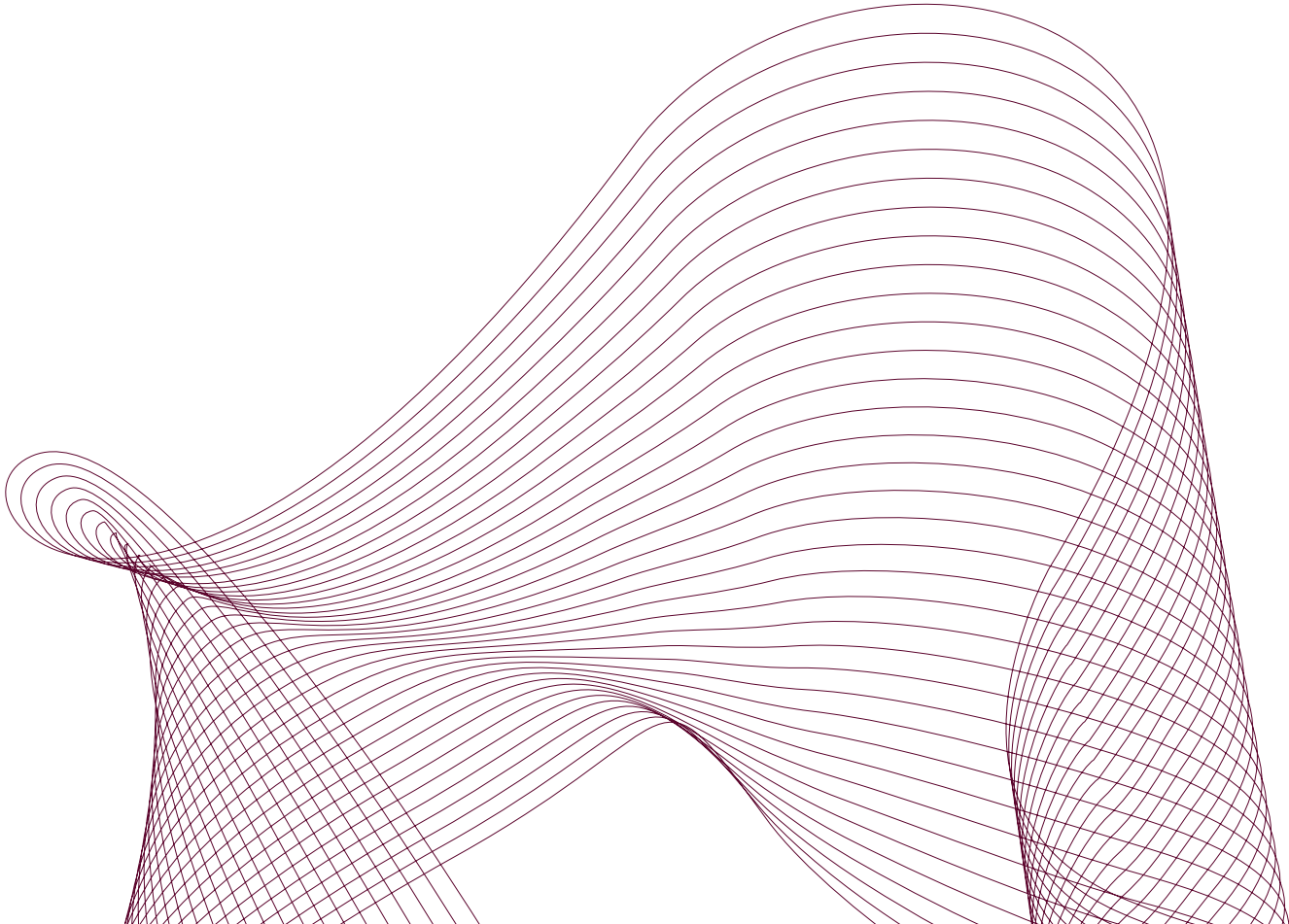
2.1.2 Capital works

	Budget 2025 \$'000	Actual 2025 \$'000	Variance \$'000	Variance %	Ref
Property					
Buildings	10,220	18,860	(8,640)	(85%)	1
Total buildings	10,220	18,860	(8,640)	(85%)	
Total property	10,220	18,860	(8,640)	(85%)	
Plant and equipment					
Plant, machinery and equipment	3,458	3,705	(247)	(7%)	2
Fixtures, fittings and furniture	-	46	(46)	100%	3
Computers and telecommunications	600	712	(112)	(19%)	4
Art collection	15	14	1	7%	
Total plant and equipment	4,073	4,477	(404)	(10%)	
Infrastructure					
Roads	18,501	11,667	6,834	37%	5
Bridges	150	216	(66)	(44%)	6
Footpaths and cycleways	1,330	1,628	(298)	(22%)	7
Drainage	1,357	1,197	160	12%	8
Recreational, leisure and community facilities	650	1,965	(1,315)	(202%)	9
Waste management	3,075	1,926	1,149	37%	10
Parks, open space and streetscapes	1,392	1,398	(6)	(0%)	
Off street car parks	22,980	252	22,728	99%	11
Other infrastructure	4,874	2,332	2,542	52%	12
Total infrastructure	54,309	22,581	31,728	58%	
Total capital works expenditure	68,602	45,918	22,684	33%	
Represented by:					
New asset expenditure	37,255	12,267	24,988	67%	13
Asset renewal expenditure	24,054	23,145	909	4%	14
Asset upgrade expenditure	7,293	10,506	(3,213)	(44%)	15
Total capital works expenditure	68,602	45,918	22,684	33%	

(i) Explanation of material variations - capital works

Ref	Item	Explanation
1	Buildings	Outcome: Overspend (\$8,640K) 85% Regional Car Park Fund Projects actual costs classified to buildings, however, budgeted to Off Street Car Parks - Seymour Street Car Park, Traralgon (overspend \$4,027K) and Kay Street, Traralgon (overspend \$5,110K). Delayed commencement of Traralgon Indoor Multi Sports Hall (underspend \$2,040K). Delivery of funded community facilities (overspend \$1,041K).
2	Plant, machinery and equipment	Outcome: Overspend (\$247K) 7% Fleet replacement carried forward from prior year to clear supply chain backlog (overspend \$389K).
3	Fixtures, fittings and furniture	Outcome: Overspend (\$46K) 100% Office chair and desk replacement funded from carry forwards (overspend \$46K) .
4	Computers and telecommunications	Outcome: Overspend (\$112K) 19% Information technology purchases (overspend \$70k) funded from information technology reserve .
5	Roads	Outcome: Underspend \$6,834K 37% Road Rehabilitation Program (underspend \$2,321K) with \$1,500K worth of works deferred to future years program. Signalised Intersection-Maffra/Marshalls Road – the project was budgeted as a council asset spend, however, the intersection is a Department of Transport asset. Therefore, the actual costs cannot be reflected in the capital works statement (underspend \$3,566K). DCP infrastructure - Morwell North West Development (roads and drainage) carried forward to future years (underspend \$797K).
6	Bridges	Outcome: Overspend (\$66K) 44% Works carried forward from prior year (overspend \$66K).
7	Footpaths and cycleways	Outcome: Overspend (\$298K) 22% Delivery of fully-funded Council Support Package Fund works (overspend \$347K).
8	Drainage	Outcome: Underspend \$160K 12% Rehabilitation of Traralgon Railway Reserve large dam, a largely funded project (overspend \$721K). Delayed progress in piped systems enhancements in Traralgon (underspend \$391K). Erin Park Wetlands drainage works carried forward to next year (underspend \$204K) Glengarry flood mitigation construction works continuing into the next year (underspend \$237K).
9	Recreational, leisure and community facilities	Outcome: Overspend (\$1,315K) 202% Gaskin Park Oval 2 drainage and lighting upgrade— jointly funded works (overspend \$924K). Delivery of fully funded Council Support Package Fund works (overspend \$268K).
10	Waste management	Outcome: Underspend \$1,149K 37% Hyland Hwy Landfill— Cell 7 construction works multi year project with ongoing works carried forward to next year (underspend \$2,004K). Leachate Pond Construction Hyland Highway carried forward from prior year (overspend \$930K).

Ref	Item	Explanation
11	Off street car parks	Outcome: Underspend\$22,728K99% Regional Car Parks Fund projects Kay Street, Traralgon (budget \$14,500K) and Commercial Road, Morwell (budget \$7,000K) - these projects budgeted under off street car parks, however, due to the nature of these projects the building class is considered more accurate. Actuals reflected under building class.
12	Other infrastructure	Outcome: Underspend\$2,542K52% Gippsland Logistics and Manufacturing Precinct (underspend \$3,227K)— a jointly funded multi year project with works continuing into future years. Delivery of funded community facilities (overspend \$658K).
13	New asset expenditure	Outcome: Underspend\$24,988K67% Regional Car Parks Fund project delivery (underspend \$17,204K)— consists of multi year projects with works continuing into future years. Delayed commencement of Traralgon Indoor Multi Sports Hall (underspend \$2,040K). Gippsland Logistics and Manufacturing Precinct (underspend \$3,227K) - a jointly funded multi year project with works continuing into future years.
14	Asset renewal expenditure	Outcome: Underspend\$909K4% Road Rehabilitation Program (underspend \$2,321K) with \$1,500K worth of works deferred to future years program. Rehabilitation of Traralgon Railway Reserve large dam, a largely funded project (overspend \$721k).
15	Asset upgrade expenditure	Outcome: Overspend(\$3,213K)44% Regional Car Park Fund Project delivery— Seymour Street Car Park, Traralgon (overspend \$4,027K). Delivery of funded Community Facilities (overspend \$1,041K). Signalised Intersection-Maffra/Marshalls Road— the project was budgeted as a council asset spend, however, the intersection is a Department of Transport asset. Therefore, the actual costs cannot be reflected in the capital works statement (underspend \$3,566K).



