



Latrobe Council

ANNUAL REPORT



2020/2021

The Latrobe Council is pleased to present its annual report for 2020/21.

The Annual Report highlights Council's performance against the 2020/21 Annual Plan and Budget.

This report provides information to a broad range of stakeholders, including our residents and rate payers, local businesses, non-government organisations, our partners and government departments and agencies. It also fulfils Council's statutory responsibilities under the provisions of the *Local Government Act 1993* and other legislation.

This report outlines how Council is meeting its objectives identified and prioritised in the 2020-2030 Strategic Plan. The Strategic Plan guides all Council decision making, particularly on the provision of major infrastructure and services within the community.

The report details the extent of Council's operations and services delivered to the community throughout the year. It also details how Council is governed and managed; it introduces our Councillors and staffing structures and provides detailed information on our financial performance.

Feedback

Feedback or questions relating to the Annual Report are welcome via email to council@latrobe.tas.gov.au.

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OUR COUNCIL



MUNICIPAL PROFILE

Our municipal area

The Latrobe Municipal area covers an area of 600 square kilometres and is at the eastern end of the North West Coast of Tasmania. The Council area has a variety of natural attributes ranging from golden beaches extending from Wesley Vale, through to Port Sorell and across the Rubicon River to the Narawntapu National Park; the parkland setting of Latrobe's Bells Parade and adjoining Mersey River/Pig Island precinct; Warrawee Reserve and the rolling farmlands which dominate the landscape.

Our Population

As at 30 June 2020, the Australian Bureau of Statistics estimated population of the municipal area was 11,961.

Our History and Heritage

The Municipality of Latrobe was established in 1907 and despite local government amalgamations in 1993, the Latrobe Municipal Area has remained largely unchanged.

Latrobe is named after Charles Joseph La Trobe who in 1846 was Lieutenant-Governor of Van Diemen's Land (Tasmania) before becoming the first Governor of Victoria in 1851. Latrobe boasts the country's oldest continuously playing brass band (established in 1872), the famous annual Latrobe Bicycle Club Wheel Race and is the birthplace of competitive wood chopping in Australia.

Port Sorell, located on the Rubicon River, was established in the early 1820's and gained its name from Lieutenant-Governor William Sorell who arrived in Hobart Town in 1817. Originally developed as a fishing and sealing port by the Van Diemen's Company, Port Sorell is the site of the oldest European settlement on Tasmania's north coast and by the 1840's, had grown to be the largest town on the North West Coast.

The Latrobe township was proclaimed as an Australian Historic Town in 1988, during the Bicentennial, by the Governor-General Sir Ninian Stephen.

Today during the summer period the population of this picturesque area doubles with visitors taking advantage of swimming, fishing and boating.

The rich farmland in Sassafras, Wesley Vale and Moriarty provides poppies, fruit and vegetables and livestock for the local, interstate, and overseas markets.

The municipal area includes the Warrawee Reserve and Narawntapu National Park, a home to many types of Tasmanian wildlife in their native habitat.

Council has established a vision and set of values which form the foundations for planning the future.

Our Vision

Latrobe is a friendly and welcoming community recognised for:

- The high quality of life enjoyed by residents and visitors within an attractive built environment.
- The preservation of the rural character and rich soils of the area which enables agriculture to be a key component of our community.
- The uniquely beautiful natural environment including the seaside settlement areas.
- An efficient, responsive, and adaptive Council which provides strong, visionary, and consultative leadership.

Our Values

The values which guide Council's choices and actions as we implement our vision for the future are:

Leadership – committed to providing the highest standard of leadership and performance.

Community participation – encourages and values the contributions made by each person.

Lifestyle and Environment – committed to providing, encouraging, and promoting the area's natural advantages and developed attributes which enhances our quality of life.

Employee Management – values the contribution of our staff and is committed to ensuring their ongoing well-being and development.

Asset Management – committed to effective and efficient management of all our infrastructure assets.

Regional Co-operation – to work collaboratively and cooperatively with our neighbours.

OUR COUNCILLORS

The Latrobe Council is established under the provisions of the *Local Government Act 1993*. Council is made up of nine elected members who each serve a four year term, with elections held on an 'all in all out' basis. The term for the popularly elected Mayor and Deputy Mayor is also four years. Local Government elections were last held in October 2018, with the next election scheduled for October 2022.



Mayor Peter Freshney

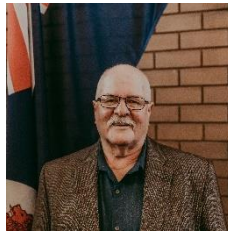
M: 0417 287 006

E: mayorfreshney@latrobe.tas.gov.au

Term of Office:
2011 – 2022

Committee Membership:

- Port Sorell Advisory Committee
- Cradle Coast Authority Chief Representative
- LGAT Annual and General Meeting Representative
- Mersey Leven Emergency Management Committee
- TasWater Owner Representatives Committee
- General Manager's Evaluation Group
- Municipal Alliances Committee
- Latrobe High School Liaison Officer
- St Patrick's School Liaison Officer



Deputy Mayor Graeme Brown AFSM

M: 0417 598 116

E: crbrown@latrobe.tas.gov.au

Term of Office:
2014 – 2022

Committee Membership:

- Axeman's Hall of Fame Management Committee
- Latrobe Cemetery Committee
- Latrobe and Districts Youth Centre Management Committee
- Latrobe Council Audit Panel Member
- Australia Day Awards Committee
- General Manager's Evaluation Group
- Municipal Alliances Committee
- Wild Mersey Mountain Bike Trails Advisory Committee
- Review of Council Owned Land Committee
- Pardoe District Fire Committee
- Latrobe Primary School Liaison Officer



Councillor Michael McLaren

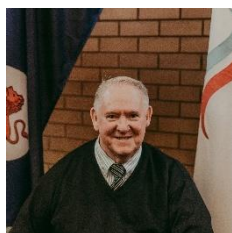
P: 6426 2777

E: cmclaren@latrobe.tas.gov.au

Term of Office:
1999 – 2002 &
2003 – 2022

Committee Membership:

- Axeman's Hall of Fame Management Committee
- Bells Parade Development Committee
- Elderly Persons Units Advisory Committee
- Latrobe Tree Planting Committee
- Dulverton Regional Waste Management Authority Representative Committee
- General Manager's Evaluation Committee
- Municipal Alliances Committee
- Review of Council Owned Land Committee
- Latrobe National Trust
- Latrobe Neighbourhood Watch
- Rubicon Coast and Landcare Group



Councillor Garry Sims

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Term of Office: 1994 – 2022

Committee Membership:

- Banksia Facilities Management Committee
- Port Sorell Performing Arts Development Hub
- Elderly Persons Units Advisory Committee
- Moriarty Hall Committee
- Australia Day Awards Committee
- Community Development Grants Committee
- Andrews Creek Primary School Liaison Officer



Councillor Gerrad Wicks

M: 0488 325 590

E: crwicks@latrobe.tas.gov.au

Term of Office: 2014 – 2022

Committee Membership:

- Bells Parade Development Committee
- Latrobe Cemetery Committee
- Latrobe Sport and Recreation Committee
- Port Sorell Caravan Park Management Committee
- Australia Day Awards Committee
- Community Development Grants Committee
- Kings Park Working Group



Councillor Lesley Young AO

M: 0419 326 250

E: cryoung@latrobe.tas.gov.au

Term of Office: 2009 – 2022

Committee Membership:

- Banksia Facilities Management Committee
- Latrobe and Districts Youth Centre Committee
- Latrobe Council Audit Panel Member
- Community Development Grants Committee
- Kentish and Latrobe Community Road Safety Partnership Committee
- Kings Park Working Group
- Sassafras Primary School Liaison Officer
- Latrobe Council Economic Development Committee



Councillor Vonette Mead
M: 0407 055 180
E: crmead@latrobe.tas.gov.au

Term of Office: 2018 – 2022

Committee Membership:

- Latrobe Sport and Recreation Management Committee
- Port Sorell Caravan Park Management Committee
- Wild Mersey Mountain Bike Trails Advisory Committee
- Review of Council Owned Land Committee
- Geneva School Liaison Officer
- Latrobe Council Economic Development Committee



Councillor Sommer Metske
M: 0409 622 710
E: cmetske@latrobe.tas.gov.au

Term of Office: 2018 – 2022

Committee Membership:

- Banksia Facilities Management Committee
- Latrobe Tree Planting Committee
- Port Sorell Memorial Hall Controlling Authority
- Australia Day Awards Committee
- Port Sorell Primary School Liaison Officer
- Latrobe Council Economic Development Committee



Councillor Shayne Allison
M: 0409 792 648
E: crallison@latrobe.tas.gov.au

Term of Office: 2018 – 2022

Committee Membership:

- Port Sorell Performing Arts Development Hub
- Port Sorell Advisory Committee
- Community Development Grants Committee
- Kentish and Latrobe Community Road Safety Partnership Committee
- Review of Council Owned Land Committee
- Cement Australia Railton Community Consultation Committee
- Port Sorell History Group Liaison Officer
- Port Sorell Men's Shed Liaison Officer

ROLE OF COUNCIL

Section 20 of the *Local Government Act 1993* describes the functions and powers of councils as;

- provide for the health, safety and welfare of the community;
- represent and promote the interests of the community; and
- provide for the peace, order and good government of the municipal area.

In performing its functions, a council is to consult, involve and be accountable to the community.

Council has a responsibility to;

- plan for and provide services, facilities and infrastructure for the community;
- undertake long term strategic asset and financial management planning; and
- undertake strategic land using planning for the area.

ROLE OF COUNCILLORS

Section 28 of the *Local Government Act 1993* sets out the following functions of a councillor;

- to represent the community;
- to act in the best interests of the community;
- to facilitate communication by the council with the community;
- to participate in the activities of the council; and
- to undertake duties and responsibilities as authorised by the council.

The councillors acting collectively as a council have the following functions;

- to develop and monitor the implementation of strategic plans and budgets;
- to determine and monitor the application of policies, plans and programs for:
 - the efficient and effective provision of services and facilities;
 - the efficient and effective management of assets; and
 - the fair and equitable treatment of employees of council.
- to facilitate and encourage planning and development of the municipal area in the best interests of the community;
- to appoint and monitor the performance of the General Manager;
- to determine and review the council's resource allocation and expenditure activities; and
- to monitor the manner in which services are provided by the council.

RESOURCE SHARING

The Latrobe and Kentish Municipal Alliance Committee identifies opportunities for sharing ideas and resources to improve the effectiveness and efficiency of service delivery by the two councils. The Committee consists of:

- Mayor Peter Freshney (Latrobe)
- Deputy Mayor Graeme Brown (Latrobe)
- Cr Mike McLaren (Latrobe)
- Mayor Tim Wilson (Kentish)
- Deputy Mayor Don Thwaites (Kentish)
- Cr Penny Lane (Kentish)
- General Manager, Gerald Monson

The Committee met five times during the 2020/21 financial year and made recommendations to the Latrobe and Kentish Councils including:

- Actions be implemented to make the roadside mowing operation more robust and to increase productivity including:
 - agreed to start the program in the fourth week of October and implement a coordinated mowing program, with the aim to finish the first cut by the second week of February each year.
 - Kentish Council agreed to increase their operational budget by an estimated amount of \$18,000 to allow for additional contractor support throughout the Claude Road, Wilmot, Paloona, Lower Barrington and Acacia Hills areas.
 - Both Councils' agreed to increase their operational budgets by an estimated \$5,000 - \$10,000 to allow for a second cut on more roads than previously.
- Approved the roll out of new bins and the purchase of a new truck and to amend the budgets as part of the mid-year budget review.
- Endorsed the recruitment of two additional staff in the Green Spaces Team.
- Endorsed the Draft Latrobe/Kentish ICT Strategy – 2021-2025.
- Requested a brief paper be prepared on the legality and the pros and cons of the two Councils' having one budget and one set of accounts which may include each Council retaining their Annual Reports to the community.

COUNCIL MEETINGS

Council meetings are held on a monthly basis (generally on the second Monday). Council meetings are open to the public (except where an item is considered to be of a confidential nature in accordance with the *Local Government (Meeting Procedures) Regulations 2015*). Copies of meeting agendas, supporting documentation and minutes of Council's open meetings are available on Council's website, from the Council office or at the meeting.

Members of the public have the opportunity for input into Council decision making through avenues such as public question time at meetings, community consultation and engagement session, and by the tabling of petitions.

Councillor attendance at Council Meetings during 2020-21

Date	Meeting	Cr Freshney	Cr Brown	Cr Allison	Cr Sims	Cr Meiske	Cr McLaren	Cr Mead	Cr Young	Cr Wicks
13 July	Ordinary	✓	✓	✓	✓	✓	✓	✓	✓	✓
10 August	Ordinary	✓	✓	✓	✓	✗	✓	✓	✓	✓
17 August	Special Ordinary (Budget)	✓	✓	✓	✓	✓	✗	✓	✓	✓
14 September	Ordinary	✓	✓	✓	✓	✓	✓	✓	✓	✓
12 October	Ordinary	✓	✓	✗	✓	✓	✓	✓	✓	✓
9 November	Ordinary	✓	✓	✓	✓	✓	✓	✓	✓	✓
23 November	Special Ordinary	✓	✓	✓	✓	✓	✓	✓	✓	✓
14 December	Ordinary & AGM	✓	✓	✓	✓	✗	✓	✓	✓	✓
18 January	Ordinary	✓	✓	✓	✓	✓	✓	✓	✓	✓
8 February	Ordinary	✓	✓	✓	✓	✓	✓	✓	✓	✓
9 March	Ordinary	✓	✓	✓	✓	✓	✓	✓	✓	✓
22 March	Special Planning Authority	✓	✓	✓	✓	✓	✓	✓	✓	✓
14 April	Ordinary	✓	✓	✓	✓	✓	✓	✓	✓	✓
10 May	Ordinary	✓	✓	✓	✓	✓	✓	✓	✓	✓
24 May	Special Planning Authority	✓	✓	✗	✓	✓	✓	✓	✓	✓
7 June	Ordinary	✓	✓	✓	✗	✓	✓	✓	✓	✓
28 June	Special Ordinary (Budget)	✓	✓	✓	✓	✓	✓	✓	✓	✓
Total Attended		17/17	17/17	15/17	16/17	15/17	16/17	17/17	17/17	17/17

Councillor attendance at Council Workshops during 2020–21

Date	Cr Freshney	Cr Brown	Cr Allison	Cr Sims	Cr Metske	Cr McLaren	Cr Mead	Cr Young	Cr Wicks
13 July	✓	✓	✓	✓	✓	✓	✓	✓	✓
27 July	✓	✓	×	✓	✓	✓	✓	✓	✓
3 August	✓	✓	×	✓	✓	✓	✓	✓	✓
10 August	✓	✓	✓	✓	×	✓	✓	✓	✓
17 August	✓	✓	✓	✓	✓	×	✓	✓	✓
24 August	✓	✓	✓	✓	✓	✓	✓	✓	✓
14 September	✓	✓	✓	✓	✓	✓	✓	✓	✓
28 September	✓	✓	✓	✓	✓	✓	✓	✓	✓
12 October	✓	✓	×	✓	✓	✓	✓	✓	✓
9 November	✓	✓	✓	✓	✓	✓	✓	✓	✓
23 November	✓	✓	✓	✓	✓	✓	✓	✓	✓
21 December	✓	✓	✓	✓	✓	✓	✓	✓	✓
18 January	✓	✓	✓	✓	✓	✓	✓	✓	✓
8 February	✓	✓	✓	✓	✓	✓	✓	✓	✓
22 February	✓	✓	✓	×	✓	✓	✓	✓	✓
9 March	✓	✓	✓	✓	✓	✓	✓	✓	✓
22 March	✓	✓	✓	✓	✓	✓	✓	✓	✓
14 April	✓	✓	✓	✓	✓	✓	✓	✓	✓
26 April	✓	✓	✓	✓	✓	✓	✓	✓	✓
10 May	✓	✓	✓	✓	✓	✓	✓	✓	✓
24 May	✓	✓	×	✓	✓	✓	✓	✓	✓
31 May	✓	✓	×	✓	×	✓	✓	✓	✓
7 June	✓	✓	✓	×	✓	×	✓	✓	✓
28 June	✓	✓	✓	✓	✓	✓	✓	✓	✓
Total Attended	24/24	24/24	19/24	22/24	22/24	22/24	24/24	24/24	24/24



2020/2021 - THE YEAR IN REVIEW



Mayor
Peter Freshney



General Manager
Gerald Monson

MAYOR AND GENERAL MANAGER'S MESSAGE

A wise man once told us that the years go quicker the older you get and certainly the 2020/21 financial year is reflective of that quote. Again, the year's been dominated by all things 'Covid' and the impact of the Covid related economic stimulus was certainly at the forefront as we came to the end of the financial year. The availability of contractors, the increased cost of projects against budget and the incredible growth in our municipal area have all combined to make life a little more difficult than it had previously been for our Council.

This past financial year, more than any other, has seen significant progress in our quest to modernise our Council and prepare our staff and IT systems for the next decade and beyond. Full credit for the achievements thus far must go to our hardworking team who together, have led and instigated the many changes that have taken place. That work is not yet complete, but our continuous improvement ethos will deliver outcomes that benefit our staff and the communities we serve for years to come.

From a financial perspective it was pleasing to see a return to an underlying surplus of \$446,000 earlier than expected in our long-term financial plan but again, there are many factors that impacted on our bottom line. Significant projects completed and continued during the reporting year include the Coastal Pathway from Bells Parade to Ambleside, continued development of the Wild Mersey Mountain Bike Trails, and the reconstruction of Stanley Street adjacent to Bosworth Park, Latrobe. Likewise, there was further extension to the Port Sorell foreshore Pathway and Jetty carpark, whilst the long-awaited refurbishment of the Port Sorell Caravan Park also commenced. Council prioritised stormwater upgrade projects in James

and Hamilton Streets, piped an open drain in Reibey Street and progress has continued on the planning for the Latrobe Flood Mitigation Project. It's also noteworthy that residents of Tarleton have seen the commencement of the Tarleton Road Reconstruction Project, and local dog enthusiasts have been glowing in their praise for the newly established dog park at Bosworth Park.

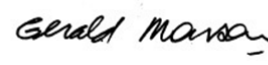
Councillors have experienced one of our toughest years in recent memory and yet we continue to achieve so much for our community despite the distractions and efforts of those who seek to undermine the hard work and commitment of our management team, staff, and councillors. As Mayor and General Manager, we appreciate and acknowledge the effort and commitment of our leadership team and staff over the past financial year and we are determined to continue to support their good work in the years to come.

It would be remiss of us not to reflect on and acknowledge the fantastic contribution and commitment of so many volunteers and groups who support our community. The past year has impacted them greatly but still they continue to provide the support and services needed by so many in our community. Their efforts continue to form the foundations on which the social fabric of this community has been built.

We are proud to be part of the team that is "preserving the past, promoting the present, and planning for the future" of the wonderful place that we call home.



Peter Freshney
MAYOR



Gerald Monson
GENERAL MANAGER
FLGMA; B.Bus (Pub Admin) JP

PERFORMANCE AT A GLANCE

	Achievements	Challenges
Governance	<ul style="list-style-type: none"> Lodgement of financial statements with Tasmanian Audit Office by the due date. Implementation of the TechOne System's finance functionality. 	<ul style="list-style-type: none"> Difficult market conditions have seen overruns in the vicinity of 30% for the delivery of parts of the capital works program which has placed pressure on financial management systems and our ability to deliver on committed projects. A key example is the Camp Banksia redevelopment that required extensive re-scoping in order to be bring the works program back within the budget envelope.
Community and Economic Development	<ul style="list-style-type: none"> Creation of an independent Latrobe & Kentish Business Group, KaLIBA. Securing of additional external funding for Wild Mersey Sky Rider. Establishment of Dog Obedience classes as an animal control initiative. Recognition of Edward "Teddy" Sheean with the Victoria Cross. Successful funding application for Port Sorell Heritage Trail. Use of the Banksia Centre increased by 11.5% in 2020/2021 compared to 2019/2020 with growth in the diversity of sports and activities pursued within the Centre. The 'Visit Latrobe Port Sorell Tasmania' website has been developed and launched and is now supported by a number of social media platforms. 	<ul style="list-style-type: none"> COVID-19 causing the cancellation of multiple events. COVID-19 impact on business economic viability. Substantial turnover in tenants of Council's Elderly Persons Units and the resulting need for additional building improvements. Delayed completion of parts of Wild Mersey due to nesting Wedge Tailed Eagles.
Infrastructure and Assets	<ul style="list-style-type: none"> Progressed the Latrobe Flood Mitigation project to the point of calling for and assessing of tenders. Further investigations into the remediation and redevelopment of the former Port Sorell landfill site. Commenced a major upgrade to Tarleton Road; the construction of 150 metre long single span pedestrian and Wild Mersey Mountain Bike bridge in the Warrawee Reserve; and the replacement and extension of the undersized Bonney's Creek culvert in James Street, Latrobe. Completed the construction of a concrete shared pathway between Latrobe and Devonport beside River Road; reconstructed Club Drive in Shearwater; an off leash dog area developed in Bosworth Park, Latrobe; and installed a roundabout at the junction of Gilbert and Hamilton Streets with funding assistance from the Black Spot program. 	<ul style="list-style-type: none"> COVID-19 and the buoyant state of the construction industry resulting in higher prices than expected and difficulty in securing contractors to deliver projects within budget. Determining and delivery of additional projects due to funding made available to stimulate the economy as a result of COVID-19. Staff losses and changes during project development and implementation. Unprecedented subdivision and building development.
Development and Regulatory Services	<ul style="list-style-type: none"> Approved and processed \$72.7m of development applications compared to \$55.2m in the previous year. Introduction of lifetime tags for dog registrations saving thousands of plastic tags ending up in landfill each year. Introduction of drone technology to undertake plumbing inspections. 	<ul style="list-style-type: none"> Recruitment of statutory planning staff. Increased workload in processing planning, building and plumbing applications due to Government home builder stimulus.

