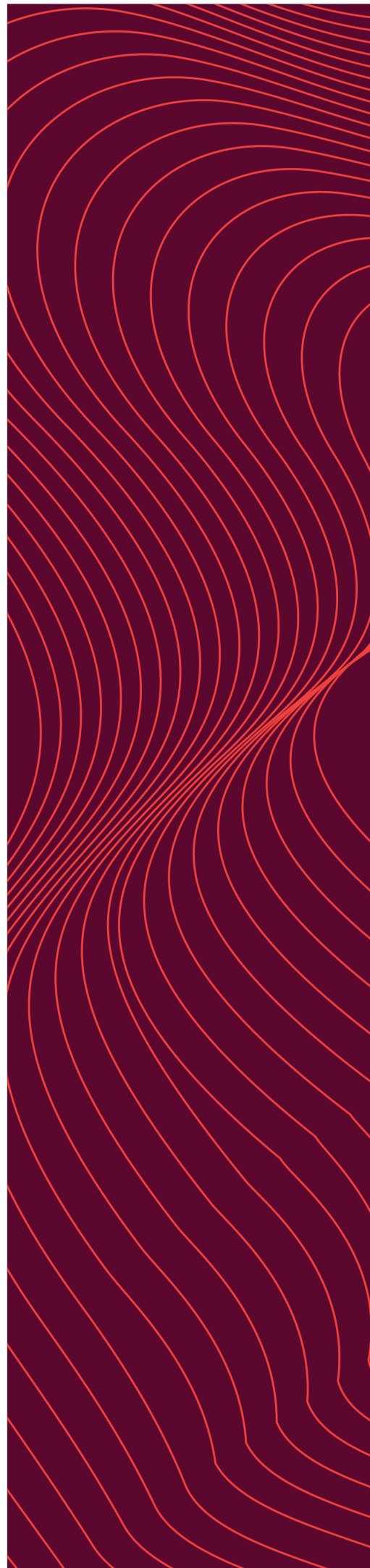

Transition Reserve Policy

Version no. 5

Approval date: 24/11/2025

Review date: 24/11/2029



Document control

Responsible GM	Timothy Ellis	
Division	Regional City Strategy & Transition	
Last updated (who and when)	Bruce Connolly Manager Economic Investment and Transition	October 2025

Document history		
Authority	Date	Description of change
Council	<Day, month and year>	<Insert detail of change to policy>
References	<Refer to section 8 and 9 of this policy>	
Next review date	November 2029	
Published on website	Yes	
Document reference no.		

1. Background

The Latrobe City Council (Council) Transition Reserve (the Reserve) was established in the annual Council Budget to further support the organisation's long term financial sustainability and transition programs. This policy provides a detailed framework as to how the Reserve will be utilized to encourage diversification of the Latrobe City economy and the delivery of additional sustainable long term employment, through facilitating the development of enabling economic infrastructure.

The Reserve is evidence of Council's commitment to increasing employment opportunities throughout the municipality.

This Policy relates to the following Strategic Direction and Key Objective from the Council Plan 2025-2029.

Our Economy – Investment, Jobs, Growth

We are committed to working with our community and key stakeholders to grow our local economy to provide a wide range of job opportunities, economic diversification, and attract investment.

Key Objective 1 - Investment

Actively pursue investment in emerging industries and industries that diversify our local economy to create jobs and increase economic growth.

To support the Strategic Direction and Key Objective in the Council Plan, Councillors have identified a Focus Area Aspiration for a \$25m investment in *Infrastructure Vision*. The Reserve could support the delivery of projects that align to this aspiration including housing strategy, small town structure plans, economic development strategy, industrial and employment strategy.

2. Objectives

To provide a detailed framework for the expenditure of the Reserve in order to ensure it is allocated transparently, responsibly and in accordance with economic priorities for Latrobe City, with a focus on delivering optimal economic and community benefit and supporting sustainable local development.

3. Scope

This Policy applies to all Councillors, Council employees and all contractors engaged by Council. It is specifically targeted at enabling economic infrastructure to be established by Council that will support development of new industries, expansion of existing industries, enabling population growth and generation of employment opportunities in Latrobe City.