2.2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2.2.1

Office of the Chief Executive

- Office of the Chief Executive
- Mayoral and Council Support and Operations
- Sports Legacy & Activation

Regional City Strategy & Transition

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

Organisational Performance

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

Regional City Planning and Assets

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

Community Health & Wellbeing

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

- Safe Communities (Building Services, Health Services, Local Laws and Legal Proceedings)
- Family Services (Pre Schools & Childcare, Family Health & Development)
- Emergency Management

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)

2.2.2 Summary of income/revenue, expenses, assets and capital expenses by program

	Income/ revenue \$'000	Expenses \$'000	Surplus/ (deficit) \$'000	Grants incl. in income/ revenue \$'000	Total assets \$'000
2025					
Office of the Chief Executive	2,741	(2,234)	507	992	106
Regional City Strategy & Transition	10,688	(10,342)	346	1,821	31,721
Organisational Performance	17,464	(16,433)	1,031	3,919	10,199
Regional City Planning & Assets	111,329	(82,326)	29,003	17,779	1,393,470
Community Health & Wellbeing	51,764	(54,103)	(2,339)	18,952	259,552
Other Operating	82	251	333	-	81,245
Capital Works Program	22,337	(13,818)	8,519	21,056	73,994
	216,405	(179,005)	37,400	64,519	1,850,287
2024					
Office of the Chief Executive	1,892	(2,147)	(255)	19	70
Regional City Strategy & Transition	9,198	(9,862)	(664)	183	31,166
Organisational Performance	13,631	(15,486)	(1,855)	403	9,049
Regional City Planning & Assets	81,108	(77,628)	3,480	735	1,229,985
Community Health & Wellbeing	48,924	(52,903)	(3,979)	14,846	238,287
Other Operating	231	216	447	-	51,435
Capital Works Program	18,589	(8,591)	9,998	17,955	55,693
	173,573	(166,401)	7,172	34,141	1,615,685

Note 3: Funding for the delivery of our services

3.1 Rates and charges

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

This valuation base was used to calculate general rates, excluding those who contribute under a Payment in lieu of Rates scheme (power generators) or where a rating agreement is in place (Opal).

The valuation base used to calculate general rates for 2024/25 was \$22.028 billion (2023/24 was \$21.432 billion).

	2025 \$'000	2024 \$'000
General rates	64,485	61,992
Municipal charge	6,225	6,002
Service rates and charges	13,658	14,648
EPA Victoria landfill levy	1,153	1,217
Supplementary rates and rates adjustments	606	527
Cultural and recreational	88	79
Revenue in lieu of rates	9,202	8,893
Total rates and charges	95,417	93,358

The date of the general revaluation of land for rating purposes within the municipal district was 1 January 2024 and the valuation was first applied in the rating year commencing 1 July 2024.

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

3.2 User fees

	2025 \$'000	2024 \$'000
Leisure centre and recreation	3,176	3,182
Child care/children's programs	4,767	4,681
Waste management services	2,938	2,101
Subdivision supervision	591	477
Creative arts and venues	819	622
Other fees and charges	768	613
Total user fees	13,059	11,676

User fees by timing of revenue recognition

User fees recognised at a point in time	13,059	11,676
Total user fees	13,059	11,676

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.

3.3 Funding from other levels of government

Grants were received in respect of the following:

Summary of grants

	2025 \$'000	2024 \$'000
Commonwealth funded grants	29,394	4,370
State funded grants	35,125	29,771
Total grants received	64,519	34,141

(a) Operating grants

Recurrent – Commonwealth Government

Financial assistance grant	24,492	690
Aged and disability programs	-	-
Employment facilitation	931	335
Family and children programs	70	99

Recurrent – State Government

Preschools	8,728	7,772
Family and children programs	2,279	2,840
Maternal and child health	1,626	1,677
Aged and disability programs	14	834
Libraries	560	560
School crossing supervision	259	243
Arts programs	155	155
Environment sustainability	36	37
Community support and development programs	262	256
Total recurrent operating grants	39,412	15,498

Non-recurrent – Commonwealth Government

Events and international relations	9	-
Community support and development programs	35	-
Employment facilitation programs	-	10

Non-recurrent – State Government

Recreational, leisure and community facilities	650	-
Preschools	50	131
Economic development	30	128
Community support and development programs	274	192
Buildings	-	38
Family and children programs	15	6
Events and international relations	30	30
Natural disaster recovery	2,390	-
Emergency management	170	-
Environment sustainability	153	97
Sealed roads	16	-
Statutory planning	12	-
Strategic planning	46	51
Other	890	104
Total non-recurrent operating grants	4,770	787

Total operating grants	44,182	16,285
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(b) Capital grants

	2025 \$'000	2024 \$'000
Recurrent – Commonwealth Government		
Roads to recovery program	2,210	1,700
Total recurrent capital grants	2,210	1,700
Non-recurrent – Commonwealth Government		
Buildings	1,647	1,536
Footpath and cycleways	-	-
Non-recurrent – State Government		
Buildings	5,147	2,361
Recreation, leisure and community facilities	3,580	289
Natural disaster recovery	225	7,701
Other recreational facilities	242	280
Roads	818	148
Other	597	-
Heritage buildings	-	98
Offstreet car parks	5,871	337
Other infrastructure	-	3,406
Total non-recurrent capital grants	18,127	16,156
Total capital grants	20,337	17,856
Total grants	64,519	34,141

(c) Recognition of grant income

Before recognising funding from government grants as revenue the Council assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with *AASB 15 Revenue from Contracts with Customers*. When both these conditions are satisfied, the Council:

- Identifies each performance obligation relating to revenue under the contract/agreement
- Determines the transaction price
- Recognises a contract liability for its obligations under the agreement
- Recognises revenue as it satisfies its performance obligations, at the point in time or over time when services are rendered.

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the Council applies *AASB 1058 Income of Not-for-Profit Entities*.

Grant revenue with sufficiently specific performance obligations is recognised over time as the performance obligations specified in the underlying agreement are met. Where performance obligations are not sufficiently specific, grants are recognised on the earlier of receipt or when an unconditional right to receipt has been established. Grants relating to capital projects are generally recognised progressively as the capital project is completed. The following table provides a summary of the accounting framework under which grants are recognised.

	2025 \$'000	2024 \$'000
Income recognised under AASB 1058 Income of Not-for-Profit Entities		
General	24,492	690
Specific purpose grants to acquire non-financial assets	20,337	17,856
Other specific purpose grants	19,690	15,557
Revenue recognised under AASB 15 Revenue from Contracts with Customers		
Specific purpose grants	-	38
	64,519	34,141

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

	2025 \$'000	2024 \$'000
Operating		
Balance at start of year	6,153	9,111
Received during the financial year and remained unspent at balance date	7,245	4,801
Received in prior years and spent during the financial year	(5,570)	(7,759)
Balance at year end	7,828	6,153

Unspent grants are determined and disclosed on a cash basis.

3.4 Contributions

	2025 \$'000	2024 \$'000
Monetary	2,104	599
Non-monetary	27,273	21,705
Total contributions	29,377	22,304

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

Roads	8,708	5,132
Drainage	9,574	6,218
Land	4,330	7,284
Buildings	2,759	-
Footpaths	1,861	2,991
Other	41	80
Total non-monetary contributions	27,273	21,705

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

3.5 Other income

	2025 \$'000	2024 \$'000
Interest	6,769	5,904
Contributions other	761	941
Sales	665	738
Other rent	862	845
Insurance claim refunds	495	74
Rebates	1,042	519
Other	303	182
Total other income	10,897	9,203

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

	2025 \$'000	2024 \$'000
Salaries and wages	55,089	53,615
Workcover	1,433	1,091
Superannuation	6,384	5,951
Fringe benefits tax	279	261
Other	2,463	2,452
Total employee costs	65,648	63,370

(b) Superannuation

Council made contributions to the following funds:

	2025 \$'000	2024 \$'000
Defined benefit fund		
Employer contributions to local authorities superannuation fund (Vision Super)	194	205
	194	205
Employer contributions payable at reporting date	-	-

Accumulation funds

	2025 \$'000	2024 \$'000
Employer contributions to local authorities superannuation fund (Vision Super)	5,432	5,023
	5,432	5,023
Total superannuation	5,626	5,228
Employer contributions payable at reporting date	485	452

Contributions made exclude amounts accrued at balance date. Refer to note 9.3 for further information relating to Council's superannuation obligations.