2020/21 SNAPSHOT



229 KM
LENGTH OF SEALED
ROADS



8,724
ELECTORS



601 KM²
COUNCIL LAND AREA



11,961
POPULATION



6,696
PROPERTIES



35
BRIDGES



65,634
WEBSITE HITS



263
BUILDING
APPLICATIONS



5,502
WASTE BINS SERVICED



176,527
FACEBOOK PAGE
REACH



2,694
DOGS REGISTERED



344
DEVELOPMENT
APPLICATIONS

PRIORITY PROJECTS

Four major infrastructure projects have been prioritised over a 10 year period (2020 to 2030), due to their significance in enhancing the economic and social wellbeing of the Latrobe community. Collaboration with other levels of government and with the private sector will be critical to the successful implementation of these priority projects.

Wild Mersey Mountain Bike Trail

The Wild Mersey mountain bike experience, building on Tasmania's growing reputation as an international mountain biking destination is a joint project between the Latrobe and Kentish Councils. During 2020/21 a further 25kms of trails were opened between Railton and Sheffield, taking the network up to 70kms open of the planned 100kms.

Offering a variety of trail experiences suitable for riders of all abilities, the trail network will provide more than 100kms of unrivalled experiences taking in spectacular mountain and river views through our part of Tasmania's unique wilderness.

With the ongoing promotion of the Wild Mersey mountain bike trails into key markets, and connection between the trail network and the Coastal Pathway, Latrobe's tourism and business sector will be well positioned to leverage off the increasing cycle-tourism market delivering benefits for our local community.



Latrobe Flood Protection and Stormwater Plan

The severity of the June 2016 flood event and its impact on Latrobe caused a high level of concern in the community regarding future flood protection of the township.

Council engaged consultants to undertake a flood analysis and to develop options to protect the town from flooding. Council has determined to implement a recommendation identified in the *Minimising Flood Risk in Latrobe – Hydraulic Modelling and Levee Options Assessment Report* to protect properties from floodwaters, while at the same time increasing the flow capacity of Kings Creek by lowering friction losses and the raising of containment walls.

Detailed design was completed, and construction of the project tendered. A preferred contractor was identified who also submitted an alternative bid which was subsequently further refined. The alternative design was considered attractive as it removed the need for a levee behind Kobie Lane and the concrete walls beside Kings Creek, replacing these with the Kings Creek Levee, Cotton Street Levee, Kings Park diversion structure and a box culvert running from Kings Park to Cotton Street.

At the end of 2020/21 amended approvals were being sought for the proposed design and negotiations were continuing. It is currently expected that works will commence in early 2022.

Port Sorell Caravan Park Upgrade

The Port Sorell Caravan Park is located on the foreshore of the Rubicon Estuary and has been operating for over 30 years.

Council resumed operational management of the Park in 2018 and worked through several licencing, risk and compliance issues which had been identified. The advanced age of the buildings was a major concern, with several amenities blocks and the office area identified as requiring upgrading to meet contemporary standards.

The Port Sorell Master Plan provides the direction for the continued operation of the site and identified the need for significant capital upgrades of the amenities and accommodation options.

The three-stage redevelopment of the Park represents an opportunity for Council to capitalise on the popularity of the site, and further reinforce Port Sorell as a destination for visitors to the area.

During the year Council commenced implementation of Stage 1 which will see a new amenities block and laundry facilities constructed to replace existing ageing infrastructure.

Banksia Facilities Redevelopment

Camp Banksia was initially leased by the Council from the State Government in 2006, eventually being transferred to Council's ownership in 2016.

In 2017 Council commissioned a review of the facility which included community consultation to identify the future direction of the site.

In 2019, Council accepted a report which detailed the functions of the camp which were to be retained, while allowing improved access to the community through a reorientated layout.

The refurbishment of Camp Banksia will result in improved accommodation options, as well as investing in active and passive recreational facilities accessible to the wider community.

The Banksia Centre will be expanded to cater for performing arts and community functions, together with maintaining existing meeting rooms and recreational spaces. This project will result in a significant capital investment, cumulating in several years of research and community feedback.



During 2020/21 the conceptual and detailed design phases for the revamped Camp Banksia were completed. Construction will commence during 2021/22 financial year and will see modern, user designed sport, recreational and camp facilities completed that has a renewed focus on local participation while at the same time maintaining its appeal to the wider Tasmanian and interstate user groups.



ACTIVITY OVERVIEW

COVID-19

The community was materially impacted by the COVID-19 pandemic. As a result, Council by necessity adjusted its future financial projections and plans to ensure it could positively respond to the recovery effort. Due to past prudent financial management the Council was in a financial position where it was able to respond positively by bringing forward a number of capital projects while at the same time providing financial measures and incentives to assist, particularly the business community, moving forward. The effects of the pandemic is likely to continue to influence Council's financial performance for some time.

The State and Federal Governments have provided stimulus packages for the economy. This, in addition to people moving to Tasmania, has caused an increased level of subdivision and building development and the associated services and regulatory activity needed to support this growth. As a result, there have been challenges in delivering projects and services in a timely and cost-effective manner.

Shared Services Implementation

The Latrobe and Kentish Councils' have developed a shared services model which has seen the former separate workforces of both Councils' consolidated into a single focused service delivery entity. Significant efficiencies have been achieved through this arrangement which places both Councils' on a more sustainable trajectory moving forward. Through prudent financial management in recent years both Councils' have been able to consistently achieve operating surpluses. Latrobe Council is committed to building on the successes achieved to date through the shared services model. Both Councils' understand they are stronger together and can achieve more when working in collaboration. The challenge continues to be the delivery of outcomes and ensuring through cooperation, all initiatives provide a shared benefit to both communities.

In 2017 the Latrobe and Kentish Councils' identified that having separate standalone IT

systems impacted their ability to efficiently deliver services to the community.

In 2017/2018 following a competitive tender process it was determined to implement Technology One as the common IT system across both Councils'.

The implementation of the Technology One Enterprise Software System commenced in 2018 and is a major part of the shared services arrangements and is pivotal in allowing the Councils' to maximise the value and benefits for both communities.

Phase 1 included an upgrade of the document management module and the implementation of the key areas of finance, assets and payroll.

Phase 2 of the implementation project commenced in February 2021 and when completed will see a fully integrated system across both Councils' and include the important areas of property and rates. The targeted "go live" date for this final part of the Technology One implementation is May 2022. The property and rates configuration design stage has now been completed and as at 30 June 2021 the system configuration was ready to commence.

A Project Manager has been engaged for two years to assist the implementation and a dedicated Business Analyst was appointed in December 2020 to support the project.

When fully implemented there will be One System with common and efficient processes operating across both Councils'.

Former Port Sorell Landfill Rehabilitation

The 15-hectare site was the local landfill accepting household garbage and industrial waste from 1973 until 1995. Due to the elevated levels of contaminants and pollutants, Council engaged consultants to prepare a *Detailed Site Investigation Report* which was to include cost estimates related to the required rehabilitation and remediation works, and the identification of future possible uses for the site. The rehabilitation of the site is likely to be the largest capital project ever undertaken by the Council and will require considerable external expert assistance and advice to deliver. Future site solutions will need to be flexible to enable a successful long-term outcome to be identified, funded, and implemented. The estimated cost to rehabilitate the site currently ranges between \$10 and \$20 million, therefore this project has the potential to materially impact the future financial sustainability of the Council. Council will seek a State Government contribution to assist with the project on the basis that the former tip site was largely impacted by its use by industry from outside the Latrobe municipal area.

The Detailed Site Investigation was completed during 2020/21 and endorsed by the EPA (Environmental Protection Authority). Progressing and monitoring priority actions has been budgeted for in the 2021/22 financial year. Concepts are being finalised for ongoing rehabilitation works, ensuring the site is suitable for further development as a passive recreation area.

Australia Day Awards

Each year, Latrobe Council invites the community to think about who has made a significant contribution to the Latrobe community and nominate that resident or event for an Australia Day Award.

There are three award categories open for nomination - Citizen of the Year; Young Citizen of the Year and Community Event of the Year.

Nominations for the Citizen of the Year Award are commonly of a very high quality and reflective of the impact of the person's contribution; how long they have been involved in the community and the level of excellence demonstrated in their chosen field.

The 2021 recipient, Mr Peter Burk, is a quiet and unassuming person but his behind the scenes activities (without accolade) made him a deserving recipient of this award.

Peter has worked in the same business since completing his apprenticeship with his driving principle being to excel in customer service.

Peter is a generous supporter of the community. As a member of the Lions Club of Latrobe, Peter held many positions; became a dab hand at making fairy floss at school fundraising activities; works the local footy gates; supports the Latrobe Apex Club in their community activities and has spent many hours working at the Lions Speedway Canteen - consistently being the first to arrive and the last to leave, never leaving until all the work is done.

It is worthy of note that even during a time of his own health issues, Peter still supported others in the community, Peter quietly and without fanfare, supports many in the community.

The award for the 2021 Young Citizen of the Year went to Miss Aaliah Dennison in recognition of her contributions to the community through sporting pursuits, volunteering and leadership.

Aaliah served as the Latrobe High School's Captain in 2020 as well as being a Numeracy Leader and House Captain. Aaliah's resilience in gymnastics post an injury saw her transition into coaching and is now moulding the next generation of gymnasts.

Aaliah regularly volunteers in the community and sets a high standard with her sporting pursuits.

Aaliah was awarded the 2020 Inaugural Olympic Change Maker Award that recognises and rewards students who are demonstrating the Olympic spirit through leadership and driving positive change in their communities.

The 2021 Community Event of the Year Award recognised an event held in Latrobe over the past year that had a significant, positive impact; involved the community and exemplified those attributes and values that underpin our way of life.

2020-21 provided many challenges due to COVID-19, not the least of which was the cancellation of many events.

2020/2021 – THE YEAR IN REVIEW

Activity Overview

The Latrobe Football Club believed that they needed to provide the community with some sense of normality and positivity and made an informed decision to participate in the 2020 NWFL roster.

The workload this created was significant and there were many challenges as the club navigated a raft of regulations and ever-changing rules. At the forefront of their planning, was the need to ensure regulatory compliance and the safety and wellbeing of their players, members, supporters, and the wider community.

The positives that came from getting local football back up and running were many, including the opportunity to undertake physical activity in a team and club environment, resulting in benefits to mental health and wellbeing.

The Latrobe Football Club led the way in our community and demonstrated that it was possible to hold an event.

The Latrobe Football Club hosted all the senior finals games for the NWFL competition, again demonstrating that it is possible to safely host a successful event and at the same time comply with COVID-19 requirements.

The Australia Day Community Event of the Year Award for 2021 was presented to the Latrobe Football Club President, Greg Donald.



Pictured: Greg Donald on behalf of the Latrobe Football Club (Community Event of the Year); Peter Burk (Citizen of the Year) and Aaliah Dennison (Young Citizen of the Year).

Australian Axeman's Hall of Fame

After an extended hiatus for a major redevelopment, the official relaunch to the Legend's exhibition, axeman's memorabilia and stories was held on 18 April 2021.

Marianne Hawke and Libby Prescott worked tirelessly with members of the Australian Axeman's Association to complete the refurbishment.



Pictured: Left to right Laurence O'Toole, Bill Youd, Dale Beams, Doug Youd, David Foster, Matthew Gurr, Peter Foster

Coastal Pathway

The Cradle Coast Authority, in conjunction with Safer Roads for Cyclists Tasmania, local Councils and the State Government, initiated the North West Coastal Pathway Project.

In 2019, four significant sections were funded for construction through funding committed by Local, State and Federal Governments, with the Ambleside to Latrobe section being one of the four sections.

The 3.5km section linking Ambleside to Latrobe was officially opened on 8 April 2021. The track offers a safe space for cyclists and pedestrians to travel between Latrobe and Devonport.

Meandering along the Mersey River, the construction of the rock embankment:

- supplies a platform on which to build the path in an area which otherwise would be too tight for space; and
- provides significant protection against potential future erosion of the embankment supporting River Road.

The rock embankment gives way to an elevated platform which leads users into a section of tree lined, on ground pathway. Dotted along the route are some cut stone seats to allow users to take a break and enjoy the views. The rocks used were uncovered during excavation and were rescued from the rubble to be given a new lease of life.



*Pictured: **Back row** Daryl Connelly (CEO Cradle Coast Authority), Mayor Peter Freshney (Latrobe Council), Felix Ellis MP (Liberal Party), Gavin Pearce MP (Member for Braddon) **Front row** Keith Price and Mayor Annette Rockliff (Devonport City Council)*

© Simon Sturzaker/The Advocate Newspaper

Latrobe Hydrotherapy Pool

At their meeting held 7 June 2021 Council endorsed a report to accept operational responsibility for the hydrotherapy pool located within the Strathdevon Aged Care Facility, conditional on the State Government providing a grant of \$250,000 (ex-GST) to allow for improvement works including new pool heating, upgraded amenities, and other maintenance tasks to occur.

Following execution of the grant funding on 25 June, Council finalised a lease agreement with Uniting AgeWell, the owner of the facility.

As this will be an additional Council operated facility, work is continuing to develop the operating model relating to management arrangements, user agreements, insurance and liability responsibilities, etc.

At this stage it is Council's intention to have the hydrotherapy pool reopened in March/April 2022.



2020/2021 – THE YEAR IN REVIEW

Calendar of Events

July

Due to the COVID-19 pandemic, events continued to be avoided and therefore cancelled if planned

August

Cancer Council Daffodil Day
Chocolate Extravaganza at The Crowded Lounge
Latrobe Senior Citizens Community Meeting

September

Sound of Music Production (Geneva)
Dog Obedience Classes commenced
Wild Mersey Mountain Bike Skills Workshop

October

Food Safety Training
Aussie Backyard Bird Count
Tasmanian Apex Australian Teenage Fashion and Arts Youth Festival

November

Apex Truly Tasmanian Craft Exhibition and Sale
Warrawee X-Duathlon
Latrobe Federal Band Concert
Remembrance Day Services

December

Carols at Bells Parade
Market by the Beach
Shearwater Village Market

January

Tasmanian Rock Challenge
Market by the Beach
Shearwater Village Market
Latrobe Lilium Show

February

Port Sorell Junior Surf Carnival
Penguin Island Swim

March

Junior Fishout Day
North West Dressage Competition

April

Official Opening of the Coastal Pathway Project – Ambleside to Latrobe
Official Opening of the refurbished Australian Axeman's Hall of Fame
ANZAC Day Services

May

Manger Dans le Noir
Shearwater Mulled Wine in May
CWA Tasmanian Handcraft and Home Industries Exhibition

June



Pictured: **Clockwise from top** Port Sorell Junior Surf Carnival © Port Sorell SLSC, Dog Obedience Training, Latrobe Anzac Day Service © Department of Defence, Market By The Beach, Citizenship Ceremony – Australia Day © Gerald Monson, Shearwater Village Market



OUR PEOPLE

You must check in every time
Open the Check In TAS app to scan the QR code

Lafayette Council - Council Chamber & Meeting Rooms

021033

QR Code

LEADERSHIP TEAM

Council's organisational structure consists of four departments – Development & Regulatory Services, Corporate & Business Services, Infrastructure & Assets, and Operations. Each department is led by a Manager who reports directly to the General Manager. The General Manager is directly accountable to the Mayor and Councillors.

Combined Leadership Team

Council's Combined Leadership Team meets monthly, is chaired by the General Manager and includes department managers. The General Manager and manager positions are resource shared between the Latrobe and Kentish Councils.

General Manager – Gerald Monson

Areas of responsibility include; organisation leadership, Council's operational and service delivery performance, strategic planning, and organisational support for elected members.

Corporate & Business Services Manager – Wes Young*

Areas of responsibility include; community development, tourism and economic development, finance, rates, information technology, records management, risk management coordination, human resources, business administration support, and customer service.

Development & Regulatory Services Manager – Jan Febey

Areas of responsibility include; statutory planning assessment, building and plumbing control, permit authority, regulatory compliance, environmental and public health services, and animal control.

Infrastructure & Assets Manager – Jonathan Magor

Areas of responsibility include; emergency management, natural resource management, infrastructure including roads, bridges, drainage, parks, reserves, buildings and facilities.

Kentish Council reimburses Latrobe Council for an agreed proportion of the cost of Latrobe senior employees who also provide management services to Kentish Council. Where senior employees are employed by Kentish Council and hired to Latrobe, they are not included in the above table, but are included in the equivalent table in the Kentish Council Annual Report.

Operations Manager – Jason Bellchambers *

Areas of responsibility include; maintenance and renewal of infrastructure including roads, bridges, drainage, parks, reserves and buildings.

*Employed by Kentish Council

Remuneration of Key Management Personnel

Section 72 (1) (cd), 72 (4) & 72 (5) Local Government Act 1993

Annual Remuneration	No. of Latrobe Council Employees
\$40,001 - \$60,000*	1
\$140,001 - \$160,000	1
\$220,001 - \$240,000	1

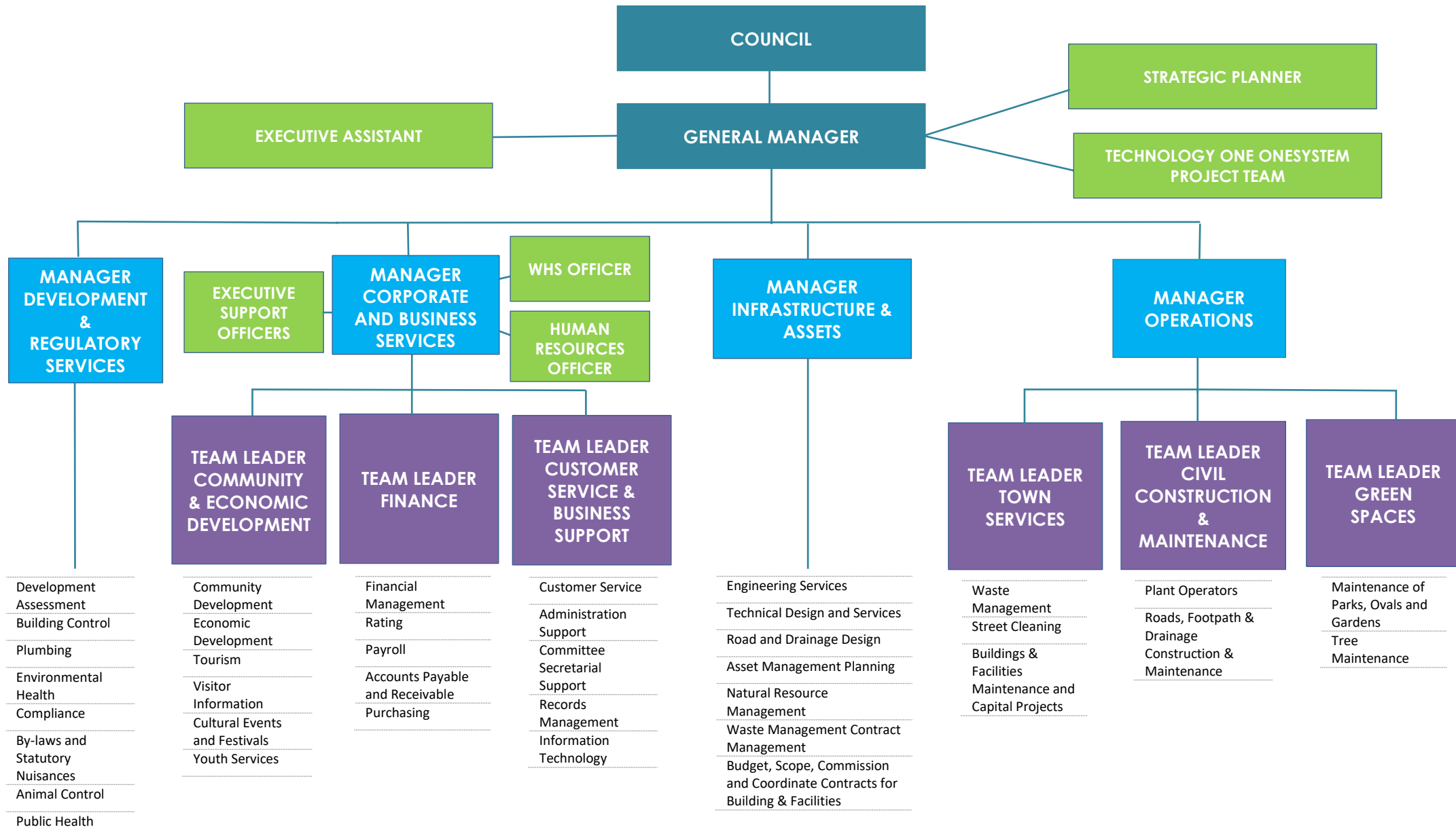
*Employee in remuneration band \$40,001 - \$60,000 has been employed by Council for the full year and was promoted to a key management role on 25 February 2021. The remuneration disclosed is from 25 February 2021 to 30 June 2021.