4. Principles of management

4.1 Use of Funds

- The purchase of land for economic development outcomes; or
- As leverage for State or Federal Government funding; or
- The development of land and/or enabling infrastructure for economic development outcomes or;
- Promotion, marketing and legal assistance to support the purchase and development of land for economic development purposes.

4.2 Eligibility

- Eligible projects must demonstrate:
 - how they will contribute to a significant increase in the:
 - number and diversity of job opportunities; and
 - establishment of business and industries.
- through a business case, the economic benefits to the community through direct and indirect sustainable jobs. This will include, at minimum:
 - detailed analysis of market opportunities;
 - tangible deliverables and capability to deliver the proposal; and
 - an implementation strategy.

4.3 The following will not be considered for funding:

- projects that provide a direct financial contribution to an individual company;
- projects that do not demonstrate a sustained increase in local employment and economic activity;
- recurrent costs (e.g., operating, maintenance and office costs such as rent, insurance, telephone etc.);
- salaries and other employment costs of new or existing staff;
- activities that would be undertaken in the normal course of Council business such as maintenance and upgrade; or
- projects that are outside Latrobe City.

4.4 Approvals

In providing funding through this Policy, the ability to flexibly enter into reasonable commitments is important to take advantage of appropriate opportunities and to ensure the Reserve can be utilised in a commercially driven manner as intended.

To meet these objectives, a report will be prepared detailing a business case for expenditure, for consideration by Council. Council will decide whether to support an allocation from the Reserve.

4.5 Benefit Assessment

Each proposed investment by the Reserve will be assessed on a case by case basis. A Business Case for the investment will be prepared to support the request.

In determining the level of support from the Reserve, the following factors will be considered:

- alignment with Council's Strategic Direction and Key Objective 1 – Investment;
- alignment with Economic Development Strategy Pillars;
- number of direct jobs created;
- number of indirect jobs;
- likely sustainability of jobs created;
- industry type(s);
- value of new investment leveraged from the Reserve investment;
- diversification of the local economy;
- strategic linkages to other industries; and
- Social Licence impact.

A Benefit Assessment Evaluation Matrix is attached in Appendix 1.

5. Accountability and responsibility

Accountability and responsibility as outlined below.

5.1 Council

- Responsibility to ensure this Policy is consistent with Latrobe City Council Strategic Direction and other Latrobe City Council Policies
- Responsibility for the decision to approve this Policy by Council Resolution

5.2 Chief Executive Officer

- Overall responsibility for compliance with this policy
- Overall responsibility for enforcing accountability
- Overall responsibility for providing resources
- Overall responsibility for performance monitoring

5.3 General Manager

- Responsibility for compliance with this policy
- Responsibility for enforcing accountability
- Responsibility for providing resources
- Responsibility for performance monitoring

5.4 Manager

- Develop frameworks and procedures in compliance with this policy
- Enforce responsibilities to achieve compliance with frameworks and procedures
- Provide appropriate resources for the execution of the frameworks and procedures

5.5 Employees, Contractors and Volunteers

- Participate where required in the development of frameworks and procedures in compliance with this policy.
- Comply with frameworks and procedures developed to achieve compliance with this policy.

6. Evaluation and Review

This policy will be reviewed on request of Council, in the event of significant change in the Executive team, significant changes to legislation applicable to the subject matter of the policy or, in any other case, during each Council term (generally four years).

7. Definitions

Nil

8. Related Documents

Economic Development Assistance Policy

9. Reference Documents

Council Plan 2025-2029

10. Appendices

Appendix 1: Transition Reserve Benefit Assessment Evaluation Matrix

APPENDIX 1:

Transition Reserve Benefit Assessment Evaluation Matrix

Criteria	Weighting %	Rating	Comment
Alignment with Council's Strategic Direction and Key Objective 1 – Investment	15		
Alignment with Economic Development Strategy Pillars	10		
Number of direct jobs created	15		
Number of indirect jobs	15		
Industry type(s)	10		
Value of new investment leveraged from the Reserve investment	10		
Diversification of the local economy	10		
Strategic linkages to other industries	5		
Social Licence impact	10		
TOTAL	100		

Rating Legend – 1 Nil, 2 Low, 3 Medium, 4 High, 5 Extremely High