4.2 Materials and services

	2025 \$'000	2024 \$'000
General maintenance	5,826	5,389
Domestic rubbish collection	4,377	4,250
Utilities	4,155	3,793
Other contracts	5,156	3,875
Information technology	4,188	4,252
Office administration	2,648	2,641
Consultants	870	2,487
Hard waste collection	2,165	2,017
Transfer stations	1,340	1,399
Insurance	1,742	1,590
Sporting grounds and facilities	585	863
Materials recovery facility	1,584	1,435
Finance and legal costs	924	847
Vehicle expenses	1,254	1,322
Building maintenance	1,948	1,741
Cleaning	1,189	1,151
Management and operation of Gippsland Regional Aquatic Centre	602	798
Green waste processing	900	1,041
Non-council asset works	4,335	-
Street sweeping	825	845

Parks and reserves	998	703
Litter bins	716	599
Natural disaster recovery works	1,388	1,582
Logistics precinct and intermodel freight terminal	-	3,720
Other	5,529	5,372
Total materials and services	55,244	53,712

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

4.3 Depreciation

	2025 \$'000	2024 \$'000
Property	7,203	7,147
Plant, furniture and equipment	2,883	2,822
Infrastructure	25,799	24,742
Total depreciation and amortisation	35,885	34,711

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

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

	2025 \$'000	2024 \$'000
Proceeds of sale	1,129	973
Write down value of assets disposed (sold/written off)	(2,441)	(430)
Write down value of assets disposed (asset renewal)	(4,071)	(5,981)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	(5,383)	(5,438)

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

4.5 Other expenses

	2025 \$'000	2024 \$'000
Auditors' remuneration - VAGO	106	99
Auditors' remuneration - internal audit	56	34
Audit other	142	47
Councillors' allowances	381	381
Operating lease rentals	163	78
Grants	1,792	1,782
Levies	2,303	2,034
Assets written-off/impaired	7,579	2,578
Other	145	-
Landfill provision movement	2,644	598
Total other expenses	15,311	7,631

Note 5: Investing and financing our operations

5.1 Financial assets

(a) Cash and cash equivalents

	2025 \$'000	2024 \$'000
Cash on hand	11	11
Cash at bank	19,245	5,328
Total cash and cash equivalents	19,256	5,339

(b) Other financial assets

	2025 \$'000	2024 \$'000
Current		
Term deposits	120,000	95,000
Total current other financial assets	120,000	95,000
Non-current		
Shares	2	2
Total non-current other financial assets	2	2
Total other financial assets	120,002	95,002
Total financial assets	139,258	100,341

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

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

Other financial assets include term deposits and those with original maturity dates of three to 12 months are classified as current, whilst term deposits with maturity dates greater than 12 months are classified as non-current.

(c) Trade and other receivables

	2025 \$'000	2024 \$'000
Current		
Statutory receivables		
Rates debtors*	4,407	2,541
Health Registrations	1	7
Net GST receivable	630	491
Non-statutory receivables		
Loans and advances to community organisations	1	3
Other debtors	1,062	1,854
Allowance for expected credit loss - other debtors	(10)	(12)
Total current trade and other receivables	6,091	4,884

*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.

	2025 \$'000	2024 \$'000
Non-current		
Non-statutory receivables		
Loans and advances to community organisations	-	1
Total non-current trade and other receivables	-	1
Total trade and other receivables	6,091	4,885

Short term receivables are carried at invoice amount. An allowance for expected credit losses is recognised based on past experience and other objective evidence of expected losses. Long term receivables are carried at amortised cost using the effective interest rate method.

(d) Ageing of receivables

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

	2025 \$'000	2024 \$'000
Current (not yet due)	286	1,355
Past due by up to 30 days	451	48
Past due between 31 and 60 days	13	18
Past due between 61 and 90 days	10	38
Past due by more than 90 days	293	387
Total trade and other receivables	1,053	1,846

(e) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$10K (2024 \$12K) were impaired. The amount of the provision raised against these debtors was \$10K (2024 \$12K). 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.

	2025 \$'000	2024 \$'000
Past due by more than 90 days	10	12
Total trade and other receivables	10	12

5.2 Payables, trust funds and deposits and contract and other liabilities

(c) Trade and other receivables

	2025 \$'000	2024 \$'000
Current		
Non-statutory payables		
Trade payables	10,704	10,147
Accrued expenses	2,069	2,445
Total current trade and other payables	12,773	12,592

(b) Trust funds and deposits

Current		
Refundable deposits	6,447	4,745
Fire Service Levy	746	574
Retention amounts	348	462
Other trust amounts	418	527
Total current trust funds and deposits	7,959	6,308

(c) Contract and other liabilities

Contract liabilities		
Current		
Grants received in advance - operating	11,507	100
Total contract liabilities	11,507	100
Other liabilities		
Current		
Deferred capital grants	25,871	11,001
Total other liabilities	25,871	11,001
Total contract and other liabilities	37,378	11,101

Trust funds and deposits

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

Contract liabilities

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

Other liabilities

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

Purpose and nature of item

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

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

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

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

5.3 Interest-bearing liabilities

	2025 \$'000	2024 \$'000
Current		
Treasury Corporation of Victoria Borrowings – secured	1,752	1,709
Borrowings – secured	3,874	508
Total current	5,626	2,217
Non-current		
Treasury Corporation of Victoria Borrowings – secured	7,468	9,220
Borrowings – secured	1,677	5,551
Total non-current	9,145	14,771
Total interest-bearing loans and borrowings	14,771	16,988

All borrowings are secured over Council's rate revenue.

The maturity profile for Council's borrowings is:

Not later than one year	5,626	2,217
Later than one year and not later than five years	9,145	12,538
Later than five years	-	2,233
	14,771	16,988

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

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

In classifying borrowings as current or non-current Council considers whether at balance date it has the right to defer settlement of the liability for at least twelve months after the reporting period. Council's loan arrangements include covenants based on Council's financial performance and position at the end of the reporting period. These covenants are assessed for compliance after the reporting period based on specified financial ratios.

5.4 Provisions

	Employee \$'000	Landfill restoration \$'000	Total \$'000
2025			
Balance at beginning of the financial year	13,129	18,736	31,865
Additional/(reduced) provisions	6,129	2,938	9,067
Amounts used	(5,699)	(2,293)	(7,992)
Change in the discounted amount arising because of time and effect of any change in the discount rate	(23)	(295)	(318)
Balance at the end of the financial year	13,536	19,086	32,622
<i>Provisions - current</i>	11,969	2,310	14,279
<i>Provisions - non-current</i>	1,567	16,776	18,343
2024			
Balance at beginning of the financial year	12,888	20,476	33,364
Additional/(reduced) provisions	5,723	1,055	6,778
Amounts used	(5,651)	(2,339)	(7,990)
Change in the discounted amount arising because of time and effect of any change in the discount rate	169	(456)	(287)
Balance at the end of the financial year	13,129	18,736	31,865
<i>Provisions - current</i>	11,767	3,885	15,652
<i>Provisions - non-current</i>	1,362	14,851	16,213

(a) Employee provisions

	2025 \$'000	2024 \$'000
Current provisions expected to be wholly settled within 12 months		
Annual leave	4,438	4,435
Long service leave	2,360	2,200
	6,799	6,634
Current provisions expected to be wholly settled after 12 months		
Annual leave	-	-
Long service leave	5,170	5,133
	5,170	5,133
Total current employee provisions	11,969	11,767
Non-current		
Long service leave	1,567	1,362
Total non-current employee provisions	1,567	1,362
Aggregate carrying amount of employee provisions		
Current	11,969	11,767
Non-current	1,567	1,362
	13,536	13,129

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

Annual leave

A liability for annual leave is recognised in the provision for employee benefits as a current liability because the Council does not have an unconditional right to defer settlement of the liability. Liabilities for annual leave are measured at:

Nominal value if the Council expects to wholly settle the liability within 12 months

Present value if the Council does not expect to wholly settle within 12 months.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. Unconditional LSL is disclosed as a current liability as the Council does not have an unconditional right to defer settlement. Unconditional LSL is measured at nominal value if expected to be settled within 12 months or at present value if not expected to be settled within 12 months. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability and measured at present value.

	2025 \$'000	2024 \$'000
Key assumptions:		
• discount rate	3.59%	4.40%
• inflation rate	4.25%	4.45%
(b) Landfill restoration		
Current	2,310	3,885
Non-current	16,776	14,851
	19,086	18,736

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

Council reviews the landfill restoration provision on an annual basis, including the key assumptions listed below.

Key assumptions:		
• Discount rate	4.02%	3.90%
• Inflation rate	4.00%	4.00%

5.5 Financing arrangements

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

Bank overdraft	1,000	1,000
Credit card facilities	500	500
Treasury Corporation of Victoria facilities	9,220	10,929
Other facilities	5,551	6,059
Total facilities	16,271	18,488
Used facilities	14,886	17,102
Unused facilities	1,385	1,386

5.6 Commitments

The Council has entered into the following commitments. Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

(a) Commitments for expenditure

	Not later than 1yr \$'000	Later than 1yr and not later than 2yrs \$'000	Later than 2yrs and not later than 5yrs \$'000	Later than 5yrs \$'000	Total \$'000
2025					
Operating					
Garbage collection	5,802	5,802	17,405	20,305	49,314
Cleaning contracts for council amenities/streets	1,997	1,929	1,960	-	5,886
Collection of hard waste	1,921	-	-	-	1,921
Cleaning contracts for council buildings	1,219	-	-	-	1,219
Management and operation of GRAC	820	-	-	-	820
Processing of organic waste	786	-	-	-	786
Landfill	726	363	-	-	1,089
Drainage	642	-	-	-	642
Recycling	349	-	-	-	349
Software	276	56	-	-	332
Total	14,538	8,150	19,365	20,305	62,358
Capital construction					
Buildings	28,050	-	-	-	28,050
Landfill	1,935	-	-	-	1,935
Drainage	1,414	-	-	-	1,414
Roads	724	-	-	-	724
Recreational, leisure and community facilities	554	-	-	-	554
Off street car parks	107				107
Logistics precinct	88	-	-	-	88
Total	32,872	-	-	-	32,872
2024					
Operating					
Garbage collection	5,640	5,640	16,920	25,380	53,580
Collection of hard waste	1,921	800	-	-	2,721
Recycling	2,454	-	-	-	2,454
Processing of organic waste	781	-	-	-	781
Cleaning contracts for council buildings	1,165	1,165	-	-	2,330
Cleaning contracts for council amenities/streets	2,426	2,184	3,663	-	8,273
Management and operation of GRAC	820	-	-	-	820
Landfill	353	-	-	-	353
Software	276	84	-	-	360
Secretarial support and advocacy services	214	71	-	-	285
Total	16,050	9,944	20,583	25,380	71,957