The Total annual remuneration is defined as the total of the:

- base salary payable to the employee
- amount of employer superannuation contributions to the employee's contribution
- gross value for the use of a fully-maintained motor vehicle provided to the employee
- value of any other allowances or benefits paid or payable to, or provided for, the benefit of the employee.

ORGANISATION STRUCTURE – 2020-2021

Positions are resource-shared with Kentish Council



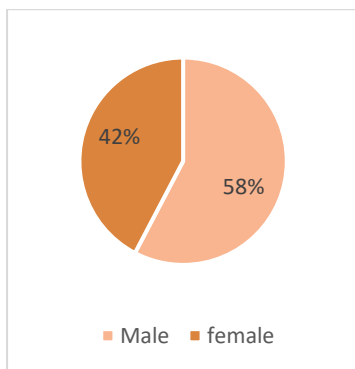
STAFF

Council is committed to ensuring staff are well supported, highly skilled and professional.

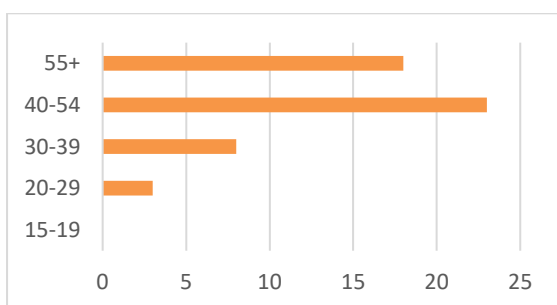
Under the resource sharing arrangement, Latrobe and Kentish Councils effectively share their workforce with employees legally employed by either council and hired to the other council as required.

The following information relates either to employees legally employed by Latrobe or to the combined workforce as indicated in the headings.

Percentage of Employees by Gender (Latrobe Employees)

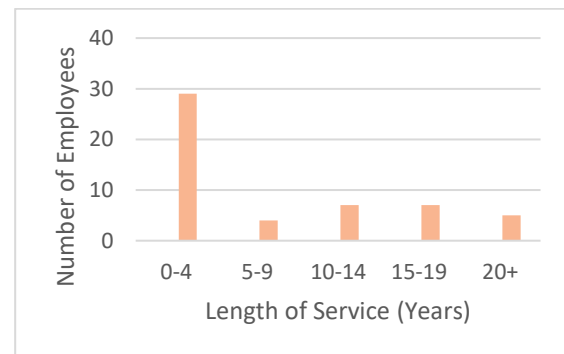


Number of Employees by Age (Latrobe Employees)



Length of Service (Latrobe Employees)

The average length of service is 8 years. The following chart provides a further break-down.

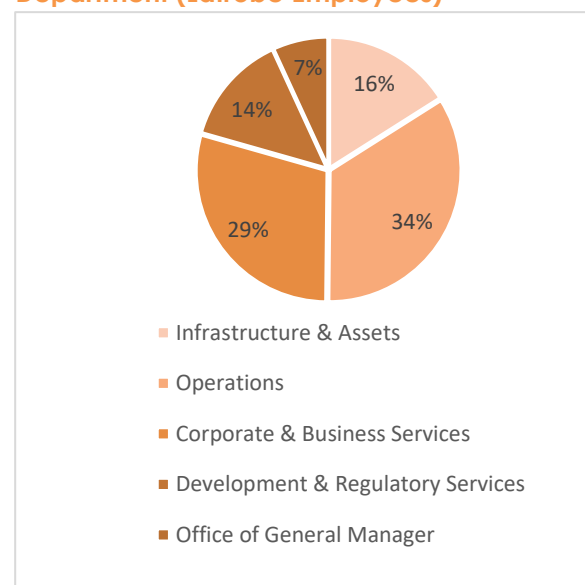


Full Time Equivalent Employees (Combined Latrobe and Kentish Workforce)

DEPARTMENT	FTE	% Latrobe	% Kentish
Office of the General Manager	4.75	63%	37%
Development & Regulatory Services	9.00	67%	33%
Corporate & Business Services	25.18	51%	49%
Infrastructure & Assets	8.40	83%	17%
Operations	28.52	52%	48%
TOTAL	75.85	58%	42%

Employees are hired to and from Kentish Council as required.

Percentage of Employees (FTEs) by Department (Latrobe Employees)



VOLUNTEERS

Latrobe Council values the significant contribution that volunteers make in our community. Volunteers provide valuable assistance and enrich the lives of the people and groups they are helping.

There are many community volunteer organisations that Council assists by providing advice, grants and assistance with Council manpower. Those organisations receiving grants from Council are listed under the Corporate Governance section of this Annual Report.

There are other community organisations that provide advice to Council like Latrobe Landcare who assist to maintain Pig Island within the Bells Parade Precinct and Rubicon Coast & Landcare who work to improve vegetation in coastal and inland reserves in the Port Sorell Area.

Council is fortunate to have volunteers assisting in several areas supporting its capacity to deliver a range of services and programs from looking after Council sporting and hall facilities, to providing information to visitors at the Latrobe Visitor Information Centre, and even supporting dog obedience classes.

There are many ways that people can volunteer within the Latrobe area including the Council managed activities described below.

Visitor Information Centre

Volunteers at the Latrobe Visitor Information Centre (LVIC) provide a welcome to our visitors, sharing their local knowledge of the community and tourism experiences in the area. The LVIC offers volunteers familiarisation tours and training opportunities. Currently there is a team of 16 volunteers who attend to the many visitors and their enquiries. Due to COVID-19 LVIC was closed for face-to-face contact from 27 March 2020 until 17 January 2021.

Latrobe Landcare and Rubicon Coast & Landcare

Latrobe is home to beautiful landscapes and nature-based experiences which are maintained and managed through the local community-based volunteer organisations, which are part of the larger Landcare Tasmania network.

Dog Obedience Class

Through the support of community member Mr. Brian Patrick, the Council supports dog obedience classes.

Special Committees of Council

Special Committees of Council are established under the *Local Government Act 1993* to carry out specific functions on behalf of the Council. Council has a number of special committees including:

- Australian Axeman's Hall of Fame Management Committee
- Banksia Facilities Management Committee
- Bells Parade Development Committee
- Elderly Persons Units Advisory Committee
- Latrobe Cemetery Committee
- Latrobe & Districts Youth Centre Management Committee
- Latrobe Council Economic Development Committee
- Latrobe Sport & Recreation Management Committee
- Latrobe Tree Planting Committee
- Moriarty Hall Committee
- Port Sorell Advisory Committee
- Port Sorell Caravan Park Committee
- Port Sorell Memorial Hall Controlling Authority
- Mersey Leven Emergency Management Committee

Council appreciates the significant contribution volunteers make to its special committees.



OUR PERFORMANCE

OVERVIEW OF PERFORMANCE

The table below provides an 'at a glance' overview of Council's performance against the 2020/21 Annual Plan.

Council's 2020/21 Annual Plan includes a number of key actions grouped according to the overall strategic objectives of Infrastructure, Economic and Community Development, Governance and Organisational Development and Planning and Development. Progress toward completing these actions is summarised in the chart below.





GOVERNANCE

ADVOCACY AND LEADERSHIP

Objective Provide leadership and advocacy on behalf of our community

Performance against Annual Plan

			Status Key					
			Completed	✓	In Progress	>	Delayed	✗
2020/21 Annual Plan Actions			Status	Comments/ Key Challenges				
Engage with State, Regional and Local Government bodies to promote local projects and development opportunities and resolve strategic issues affecting the municipal area			✓	Council has engaged with regional bodies and State Government to detail priority projects.				
Support the retention and upgrading of the Mersey Community Hospital (MCH)			✓	Council continues to lobby the State Government in relation to the MCH.				
Support the retention and continued upgrading of the services provided through the Devonport Airport			✓					
Support the North West of Tasmania being recognised as a renewable energy hub, including the Battery of the Nation project			>					
Lobby for and encourage the continued improvement of National Broadband Network services and mobile phone coverage in the Council area			>	Council is in discussions with NBN Co to identify blackspots and funding options.				
Advocate for and promote the provision of a range of high quality education and life-long learning opportunities in the municipal area			>					
Lobby Governments for funding, services and infrastructure important to the community, including upgrading the Devonport to Launceston section of the Bass Highway			✓	The State Government has committed to upgrading the relevant sections of the Bass Highway.				
Seek to expand the range of medical and family services available within the Latrobe municipal area			>	Council is working with stakeholders to re-open the Hydrotherapy Pool.				
Work with representatives of the agricultural sector to attract and retain seasonal workers			✓	Council has partnered with Seasonal Workers Australia to provide accommodation at Camp Banksia.				

GOVERNANCE

Objective Provide consistent, accountable, transparent and effective governance

Performance against Annual Plan

			Status Key					
			Completed	✓	In Progress	>	Delayed	✗
2020/21 Annual Plan Actions			Status	Comments/ Key Challenges				
Continue to align business processes across Kentish and Latrobe Councils so wherever possible there is a single way of doing things that is common across both Councils to allow the most efficient sharing of services and resources across both Councils			>	Action continues.				
Install video conferencing equipment in the Council Chambers			✓	Equipment installed and operational.				
Promote the professional development of elected members			✓	Attended relevant events.				
Promote awareness of Council's Code of Conduct to elected members			✓					
Participate in relevant State and regional initiatives and partnership agreements			✓	Actively engaged when appropriate.				
Utilise the Annual Report and Annual General Meeting to promote achievements of the Council			✓					
Examine specific service delivery options between Council and other providers			>	Work in progress.				
Engage in efficient resource sharing as an alternative to amalgamation with other Councils			>	Council has offered to meet with representatives of neighbouring councils to explore further opportunities.				
Communicate the rationale and outcome of Council's decisions, policies and activities through appropriate communication channels			✓					
Deliver consistent and open community engagement, including where appropriate, community participation through established Council Committees			✓					
Ensure Council information meets community and stakeholder interests, is accessible, easy to understand and complies with legislative requirements			✓	Engaged a communications specialist to aid in the delivery of information for key projects, such as the Camp Banksia Redevelopment and Latrobe Flood Levee.				

FINANCIAL MANAGEMENT

Objective Ensure long-term financial viability of the Council

Performance against Annual Plan

		Status Key					
		Completed	✓	In Progress	>	Delayed	✗
2020/21 Annual Plan Actions		Status	Comments/ Key Challenges				
Continue staged implementation of the OneSystem Project		>	Multi-year project. Current phase on schedule and expected to go-live May 2022.				
Implement IT Resourcing's recommendations relating to IT equipment upgrades and replacements		✓					
Implement the knowledge bank and process storage software LivePro		✓					
Achieve an underlying surplus over the medium to long term		✓					
Maintain fair and equitable rating levels		✓					
Maintain a Financial Management Strategy which is aligned to Asset Management Plans and other strategic documents		✓					
Support the activities of the Independent Audit Panel		✓					
Implement a technology system which is fully integrated throughout Council's operations		>	This is a long-term, multi-year project which is part of Council's ICT Strategy 2021-25. Latest phase is on schedule.				
Receive an unqualified annual audit report		✓	Audit was completed on 11 October 2021.				

STRATEGIC OBJECTIVE ONE: Employee Development

EMPLOYEE DEVELOPMENT

Objective Develop opportunities for skilled, experienced, and motivated staff

Performance against Annual Plan

		Status Key					
		Completed	✓	In Progress	>	Delayed	✗
2020/21 Annual Plan Actions	Status	Comments/ Key Challenges					
Continue development of Workforce Development and Succession Plans	>						
Continue to develop a leadership development program for Senior Management and Team Leaders	>						
Provide and maintain adequate staff and resource levels to meet changing needs	>	Council has encountered a difficult employment landscape due to the unprecedented boom in the construction sector. This has placed upward pressure on wages and the ability to hire. A tight real estate market has compounded this with difficulties in finding accommodation for new staff.					
Identify and provide appropriate training and encourage the personal development of employees	✓	Council has identified training and professional development opportunities for key staff that are being pursued. Council is also investigating options put forward under the performance review process.					
Develop and review staff policies	>	A significant number of policies reviewed during the year.					
Develop and retain in-house skills through Council's Workforce Development Plan and Succession Plan	>						
Encourage commitment to Council's customer service charter	✓	Council is developing a policy position for dealing with difficult customer behaviour for staff and elected members to bolster the Customer Service Charter.					
Undertake staff performance reviews	✓						

RISK MANAGEMENT

Objective Committed to risk management and building community capacity and resilience

Performance against Annual Plan

		Status Key	
		Completed ✓	In Progress > Delayed X
2020/21 Annual Plan Actions		Status	Comments/ Key Challenges
Adopt the Tasmanian Disaster Resilience Strategy and develop an action plan to achieve local outcomes	>		Review of Business Continuity Plan is underway - to be completed in 2021-22. Policy for staff working remotely / from home is in development and will be a matter for discussion in EBA negotiations.
Develop a Risk Management Framework aligned with ISO 31000	>		Internal consultation re the Risk Management Framework has commenced, with approval and implementation planned for 2021-22.
Maintain and improve risk management systems and culture as a core organisational focus	>		Risk Management Framework to be rolled out in 2021-22.
Integrate risk management principles into all business practices and establish risk-based decision making	>		Ongoing review of policies and procedures. All standard operating procedures to incorporate the methods in the new Risk Management Framework, which will ensure a uniform approach to risk management.
Improve the level of compliance each year of the strategy with relevant legislative requirements and internal policies	>		Council is compliant with legal requirements regarding risk management. Implementation of Risk Management Framework and development of WHS internal audit schedule will ensure continual improvement in risk management.

2020/21 Annual Plan Actions	Status	Comments/ Key Challenges
Provide internal and external audit functions as required to review Council's performance, risk management, financial governance and reporting	✓	Audit Committee met 4 times. 2020-21 financial audit completed by KPMG.
Investigate and share climate change mitigation and adaptation initiatives with the community	>	Main climate change issues are increasing risk due to flooding and bushfire which are addressed in the Mersey-Leven Combined Area Municipal Emergency Plan (available on the Council website). Ongoing review and response to ensure continual improvement in adapting to climate change issues.
Maintain bushfire management plans for the municipal area	✓	Latrobe included in the Mersey-Leven Combined Area Municipal Emergency Plan.
Implement actions relating to Latrobe contained in the 2017 'Review into the Tasmanian Floods of June and July 2016'	>	Council has approved preferred flood levee design and is progressing environmental approvals.
Implement the Latrobe Flood Mitigation Report recommendations	✓	Recommendations implemented. Progressing approvals for Latrobe Flood Levee.



COMMUNITY AND ECONOMIC DEVELOPMENT

BUSINESS DEVELOPMENT

Objective Identify, promote and support economic development opportunities

Performance against Annual Plan

			Status Key					
			Completed	✓	In Progress	>	Delayed	X
2020/21 Annual Plan Actions			Status	Comments/ Key Challenges				
Implement the Port Sorell Caravan Park Refurbishment Master Plan			✓					
Implement the Port Sorell Caravan Park Strategy			✓					
Implement the Latrobe Economic Development Strategy			>	Ongoing actions over long-term.				
Actively promote the municipal area as an ideal location to conduct business and commerce			X	This project was delayed with the departure of the ETDO and creation of KALIBA (Kentish and Latrobe Independent Business Association).				
Support and assist developers in identifying and managing opportunities for business growth and development			✓	Ongoing actions over long-term.				
Develop a plan to enhance the Latrobe CBD retail precinct, including Station Square			X	This project has been delayed to 2021/2022.				
Support the establishment of industrial precincts in the Council area			X	This project was delayed with the departure of the Economic & Tourism Development Officer and creation of KALIBA (Kentish and Latrobe Independent Business Association).				
Support business networking and opportunities for collaboration within the municipal area			✓	A number of activities supported during the year.				

TOURISM

Objective Promote, develop and support tourism activities

Performance against Annual Plan

			Status Key		
			Completed ✓	In Progress >	Delayed X
2020/21 Annual Plan Actions	Status	Comments/ Key Challenges			
Complete the development of the new Latrobe-Port Sorell tourism website	✓				
Provide support to businesses to assist in the recovery from COVID-19	✓				
Work with Latrobe tourism operators and organisations, plus State and regional tourism stakeholders, to develop a diverse and robust tourism industry through product development, industry development, marketing and lobbying	✓				
Actively participate and encourage tourism operators to support the West by North West tourism organisation and their initiatives	✓				
Provide guidance and support to tourism initiatives developed by the local industry	✓				
Leverage Port Sorell as the gateway to Narawntapu National Park	✓	Ongoing efforts that will be built upon Latrobe-Port Sorell website and social media accounts.			
Provide sustainable visitor information and interpretive services and infrastructure	✓	Ongoing project driven by Visitor Centre Coordinator.			
Maintain a policy on overnight low-cost self-contained camping areas within the municipal area	✓	Ongoing.			
Support the development of appropriate short term visitor accommodation	✓				
Support opportunities for improvements to mobile communication reception in the area, including provision of WiFi where appropriate	✓				
Complete construction of the Wild Mersey Mountain Bike Trail project	>	Completion of the suspension bridge was delayed due to Wedge Tail Eagle breeding season.			
Develop a modern Latrobe-Port Sorell tourism focussed website	✓				

CULTURE, FESTIVALS AND EVENTS

Objective Work with the community, to facilitate and celebrate festivals, events and culture

Performance against Annual Plan

			Status Key		
			Completed ✓	In Progress >	Delayed X
2020/21 Annual Plan Actions	Status	Comments/ Key Challenges			
Support for ANZAC Day celebrations	✓	Celebration involved the crew from HMAS Armidale and HMAS SHEEAN.			
Support the organisation and promotion of Henley-on-Mersey event held on Australia Day	X	Cancelled due to COVID-19.			
Continue to support Latrobe businesses in the development of Chocolate Winterfest, Latrobe as a major event for the Latrobe municipality	X	The 2021 Chocolate Winterfest was cancelled due to the challenges of executing an event during COVID-19.			
Promote local arts, history and culture through local, regional and state tourism channels	✓	Ongoing.			
Support the development of local/regional/state/national events calendar which includes a range of diverse events which encourages community participation and increased overnight visitors	✓	Local activities are presented to the community with regional/state/national events to be included on tourism digital channels.			