	Not later than 1yr \$'000	Later than 1yr and not later than 2yrs \$'000	Later than 2yrs and not later than 5yrs \$'000	Later than 5yrs \$'000	Total \$'000
Capital construction					
Streetscape	1,355	-	-	-	1,355
Buildings	1,658	-	-	-	1,658
Logistics precinct and intermodel freight terminal	4,310	-	-	-	4,310
Roads	1,960	-	-	-	1,960
Landfill	4,627	167	-	-	4,794
Off street car parks	608	-	-	-	608
Bridges	336	-	-	-	336
Total	14,854	167	-	-	15,021

Note 6: Assets we manage

6.1 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	Carrying amount 30 June 2024 \$'000	Acquisitions \$'000	Contributions \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Transfers \$'000	Carrying amount 30 June 2025 \$'000
Land	266,095	-	4,330	-	-	(13)	(783)	269,629
Buildings	293,446	6,850	2,759	33,501	(7,203)	(3,503)	1,003	326,853
Plant and equipment	16,847	4,477	-	-	(2,883)	(170)	-	18,271
Infrastructure	898,321	8,801	20,184	137,165	(25,799)	(2,827)	10,629	1,046,474
Work in progress	28,470	25,790	-	-	-	(7,155)	(13,530)	33,575
	1,503,179	45,918	27,273	170,666	(35,885)	(13,668)	(2,681)	1,694,802

Summary of works in progress

	Opening WIP \$'000	Additions \$'000	Transfers \$'000	Write offs \$'000	Closing WIP \$'000
Buildings	3,595	12,010	(580)	(29)	14,996
Infrastructure	24,875	13,780	(12,949)	(7,126)	18,580
Total	28,470	25,790	(13,530)	(7,155)	33,575

(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 2024	183,151	82,943	266,094	410,904	410,904	3,595	680,593
Accumulated depreciation at 1 July 2024	-	-	-	(117,457)	(117,457)	-	(117,457)
	183,151	82,943	266,094	293,447	293,447	3,595	563,136
Movements in fair value							
Additions	-	-	-	6,850	6,850	12,010	18,860
Contributions	4,330	-	4,330	2,759	2,759	-	7,089
Revaluation	-	-	-	47,488	47,488	-	47,488
Disposal	(13)	-	(13)	(5,616)	(5,616)	-	(5,629)
Write-off	-	-	-	-	-	(29)	(29)
Transfers	(782)	-	(782)	935	935	(580)	(427)
	3,535	-	3,535	52,416	52,416	11,401	67,352
Movements in accumulated depreciation							
Depreciation and amortisation	-	-	-	(7,203)	(7,203)	-	(7,203)
Revaluation	-	-	-	(13,988)	(13,988)	-	(13,988)
Accumulated depreciation of disposals	-	-	-	2,113	2,113	-	2,113
Transfers	-	-	-	68	68	-	68
	-	-	-	(19,010)	(19,010)	-	(19,010)
At fair value 30 June 2025	186,686	82,943	269,629	463,320	463,320	14,996	747,944
Accumulated depreciation at 30 June 2025	-	-	-	(136,467)	(136,467)	-	(136,467)
Carrying amount	186,686	82,943	269,629	326,853	326,853	14,996	611,477

(b) Plant and equipment

	Plant machinery and equipment	Fixtures, fittings and furniture	Computers and telecomms	Art collection	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2024	22,134	2,451	9,591	4,094	38,270
Accumulated depreciation at 1 July 2024	(11,972)	(1,825)	(7,627)	-	(21,424)
	10,162	626	1,964	4,094	16,846
Movements in fair value					
Additions	3,705	46	712	14	4,477
Contributions	-	-	-	-	-
Revaluations	-	-	-	-	-
Disposal	(2,184)	-	-	-	(2,184)
Transfers	-	-	-	-	-
	1,521	46	712	14	2,293
Movements in accumulated depreciation					
Depreciation and amortisation	(2,125)	(127)	(631)	-	(2,883)
Accumulated depreciation of disposals	2,014	-	-	-	2,014
Contributions	-	-	-	-	-
	(111)	(127)	(631)	-	(869)
At fair value 30 June 2025	23,655	2,497	10,303	4,108	40,563
Accumulated depreciation at 30 June 2025	(12,083)	(1,952)	(8,258)	-	(22,293)
Carrying amount	11,572	545	2,045	4,108	18,270

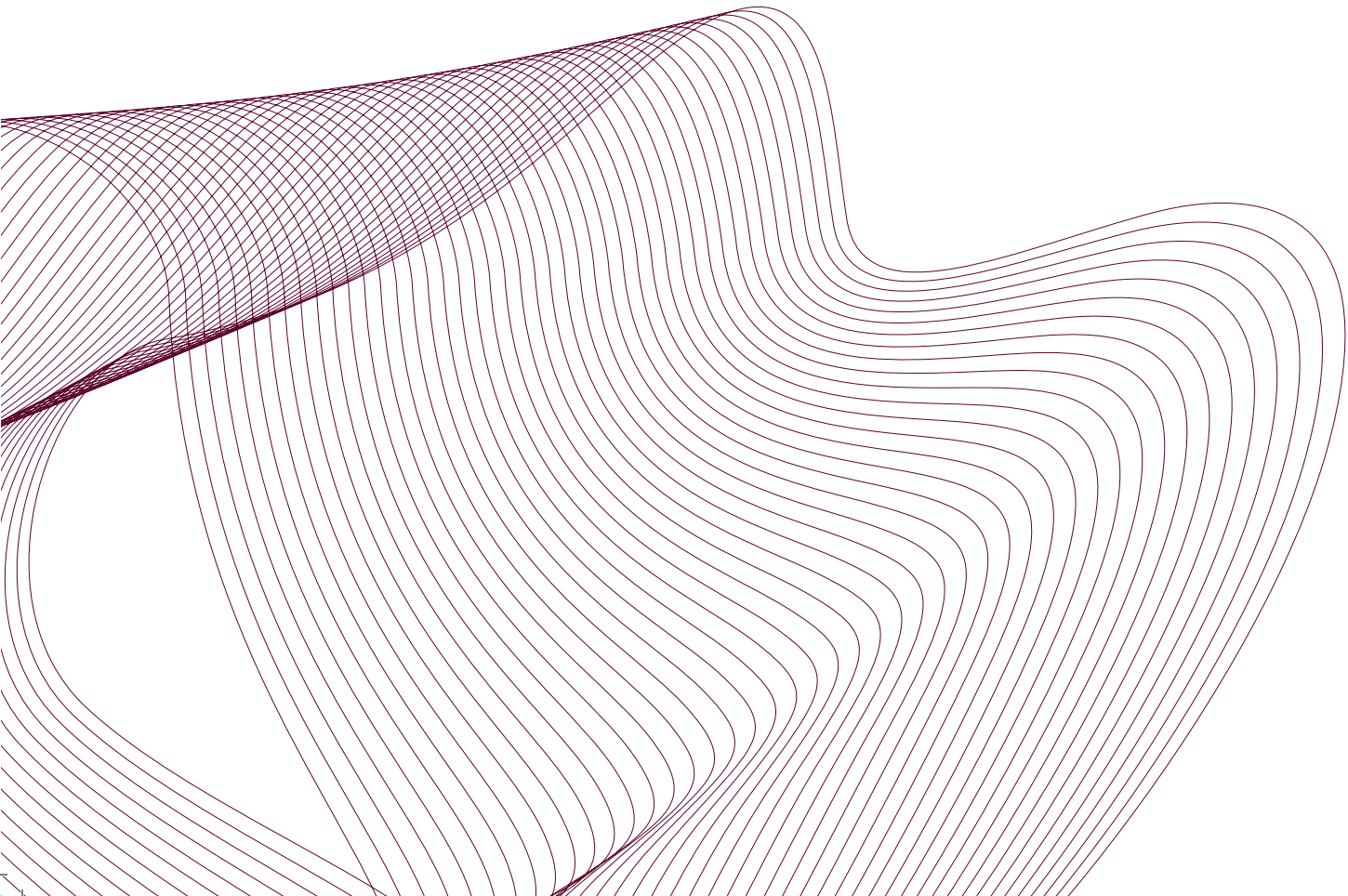
(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Waste management	Parks open spaces and streetscapes	Aerodromes	Off street car parks	Recreation, leisure and community facilities	Work in progress	Total infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2024	850,594	60,005	115,960	278,303	14,208	34,159	4,928	12,979	47,831	24,875	1,443,842
Accumulated depreciation at 1 July 2024	(295,820)	(22,478)	(49,011)	(114,645)	(12,258)	(9,907)	(2,047)	(3,785)	(10,695)	-	(520,646)
	554,774	37,527	66,949	163,658	1,950	24,252	2,881	9,194	37,136	24,875	923,196
Movements in fair value											
Additions	5,264	58	987	314	-	741	-	252	1,186	13,781	22,583
Contributions	8,709	-	1,861	9,574	-	-	-	41	-	-	20,185
Revaluations	99,371	8,464	15,925	36,971	-	2,302	-	11,795	2,052	-	176,880
Disposal	(3,125)	(73)	(1,521)	(9)	-	-	-	(232)	(75)	(7,126)	(12,161)
Transfers	(12,450)	(52)	1,028	424	-	469	-	20,378	830	(12,950)	(2,323)
	97,769	8,397	18,280	47,274	-	3,512	-	32,234	3,993	(6,295)	205,164
Movement in accumulated depreciation											
Depreciation and amortisation	(14,844)	(787)	(2,075)	(2,815)	(1,319)	(1,456)	(226)	(699)	(1,578)	-	(25,799)
Revaluations	525	(10,235)	(6,769)	(15,082)	-	(766)	-	(6,883)	(505)	-	(39,715)
Accumulated depreciation of disposals	1,342	32	796	-	-	-	-	6	32	-	2,208
Transfers	7,268	-	-	-	-	-	-	(7,268)	-	-	-
	(5,709)	(10,990)	(8,048)	(17,897)	(1,319)	(2,222)	(226)	(14,844)	(2,051)	-	(63,306)
At fair value 30 June 2025	948,363	68,402	134,240	325,577	14,208	37,671	4,928	45,213	51,824	18,580	1,649,006
Accumulated depreciation at 30 June 2025	(301,529)	(33,468)	(57,059)	(132,542)	(13,577)	(12,129)	(2,273)	(18,629)	(12,746)	-	(583,952)
Carrying amount	646,834	34,934	77,181	193,035	631	25,542	2,655	26,584	39,078	18,580	1,065,054

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. Refer also to Note 8.4 for further disclosure regarding fair value measurement.

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	na	Nil
Buildings	20 - 100 years	10.0
Plant and equipment		
Plant, machinery and equipment	3 - 25 years	1.0
Fixtures, fittings and furniture	5 - 10 years	1.0
Computers and telecommunications	3 - 10 years	1.0
Art works collection	na	0.5
Infrastructure		
Road pavements and seals	15 - 90 years	10.0
Road formation and earthworks	na	10.0
Road kerb and channel	80 years	10.0
Bridges super structure	60 - 100 years	10.0
Bridges substructure	60 - 100 years	10.0
Bridges culvert	100 years	10.0
Footpaths and cycleways	15 - 90 years	10.0
Drainage	100 years	10.0
Waste management	3 years	10.0
Parks, open space and streetscapes	10 - 100 years	5.0
recreation, leisure and community facilities	7 - 100 years	10.0
off street car parks	15 - 90 years	10.0
Intangible assets		
Landfill air space	3 years	10.0

Land under roads
Council recognises land under roads it controls at fair value.

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

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

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

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

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

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

Valuation of land and buildings

Valuation of land and buildings were undertaken by qualified independent valuers Gippsland Property Valuations (registration number: 71139) for land (June 2022) and Assetic Pty Ltd for buildings (June 2023). The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

The date and type of the current valuation is detailed in the following table. A desktop reviews of land by undertaken by management indicated that the the movement in valuations was less than 10% since the last revaluation which is below Council's current threshold for undertaking an index based revaluation. A desktop review of buildings valuations by Council's valuation

bureau services provider Brightly Software P/L was conducted in the current year which indicated that the movement in valuations was 13.42% since the last revaluation triggering a desktop revaluation. A full revaluation of land will be conducted by 2026/27 and buildings 2027/28.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2025 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of full valuation	Date of indexed valuation
Land – non specialised	-	82,943	-	Jun-2022	n/a
Land – specialised	-	-	186,686	Jun-2022	n/a
Buildings – specialised	-	-	326,853	Jun-2023	Jun-2025
Total	-	82,943	513,539		

Valuation of infrastructure

Valuation of infrastructure assets has been determined in accordance with an independent valuation undertaken by Assetic Pty Ltd MIE(Aust) CPEng, NPER : Membership 1102199 and Know-Ledge Asset Management Pty Ltd (recreational, leisure and community facilities and parks, open space and streetscapes).

The date and type of the current valuation is detailed in the following table. A full revaluation of Roads, Bridges and Off Street Car Parks was conducted in the current year. Desktop valuations on indexed asset classes were undertaken by Council's valuation bureau services provider Brightly Software P/L in the current year. Index based revaluations have been taken up for drainage/footpaths and cycleways/parks, open spaces and streetscapes/recreation, leisure and community facilities. A full revaluation of the Footpaths and cycleways and Drainage asset classes will be undertaken in 2025/26.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2025 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of full valuation	Date of indexed valuation
Roads	-	-	646,834	Jun-2025	n/a
Bridges	-	-	34,934	Jul-2024	n/a
Footpaths and cycleways	-	-	77,181	Jun-2020	Jun-2025
Drainage	-	-	193,035	Jun-2020	Jun-2025
Recreational, leisure and community facilities	-	-	39,078	Jun-2024	Jun-2025
Waste management	-	-	631	n/a	n/a
Parks, open space and streetscapes	-	-	25,542	Jun-2024	Jun-2025
Aerodromes	-	-	2,655	n/a	n/a
Off street car parks	-	-	26,584	Jun-2025	n/a
Total	-	-	1,046,474		

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0 and \$951 per square metre.

Specialised buildings are valued using a current replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from \$170 to \$7,595 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 10 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

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

	2025 \$'000	2024 \$'000
Reconciliation of specialised land		
Land under roads	31,509	31,372
Parks, reserves and other specialised land	155,177	151,779
Total specialised land	186,686	183,151

Note 7: People and relationships

7.1 Council and key management remuneration

(a) Related parties

Parent entity

Latrobe City Council is the parent entity

(b) Key management personnel

Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of Latrobe City Council. The Councillors, Chief Executive Officer and General Managers are deemed KMP.

Details of KMP at any time during the year are:

		From	To	2025 No.	2024 No.
Mayor	Councillor D Howe	1/7/2024	25/10/2024		
	Councillor D Harriman	26/11/2024	30/6/2025		
Deputy Mayor	Councillor T Lund	1/7/2024	25/10/2024		
	Councillor S Gibson	26/11/2024	30/6/2025		
Non Returning Councillors	Councillor K O'Callaghan	1/7/2024	25/10/2024	1	1
	Councillor D Clancey	1/7/2024	25/10/2024	1	1
	Councillor B Law	1/7/2024	25/10/2024	1	1
	Councillor G Middlemiss	1/7/2024	25/10/2024	1	1
	Councillor M Ferguson	1/7/2024	25/10/2024	1	1
Returning Councillors	Councillor D Howe	1/7/2024	30/6/2025	1	1
	Councillor T Lund	1/7/2024	30/6/2025	1	1
	Councillor S Gibson	1/7/2024	30/6/2025	1	1
	Councillor D Harriman	1/7/2024	30/6/2025	1	1
New Councillors	Councillor D Barnes	11/11/2024	30/6/2025	1	
	Councillor L Potter	11/11/2024	30/6/2025	1	
	Councillor J Campbell	11/11/2024	30/6/2025	1	
	Councillor A Pugsley	11/11/2024	30/6/2025	1	
	Councillor S Morgan	11/11/2024	30/6/2025	1	
Other KMP	Chief Executive Officer			1	1
	General Manager Regional City Planning & Assets			1	1
	General Manager Community Health and Wellbeing*			2	1
	General Manager Regional City Strategy & Transition			1	1
	General Manager Organisational Performance			1	1
	Executive Manager Sports Legacy & Activation**			2	1
	Executive Manager Commonwealth Games**			-	1
	Total number of councillors			14	9
	Chief Executive Officer and other key management personnel			8	7
	Total key management personnel			22	16

Council elections were held on 26 October 2024, with elected councillors sworn in from 11 November 2024.

There were no elected officials between the 26 October 2024 and 10 November 2024.

Throughout the year the position of General Manager Community Health and Wellbeing and the position of Executive Manager Sports Legacy & Activation were occupied by two persons as a result of vacancies and redeployment of staff.

(c) Remuneration of key management personnel

Remuneration comprises employee benefits including all forms of consideration paid, payable or provided by Council, or on behalf of the Council, in exchange for services rendered. Remuneration of key management personnel and other senior staff is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Other long-term employee benefits include long service leave, other long service benefits or deferred compensation.

Post-employment benefits include pensions, and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Termination benefits include termination of employment payments, such as severance packages and unused Long Service Leave and Annual Leave entitlements.

Total remuneration of key management personnel was as follows:

	2025 \$'000	2024 \$'000
Short-term benefits	2,232	1,905
Other long-term benefits	37	70
Post employment benefits	201	158
Termination benefits	87	-
Total	2,558	2,134

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

	2025 \$'000	2024 \$'000
\$10,000 - \$19,999	5	-
\$20,000 - \$29,999	5	1
\$30,000 - \$39,999	1	5
\$40,000 - \$49,999	1	1
\$50,000 - \$59,999	1	1
\$70,000 - \$79,999	1	2
\$140,000 - \$149,999	1	-
\$170,000 - \$179,999	-	1
\$210,000 - \$219,999	1	-
\$250,000 - \$259,999	-	1
\$260,000 - \$269,999	-	1
\$270,000 - \$279,999	2	1
\$280,000 - \$289,999	1	1
\$290,000 - \$299,999	2	-
\$380,000 - \$389,999	1	-
\$410,000 - \$419,999	-	1
Total	22	16

(d) Remuneration of other senior staff

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

Total remuneration of other senior staff was as follows:

	2025 \$'000	2024 \$'000
Short-term benefits	2,564	2,501
Other long-term benefits	42	37
Post employment benefits	276	257
Termination benefits	-	-
Total	2,882	2,795

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

Income range	2025 No.	2024 No.
\$170,000 - \$179,999	2	6
\$180,000 - \$189,999	4	1
\$190,000 - \$199,999	5	7
\$200,000 - \$209,999	4	1
Total	15	15
Total remuneration for the reporting year for other senior staff included above, amounted to: (\$,000)	\$2,882	\$2,795

7.2 Related party disclosure

(a) Transactions with related parties

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

	2025 \$'000	2024 \$'000
Purchase of materials and services from related parties of key management personnel	32	41
Total	32	41

(b) Outstanding balances with related parties

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

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

(c) Loans to/from related parties

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

(d) Commitments to/from related parties

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

Note 8: Managing uncertainties

8.1 Contingent assets and liabilities

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

(a) Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council.