COMMUNITY FACILITIES/ SERVICES

Objective Provide a range of quality community facilities and services which engage and empower the community to participate

Performance against Annual Plan

			Status Key					
			Completed	✓	In Progress	>	Delayed	✗
2020/21 Annual Plan Actions			Status	Comments/ Key Challenges				
Develop new recovery grants to support businesses affected by COVID-19 with the unspent funding from Community Grants 2019/20 carried forward			✓					
Improve community facilities at Port Sorell, to meet changing needs			>	Redevelopment of Camp Banksia progressing.				
Continue to improve walkways and cycleways within the municipal area			>	Council has supported the creation of a Bicycle and Shared Pathway Strategy in conjunction with Kentish Council.				
Support completion of the North West Coastal Pathway, including extensions to Port Sorell			>	The Latrobe to Devonport section of Coastal Pathway has been completed. Council is exploring options to extend to Port Sorell.				
Incorporate the Port Sorell History Group's collection as part of the Banksia Facility Redevelopment			>	An exhibition space has been included in the design for the Banksia Centre foyer.				
Support and encourage youth participation and engagement in sport and local activities			✓	Commitment by Latrobe Council to fund the establishment of parkrun in Latrobe.				
Support ongoing strategies within the Tasmanian Plan for Positive Ageing which are relevant for the Latrobe community			✓	Effective management of Elderly Persons Unit tenancies.				
Encourage volunteers through the recognition and celebration of their valuable contribution			✓	Latrobe Visitor Information Centre.				
Support schools in their efforts to provide adequate and safe car and bus parking infrastructure			✓	Improvements to bus pull-over in rural areas.				
Support local opportunities in the health and human services sectors that arise from the Mersey Community Hospital being situated in the municipal area			>					
Create conservation management plans and incentive policies for heritage assets			✗	Delayed due to capital projects being a priority.				
Support local community groups to provide activities and programs that reduce social isolation and encourage diversity of participation, including via the Council Community Grants Program			✓	Supported and guided establishment of new community groups – Latrobe Senior Citizens				

2020/21 Annual Plan Actions	Status	Comments/ Key Challenges
		Club, Shearwater Village Market etc.
Support the affordable housing needs of elderly residents and other vulnerable members of the community	✓	Effective management of Elderly Persons Unit tenancies.
Develop a long term plan for the Latrobe Cemetery	✗	Delayed due to resourcing limitations.

EMERGENCY RESPONSE AND RECOVERY

Objective Be prepared to respond to emergency situations and assist in the community recovery

Performance against Annual Plan

			Status Key					
			Completed	✓	In Progress	>	Delayed	✗
2020/21 Annual Plan Action			Status	Comments/ Key Challenges				
Continue the implementation of the Latrobe Council COVID-19 Community Action Plan			✓	Coordination of Municipal COVID Recovery Committee and participate with Regional and liaison State COVID-19 bodies.				
Protect community assets in an emergency by having access to available resources when required			✓	Camp Banksia and the Youth Centre were identified as emergency locations if required.				
Monitor Council's Community Recovery Plan to ensure the resources can be made available to assist the community during an emergency recovery response			✓	This recovery plan has been relocated under the Mersey Leven Emergency Management Committee.				
Remain an active participant in the Mersey Leven Emergency Management Committee			✓	Ongoing.				



INFRASTRUCTURE AND ASSETS

ROADS

Objective Provide a safe and well-maintained road network that caters for all road users

Performance against Annual Plan

Status Key			
	Completed ✓	In Progress >	Delayed X
2020/21 Annual Plan Actions	Status	Comments/ Key Challenges	
Further integrate the sharing of equipment and other resources into the normal operating practices of Kentish and Latrobe Council workforces	✓	This will be ongoing for the duration of the resource sharing arrangements.	
Replace 5 street trees in Gilbert Street CBD area	✓		
31 Crab Apple trees in Hamilton Street	>	Process commenced, however awaiting kerb and channel works to be completed on the eastern side of Hamilton Street.	
Gilbert Street Traffic Management – roundabout at Gilbert/Hamilton St intersection	✓		
Tarleton Rd – widening and relocation of stormwater drain	>	Works underway in 2020/21 but to be completed early in the 2021/22 financial year.	
Old Deloraine Rd – continue vegetation removal commenced in 2019/20	X	Awaiting priority due to completing demands and responsive works taking priority.	
Noone St Latrobe – one way – design and consultation	X	Considered but not progressed as school potentially seeks a larger site and student access to playing fields.	
Joyce St/Dumbleton St junction – includes 135m kerb, 135m footpath, roundabout?	✓	Works complete and kerb lines allow for future roundabout.	
Stanley St to South Stanley St connection – connect Stanley St from Paulowmia St to Benny St	>	Adjacent land developer has commenced this work on behalf of Council.	
Port Sorell entrance – prepare concept designs to improve entrance	>	Design progressing with consultant.	
Gilbert St asphalt parking lane – Hamilton St to Victor St	X	Delayed as subject to road crossing culvert for flood mitigation plan.	
Annual reseal allocation – reseal list to be determined	✓		
Joyce St – Hugh St north to existing – footpath, 360m	X	Unable to be scheduled for design and	

2020/21 Annual Plan Actions	Status	Comments/ Key Challenges
		completion during 2020/21.
Club Dr – Fairway Cr to Alexander St – concrete footpath on southern side, 480m	✓	
Hawley Esp pedestrian and cycling facilities – implement Pitt & Sherry recommendations for cycling and walking track (one way) subject to community consultation	>	A number of iterations prepared and commented on by community. Revision 4 of the plan will be progressed to construction in 2021/22.
River Rd/Archer St Port Sorell – footpath from Rice St to Kermode St	✓	
Port Sorell foreshore pathway – upgrade of existing 300m section from pontoon carpark to East Esp	✓	
River Rd Latrobe walking track – Coastal Pathway Project	✓	
Hamilton St – kerb and channel – reconstruct kerb and channel from Cotton St to Thomas St (eastern side)	✗	Awaiting design and construction capacity.
Hamilton St – kerb and channel – reconstruct kerb and channel from Thomas St to Reibey St (eastern side)	✗	Awaiting design and construction capacity.
Port Sorell Main Rd/Alexander St existing roundabout – upgrade town entry amenity including the installation of kerb, improved drainage, and vegetation	✗	Design progressing with consultant.
Port Sorell pontoon – asphalt surface, linemark and stormwater	✓	
Fairway Cres (east) – seal	>	Programmed for 2021/22.
Quinlan Cres (east) – seal	>	Programmed for 2021/22.
Club Drive carpark resurfacing – asphalt surface, linemark	>	Programmed for 2021/22.
Port Sorell Surf Club carpark – provide disabled carpark, stormwater works and remediation	>	Stormwater works complete including detention basin.
Freer St/Shearwater Esp carpark – resurfacing and drainage upgrade	>	Programmed for 2021/22.
Carpark – South Esp – possibly 6 spaces on foreshore side of road	✗	Determined not a priority following community consultation.
Replace fleet and plant items	✓	
Maintain an updated Transport Services Asset Management Plan	>	In progress.
Prepare parking, pedestrian, and traffic management plans for the key retail users	>	Ongoing based on opportunities and needs.

2020/21 Annual Plan Actions	Status	Comments/ Key Challenges
Ensure there is off-street car parking maintained adjacent to commercial districts	✓	
Respond to evolving vehicle and transport requirements including the provision of electric vehicle recharging stations	>	To be considered as opportunities arise.
Maintain a policy of free car parking availability in all commercial areas	✓	
Lobby other levels of government for the continued safety and access upgrades on key roads which service the Latrobe area	✓	Involved in workshops relation to the review of the Bass Highway between Launceston and Devonport. Also approached Department of State Growth regarding other projects (eg Sherwood Drive and Chapel Rd junctions).
Incorporate shared pathways into transport options including the Coastal Pathway	✓	Increased awareness and mindfulness of opportunities. Tarleton Road scope increased to include a concrete pathway.

Council's biggest challenge during 2020/21 was being able to resource its extensive capital works program in addition to the ongoing road damage resulting from a long wet winter. Projects were prioritised and ones that were unable to be completed were commenced and/or carried forward.

The coastal pathway between Latrobe and Ambleside, the Gilbert Street / Hamilton Street Roundabout and reconstruction of Tarleton Road were the most significant projects undertaken.

STORMWATER

Objective Develop and improve the system for stormwater reticulation and disposal

Performance against Annual Plan

			Status Key					
			Completed	✓	In Progress	>	Delayed	✗
2020/21 Annual Plan Actions			Status	Comments/ Key Challenges				
Continue to develop a stormwater model for Latrobe township to assist in future works programming and priorities			>	Assessing development sites and level of service.				
Bonneys Creek, Latrobe – James St to Hamilton St – renew James Street culvert and enclose open drain in James St road reservation and increase capacity downstream			>	In progress at end of financial year. Completed early in 2021/22.				
Latrobe Flood Mitigation Project – progress the implementation of works identified by Entura design undertaken in 2019/20			>	Works tendered, preferred contractor selected.				
Percival St Latrobe – investigate opportunity to redirect stormwater south and then towards Hamilton St			✓					
Reibey St, Latrobe – pipe open drain – nominally Stanley St to Joseph St in conjunction with residential development with twin 900mm diameter			>	Works continuing with developer.				
Port Sorell Recreation Ground precinct – improve ground drainage near clubrooms			✓					
Develop and adopt a Stormwater Strategy in accordance with the <i>Urban Drainage Act 2013</i>			✓					
Prepare and implement a Stormwater Asset Management Plan, with a focus on the industrial estate areas			>	Assessing development sites and level of service.				
Develop a Port Sorell specific stormwater management strategy			✓					
Upgrade and extend the stormwater reticulation system in conjunction with TasWater			✓					
Develop a policy to improve the open drains and creeks in all townships			>	Bonneys Creek works undertaken in 2020/21.				

BUILDING AND COMMUNITY FACILITIES

Objective Manage Council owned buildings and facilities for the benefit of the community

Performance against Annual Plan

		Status Key		
		Completed ✓	In Progress >	Delayed ✗
2020/21 Annual Plan Actions	Status	Comments/ Key Challenges		
Latrobe Memorial Hall floor resurfacing	✓			
Latrobe Youth Centre – install sub-court ventilation and further investigate causes of surface cupping	✓			
Review Latrobe Recreation Area Development Plan	✓			
Elderly Persons Units refurbishment – replace terrazzo showers when units are vacated	✓			
Latrobe Council Chambers – design and engineering to replace glass walls next to the internal courtyard	✗	On hold due to future concept works for office design.		
Pantana Park shelter – replace timber shelter and park furniture beside the paddling pool	✗	Arrival of shelter delayed contractor shortage for erecting.		
Elderly Persons Units – replace lounge room windows on priority units	✓			
Banksia Facilities Centre redevelopment – Camp Banksia site redevelopment in line with 2019 Master Plan	>	Detailed design stage completed for the redevelopment.		
Replace skillion roof at the Latrobe and Districts Youth Centre	✗	Repairs undertaken to roof that have addressed issue. Due to future redevelopment this project will not proceed at this time.		
Re-brick face of Council office north east wall – re-brick face after brick ties and settlement have loosened bricks and damaged mortar joints	✓			
Install AV equipment to Axemans Museum to complement Axemans Museum upgrade	✓			
Install an airlock at the Port Sorell Memorial Hall	✗	Delayed due to availability of glass from suppliers.		
Latrobe Recreation Ground - prepare change room design and engineering concepts	✓			
Bankia Centre – purchase a protective floor cover for stadium to enable it to host community events	✓			
Port Sorell Surf Life Saving Club building extension – construction of amenities, showers and change rooms	✓			
Council Chambers – convert mezzanine to additional office space	>	Delayed due to the need to install bracing		

2020/21 Annual Plan Actions	Status	Comments/ Key Challenges
		on the existing roof beams.
Picton Grange fence replacement – Gilbert St – replace approximately 100m of fencing between Noone St and old ticket office at Recreation Ground	✓	
Latrobe Croquet Club – irrigation system	✓	
Port Sorell Tennis Club – construction of a new amenities block	>	New amenities partially constructed.
Reline Latrobe pool – reline main swimming pool fibreglass shell	✓	
Latrobe Bandroom – develop facilities to assist Band in relocation – no firm location settled	>	Significant work and consideration had been given to relocating the Band to the Latrobe Memorial Hall, however this is no longer being progressed as the preferred option.
Mens Shed and adjacent storage area – nature strip works	✓	Car parking and part of planting complete, investigating other opportunities to beautify industrial area through Tree Committee.
Axemans Hall of Fame – commercial dishwasher to be replaced	✓	
Latrobe pool – replace 2 BBQ hotplates	✓	
Update and maintain a Buildings and Community Facilities Asset Management Plan	>	Under review, to be completed in 2021-22.
Review Council's disability access plan	>	Considered on a project design basis.
Identify and implement low energy and low emission upgrades in Council facilities	✓	
Implement an electronic control access system for major facilities	✓	
Investigate future sporting and recreational needs and plan infrastructure and/or access arrangements and consolidation of sports within designated precincts	✓	
Own and operate the Port Sorell Caravan Park and upgrade the facilities offered to improve the visitor experience and provide increased financial performance	✓	

PARKS AND RESERVES

Objective Maintain parks and reserves for community use

Performance against Annual Plan

			Status Key			
	Completed	✓	In Progress	>	Delayed	✗
2020/21 Annual Plan Actions	Status	Comments/ Key Challenges				
Continue to review service level documents, giving consideration to precinct plans and extending the scope of work undertaken when on site	>	Mapping of Council properties and review of service levels is progressing & ongoing.				
Bells Parade – rectify a number of dead/dying trees in the precinct over the next 3 years	✓					
Atkinson/Thompson's Parks – address trees for risk assessment over the next 3 years	✓					
Latrobe town walking tracks – maintenance/refurbishment	✗	Works carried forward into 2021-22 summer.				
Foreshore reserves – seat base replacements	✓					
Panatana family park – review of paddling pool operations	✓					
Squeaking Point – repair and repaint toilet block	>	Repair works completed, painting scheduled for 2021-22 summer period.				
Mini Pump Track – location to be determined	>	To be constructed on the Camp Banksia site.				
Bosworth Park – “learn to ride” bike path, hill plantings, shelters and BBQs	>	Learn to ride park and pathways to be constructed.				
Freers Beach accesses adjacent Shearwater Park – install access(s) suitable for paddle craft similar to recent upgrades	✗	Beach sand movements have not been favourable, project delayed until 2021-22 summer period.				
Club Dr street trees – design and install street trees giving consideration to future mountable kerb and carparking	✗	Trees delayed due to footpath construction, until 2021-22.				
Latrobe CBD bins – replace street bins/install recycling bins	>	Bins ordered and scheduled for installation during 2021-22.				
Port Sorell drinking fountains – installations at Vine St foreshore and pontoon carpark area	>	Pontoon carpark fountain installed. Vine Street fountain to be installed with Hawley Foreshore Shared Path construction in 2021-22.				
Pig Island walking track upgrades – complete upgrades	✓					

2020/21 Annual Plan Actions	Status	Comments/ Key Challenges
Shade – Shearwater Park playground – proposal for shade structure or tree planting upgrades	X	Delays on supply of kit shelter, scheduled for installation in 2021-22.
Kings Park – design and develop Kings Park	X	Delayed due to Latrobe Flood Mitigation Project.
Shearwater Park – seats, picnic tables	X	Delayed due to the Shade Structure project.
Bosworth Park – dog park	✓	
Wild Mersey MTB – bridge – new bridge above 2016 flood level	>	Progressing, for completion in 2021-22.
Wild Mersey MTB – additional trails in Warrawee and skills park	X	Delayed due to inability to obtain approval from property owners for trail and skill park infrastructure.
Christmas decorations – Station Square- Alberta Spruce garland, LEG lights and transformers	✓	
Update and maintain a Parks and Reserves Asset Management Plan	>	Under review, to be completed in 2021-22.
Progress improvements to both Kings Park and Shearwater Park in line with the development plans	X	Delayed due to Latrobe Flood Mitigation Project.
Implement the Bells Parade Development Plan including heritage landscape renovations, interpretive signage and improvements to the Pig Island access and usage	>	Progressing.
Continue implementing the Bosworth Park Master Plan 2018 recommendations	>	Learn to ride park and pathways to be constructed.

NATURAL RESOURCE MANAGEMENT

Objective Integrate NRM principles into Council's operational environment

Performance against Annual Plan

			Status Key					
			Completed	✓	In Progress	>	Delayed	✗
2020/21 Annual Plan Actions			Status	Comments/ Key Challenges				
Support and assist local NRM groups and the community to deliver approved projects			✓	Council continues to support the Latrobe Landcare and the Rubicon Coast ad Landcare groups.				
Support preparation of a Rubicon Estuary Management Plan, including removal of rice grass			✓	The Cradle Coast NRM have been provided with funding from the Federal Government.				
Develop a coastal inundation risk management strategy, including flexible coastal adaptation pathways for the Port Sorell community and the Rubicon Estuary			>	Council holds reports published on the website in relation to Coastal Adaptation for Port Sorell and Shearwater.				
Work with State Government and relevant agencies in relation to environmental flows, health and biodiversity of the Mersey River			>	Council representatives attend the Mersey-Forth Recreational User Group meetings where environmental matters can be raised and potentially escalated in an appropriate forum.				
Maintain a weed management strategy and action plan			>	Review and development of strategy is underway.				

WASTE MANAGEMENT

Objective Provide responsible waste management services

Performance against Annual Plan

			Status Key			
	Completed	✓	In Progress	>	Delayed	✗
2020/21 Annual Plan Actions	Status	Comments/ Key Challenges				
Port Sorell Landfill site – remediation stage 1 – undertake actions from Detailed Site Investigation	>	Vent trenching progressing.				
Review all waste management services for the municipal area and implement strategy changes, as appropriate	>	New kerbside waste contract in place.				
Rehabilitate the Port Sorell landfill site to align with future land use plans, including potential for the construction of a modern Transfer Station	>	Project expected to take 10 years to complete once works commence.				
Monitor feasibility of organics waste collection, including as a regional or sub-regional partnership and maintain green waste disposal services and infrastructure	✗	Subject to development of extra processing facilities at Dulverton.				
Participate in regional waste management projects and activities	>	Regional improvement grants secured and commenced during 2020-21. Potential involvement in future FOGO kerbside collection being considered.				
Identify illegal dumping hotspots and encourage community reporting of dumped waste	>	Progressing, locations are identified and monitored.				
Focus on the delivery of safe, cost effective, innovative and convenient waste management services including options for improved recycling and reuse opportunities	>	Investigated and budgeted to implement public recycling bins throughout CBD and Major Parks areas during 2021-22.				

The remediation and redevelopment of the former Port Sorell landfill site remains a project that Council is working through. This project is likely to be the largest undertaken by the Latrobe Council and should not be underestimated. It will require continued and considerable external expert assistance to deliver. There is potential for new information to arise throughout the project, and site solutions will need to be flexible to enable a successful long term outcome. There will be significant stakeholder engagement due to the location of the site, its past use, its current use, and the expectations of the community based on the adopted Sykes Development Plan.



DEVELOPMENT AND REGULATORY

PLANNING AND BUILDING SERVICES

Objective Effectively manage land use planning and building services

Performance against Annual Plan

		Status Key					
		Completed	✓	In Progress	>	Delayed	✗
2020/21 Annual Plan Actions		Status	Comment/ Key Challenges				
Latrobe Town Centre Enhancement Project including review of the urban design, investigate opportunities for further commercial development and tourist accommodation, review traffic movement and improve connectivity		✗	This project has not commenced pending finalisation of the Latrobe Flood levee design.				
Completion of Latrobe Industrial Estate Master Plan		>	The objective of this project is to produce a masterplan and supporting report to include expansion of the Latrobe light industrial area. A first stage report has been prepared to identify the constraints that may inhibit opportunities for the land. This will be used to inform stakeholders and form the basis of a concept Masterplan that will be the subject of community consultation.				
Provision of Statutory Planning services for West Coast Council		✓					
Investigate use of drone technology for plumbing inspections		✓					
Administer the Planning Scheme to manage development and land use		✓					
Work with other levels of government and regional stakeholders on regional development and planning issues		✓					
Implement the recommendations of the Port Sorell and Environs Strategic Plan Review 2019		✓					
Continue to promote community awareness of the Latrobe Heritage precinct		✓					
Meet Council's statutory building and plumbing services requirements		✓					
Implement the new Latrobe Planning Scheme as part of the Tasmanian Planning Scheme Framework		>	Draft Local Provisions Schedules were lodged with the Tasmanian Planning Commission (TPC) in February 2020. Council is awaiting advice from the TPC to advertise for public comment.				

Building Statistics	2019/20 No.	2020/21 No.	2019/20 Cost	2020/21 Cost
Dwelling Class 1	104	172	37,188,997	62,069,066
Dwelling Extensions	24	17	2,297,680	2,381,650
Outbuildings	40	47	1,183,264	1,314,721
Commercial/Industrial	18	15	14,173,650	6,820,000
Demolition	-	11	-	200,485
Substantial compliance	13	1	368,690	2,000
Total Buildings	199	263	\$55,212,281	\$72,787,922
Total Plumbing Applications	157	217		

Development Application Statistics – 1/7/2020 – 30/6/2021	
Application Type	Total No.
Dwellings/sheds	
• General Residential Zone	82
• Rural Living/Environmental Living Zone	43
• Natural Resource Zone/Rural Resource Zone	0
Outbuildings	
• General Residential Zone (increase in statutory floor area)	66
• Rural Living/Environmental Living Zone	52
• Natural Resource Zone	0
Agricultural Sheds – Rural Resource Zone (floor area 100m ² plus)	3
Signage	3
Boundary Adjustments	0
Multiple Dwelling Development	16
Subdivisions	30
Commercial developments	6
Heritage Area works	0
Industrial development/Utilities	2
Miscellaneous	26
Planning Scheme amendments	1
Visitor accommodation	9
Total:	339

HEALTH SERVICES

Objective Promote and maintain public health standards

Performance against Annual Plan

		Status Key		
		Completed ✓	In Progress >	Delayed ✗
2020/21 Annual Plan Actions	Status	Comments/ Key Challenges		
Maintain a municipal area Health Plan which incorporates monitoring, reporting and regulatory compliance	✓			
Promote healthy eating and lifestyle activities	✓			
Conduct inspection of food premises to ensure a high level of food safety	✓			
Undertake compliance, education and licencing to ensure public health and environmental standards are maintained	✓	Food safety training was provided for local food businesses, not for profits and charities. The training encompassed legal responsibilities when handling and serving food and food safety.		
Undertake assessments of proposed on-site wastewater disposal systems and monitor existing systems to ensure compliance with environmental standards	✓	All applications for proposed on-site wastewater disposal systems are assessed by Environmental Health Officers. Officers work with property owners in relation to existing systems to remediate any identified issues.		
Continue recreational water sampling program during the summer	✓	Sites sampled were Mersey River, Squeaking Point, Pantana Rivulet, Port Sorell Pontoon, Freers Beach and Hawley Beach. There were two non-compliant results for the Mersey River.		

STRATEGIC OBJECTIVE FOUR: Animal Control and Regulatory Services

ANIMAL CONTROL AND REGULATORY SERVICES

Objective Encourage and recognise responsible animal ownership

Performance against Annual Plan

		Status Key					
		Completed	✓	In Progress	>	Delayed	✗
2020/21 Annual Plan Actions		Status	Comments/ Key Challenges				
Promote responsible dog ownership including compliance with the Dog Control Act and Council's Dog Management Policy		✓	Lifetime tags were introduced for dog registrations.				
Promote responsible cat ownership		✓					
Implement compliance requirements with regulations covering domestic animals and stray animals		✓					
Identify fire risks and issue Fire Abatement Notices where required		✓					

Animal Control	2019/20	2020/21
Dogs registered	2,610	2,694
Dogs impounded	54	167
Infringements issued	113	86
Kennel licences issued	93	97
Cats registered	59	51

Fire Abatement Notices Issued	2019/20	2020/21
	40	23



STATUTORY COMPLIANCE

Council ensures its business is conducted in a transparent, accountable, sustainable and efficient way.

Latrobe Council was established in 1993 under the provision of the *Local Government Act 1993* and was formerly the Municipality of Latrobe, which was established in 1907.

The Act sets out the purpose and charter of Council and defines its powers and functions.

Council

Latrobe Council comprises nine Councillors. The term of office of elected members is four years. Elections for mayor and deputy mayor are also held every four years. Elections are conducted by a full postal ballot and voting is not compulsory.

Community Consultation

Community conversations continue to be at the heart of Council's operations and are a driving factor of our success and performance.

Community Engagement

In considering appropriate issues and opportunities for Council, the potential impact on those we serve is always at the forefront of our decision making.

Council is committed to developing strong links with its community through local conversations. To ensure Council engages with as many people as possible it holds community meetings, administers various committees made up of local community members, clubs and organisations and offers, attends, and participates in local events.

Council encourages feedback and views this as an opportunity to improve our practices, efficiency, and service delivery. Council also produces a bi-monthly newsletter which is delivered to every household in the area. This is used to promote the activities within the area, achievements of local volunteer organisations, and to provide regular opportunity for them to report to the community on activities within their group/club. A weekly Mayor's Message on Council's Facebook page and 7AD radio

also provides another avenue for Council decisions to be communicated to our residents. Council also has a strong social media presence with an informative website and Facebook page.

Advocating for our Community

An important role of Council is to advocate to improve the economic, social, and environmental wellbeing of the community. This is done at Federal, State, Regional and local levels through participating in various forums and meetings.

Council continues to lobby the State and Federal Governments on matter of interest. During the year, Council also undertook the following advocacy activities:

- August 2020
 - Wrote to Minister for Planning to request a meeting to discuss an issue associated with the Planning Scheme and Planning Schemes statewide that Council believes needs serious consideration to ensure that appropriate housing is provided for disabled / disadvantaged members of our communities.
 - Wrote to the Deputy Premier regarding the Latrobe Hydrotherapy Pool updating him on Council's investigations into the operation of the facility and support for further investigations.
 - Letter of support provided to the Port Sorell Bowls Club to assist with their "Improving the Playing Field" grants program application.
- September 2020
 - Wrote to the Minister for Infrastructure and Transport following up on a response regarding the intersection of Chapel Road and Frankford Road.

- Wrote to Minister for Primary Industries and Water regarding the potential implications of the State's border closures on the local agricultural sector and in doing so, highlighted concerns regarding access to the required seasonal workforce.
- Wrote to Minister for Education and Training regarding the potential implications of the State's border closures on the local agricultural sector and in doing so, has highlighted concerns regarding access to the required seasonal workforce.
- Wrote to the Premier of Tasmania regarding the potential implications of the State's border closures on the local agricultural sector and in doing so, has highlighted concerns regarding access to the required seasonal workforce.
- October 2020
 - Wrote to the Minister for the Arts, Minister for Building and Construction regarding Council's Banksia Facilities Redevelopment Project requesting the State Government's assistance of a grant towards the cost of installing a LED screen as part of the redevelopment works.
 - Wrote to the Premier of Tasmania expressing concern on behalf of members of Council's COVID-19 Recovery Committee and in particular, concerns relating to the wellbeing survey that is being circulated to assist PESRAC in their prioritisation and subsequent advice to the Government.
- November 2020
 - Wrote to the Minister for Environment and Parks seeking an update on progress in relation to Recommendation 11 of the Report of the Independent Review into the Tasmanian Floods of June and July 2016.
- February 2021
 - Wrote to the Premier of Tasmania requesting additional funding for the Latrobe Flood Mitigation Project.
- March 2021
 - Letter of support provided to Dulverton Waste Management regarding their application under the Building Better Regions Fund (BBRF) to assist in the construction of a sustainable organics processing facility for the Cradle Coast region at the landfill site.
- April 2021
 - Letter of support provided to Anvers to assist with their grant application under the Modern Manufacturing Initiative – Manufacturing Integration Stream – Food and Beverage Priority Round 1.
 - Letter of support provided to Nichols Poultry to assist with their grant application under the Modern Manufacturing Initiative – Manufacturing Integration Stream – Food and Beverage Priority Round 1.
- May 2021
 - Letter of support provided to Anvers to assist with their grant application under the Tasmanian Department of State Growth Building Project Support Program.
 - Wrote to Telstra requesting consideration be given to relocating the Telstra Exchange at the intersection of Chapel Road and East Sassafras Road due to safety concerns which had been raised by residents.
 - Letter of support provided to the Port Sorell Surf Life Saving Club to assist with their application for funding to upgrade the power to 3 phase and to develop plans for improvements to the upper level of the facility.

Council is also a member of the Local Government Association of Tasmania, Cradle Coast Authority and Dulverton Regional Landfill Authority.

How do we engage with our community?

Tools used by Council to engage with the community and encourage participation include:

Method	Description
Council's website www.latrobe.tas.gov.au	News updates, events, community consultation and major publications are uploaded to Council's website for the community to access
Media releases	Regular media releases are written and distributed to local newspapers, radio stations, and relevant community groups and can be found on our website
Advertisements	Council advertises community engagement activities in the local newspaper
Newsletters	Council produces <i>Council Coast and Country News and Views</i> bi-monthly
Community noticeboards	Council has several Community Noticeboards located around the area providing information for residents and visitors
Community meetings/forums	Formal community meetings are held
Social media	Council has a Facebook page

Method	Description
Consultation with existing groups	Small meetings are held with affected community groups
Community surveys	Survey provided to community members for feedback

Planning and Accountability

It is important that Council has detailed plans in place to guide its decision making to achieve strategic and operational outcomes.

Council has a number of strategies, plans, and policies in place that it reviews on a regular basis to ensure it is progressing forward and achieving goals. This also ensures accountability for Council, its councillors, managers, and staff.

Statutory Requirements

The *Local Government Act 1993* requires councils to prepare the following planning and reporting documents:

- A strategic plan
- A financial management strategy and a long-term financial plan
- A long-term strategic asset management plan
- A budget for each financial year
- An annual plan in respect of each financial year
- An annual report in respect of each financial year.

Our Strategic Plan

The Latrobe Council's 2020-2030 Strategic Plan outlines our aspirations to grow and prosper as an inclusive community where people can feel safe, engaged, and valued.

This Plan details the values, goals, and priorities we plan to pursue over the next ten years. The Plan is centred on ensuring our growing community remains a special place in which to live; one that respects and values our history and rural connections and the role we can all play in creating a sustainable and prosperous future. The Plan is inextricably linked with the Council's Annual Plan and Budget and is regularly evaluated and revised.

Audit Panel

The objective of the Audit Panel is to review the Council's performance under Section 85A of the *Local Government Act 1993* and report to the Council its conclusions and recommendations.

Audit Panel Members	
Mr Ben Coull	Chairman & independent member
Cr Lesley Young	Non-independent member
Cr Graeme Brown	Non-independent member
Cr Mike McLaren	Non-independent member, proxy

The Audit Panel met four times during the year and minutes and recommendations from the Audit Panel were presented to the Council during the year.

A biennial report from the Audit Panel covering the 2020 and 2021 financial years is included at the end of the annual report.

Fraud and Corruption Initiatives

Latrobe Council is the custodian of significant public funds and assets and it is important that all stakeholders have assurance that adequate fraud protection controls are in place. Council is committed to acting in the best interest of the community and to upholding the principles of honesty, integrity, and transparency, which are the key components of good governance. Council is currently reviewing and updating its policy suite including its Fraud and Corruption

Control Policy and Fraud and Corruption Control Plan. This review is due to be completed by December 2021.

Council aims to prevent, deter, and detect incidents of fraud and corruption by:

- raising awareness of the risk of fraud and corruption;
- taking necessary actions for its prevention;
- providing processes for the reporting and investigating of incidents; and
- protecting those who report suspected fraud or corruption incidents.

Code of Conduct

At the March 2019 Council meeting, Councillors adopted the Latrobe Council Model Code of Conduct. This Code of Conduct sets out the standards and behaviour expected of councillors, with respect to all aspects of their roles. Councillors therefore agree to conduct themselves in accordance with the standards of behaviour set out in the Code of Conduct.

This Code of Conduct incorporates the Model Code of Conduct made by Order of the Minister for Local Government. There was one Code of Conduct complaint made during the financial year which was not accepted for investigation.

Councillors' Allowances and Expenses

Section 72 (1) (cb) Local Government Act 1993

Council is required to reimburse Councillors for expenses incurred in the performance of their elected duties. Council also has adopted a policy in relation to the reimbursement of

expenses for Councillors. The policy serves to provide clear expectations in relation to out-of-pocket expenses and support for Councillors. It aims to ensure accountability and transparency in relation to expenses claimed by Councillors. The following table shows allowances and expenses paid to Councillors.

Councillor	Allowances (\$)	Per KM Travel Expense Reimbursement (\$)	Total Allowances (\$)	Expenses (\$)	Total Allowances and Expenses (\$)
Mayor Freshney	45,343	0	45,343	0	45,343
Deputy Graeme Brown	25,355	136	25,491	0	25,491
Cr Shayne Allison	13,164	0	13,164	0	13,164
Cr Mike McLaren	12,955	0	12,955	0	12,955
Cr Vonette Mead	12,955	0	12,955	0	12,955
Cr Sommer Metske	13,164	0	13,164	0	13,164
Cr Garry Sims	13,164	0	13,164	0	13,164
Cr Gerrad Wicks	13,164	0	13,164	0	13,164
Cr Lesley Young	13,164	0	13,164	0	13,164
Total	162,428	136	162,564	0	162,564

Risk Management

Council recognises that risk management is an integral part of good management practice and is committed to establishing an organisational culture that ensures risk management is embedded in all activities and business processes. Council's Risk Management Policy and Framework provides for the design, implementation, monitoring, review, and continuous improvement of risk management.

Legislation

Council is required to comply with the *Workplace Health and Safety Act 2012*. The legislation aims to provide all workers with the same standard of health and safety protection regardless of the type or location of the work.

The WHS legislation provides a framework to protect the health, safety, and welfare of all workers at work and of other people who might be affected by the work. The WHS legislation aims to:

- protect the health and safety of workers and other people by eliminating or minimising risks arising to business;
- ensure fair and effective representation, consultation and cooperation to address and resolve health and safety issues in the workplace;
- encourage unions and employer organisations to take a constructive role in improving work health and safety practices;
- assist businesses and workers to achieve a healthier and safer working environment;
- promote information, education and training on work health and safety;
- provide effective compliance and enforcement measures; and
- deliver continuous improvement and progressively higher standards of work health and safety.

Structure

Review of the Corporate Risk Register continued through 2020-21. The register is the key risk tool for prioritising management

decisions. The register identifies key risk areas to Council's business capability, identifying current controls in place and future controls to mitigate risk.

Health and Safety Committee

Council has a Work Health and Safety Committee comprising three trained Health & Safety Representatives (HSR), two management representatives and two other staff representatives. This Committee's key responsibility is to progress WHS items and initiatives.

With COVID-19 impacting Council operations from March 2020, an Incident Management Team (IMT) was established made up of management and key staff. The IMT is responsible for communicating the latest updates, discussing issues and risks and also progressing actions and decisions. The IMT works alongside the HSR.

Workplace Injuries

The total number of reported workplace injuries during 2002-21 were three, with two resulting in workers compensation claims.

Asset Management

Council's Asset Management Policy provides a framework to ensure that Council assets are effectively and efficiently managed, whilst meeting community needs and expectations for current and future generations.

Council's asset management objective is to ensure adequate provision is made for the long-term replacement of major assets by;

- meeting legislative requirements for asset management;
- ensuring that Council's services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and the environment;
- safeguarding Council assets by implementing appropriate asset management strategies and appropriate financial resources for those assets;

- creating an environment where Council employees take an integral part in overall management of Council assets by creating and sustaining asset management awareness throughout the organisation by training and development;
- ensuring resources and operational capabilities are identified and responsibility for asset management is allocated;
- demonstrating transparent and responsible asset management processes; and
- striving for continual improvement in asset management practices and outcomes.

Council has asset management plans in place covering the majority of its infrastructure assets. The asset management plans generally assume that the current levels of service will be maintained into the future and Council's Long Term Financial Plan, fully funds the asset renewal requirements of the asset management plans. The key challenge for Council is to engage with the community to determine future service level expectations and to advise the community on the level of service that is affordable over the long term.

Statement of Activities

Section 21 & Section 72 (1) (ca)

The Council has not resolved to exercise any powers or undertake any activities using enterprise powers with Section 21 of the *Local Government Act 1993*.

Joint Authorities

Section 30 (1)

The Latrobe Council participates in two joint authorities; the Cradle Coast Authority and Dulverton Regional Waste Management Authority. The following reports provide a summary of activities, budget and performance of both Authorities in 2020/2021.

Cradle Coast Authority

Please find below a brief report for inclusion in Council's Annual Report. Please don't hesitate to contact us should you have any questions.

In 2020-21, Latrobe Council's contribution was \$87,796, Total Member Council contributions were \$850,969 and a further \$3,255,615 was received as government grants. Employee numbers remained around the same as last year, at approximately 16 FTEs.

Throughout 2020-21, we delivered valuable work across economic development, natural resource management and shared services, all of which will be detailed in our Annual Report.

With such a large and diverse range of projects underway, it is difficult to single out a few highlights, however the following achievements seem to have generated particular community interest:

- Completion of the Latrobe to Ambleside section of the Coastal Pathway.
- A successful state election advocacy campaign which saw us secure new funding of \$2.05m for: NRM, small business support and regional land use planning, and an additional \$3m commitment towards Dulverton Waste Management's plans to develop world-class organic composting facilities.
- The launch of the Little Penguin Toolkit and commencement of Rice Grass removal from the Rubicon-Port Sorell Estuary.
- Commenced implementation of our Shared Services Strategy including regional workforce analysis, telecommunications review and implementation of joint procurement for Microsoft Office 365 and Telstra.

I would like to thank all of the Councillors and other people who continue to believe in the regional approach and I would like to acknowledge the encouragement and support provided by you and Mayor Peter Freshney in particular. I have found my time at CCA very rewarding, and I very much look forward to continuing to work together through my new role at Central Coast Council.

Daryl Connelly MBus
CEO Cradle Coast Authority

Dulverton Regional Waste Management Authority

Dulverton Waste Management (DWM) concluded another strong year operationally and financially. Income exceeded budget due to growth in existing wastes and the acceptance of new waste streams. Expenditure was constrained by the operational efficiencies implemented at both the Landfill and Compost facilities.

Five-year financial forecasts are now routinely provided to Owner Councils with each Annual Plan and Budget. Financial forecasts, on an activity basis, guide the business operations and detail future income, operational expenditure, capital investment, cash flow and likely dividends and tax equivalent (or National Tax Equivalent Regime, NTER) payments.

In 2020/21 DWM managed 105,903 tonnes of chargeable waste and 8,093 tonnes of non-chargeable waste (green-waste from Waste Transfer Stations (WTS)). The chargeable waste total is made up of 75,845 tonnes to the Landfill, and 30,058 tonnes to the Compost facility. DWM sold 8,895m³ of compost to nurseries and agricultural customers.

The Landfill and Compost facilities continue to be improved which is supported by the independent audit of the Environment Management System which identified only one area for improvement.

WHS continues to be a primary focus for the Board, management, staff and contractors. A number of new initiatives have been implemented on site, and a suite of WHS KPI's have been developed which the Board regularly review.

After being placed on hold during 2019/20 due to the Covid-19 pandemic, the tender process for the Dulverton Organics Transformation (DOT) project recommenced. In April 2021 a \$1.39M Early Contractor Involvement (ECI) contract was executed to design the state-of-the-art composting facility with the preferred tenderer. The design is well progressed, and a detailed Environmental Effects Report (EER) will soon be issued to the Environment Protection Authority (EPA) Tasmania.

As the primary waste management provider in the region, DWM continues to deliver waste expertise to the Cradle Coast Waste Management Group (CCWVG), with dedicated project management staff with in-depth knowledge of landfill, organics recycling, kerbside recycling and other industry relevant activities. In 2020/21 DWM's management of regional contracts continued, including Recyclables Collection, Cardboard, Greenwaste, Paint, E-Waste and Fluoro Tube/Globes. Recycling Bin Assessments are in their eighth year, and this continues to provide valuable information about the region's residential recycling behaviours. Grants were distributed to Councils to improve WTS's, and to continue programs to reduce instances of illegal dumping in the region.

DWM's strong financial performance for 2020/21 enabled all Capital Works to be internally funded, and above budget NTER and Dividend payments were made. Dividends to Owner Councils are forecast into the foreseeable future.

Mat Greskie
Chief Executive Officer

GST Dispute Statement

Local Government Act 1993 - Section 72A

There were no disputes with the Australian Taxation Office during the financial year relating to compliance with GST law.

Statement of Land Donated

Local Government Act 1993 - Section 72 (1) (da) & Section 177

No land was donated under Section 177 of the Act.

Customer Service Charter – Complaints

Local Government Act 1993 - Section 339 (F)

The Customer Service Charter defines a complaint as an expression of dissatisfaction

against the Council which can be investigated and acted upon. This is distinct from a request for service, however a request for service may develop into a complaint where the provision or timeliness of the service is considered unsatisfactory. Complaints can relate to:

- A Council product or service;
- Unsatisfactory conduct of a Council employee or agent; or
- A Council decision.

The number of complaints received in 2020/21 was 18, compared to 9 recorded in 2019/20.

Nature of Complaint	No. of Complaints
Product or service	8
Employee or agent	8
Council decision	1
Complaint against Councillors	1

Public Interest Disclosures Act 2002

Section 86

At its meeting held 14 April 2021, Council adopted a revised Public Interest Disclosure Policy and Procedures to comply with statutory obligations under the *Public Interest Disclosures Act 2002*. A copy of Council's Public Interest Disclosures Policy and Procedures is available for inspection at the Customer Service desk during office hours or from Council's website. Council reports that no disclosures were made during 2020/21.

Professional Service Providers

Auditor	Tasmanian Audit Office
Banking Services	Commonwealth Bank of Australia
Insurance Broker	Jardine Lloyd Thompson Pty Ltd
Valuer	Officer of the Valuer General
Legal	Tremayne Fay and Rheinberger

Public Health Statement

Section 72 (1) (ab)

Section 72(1)(ab) of the *Local Government Act 1993* requires a Public Health Statement of the Council's goals and objectives in relation to public health activities to be included in the Annual Report.