Construction of infrastructure assets by developers in the course of creating new subdivisions results in the infrastructure assets being vested in Council when Council issues a Statement of Compliance. These assets are brought to account as revenue and capitalised. At reporting date, developers had commenced construction of assets that will eventually be transferred to Council contingent upon Council issuing a Statement of Compliance. Due to the nature of the arrangements in place and the assets involved, a contingent asset cannot be reliably measured prior to completion.

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council.

At balance date the Council was impacted by the significant storm events in August/September 2024. These storms led to clean-up and recovery activities costing Council \$1,315K in external contractor costs. Council has lodged claims with the Victorian State Government for assessment in line with the Disaster Recovery Funding arrangements 2018. At June 2025 \$843K worth of claims have been received and 12 claims totalling \$517K are undergoing formal assessment. The amount repayable will not be known until later in the 2025-26 financial year.

(b) Contingent liabilities

Contingent liabilities are:

- Possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council; or
- Present obligations that arise from past events but are not recognised because:
- It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- The amount of the obligation cannot be measured with sufficient reliability.

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.

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 \$0.9 million (2023/24 \$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 (was) 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 Environmental Protection Authority (EPA) in relation to the site located at the corner of Breed Street and Kay Street Traralgon. The location is the former site of the Traralgon Gasworks and the current site of the Gippsland Regional Aquatic Centre. Extensive clean up and remediation of the site has been undertaken by Latrobe City Council and Council is working with an EPA approved Environmental Consultant to ensure that the contamination on site has been cleaned up to the satisfaction of the EPA.

On 4 November 2022 the EPA issued a notice to the CEO that they have revoked the Environmental Action Notice (EAN). The EPA appointed auditor provided an Environmental Audit Statement to the EPA prior to the revocation on their findings and recommendations. While the clean-up works associated with the EAN has been completed and resulted in the revocation, the recommendations by the auditor in their statement are to be adhered to. Among the recommendations was the implementation of the Groundwater Quality Management Plan (GQMP) to be in force until March 2025. The GQMP required Council to undertake ground water monitoring

each year in March to determine if the residual contamination is changing in its risk profile. At the completion of monitoring the appointed auditor will determine if the GQMP needs to be updated or no longer required. It is important to note that if there is unexpected activity with the contamination where the auditor determines that the risk profile has increased, it could result in further clean up works or further monitoring.

The final groundwater monitoring event (GME) was completed in March 2025 with the results showing a further reduction in the contaminate levels with no movement of the plume. The consultant responsible for the GME has made a recommendation for the monitoring to cease as per the approved Groundwater Quality Management Plan (GQMP). The Auditor is currently reviewing the GME report submitted by the consultant. Subject to the auditor agreeing with the GME report that outlines there is no practical purpose to continue monitoring, a cessation report will be prepared and submitted to the EPA. Subject to the EPA comments and response, no further monitoring is anticipated, and the Audit outcomes will be complete.

(c) Guarantees for loans to other entities

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

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

8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2025 reporting period. Council assesses the impact of these new standards. As at 30 June 2025 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2025 that are expected to impact Council.

In September 2024 the Australian Accounting Standards Board (AASB) issued two Australian Sustainability Reporting Standards (ASRS). This followed Commonwealth legislation establishing Australia's sustainability reporting framework. Relevant entities will be required to undertake mandatory reporting of climate-related disclosures in future financial years. Public sector application issues remain under consideration and Council will continue to monitor developments and potential implications for future financial years.

8.3 Financial instruments

(a) Objectives and policies

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

(b) Market risk

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

Interest rate risk

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

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

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

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

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

(c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

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

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

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

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

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any

allowance for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

(d) Liquidity risk

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

To help reduce these risks Council:

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

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

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

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

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

(e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and 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 3.85%.

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.

Council has considered the amendments to *AASB 13 Fair Value Measurement* that apply for the 2024-25 financial year as a result of *AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*. For assets, where the Council adopts a current replacement cost approach to determine fair value, the Council now considers the inclusion of site preparation costs, disruption costs and costs to restore another entity's assets in the underlying valuation. The AASB 13 amendments apply prospectively, comparative figures have not been restated.

The AASB 13 amendments have not resulted in any material impacts to Council's financial statements

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

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

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

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

Revaluation

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

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 three to five years. The valuation is performed either by experienced council officers or independent experts. The following table sets out the frequency of revaluations by asset class.

Asset class	Revaluation frequency
Land	3 to 5 years
Buildings	3 to 5 years
Roads	3 to 5 years
Bridges	3 to 5 years
Footpaths and cycleways	3 to 5 years
Drainage	3 to 5 years
Recreational, leisure and community facilities	3 to 5 years
Waste management	NA
Parks, open space and streetscapes	3 to 5 years
Aerodromes	NA

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

Impairment of assets

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

8.5 Events occurring after balance date

No other matters have occurred after balance date that requires disclosure in the financial report.

Note 9: Other matters

9.1 Reserves

(a) Asset revaluation reserves

	Balance at beginning of reporting period \$'000	Increase/(decrease) \$'000	Balance at end of reporting period \$'000
2025			
Property			
Land	189,364	-	189,364
Buildings	114,878	33,501	148,379
	304,242	33,501	337,743
Infrastructure			
Roads	169,004	99,896	268,900
Bridges	34,828	(1,771)	33,057
Footpaths and cycleways	24,411	9,156	33,567
Off street car parks	9,026	4,912	13,938
Drainage	94,094	21,889	115,983
Recreation, leisure and community facilities	1,680	1,547	3,227
Parks, open space and streetscapes	6,277	1,536	7,813
	339,320	137,165	476,485
Other			
Artworks	1,095	-	1,095
Other	13	-	13
	1,108	-	1,108
Total asset revaluation reserves	644,670	170,666	815,336
2024			
Property			
Land	189,364	-	189,364
Buildings	114,878	-	114,878
	304,242	-	304,242
Infrastructure			
Roads	169,004	-	169,004
Bridges	34,828	-	34,828
Footpaths and cycleways	24,411	-	24,411
Off street car parks	9,026	-	9,026
Drainage	94,094	-	94,094
Recreation, leisure and community facilities	1,159	521	1,680
Parks, open space and streetscapes	4,422	1,855	6,277
	336,944	2,376	339,320
Other			
Artworks	1,095	-	1,095
Other	13	-	13
	1,108	-	1,108
Total asset revaluation reserves	642,294	2,376	644,670

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
2025				
Developer contributions	8,038	(684)	1,672	9,026
Total other reserves	8,038	(684)	1,672	9,026
2024				
Developer contributions	7,279	(326)	1,085	8,038
Total other reserves	7,279	(326)	1,085	8,038

Purpose and nature of other reserves

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

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

	2025 \$'000	2024 \$'000
Surplus/(deficit) for the year	37,400	7,172
Non-cash adjustments:		
Depreciation and amortisation	36,975	35,815
Loss on disposal of property, infrastructure, plant and equipment	5,383	5,438
Impairment losses	423	-
Contributions non-monetary assets	(27,273)	(21,705)
Finance costs	409	423
Work in progress written off	7,155	2,578
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(1,208)	(274)
(Increase)/decrease in prepayments	(537)	579
(Increase)/decrease in contract assets	(1,133)	(457)
(Increase)/decrease in landfill intangible asset	-	-
Increase/(decrease) in trade and other payables	(2,819)	1,546
Increase/(decrease) in contract and other liabilities	26,277	381
Increase/(decrease) in trust funds and deposits	1,651	861
Increase/(decrease) in provisions	757	(1,499)
Net cash provided by operating activities	83,460	30,858

9.3 Superannuation

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

Accumulation

The Fund's accumulation category, Vision MySuper/ Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2025, this was 11.5% as required under Superannuation Guarantee (SG) legislation (2024: 11.0%)).

Defined benefit

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan. There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

Funding arrangements

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

As at 30 June 2024, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category as at 30 June 2024 (of which Council is a contributing employer) was 105.4%. The financial assumptions used to calculate the VBI were:

- Net investment returns 5.6% pa.
- Salary information 3.5% pa.
- Price inflation (CPI) 2.7% pa.

As at 30 June 2025, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category. It is expected to be completed by 31 October 2025. The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2024 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

(a) Regular contributions

On the basis of the results of the 2024 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2025, this rate was 11.5% of members' salaries (11.0% in 2023/24). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part

of the 30 June 2023 triennial valuation.

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

(b) Funding calls

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 98% from 26 July 2024 (previously 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 2024 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2024 while a full investigation was conducted as at 30 June 2023.

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

	2024 (interim) \$m	2023 (triennial) \$m
A VBI surplus	108.4	85.7
A total service liability surplus	141.4	123.6
A discounted accrued benefits surplus	156.7	141.9

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 2024.

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 2024.

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 2024.

The 2025 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2025 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2025. The last interim actuarial investigation conducted prior to 30 June 2025 was at 30 June 2024. The VBI of the Defined Benefit category at that date was 110.5%. The financial assumptions used to calculate the 30 June 2024 VBI were:

- Net investment returns 5.7% pa
- Salary information 3.5% pa
- Price inflation (CPI) 2.7% pa.

Council was notified of the 30 June 2025 VBI during August 2025.

Because the VBI was above 100%, the Defined Benefit category was in a satisfactory financial position at 30 June 2025 and it is expected that the actuarial investigation will recommend that no change will be necessary to the Defined Benefit category's funding arrangements from prior years.