Under the *Public Health Act 1997* and the *Food Act 2003* Council is required to perform licensing, inspection, and monitoring services to ensure compliance with relevant legislation and associated standards and guidelines in order to protect the community.

Council is committed to promoting and maintaining public health standards. Council has one full time Environmental Health Officer to provide environmental management and protection that will meet public expectation for community health.

Types of Activities/Premises	No.	Inspection Number	Comments
Public Health Act 1997			
Notifiable Disease	4	-	Interviews conducted as requested by DoH.
Places of Assembly - Permanent	3		Events held with 1000 more people attending for 2 hours or more.
Health Risk Activity (Premises)	1	1	There is one identified and registered public health risk business in Latrobe Municipality, which is a tattooist.
Regulated Systems	2		Cooling towers.
Private Water Supplies	7		Registered private water suppliers (two are exempt as they don't have overnight accommodation).
Recreational Waters – natural	7	91	Sampling sites include Mersey River (end of Shale Road), Mersey River (Bells Parade), Squeaking Point, Panatana Rivulet, Port Sorell Pontoon, Freer Beach Shearwater, and Hawley Beach.
Recreational Waters – pools and spas	7	66	Testing completed monthly.
Immunisation	633	-	Number of immunisations administered at Geneva Christian College and Latrobe High School.
Nuisance Complaints	84		Complaints ranged from roosters crowing, backyard burning, noisy parties and builders working outside regulated timeframes.
Food Act 2003			
Registered Food Business	115	106	Annual licences.
Temporary Food Business	14		Events and special occasions.
Food Safety Training	54		Number of participants who undertook Council's Food Safe Training courses.
Other			
Fire abatements	23	49	Abatements sent to property owners for long grass and overgrown vegetation.
Assessment of On-site wastewater systems	57	30	Systems assessed.
Latrobe Recovery Management Plan			Providing advice of Covid 19 IMT - Assessment of Covid Plans and providing advice to the general public as required.

Grants and Benefits Provided

Section 77 (2)

Recipient	Reason	Amount \$
University of Tasmania	Annual Community Grant-North West Bursary	\$3,000
Latrobe Federal Band	Annual Community Grant	\$10,000
Latrobe Museum	Annual Community Grant	\$3,000
Cornerstone Youth Services	Annual Community Grant	\$2,000
Latrobe Bowls Club	Annual Community Grant	\$1,376
Latrobe Football Club	Annual Community Grant	\$1,815
Lions Club of Latrobe	Annual Community Grant	\$2,000
St Patricks Primary School	Annual End of Year Award	\$40
Sassafras Primary School	Annual End of Year Award	\$40
Port Sorell Primary School	Annual End of Year Award	\$40
Latrobe Primary School	Annual End of Year Award	\$40
Latrobe High School	Annual End of Year Award	\$40
Geneva Christian College	Annual End of Year Award	\$40
Andrews Creek Primary School	Annual End of Year Award	\$40
Pool of Fish Pty Ltd	COVID Grant	\$2,000
Muse Shearwater	COVID Grant	\$2,000
Jetty rate remissions x 13	Rate Remission	\$1,859
Latrobe Bowling Club	Rate Remission	\$1,635
Port Sorell Bowls Club	Rate Remission	\$1,232
Thirlstane Golf Club Inc	Rate Remission	\$2,284
Wesley Vale Football Cub	Rate Remission	\$1,012
Port Sorell Surf Club	Rate Remission	\$1,090
Conservation Covenant x 2	Rate Remission	\$595
Total		\$37,178

Tendering and Contracting

Section 72 (1) (e) Local Government Act 1993 and Local Government (General) Regulations 2015

For the purposes of section 72 (1) (e) of the Act, a council is to report the following in its annual report in relation to any contract, for the supply or provision of goods or services valued at or exceeding \$100,000 (excluding GST) but less than \$250,000, and valued at or exceeding \$250,000, that is entered into, or extended, in the financial year to which the annual report relates.

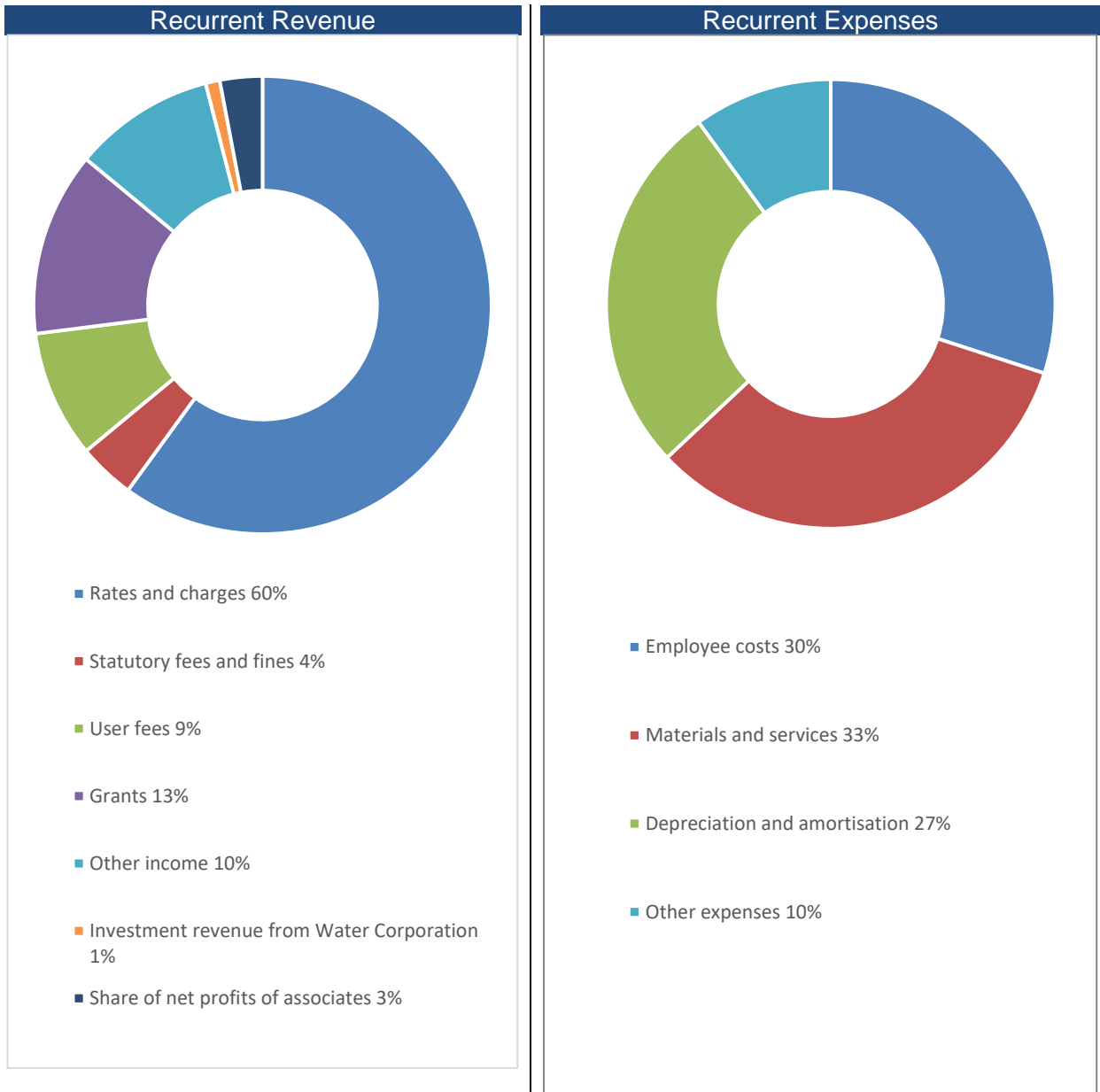
Contractor/Supplier	Address	Description	Contract Period	Value
Mead Con Building and Construction	89 Devonport Road, Spreyton TAS 7310	Port Sorell Caravan Park Redevelopment	Feb 2021 – Aug 2021	\$555,966
EP Draffin Manufacturing Pty Ltd	9 Edelmair Street, Bayswater VIC 3153	Latrobe CBD Bin Replacement	Apr 2021 – Dec 2021	\$100,660
Design Intent Architecture and Management Pty Ltd	1/114 Meadows Lane, Kings Meadows TAS 7249	Banksia Facilities Centre Redevelopment	Jan 2021 – Oct 2022	\$324,450
Treloar Transport Pty Ltd	7 Spring St (Claud Rd) SHEFFIELD TAS 7307	Gilbert/Hamilton Street Roundabout	Feb 2021 – Apr 2021	\$335,498
Hudson Civil Products	7 Donalds Avenue, Prospect TAS 7250	Supply of concrete pipes for Reiby Street drain	Feb 2021 – Jun 2021	\$171,336
BridgePro Engineering Pty Ltd	19 Faulkner Drive, Latrobe TAS 7307	Wild Mersey Mountain Bike Bridge	Oct 2020 – Apr 2021	\$615,200
Tasmanian Consulting Service Pty Ltd	74 Oldaker Street, Devonport TAS 7310	Port Sorell Caravan Park Redevelopment	Oct 2020 – Sep 2022	\$185,254
Technology One Limited¹	Level 11, 540 Wickham Street, Fortitude Valley QLD 4006	Supply and maintenance of software and software implementation services.	Sep 2018 – Sep 2023	Original \$949,873
		Data Migration Services – Data Migration Planning	Jan 2021 – Mar 2021	Variation \$8,988
		Provision of data migration services to transition data from the legacy systems to TechOne.	Jun 2021 – Jun 2022	Variation \$358,801
MDG Contracting Group Pty Ltd	30 Hawley Esplanade, Hawley TAS 7307	Stanley Street Connection	Apr 2021 – Feb 2022	\$110,089
Walters Contracting	11 East Goderich Street, Deloraine TAS 7304	Tarleton Road	Jul 2021 – Nov 2021	\$891,506
Crossroads Civil Contracting Pty Ltd	73-79 Lilydale Road, Rocherlea TAS 7248	Annual Reseal Program	Mar 2021 – Apr 2021	\$111,532
TasSpan	27-28 Faulkner Drive, Latrobe TAS 7307	Bonneys Creek Stormwater	Feb 2021 – Aug 2021	\$436,545
BridgePro Engineering Pty Ltd	19 Faulkner Drive, Latrobe TAS 7307	Latrobe Flood Mitigation	Sep 2021 – Jun 2023	\$12,029,500

¹ The Technology One Limited contract listed above is for supply and implementation of software to both Latrobe and Kentish Councils. Under a separate agreement, \$592,948 will be recovered from Kentish Council over the term of the Technology One contract.

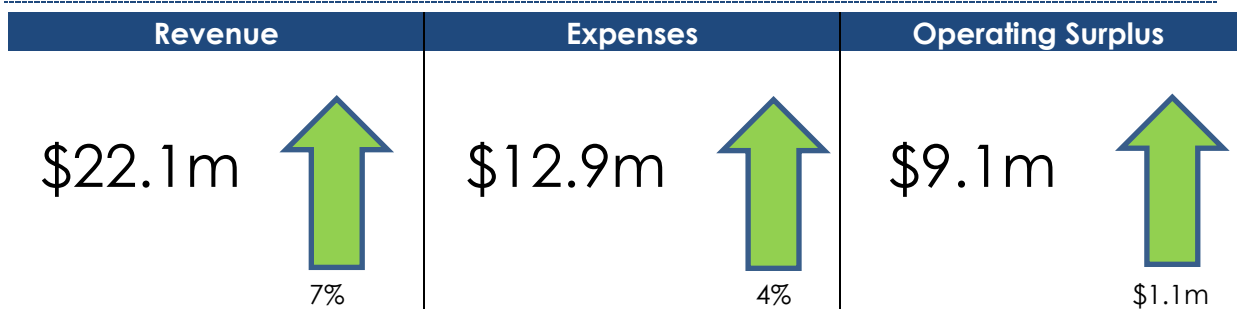


FINANCIAL STATEMENTS

REVENUE & EXPENDITURE SOURCES



FINANCIAL RESULT COMPARED TO BUDGET



Council's underlying operating surplus was \$446,000 after adjustments for capital grants received specifically for new or upgraded assets, non-recurring or one-off items.

UNDERLYING RESULT

	Actual 2020/21 \$'000	Budget 2020/21 \$'000	Actual 2019/20 \$'000
Recurrent revenue	13,389	12,110	12,510
Recurrent expenditure	12,943	12,505	12,726
Underlying Surplus	446	-395	-216

The calculation of Council's underlying result is shown at note 10.5 to the Financial Report.

Comparison of Income Statement to Original Budget

	Actual 2021 \$'000	Original Budget 2021 \$'000	\$ Variance \$'000	% Variance	Comments
Income					
Rates and charges	8,025	7,812	213	3%	Favourable variance due to supplementary revaluations.
Statutory fees and fines	569	282	287	102%	Favourable variance, partly due to certificate fees income being reclassified to Statutory Fees and Fines, away from the original budget for User Fees. Also increased development activity led to a positive result for Planning Fees against budget estimates.
User fees	1,172	939	233	25%	Increased building activity resulted in a favourable variance against budget for Building and Plumbing Permit income.
Grants	1,769	1,753	16	1%	Minor favourable variance.
Contributions - cash	49	30	19	63%	Contributions received not anticipated at time of budget preparation.
Interest	52	98	-4	-47%	Unfavourable variance due to lower than expected interest rates.
Other income	1,285	927	358	39%	Favourable variance, mainly due to Port Sorrell Caravan Park income being reclassified to Other income, away from the original budget for User fees.
Investment revenue from Water Corporation	191	0	191	100%	Due to positive results, TasWater lifted the freeze on dividend payments for 2020/21.

FINANCIAL OVERVIEW

	Actual 2021	Original Budget 2021	\$ Variance	% Variance	Comments
	\$'000	\$'000	\$'000		
Capital grants received specifically for new or upgraded assets	648	2,120	-1,472	-69%	Unfavourable variance due to the Banksia Facility Redevelopment and Latrobe Flood Mitigation project and grant funding being carried forward into 2021/22. Also funding for the Hamilton St Roundabout was expected to be received in 2020/21 but was received early in 2021/22.
Capital grants received specifically for renewal of assets	311	311	0	0%	
Contributions - non-monetary assets	7,632	6,000	1,632	27%	Favourable variance mainly due to the increased value of the Coastal Pathway and sub-division assets transferred to Council.
Share of net profits/(losses) of associates and joint ventures accounted for by the equity method	357	300	57	19%	Favourable variance due to increased returns from the Dulverton Regional Waste Management Authority.
Total revenue	22,060	20,572	1,488	7%	Overall favourable variance

FINANCIAL OVERVIEW

	Actual 2021	Original Budget 2021	\$ Variance	% Variance	Comments
	\$'000	\$'000	\$'000		
Expenses					
Employee costs	3,846	3,656	190	5%	Unfavourable variance, mainly due to additional unbudgeted green spaces and town services staff engaged during the year (replacing previously contracted services). Also the Banksia Facility was expected to be closed for redevelopment but was opened for seasonal workers, resulting higher than budgeted wage costs.
Materials and services	4,387	3,875	512	13%	Unfavourable variance, mainly due to changes to the overhead allocation calculation method and reduced amounts of overheads being allocated to capital projects due to a significant portion of the Capital Program being carried forward into 2021/22. Around \$605,000 of overhead costs budgeted to capital overheads were instead allocated to materials and services.
Impairment of debts	3	0	3	100%	Unfavourable minor variance due an increase in the estimate for potentially uncollectable debts.
Depreciation and amortisation	3,442	3,516	-74	-2%	Favourable minor variance.
Finance costs	8	0	8	100%	Minor unfavourable variance in monetary terms. Interest on borrowings has been refunded by the State Government.
Other Expenses	1,250	1,459	-209	-14%	Favourable variance due to reclassification of street lighting electricity being coded to Materials and Services from the original budget for Other Expenses. Also reduced take up of Community Grants contributed to this positive variance.
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	7	0	7	100%	Minor loss on infrastructure assets written off.
Total expenses	12,943	12,505	438	4%	Overall unfavourable variance.

Comparison of Capital Expenditure to Budget

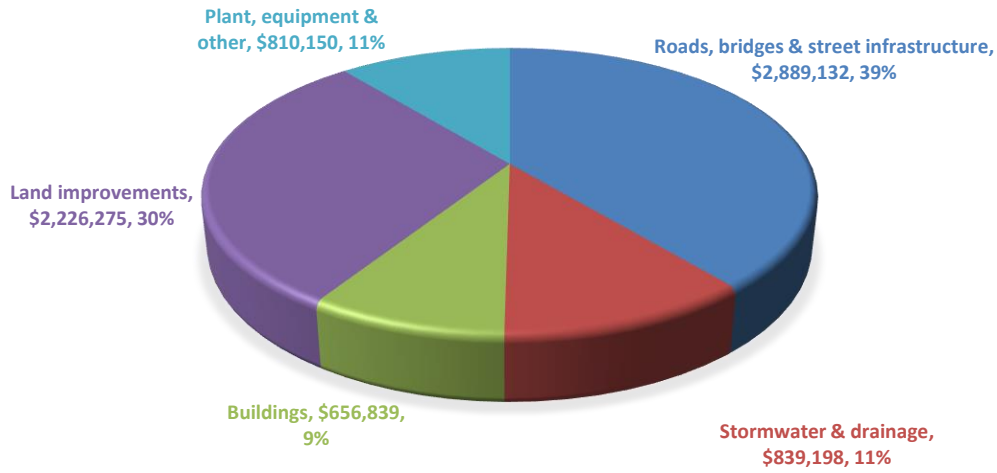
Capital Works Areas	Original Budget	Adjustment to Carry Forward	Mid-Year Budget Review	Final Budget	Actual Expenditure	Carried Forward to 2021/2022	Budget Variance
Roads, bridges & street infrastructure	5,139,070	70,769	470,285	5,680,123	2,889,132	2,970,113	-179,122
Stormwater & drainage	5,189,999	0	82,000	5,271,999	839,198	4,442,531	-9,729
Buildings	1,744,130	56,113	109,842	1,910,085	656,839	1,312,684	-59,438
Land improvements	4,242,528	-7,732	148,082	4,382,878	2,226,275	2,655,026	-498,423
Plant, equipment & other	1,324,404	-3,345	59,368	1,380,428	810,150	639,497	-69,219
Total Capital Works	17,640,131	115,805	869,577	18,625,514	7,421,593	12,019,851	-815,930
Represented by:							
Asset renewal	3,001,230	70,353	184,343	3,255,927	1,378,489	2,006,108	-133,150
New/upgraded assets	14,638,901	45,451	685,234	15,369,587	6,043,104	10,013,743	-682,781
Total Capital Works	17,640,131	115,805	869,577	18,625,514	7,421,593	12,019,851	-815,930

CAPITAL BUDGET VARIANCES EXPLANATION

Total unfavourable capital expenditure budget variance

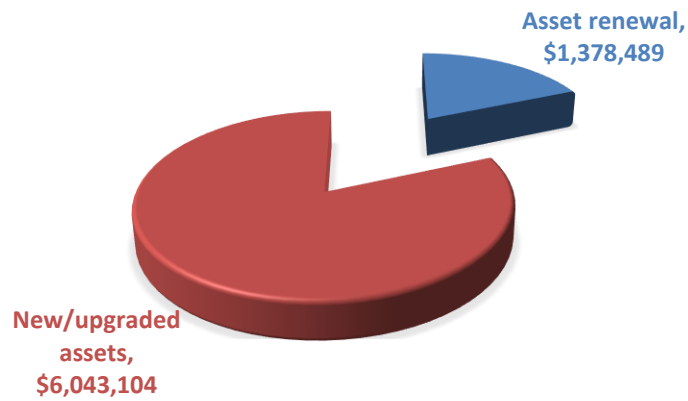
<p>\$816k</p> <p>4.42% more than budget</p> 	
<p>\$69 thousand</p>  <p>Plant, equipment & other</p> <p>Expenditure above budget due to plant purchases. This variance is offset by \$75k trade in values.</p>	<p>\$498 thousand</p>  <p>Land Improvements</p> <p>This unfavourable budget variance is mainly due to the transfer of Latrobe Wild Mersey assets from Kentish Council (\$380K). This variance will be largely offset by an estimated \$323,000 of grant funding relating to this shared project to be transferred from Kentish Council to Latrobe Council during 2021/22. Also variations of scope and a dedicated carpark for the Bosworth Dog Park caused an overrun of \$83K plus carried forward rehabilitation from 2019-20 at the Port Sorell Landfill Site has caused an unfavourable variance of \$47K.</p>
<p>\$179 thousand</p>  <p>Roads, bridges & streets</p> <p>Variations to the River Road Coastal Footpath project explain the majority (\$151K), of the total unfavourable budget variance.</p>	<p>\$59 thousand</p>  <p>Buildings</p> <p>Elderly Person Unit refurbishments can only be completed whilst the unit is vacant, there have been more than expected vacancies this financial year, causing a budget overrun of \$79K. The overall buildings variance was offset by savings from the Port Sorell Surf Life Saving building extension (\$24K).</p>

Capital Expenditure by Asset Class

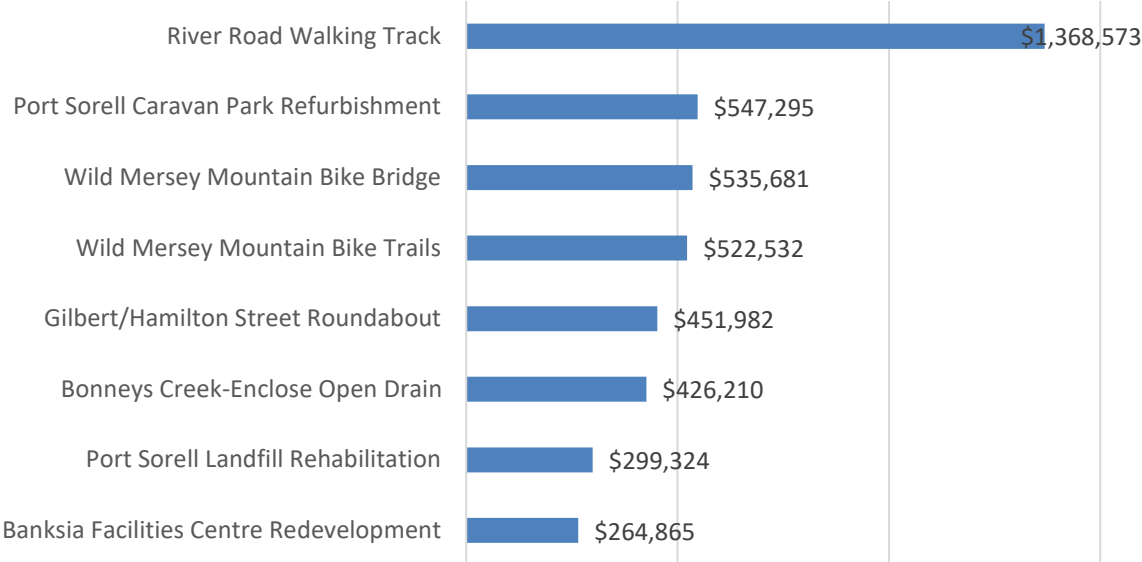


In measuring financial sustainability, it is important to distinguish between expenditure on new and upgraded assets and expenditure on existing assets. This distinction is graphically represented below;

Capital Expenditure by New and Existing Infrastructure



MAJOR CAPITAL EXPENDITURE



Management Indicators

The *Local Government (Management Indicators) Order 2014* (S.R. 2014, No. 36) prescribes and defines the financial and asset management sustainability indicators that councils must report on in their annual financial statements. The calculation of these management indicators is outlined in Note 10.5 of the Annual Financial Report included in this Annual Report.

The following graphs and commentary show Council's performance against these indicators over the past five years and projected results over the next three years compared to suggested benchmark results.

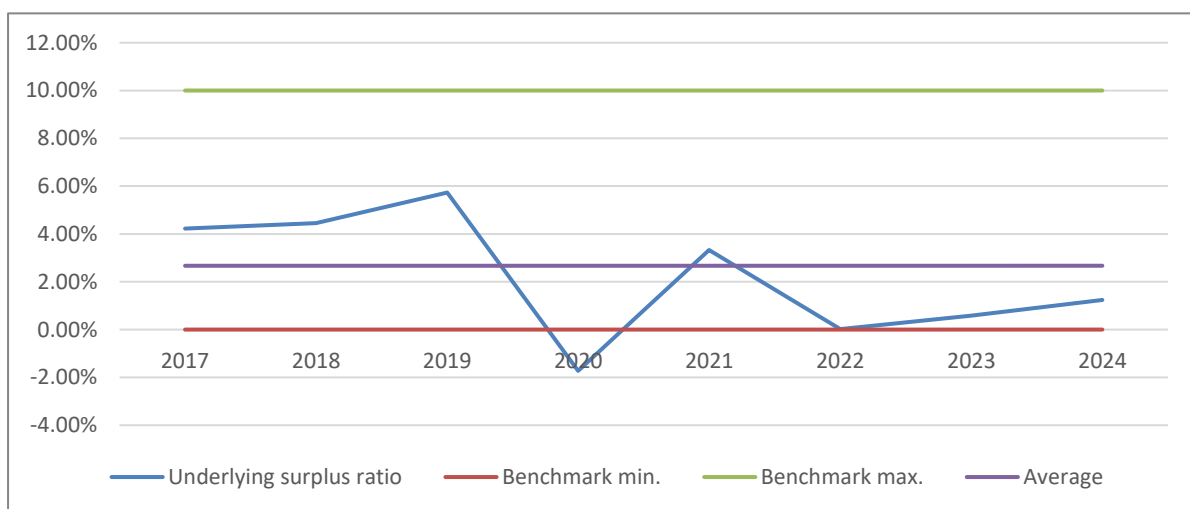
Underlying Surplus Ratio

This ratio measures the percentage by which Council's 'controllable' income sources and 'operating' grants vary from day to day expenses (including depreciation). It serves as an overall measure of financial operating effectiveness.

Sustainability should be assessed over a medium to long-term timeframe, so it is the average ratio that is the most relevant measure of Council's performance. On average, over the past four years, Council's results were within the benchmark range. The below benchmark result in 2020 was mainly due to COVID-19 impacts.

	2017	2018	2019	2020	2021	2022	2023	2024	Av.
Underlying surplus ratio	4.22%	4.45%	5.73%	-1.73%	3.32%	0.02%	0.59%	1.24%	2.67%
To assess sustainability									
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Underlying surplus (excluding income to fund new or upgraded assets)	516	594	800	-216	446	3	82	176	300
Recurrent Income	12,227	13,365	13,960	12,510	13,420	13,565	13,929	14,204	13,398

■ Projected
■ Actual



Net Financial Assets/(Liabilities) Ratio

This ratio indicates Council's capacity to meet its financial obligations from its operating activities.

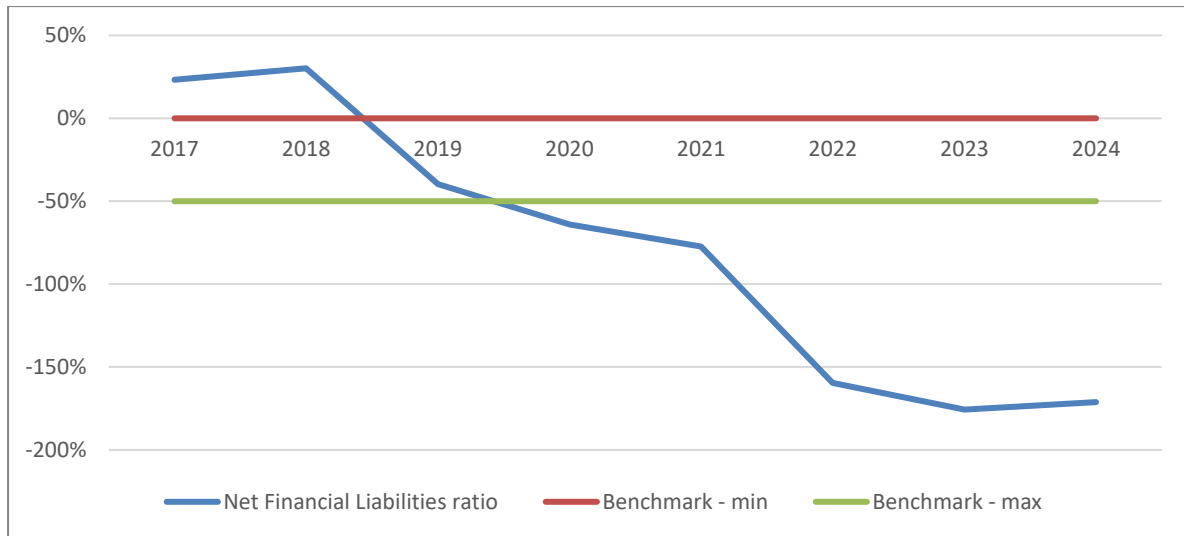
Council's ratio for this measure reduced during the 2020 financial year due to an increase in the provision for rehabilitation of the site of the former Port Sorell Landfill. The actual ratio since 2020 and projections for 2022 to 2024 show this ratio to further be below the benchmark level due to loan borrowings to fund an increased capital program in future years. It is expected to remain below the benchmark until the rehabilitation works have been completed on the landfill site, thus reducing the provision. Landfill rehabilitation works are not expected to begin until 2030/31.

	2017	2018	2019	2020	2021	2022	2023	2024	Av.
Net Financial Liabilities ratio	23%	30%	-40%	-64%	-77%	-160%	-176%	-171%	-48%

To assess the level of debt held by Council

	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net Financial Assets (Liabilities)	2,850	4,034	-5,541	-8,000	-10,376	-21,659	-24,470	-24,311	-10,934
Recurrent Income	12,227	13,365	13,960	12,510	13,420	13,565	13,929	14,204	13,398

■ Projected
■ Actual



Asset Sustainability Ratio

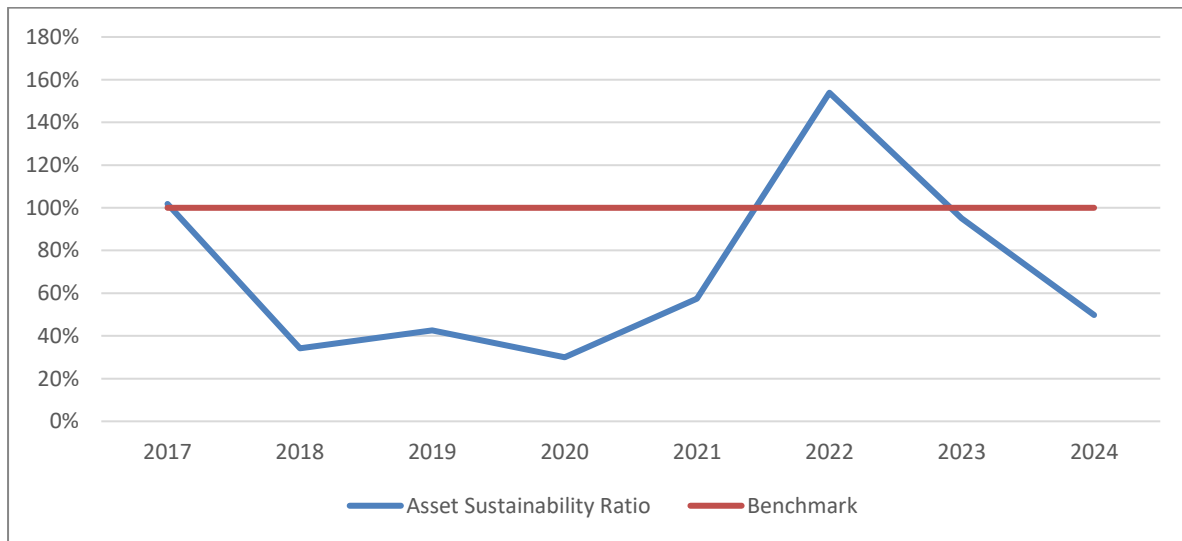
This ratio measures whether assets are being replaced at the rate they are wearing out. Council's projected average ratio of 71% for the 8 years ending in 2024 has increased from 64% in the prior year. Council aims to match its asset renewal expenditure with actual asset renewal demand as identified by its asset management plans.

	2017	2018	2019	2020	2021	2022	2023	2024	Av.
Asset Sustainability Ratio	102%	34%	43%	30%	57%	154%	95%	50%	71%

Indicates if assets are being renewed at the same rate as they are being consumed

	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital expenditure on renewal of existing assets	3,022	1,178	1,495	998	1,976	5,771	3,677	1,952	2,509
Depreciation expense	2,967	3,438	3,508	3,327	3,442	3,750	3,865	3,915	3,527

■ Projected
■ Actual



Asset Consumption Ratio

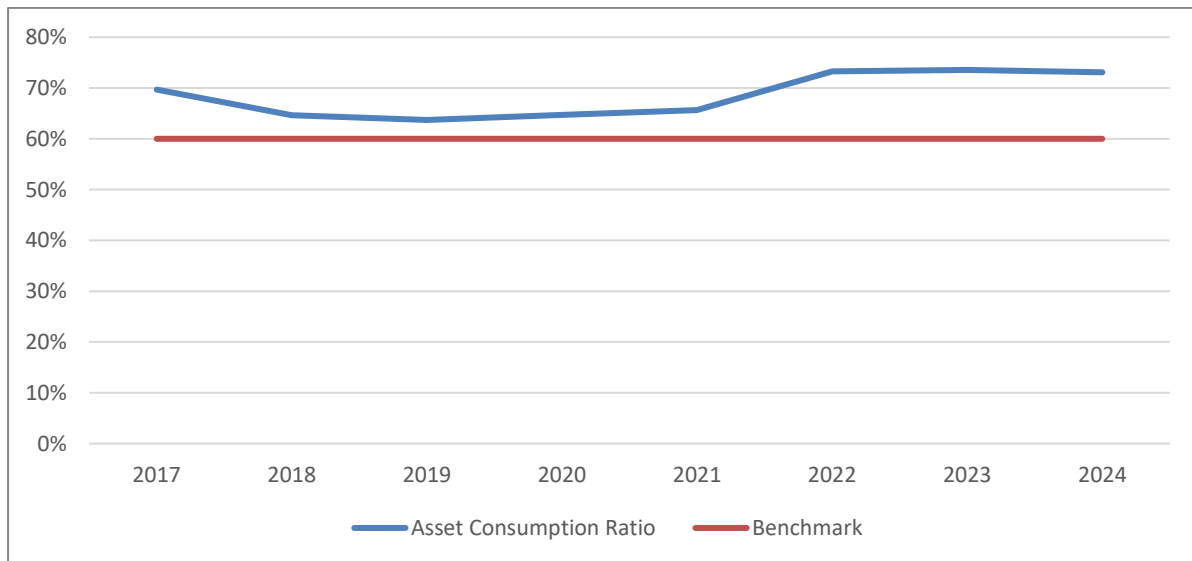
This indicator shows the average proportion of 'as new' condition left in Council's infrastructure assets. When used in conjunction with the asset sustainability ratio, Council's asset consumption ratio indicates that on average the Council's infrastructure is only around 34% into its expected useful life which explains why there may not currently be a high demand for asset renewals.

	2017	2018	2019	2020	2021	2022	2023	2024	Av.
Asset Consumption Ratio	70%	65%	64%	65%	66%	73%	74%	73%	69%

Indicates the average proportion of as new condition left in assets

	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Depreciated replacement cost of assets	127,071	128,708	128,242	141,149	152,170	205,522	208,804	209,176	162,605
Current replacement cost of assets	182,411	199,116	201,310	218,184	231,862	280,375	283,856	286,313	235,428

■ Projected
■ Actual

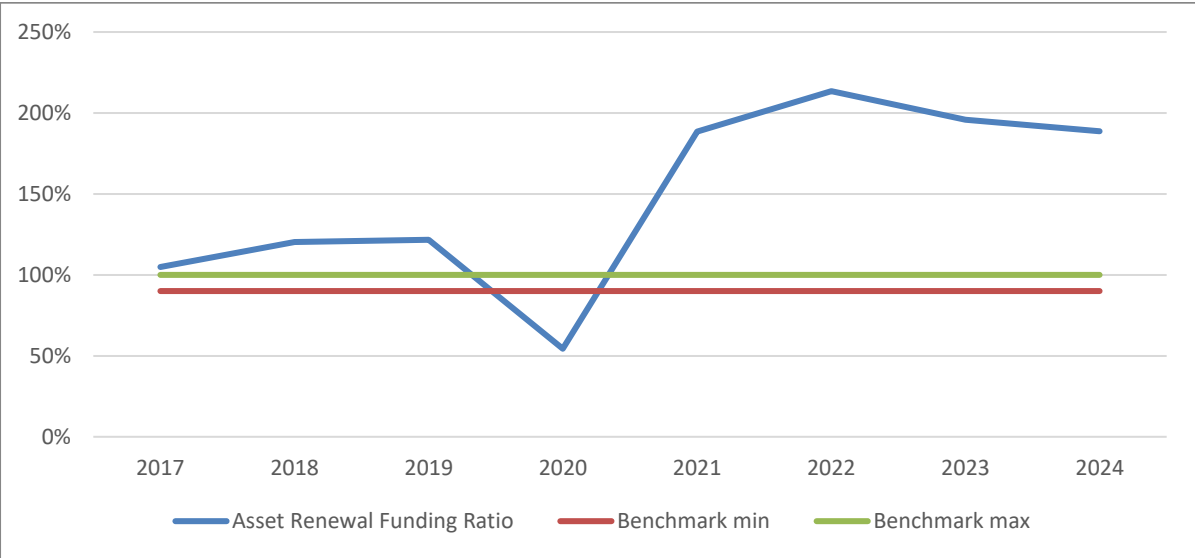


Asset Renewal Funding Ratio

The current projected capital renewal outlays in Council's Long-Term Financial Plan are more than the projected expenditure demand as reflected by Council's Asset Management Plans. Asset Management Plans are due for review and it is expected to be more in line with the Long-Term Financial Plan moving forward.

	2017	2018	2019	2020	2021	2022	2023	2024	Av.
Asset Renewal Funding Ratio	105%	120%	122%	54%	188%	213%	196%	189%	148%
Indicates financial capacity to continue to provide existing levels of asset-based services									
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net Present Value of ten year projected capital renewal outlays	9,492	10,878	10,025	15,748	18,682	19,008	16,949	15,913	14,587
Net Present value of ten year projected capital renewal expenditure demand	9,044	9,044	8,235	28,957	9,914	8,904	8,657	8,429	11,398

■ Projected
■ Actual



Understanding Council's Financial Statements

Introduction

Each year, Council is required to present a set of audited Financial Statements.

What you will find in the Statements

The Financial Statements and notes to the report set out the financial performance, financial position and cash flows of Latrobe Council for the financial year ended 30 June 2021.

The format of the Financial Statements complies with both the accounting and reporting requirements of Australian Accounting Standards and the *Local Government Act 1993*.

About the Primary Financial Statements

Statement of Comprehensive Income

A summary of Council's financial performance for the year, listing all income and expenditure.

Other comprehensive income records items such as the share of profits of associates and the investment in the water corporation.

Statement of Financial Position

A snapshot of Council's Financial Position, including the Assets and Liabilities as at 30 June 2021.

Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

Statement of Cash Flows

Indicates where Council's cash came from and where it was expended.

About the Notes to the Financial Report

The Notes of the Financial Statement provide greater detail and additional information.

Independent Auditor's Report
To the Councillors of Latrobe Council
Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Latrobe Council (Council), which comprises the statement of financial position as at 30 June 2021 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification by the General Manager.

In my opinion, the accompanying financial report:

- (a) present fairly, in all material respects, Council's financial position as at 30 June 2021 and its financial performance and its cash flows for the year then ended
- (b) are in accordance with the *Local Government Act 1993* and Australian Accounting Standards.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

My audit responsibility does not extend to the budget figures included in the financial report, the asset renewal funding ratio disclosed in note 10.5, nor the Significant Business Activities disclosed in note 10.4 to the financial report and accordingly, I express no opinion on them.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the General Manager for the Financial Report

The General Manager is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Local Government Act 1993* and for such internal control as determined necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the General Manager is responsible for assessing 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 Council is to be dissolved by an Act of Parliament or the Councillors intend to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole are 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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the General Manager.
- Conclude on the appropriateness of the General Manager's 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 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 conclusion is based on the audit evidence obtained up to the

date of my auditor's report. However, future events or conditions may cause 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 represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the General Manager 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.