The 2023 triennial investigation

The last triennial actuarial investigation conducted prior to 30 June 2023 was at 30 June 2020. This actuarial investigation was completed by 31 December 2020. The financial assumptions for the purposes of that investigation was:

	2020 Triennial investigation \$m	2023 Triennial investigation \$m
Net investment return	5.6% pa	5.7% pa
Salary inflation	2.5% pa for the first two years and 2.75% pa thereafter	3.5% pa
Price inflation	2.0% pa	2.8% pa

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2025 are detailed below:

Scheme	Type of scheme	Rate	2025 \$'000	2024 \$'000
Vision Super	Defined benefits	11.5% (2024: 11.0%)	194	205
Various	Accumulation	11.5% (2024: 11.0%)	5,432	5,023

In addition to the above contributions, Latrobe City Council has paid unfunded liability payments to Vision Super totalling \$nil (2023/24 \$nil).

There were \$485K contributions outstanding (2023/24 \$452K) and \$nil loans issued (2023/24 \$nil) from or to the above schemes as at 30 June 2025.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2026 is \$200K.

Note 10: Change in accounting policy

There have been no changes to accounting policies in the 2024-25 year.

06 Performance Statement

FOR THE YEAR ENDED
30 JUNE 2025



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Certification of the Performance Statement

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

Matthew Rogers CPA
Principal Accounting Officer
Dated: 06 October 2025

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

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

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

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

Cr Joanne Campbell
Councillor
Dated: 6 October 2025

Cr Leanne Potter
Councillor
Dated: 6 October 2025

Steven Piasente
Chief Executive Officer
Dated: 6 October 2025



Independent Auditor’s Report

To the Councillors of Latrobe City Council

Opinion	I have audited the accompanying performance statement of Latrobe City Council (the council) which comprises the: • description of municipality for the year ended 30 June 2025 • service performance indicators for the year ended 30 June 2025 • financial performance indicators for the year ended 30 June 2025 • sustainable capacity indicators for the year ended 30 June 2025 • notes to the accounts • certification of the performance statement. In my opinion, the performance statement of Latrobe City Council in respect of the year ended 30 June 2025 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the <i>Local Government Act 2020</i> and Local Government (Planning and Reporting) Regulations 2020.
Basis for Opinion	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. My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Councillors' responsibilities for the performance statement	The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 2020</i> and Local Government (Planning and Reporting) Regulations 2020 and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.

Auditor’s responsibilities for the audit of the performance statement

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

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

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

MELBOURNE
14 October 2025

Travis Derricott
as delegate for the Auditor-General of Victoria



Latrobe City is located an hour and half drive east of Melbourne covering an area of 1,425 square kilometres situated between the Strzelecki Ranges to the south and the Great Dividing Range to the north. The city is made up of four major towns; Churchill, Moe/Newborough, Morwell and Traralgon; and seven rural townships of Boolarra, Glengarry, Toongabbie, Tyers, Traralgon South, Yallourn North and Yinnar.

¹ Australian Bureau of Statistics Regional Population, 2023-24 Australia, 27 March 2025 ERP 2024

FOR THE YEAR ENDED 30 JUNE 2025

	Results 2022	Results 2023	Results 2024	Results 2025	
Service/indicator/measure	Actual	Actual	Actual	Target as per budget	Actual
Aquatic facilities utilisation					
Utilisation of aquatic facilities [Number of visits to aquatic facilities/Municipal population]	3.17	5.39	5.68	N/A	4.13
Animal management health and safety					
Animal management prosecutions [Number of successful animal management prosecutions/ Number of animal management prosecutions]x100	100%	100%	100%	N/A	100%
Food safety health and safety					
Critical and major non-compliance outcome notifications [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up/ Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	39.79%	60.41%	89.05%	N/A	89.02%
Governance consultation and engagement					
Satisfaction with community consultation and engagement [Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]	55	53	50	56	49
Libraries participation					
Library membership [Percentage of the population that are registered library members] x100 Indicator/measure [formula]	N/A	N/A	23.76%	N/A	27.85%

Service/indicator/measure	Results 2022	Results 2023	Results 2024	Results 2025		Comments
	Actual	Actual	Actual	Target as per budget	Actual	
Maternal and child health (MCH) participation						
Participation in the MCH service	71.51%	71.66%	72.99%	N/A	74.13%	
[Number of children who attend the MCH service at least once (in the year)/Number of children enrolled in the MCH service] x100						
Participation in the MCH service by Aboriginal children	82.45%	84.75%	90.58%	N/A	82.15%	This decrease is a direct result of the local Aboriginal Community Controlled Health Organisation (ACCHO), receiving funding and being able to employ an MCH nurse. Aboriginal families now have a choice of provider for this service. Council is unable to capture the utilisation at the local ACCHO.
[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						
Roads condition						
Sealed local roads below the intervention level	99.69%	99.87%	98.45%	95.00%	99.74%	
(Percentage of sealed local roads that are below the renewal intervention level set by Council and not requiring renewal)						
Statutory planning service standard						
Planning applications decided within the relevant required time	91.92%	88.02%	81.58%	90.00%	87.76%	The 2024 financial year saw a lower-than-expected result due to staff vacancies and increased complexity of applications, the current year has seen a return to a more normalised year with ratio returning to prior year levels.
(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100						
Waste management waste diversion						
Kerbside collection waste diverted from landfill	50.15%	49.33%	60.68%	51.00%	56.78%	We suspect that the reduction in diversion from 2024 is linked to the first full year of the container deposit scheme as there has been a reduced level of recyclable and green organics from the previous year, whilst general waste levels remained steady.
[Weight of recyclables and green organics collected from kerbside bins/Weight of garbage, recyclables and green organics collected from kerbside bins] x100						

Financial Performance Indicators

FOR THE YEAR ENDED 30 JUNE 2025

Dimension/ indicator/measure	Results 2022	Results 2023	Results 2024	Results 2025		2026	2027	2028	2029	Comments
	Actual	Actual	Actual	Target as per budget	Actual	Forecast	Forecast	Forecast	Forecast	
Efficiency										
Expenditure level										
Expenses per property assessment	\$3,896.48	\$3,894.22	\$4,114.86	\$3,853.00	\$4,382.33	\$4,264.18	\$4,145.13	\$4,190.92	\$4,251.44	The result was above target largely due to items budgeted as capital that have been expensed due to them not meeting capitalisation criteria, together with unbudgeted items such as emergency clean-up works following the August 2024 storm event and higher depreciation expenses following infrastructure valuations undertaken in the previous financial year.
[Total expenses/ Number of property assessments]										
Revenue level										
Average rate per property assessment	\$1,600.58	\$1,613.23	\$1,681.40	N/A	\$1,745.93	\$1,762.36	\$1,793.84	\$1,825.90	\$1,858.53	The average rate per property assessment is expected to increase in line with the adopted budget increases in 2026 and is currently estimated to increase in line with the expected rate cap from 2027 to 2029.
[Sum of all general rates and municipal charges/Number of property assessments]										
Liquidity										
Working capital										
Current assets compared to current liabilities	259.47%	254.73%	229.08%	228.10%	197.08%	203.79%	224.23%	232.14%	234.86%	The reduction in the ratio in 2025 is due to increases in current liabilities for unearned capital grants, together with the movement of an interest only loan into current liabilities that will mature in the 2026 financial year. The ratio is predicted to rise again in future years after these liabilities are settled.
[Current assets/ Current liabilities] x100										

4.0

	Results 2022	Results 2023	Results 2024	Results 2025		2026	2027	2028	2029	
Dimension/ indicator/measure	Actual	Actual	Actual	Target as per budget	Actual	Forecast	Forecast	Forecast	Forecast	Comments
Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings/Rate revenue] x100	2.07%	2.06%	3.41%	N/A	2.70%	5.97%	2.78%	2.70%	2.42%	The result for this measure decreased to 2.7% in 2025, this was largely due to the repayment of a lump sum in 2024 before finalising the final borrowing amount required for the Moe Rail Precinct Revitalisation Stage 2 project. The increased ratio forecasted in 2026 is due to the principal repayment of an interest only loan falling due in that year.
Indebtedness										
Non-current liabilities compared to own source revenue [Non-current liabilities/Own source revenue] x100	25.97%	27.08%	27.38%	N/A	23.23%	22.67%	18.37%	18.46%	16.15%	The ratio is forecasted to remain in steady decline as Council repays existing interest-bearing liabilities for the four-year forecast period.
Asset renewal and upgrade										
Asset renewal and upgrade compared to depreciation [Asset renewal and asset upgrade expense/Asset depreciation] x100	84.97%	104.03%	108.16%	93.50%	93.77%	111.08%	77.74%	81.21%	73.97%	The ratio was on target in 2025. The reduction in the ratio in future years is symbolic of reducing estimates of government grants. Council's largest asset class, roads, is expected to be maintained around 100%, however other classes such as drainage, which is renewed only on a reactive basis, and buildings which are often reliant on government funding for major renewal and upgrade works are forecasted to remain below 100% with the exception of 2026 which is supported by non-recurrent capital grants funding.

Dimension/ indicator/measure	Results 2022	Results 2023	Results 2024	Results 2025		2026	2027	2028	2029	Comments
	Actual	Actual	Actual	Target as per budget	Actual	Forecast	Forecast	Forecast	Forecast	
Operating position										
Adjusted underlying result										
Adjusted underlying surplus (or deficit)	(4.02%)	(3.73%)	(23.16%)	N/A	(5.98%)	(6.65%)	(6.83%)	(6.16%)	(7.52%)	Council's large underlying deficit in 2024 was largely due to a reduction in operating grants which primarily related to the timing of receipt of Financial Assistance Grants funding. The ratio is projected to continue to see underlying deficits in future years due to restrictions on Council's ability to increase revenue and increased depreciation expenses resulting from the recent construction of major new infrastructure and asset revaluation increases.
[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100										
Stability										
Rates concentration										
Rates compared to adjusted underlying revenue	57.53%	59.44%	69.10%	64.5%	56.49%	60.37%	63.81%	64.13%	64.00%	The increased ratio in 2024 was largely due to a reduction in operating grants associated with the timing of Financial Assistance Grants. Council's reliance on rates revenue is expected to continue to rise into the future primarily based on moderate estimates of future levels of recurrent government funding and user fees and charges.
[Rate revenue/ Adjusted underlying revenue] x100										
Rates effort										
Rates compared to property values	0.61%	0.48%	0.43%	N/A	0.43%	0.45%	0.46%	0.47%	0.47%	The ratio has remained relatively stable and is forecast to remain between 0.4 to 0.5% over the forecast period.
[Rate revenue/ Capital improved value of rateable properties in the municipality] x100										

Sustainable Capacity Indicators

FOR THE YEAR ENDED 30 JUNE 2025

Indicator/measure [formula]	Actual 2022	Actual 2023	Actual 2024	Actual 2025	Comments
Population					
Expenses per head of municipal population	\$2,018.54	\$2,003.71	\$2,129.14	2,270.34	The increase is largely attributed to inflationary pressures, along with some unbudgeted expenditure related to expensed capital works items and emergency clean-up works following the August 2024 storm event.
[Total expenses/Municipal population]					
Infrastructure per head of municipal population	\$14,342.36	\$15,315.49	\$15,828.81	\$18,075.63	The ratio has increased in line with the valuation movements from the revaluations of infrastructure assets undertaken in the 2025 financial year this movement incorporates the new interpretation requirements for Accounting Standard AASB 13.
[Value of infrastructure/ Municipal population]					
Population density per length of road	52.53	50.86	50.50	50.88	The result for this measure has remained stable over the three-year period.
[Municipal population/ Kilometres of local roads]					
Own-source revenue					
Own-source revenue per head of municipal population	\$1,349.74	\$1,447.70	\$1,498.68	\$1,553.80	Minor increase in 2024 as a result of rates growth and increased income from landfill gate fees and interest on investments.
[Own-source revenue/ Municipal population]					
Recurrent grants					
Recurrent grants per head of municipal population	\$445.60	\$444.32	\$220.05	\$527.90	The large increase to \$527.90 in 2025 was largely due to a reduction in operating grants in 2024 mainly in relation to the timing of Financial Assistance Grants funding with the 2023-2024 allocation being advanced to Council in 2022-2023 and no equivalent advance received in 2023-2024. A 50% advance of the 2026 funding was also received in 2025, further increasing this variance.
[Recurrent grants/Municipal population]					
Disadvantage					
Relative socio-economic Disadvantage	1.00	1.00	1.00	1.00	The result for this measure has remained unchanged over the four year period.
[Index of Relative Socio-Economic Disadvantage by decile]					
Workforce turnover					
Percentage of staff turnover	26.6%	13.2%	18.0%	15.9%	There is no specific event which has caused a decrease in turnover. The current turnover rate is consistent with the range of annual turnover being experienced by other Gippsland Councils.
[Number of permanent staff resignations and terminations/Average number of permanent staff for the financial year] x100					

Notes to the accounts

1. Basis of preparation

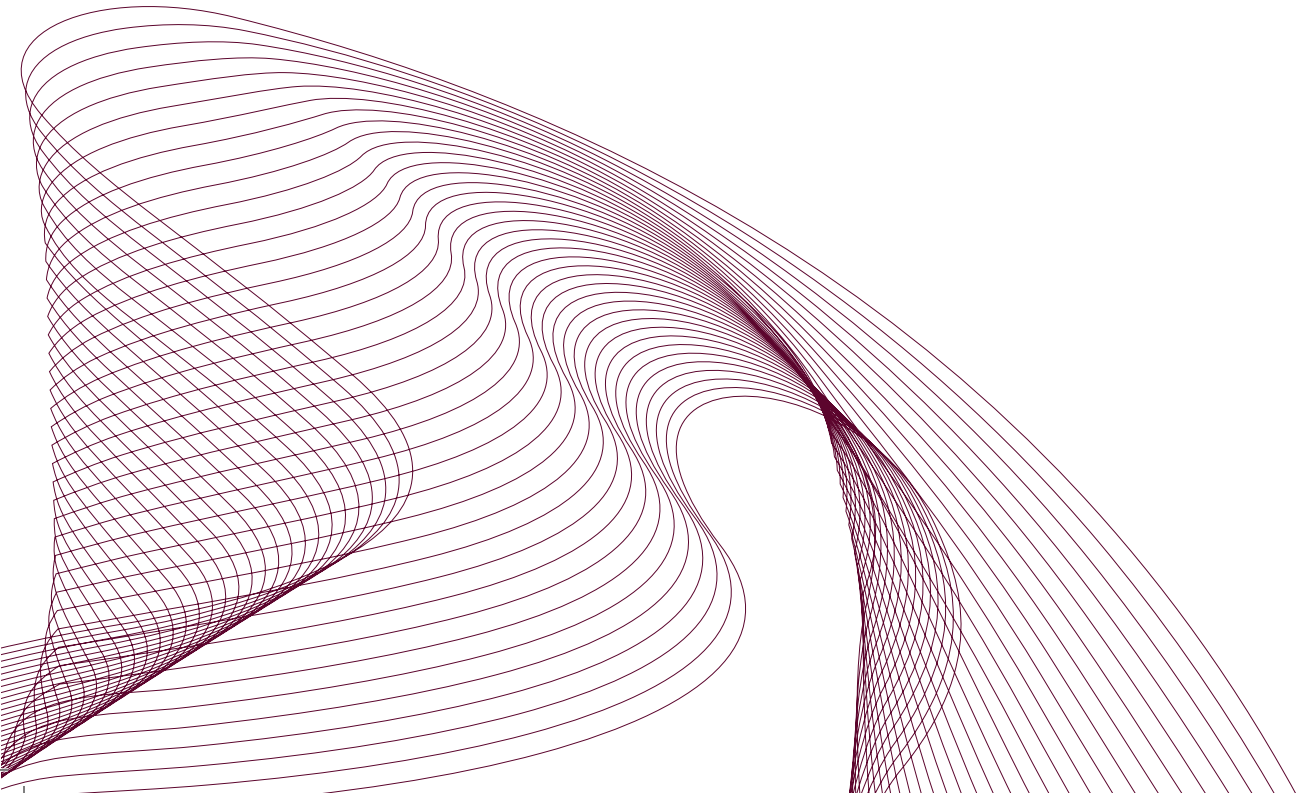
Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed, service performance, financial performance and sustainable capacity indicators and measures together with a description of the municipal district,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

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

The performance statement presents the actual results for the current year and the previous three years, along with the current year's target, if mandated by the *Local Government (Planning and Reporting) Regulations 2020*. Additionally, for the prescribed financial performance indicators and measures, the performance statement includes the target budget for the current year and the results forecast for the period 2025-26 to 2028-29 by the Council's financial plan.

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

The forecast figures included in the performance statement are those adopted by Council in its budget on 30 June 2025. The budget includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General-Purpose Financial Statements. The budget can be obtained by contacting Council.



Definitions

Key term	Definition
Aboriginal children	means a child who is an Aboriginal person
Aboriginal person	has the same meaning as in the <i>Aboriginal Heritage Act 2006</i>
adjusted underlying revenue	• means total income other than: • non-recurrent grants used to fund capital expenditure; and • non-monetary asset contributions; and • contributions to fund capital expenditure from sources other than those referred to above
adjusted underlying surplus (or deficit)	means adjusted underlying revenue less total expenditure
annual report	means an annual report prepared by a council under section 98 of the Act
asset renewal expenditure	means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability
asset upgrade expenditure	means expenditure that— (a) enhances an existing asset to provide a higher level of service; or (b) extends the life of the asset beyond its original life
critical non-compliance outcome notification	means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
current assets	has the same meaning as in the Australian Accounting Standards
current liabilities	has the same meaning as in the Australian Accounting Standards
food premises	has the same meaning as in the <i>Food Act 1984</i>
intervention level	means the level set for the condition of a road beyond which a council will not allow the road to deteriorate and will need to intervene
local road	means a sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i>
major non-compliance outcome notification	means a notification received by a council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken
MCH	means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age
non-current liabilities	means all liabilities other than current liabilities
own-source revenue	means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)
population	means the resident population estimated by Council
rate revenue	means revenue from general rates, municipal charges, service rates and service charges
relative socio-economic disadvantage	in relation to a municipal district, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipal district is located according to the Index of Relative Socio-Economic Disadvantage of SEIFA
restricted cash	means cash, cash equivalents and financial assets, within the meaning of the Australian Accounting Standards, not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year
SEIFA	means the socio-economic indexes for areas published from time to time by the Australian Bureau of Statistics on its Internet site
unrestricted cash	means all cash and cash equivalents other than restricted cash





Phone 1300 367 700

Post PO Box 264, Morwell 3840

Email latrobe@latrobe.vic.gov.au
www.latrobe.vic.gov.au

Service Centres & Libraries

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Corporate Headquarters

141 Commercial Road, Morwell

Morwell Library

63-65 Elgin Street, Morwell

Moe

Moe Service Centre and Library

1-29 George Street, Moe

Traralgon

Traralgon Service Centre and Library

34-38 Kay Street, Traralgon

Churchill

Churchill Community Hub

9-11 Philip Parade, Churchill

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