Stephen Morrison
Assistant Auditor General
Delegate of the Auditor-General
Tasmanian Audit Office

11 October 2021
Hobart

LATROBE COUNCIL
ANNUAL FINANCIAL REPORT
For the Year Ended 30 June 2021

LATROBE COUNCIL
Financial Report
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Statement of Comprehensive Income For the Year Ended 30 June 2021

	Note	Budget 2021 \$'000	Actual 2021 \$'000	Restated Actual 2020 \$'000
Income from continuing operations				
Recurrent income				
Rates and charges	2.1	7,812	8,025	7,745
Statutory fees and fines	2.2	282	569	439
User fees	2.3	939	1,172	1,009
Grants	2.4	1,753	1,769	1,733
Interest	2.6	98	52	164
Other income	2.7	927	1,285	1,168
Investment revenue from Water Corporation	2.9, 5.2	-	191	191
Share of net profits/(losses) of associates and joint ventures accounted for by the equity method	5.1	300	357	290
		12,111	13,420	12,739
Capital income				
Capital grants received specifically for new or upgraded assets	2.4	2,431	648	158
Capital grants received specifically for renewal of assets	2.4	-	311	311
Contributions - cash	2.5	30	49	639
Contributions - non-monetary assets	2.5	6,000	7,632	1,309
		8,461	8,640	2,417
Total income from continuing operations		20,572	22,060	15,156
Expenses from continuing operations				
Employee costs	3.1	(3,656)	(3,846)	(4,133)
Materials and services	3.2	(3,875)	(4,387)	(4,069)
Impairment of receivables	3.3	-	(3)	134
Depreciation and amortisation	3.4	(3,516)	(3,442)	(3,327)
Finance costs	3.5	-	(8)	(9)
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	2.8	-	(7)	(207)
Increase in provision for landfill rehabilitation	7.3	-	-	(1,475)
Other expenses	3.6	(1,459)	(1,250)	(1,187)
Total expenses from continuing operations		(12,505)	(12,943)	(14,273)
Result from continuing operations		8,067	9,117	883
Net result for the year		8,067	9,117	883
Other comprehensive income				
Items that will not be reclassified subsequently to net result				
Fair value adjustments on equity investment assets	9.1	-	2,160	(8,113)
Restated net asset revaluation increment/(decrement)	9.1	-	-	18,108
Share of other comprehensive income of associates and joint ventures accounted for by the equity method	9.1	-	-	19
Restated Total Other Comprehensive Income		-	2,160	10,014
Restated Total Comprehensive result		8,067	11,277	10,897

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

The 2020 net asset revaluation increment does not correspond to the 2019/20 Financial Statements. For details regarding the restated amount, please refer to note 11.1

**Statement of Financial Position
As at 30 June 2021**

	Note	2021 \$'000	Restated 2020 \$'000
Assets			
Current assets			
Cash and cash equivalents	4.1	13,226	9,142
Trade and other receivables	4.2	824	1,353
Inventories	4.3	106	95
Other assets	4.4	124	134
Total current assets		14,280	10,724
Non-current assets			
Investments in associates accounted for using the equity method	5.1	2,404	2,121
Investment in water corporation	5.2	29,001	26,841
Restated property, infrastructure, plant and equipment	6.1	203,567	192,531
Intangible assets	6.2	708	530
Right-of-use assets	6.3	22	27
Restated total non-current assets		235,702	222,050
Restated total assets		249,982	232,774
Liabilities			
Current liabilities			
Trade and other payables	7.1	1,615	1,793
Trust funds and deposits	7.2	447	487
Provisions	7.3	1,263	1,384
Lease liabilities	7.4	7	7
Contract liabilities	7.5	1,219	-
Interest-bearing loans and borrowings	8.1	250	-
Total current liabilities		4,801	3,671
Non-current liabilities			
Trust funds and deposits	7.2	154	279
Provisions	7.3	13,356	13,606
Lease liabilities	7.4	14	20
Contract liabilities	7.5	-	819
Interest-bearing loans and borrowings	8.1	6,250	250
Total non-current liabilities		19,774	14,974
Total liabilities		24,575	18,645
Restated Net Assets		225,407	214,129
Equity			
Accumulated surplus		108,761	99,644
Restated reserves	9.1	116,646	114,485
Restated Total Equity		225,407	214,129

The above statement should be read in conjunction with the accompanying notes. Certain 2020 numbers shown do not correspond to the 2019/20 Financial Statements. For details regarding the restated balances, please refer to note 11.1

Statement of Changes in Equity For the Year Ended 30 June 2021

	Note	Asset				Total Equity
		Accumulated Surplus	Revaluation Reserve	Fair Value Reserve	Other Reserves	
		2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000	
2021						
Balance at beginning of the financial year		99,644	113,849	206	430	214,129
Net result for the year		9,117	-	-	-	9,117
Other Comprehensive Income:						
Fair value adjustments for financial assets at fair value						
Fair value adjustment on equity investment assets	5.2	-	-	2,160	-	2,160
Net asset revaluation increment/(decrement)	9.1	-	-	-	-	-
Share of other comprehensive income of associates & joint ventures accounted for by the equity method		-	-	-	-	-
Total comprehensive income		108,761	113,849	2,366	430	225,406
Transfers between reserves		-	-	-	-	-
Balance at end of the financial year		108,761	113,849	2,366	430	225,406
2020						
Balance at beginning of the financial year		99,842	98,901	8,319	411	207,473
Adjustment due to AASB 15 adoption		(1,080)	-	-	-	(1,080)
Adjustment due to AASB 16 adoption		-	(3,160)	-	-	(3,160)
Restated opening balance		98,762	95,741	8,319	411	203,233
Net result for the year		883	-	-	-	883
Other Comprehensive Income:						
Fair value adjustment on available for sale asset	5.2	-	-	(8,113)	-	(8,113)
Restated net asset revaluation increment/(decrement)	9.1	-	18,108	-	-	18,108
Share of other comprehensive income of associates & joint ventures accounted for by the equity method		-	-	-	19	19
Restated total comprehensive income		99,644	113,849	206	430	214,130
Transfers between reserves		-	-	-	-	-
Restated balance at end of the financial year		99,644	113,849	206	430	214,130

The above statement should be read with the accompanying notes.

Certain 2020 numbers shown do not correspond to the 2019/20 Financial Statements. For details regarding the restated balances, refer to note 11.1

Statement of Cash Flows
For the Year Ended 30 June 2021

	Note	2021 Inflows/ (Outflows) \$'000	2020 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates		8,022	7,658
Statutory fees and fines		569	330
User charges and other fines (including GST)		1,402	1,269
Grants		1,769	1,733
Contributions	2.5	-	-
Dividend received from associate		74	67
Interest Received		64	417
Investment revenue from water corporation	2.9	191	191
Other receipts		1,241	564
GST Refunds received		972	730
Payments to suppliers (including GST)		(5,674)	(5,327)
Payments to employees (including redundancies)		(3,840)	(3,931)
Finance costs paid		(8)	-
Other payments		(1,250)	(1,179)
Net cash provided by (used in) operating activities	9.2	3,532	2,522
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(6,868)	(4,343)
Payments for intangibles		(232)	(42)
Proceeds from sale of property, infrastructure, plant and equipment		75	146
Capital grants		1,359	469
Capital contributions		49	639
Net cash provided by (used in) investing activities		(5,617)	(3,131)
Cash flows from financing activities			
Proceeds from trust funds and deposits		(75)	115
Repayment of lease liabilities (principal repayments)		(6)	(7)
Proceeds from interest bearing loans and borrowings		6,250	-
Net cash provided by (used in) financing activities	9.3	6,169	108
Net increase (decrease) in cash and cash equivalents		4,084	(501)
Cash and cash equivalents at the beginning of the financial year		9,142	9,643
Cash and cash equivalents at the end of the financial year	9.4	13,226	9,142

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

Note 1 Overview

1.1 Reporting entity

- (a) The Latrobe Council (Council) was established in 1993 and was formerly the Municipality of Latrobe which was established in 1907. The Council is a body corporate with perpetual succession and a common seal. Council's main office is situated at 170 Gilbert Street, Latrobe.
- (b) The purpose of the Council is to:
- provide for health, safety and welfare of the community;
 - to represent and promote the interests of the community;
 - provide for the peace, order and good government in the municipality.

1.2 Basis of accounting

These financial statements are a general purpose financial report that consists of a Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and accompanying notes. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, and the *Local Government Act 1993*. Council has determined that it does not have profit generation as a prime objective. Consequently, where appropriate, Council has elected to apply options and exemptions within accounting standards that are applicable to not-for-profit entities.

This financial report has been prepared on an accrual and going concern basis.

All amounts are presented in Australian dollars and unless stated, have been rounded to the nearest thousand dollars. Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided.

This financial report has been prepared under the historical cost convention, except where specifically stated in notes , 4.3, 5.2, 6.1, 7.3 and 8.1.

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.

Special Committees established under Section 24 of the *Local Government Act 1993* , have been included in this financial report. All transactions for these committees have been consolidated. All committees and the controlling authority are listed in note 10.2.

1.3 Use of judgements and estimates

Judgements and Assumptions

In the application of Australian Accounting Standards, Council is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Council has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. Judgements made by Council that have significant effects on the financial report are disclosed in the relevant notes as follows:

Employee entitlements

Assumptions are utilised in the determination of Council's employee entitlement provisions. These assumptions are discussed in note 7.3.

Defined benefit superannuation fund obligations

Actuarial assumptions are utilised in the determination of Council's defined benefit superannuation fund obligations. These assumptions are discussed in note 9.6.

Fair value of property, infrastructure, plant & equipment

Assumptions and judgements are utilised in determining the fair value of Council's property, plant and equipment including useful lives and depreciation rates. These assumptions are discussed in note 6.1.

Investment in water corporation

Assumptions utilised in the determination of the valuation of Council's investment in TasWater are discussed in note 5.2.

Landfill / Tip Rehabilitation

Assumptions and judgements used to determine the landfill provision are included at note 7.3

1.4 Functions/Activities of the Council

(a) Revenue, expenditure and assets attributable to each function as categorised in (c) below:

	Grants \$'000	Other \$'000	Total Revenue \$'000	Total Expenditure \$'000	Surplus/ (Deficit) \$'000	Assets \$'000
Governance and administration						
2020 - 2021	960	7,333	8,293	(1,358)	6,935	44,204
2019 - 2020	900	7,545	8,445	(2,075)	6,370	38,202
Roads, streets and bridges						
2020 - 2021	1,565	5,473	7,038	(3,214)	3,824	128,148
2019 - 2020	1,287	887	2,174	(3,003)	(829)	121,277
Stormwater/ drainage						
2020 - 2021	190	2,261	2,451	(650)	1,801	27,204
Restated 2019-2020	6	474	480	(450)	30	24,553
Waste management						
2020 - 2021	-	1,603	1,603	(1,768)	(165)	2,404
2019 - 2020	-	1,901	1,901	(3,274)	(1,373)	2,121
Environmental health/ environmental management						
2020 - 2021	-	31	31	(139)	(108)	-
2019 - 2020	-	15	15	(185)	(170)	-
Development and regulatory services						
2020 - 2021	-	1,516	1,516	(1,688)	(172)	-
2019 - 2020	-	1,101	1,101	(1,538)	(437)	-
Buildings and community amenities						
2020 - 2021	2	1,062	1,064	(2,045)	(981)	24,410
2019 - 2020	6	1,016	1,022	(2,013)	(991)	24,338
Community and economic development						
2020 - 2021	11	28	39	(430)	(391)	0
2019 - 2020	3	-4	-1	(399)	(400)	4
Parks and reserves						
2020 - 2021	-	25	25	(1,651)	(1,626)	21,844
2019 - 2020	-	18	18	(1,457)	(1,439)	20,508
Operations						
2020 - 2021	-	0	0	-	-	1,768
2019 - 2020	-	1	1	121	122	1,771
Total						
2020 - 2021	2,728	19,332	22,060	(12,943)	9,117	249,982
Restated 2019-2020	2,202	12,954	15,156	(14,273)	883	232,774

(b) Reconciliation of Assets above with the Statement of Financial Position at 30 June:

	2021	Restated 2020
	\$'000	\$'000
Current assets	14,280	10,724
Non-current assets	235,702	222,050
	249,982	232,774

(c) Governance and administration

Operation and maintenance of council chambers, administration offices, and councillors.

Roads, streets and bridges

Construction, maintenance and cleaning of road, streets, footpaths, bridges, parking facilities and street lighting.

Stormwater/ drainage

Operation and maintenance of open or deep drainage systems in urban areas, including the lining of piping of creeks but excludes drainage associated with road works.

Waste management

Collection, handling, processing and disposal of all waste materials.

Environmental health/environmental management

Environmental Health includes disease control, food surveillance, public-use building standards, health education and promotion, water quality, workplace safety and cemeteries.

Environmental management includes strategies and programs for the protection of the environment and regulations of activities affecting the environment.

Development and regulatory services

Administration of the town planning scheme, subdivisions and urban and rural renewal programs, building permit authority operations, animal control and other regulatory services.

Buildings and community amenities

Operation and maintenance of buildings owned or operated by Council.

Community and economic development

Economic development, visitor information, youth services, community engagement, community grants, cultural events and festivals.

Parks and reserves

Operation and maintenance of public parks and reserves.

Operations

Maintenance and marketing of tourist facilities, property development and operation of caravan parks.

	2021 \$'000	2020 \$'000
Note 2 Revenue		
Note 2.1 Rates and charges		
Council uses Assessed Annual Value (AAV) valuation to calculate the rates applied of all properties within the municipal district. The AAV of a property is its notional annual gross rental as determined by the Valuer-General's Office (VGO).		
The AAV used to calculate General Rates for 2020-21 was \$109.8 million (2019-20 \$105.9 million). The 2020-21 rate in the assessed annual value dollar was 6.1783 cents (2019-20, 6.1783).		
Residential	4,472	4,334
Commercial	315	306
Industrial	386	382
Primary production	843	829
Public institution	281	280
Quarry/mining	1	1
Sporting/recreation	19	19
Vacant	255	260
Supplementary rates and rate adjustments	123	103
Fire levy	425	416
Garbage charge	957	919
Less discounts for early payment of rates	(39)	(51)
Less rate remissions	(13)	(53)
Total rates and charges	8,025	7,745

The date of the latest general revaluation of land for rating purposes within the municipal area was 1 July 2014, and the valuation was first applied in the rating year commencing 1 July 2015. Since that time Council has applied adjustment factors provided by the Office of the Valuer General usually every two years.

Accounting policy

Council recognises revenue from rates and annual charges for the amount it is expected to be entitled to at the beginning of the rating period to which they relate, or when the charge has been applied. Rates and charges in advance are recognised as a financial liability until the beginning of the rating period to which they relate.

Note 2.2 Statutory fees and fines

Animal control	92	85
Building fees	87	70
Health fees and fines	19	3
Property information certificates	135	109
Town planning fees	236	172
Total statutory fees and fines	569	439

Accounting policy

Fees and fines are recognised when or as the performance obligation is completed, or when the taxable event has been applied and Council has an unconditional right to receive payment.

Note 2.3 User fees

Building fees	398	286
Hire of facilities	83	81
Hire of halls	11	-
Planning fees	14	18
Rent	582	539
Waste management fees	80	61
Other fees and hire charges	3	24
Total user fees	1,172	1,009

Accounting policy

User fee income

Council recognises revenue from user fees and charges when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

	2021 \$'000	2020 \$'000
Note 2.4 Grants		
Grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	2,068	2,017
State funded grants	660	185
Total	2,728	2,202

Grants - Recurrent

Commonwealth Government Financial Assistance Grants - general purpose (Untied)	960	900
Commonwealth Government Financial Assistance Grants - roads (Untied)	778	787
Commonwealth Government Financial Assistance Grants - bridges (Untied)	19	19
Heavy Vehicle Motor Tax	-	14
Roads	6	-
Teddy Sheean Memorial Grant	1	2
Cultural Events	1	3
State Local Government Accelerated Capital Program - interest reimbursements	4	8
Total recurrent grants	1,769	1,733

Accounting policy

Council recognises untied grant revenue and those without performance obligations when received. In cases where funding includes specific performance obligations or is to acquire or construct a recognisable non-financial asset, a liability is recognised for funds received in advance and recognises income as obligations are fulfilled.

The performance obligations are varied based on the agreement, but include completion of infrastructure upgrade projects.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control. Within grant agreements there may be some performance obligations where control transfers at a point in time and others which have a continuous transfer of control over the life of the contract. Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

If the transaction is a transfer of a financial asset to enable Council to acquire or construct a recognisable non-financial asset to be controlled by Council (i.e. an in-substance acquisition of a non-financial asset), a contract liability is recognised for the excess of the fair value of the transfer over any related amounts recognised and revenue as the unspent funds are expended at the point in time at which required performance obligations are completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin. For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Council.

Capital grants received specifically for new or upgraded assets

Stormwater grants	190	6
Road safety	-	15
Bus stop upgrades	449	137
Port Sorell Heritage Trail grant	9	-
Total capital grants specifically for new or upgraded assets	648	158

Capital grants received specifically renewal of assets

Roads to Recovery	311	311
Total capital grants specifically for renewal of assets	311	311

Total capital grants

959	469
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Conditions on grants

Grants and contributions which were obtained on the condition that they be spent for specified purposes or in a future period, but which are not yet spent in accordance with those conditions, are as follows:

Balance of unspent funds at 1 July	819	825
Add: Funds received and not recognised as revenue in the current year	590	-
Less: Funds received in prior year but revenue recognised and funds spent in current year	(190)	(6)
Balance of unspent funds at 30 June	1,219	819

	2021 \$'000	2020 \$'000
Note 2.5 Contributions		
(a) Cash		
Open space contributions	7	39
Waste management contributions	42	600
Total	49	639
(b) Non-monetary assets		
Land under roads	283	165
Roads	3,243	670
Drainage	2,217	474
Parks, open space and streetscapes	26	-
Coastal Pathway - River Road	1,863	-
Total	7,632	1,309
Total contributions	7,681	1,948

Accounting policy

Council recognises contributions without performance obligations when received. In cases where the contributions is for a specific purpose to acquire or construct a recognisable non-financial asset, a liability is recognised for funds received in advance and income recognised as obligations are fulfilled.

Note 2.6 Interest

Interest on cash and cash equivalents	52	164
Total	52	164

Accounting policy

Interest is recognised progressively as it is earned.

Note 2.7 Other income

Banksia Centre venue hire	1	5
Camp Banksia venue hire	244	114
Camp Banksia catering revenue	21	98
Port Sorell Caravan Park site hire	509	391
Labour hire to West Coast Council - inside staff	33	32
Labour hire to Kentish Council - inside staff	-	21
Tax equivalents - Dulverton Waste Management	118	77
Sundry income	359	430
Total other income	1,285	1,168

Accounting policy

Venue hire and caravan park income

Venue hire and caravan park income is recognised as revenue when the payment is due. Rental payments received in advance are recognised as payable until they are due.

Note 2.8 Net gain/(loss) on disposal of property, infrastructure, plant and equipment.

Proceeds of sale	75	146
Write down value of assets disposed	(82)	(353)
Total	(7)	(207)

Accounting policy

Gains and losses on asset disposals

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

Note 2.9 Investment revenue from water corporation

Dividend revenue received	191	160
Tax equivalent received	-	31
Total investment revenue from water corporation	191	191

Accounting policy

Investment revenue

Dividend revenue is recognised when Council's right to receive payment is established and it can be reliably measured.

	2021 \$'000	2020 \$'000
Note 3 Expenses		
Note 3.1 Employee costs		
Wages and salaries	2,854	3,185
Annual leave and long service leave	399	432
Superannuation	321	330
Fringe benefits tax	31	20
Payroll Tax	179	17
Training	15	4
Professional development	2	3
Protective clothing	15	2
Workers compensation insurance	105	91
Contract employee costs	152	180
Other employment related expenses	25	5
	4,098	4,269
Less amounts capitalised	(252)	(136)
Total employee costs	3,846	4,133

Accounting policy

Employee costs

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

Note 3.2 Materials and services

General materials	358	418
Road maintenance materials	156	159
Infrastructure maintenance materials	34	111
Consumables	47	52
Contracts - buildings & facilities maintenance	885	693
Contracts - other infrastructure maintenance	1,075	1,287
Dog pound costs	58	19
Fuel	90	124
Fleet maintenance	134	156
Repairs & maintenance	11	23
Minor equipment purchases	27	41
Property holding costs	259	262
Property maintenance costs	246	128
Communications costs	110	140
Marketing and Advertising	52	70
Levies & Licences	198	374
Legal costs	94	46
Consultants	202	64
General expenses	183	198
IT software & maintenance	251	42
Waste management contracts	553	267
Internal cost allocation	(704)	(719)
Other contracts & services	68	114
Total materials and services	4,387	4,069

Accounting policy

Materials and services expense

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

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.

	2021 \$'000	2020 \$'000
Note 3.3 Impairment of receivables		
Rates debtors	1	(134)
Other debtors	2	-
Total impairment of receivables	3	(134)

Accounting policy

Impairment expense

Expenses are recognised when Council has determined there to be an increase in the credit risk of a financial asset since initial recognition. Council's policy and events giving rise to impairment losses are disclosed in note 4.2.

Note 3.4 Depreciation and amortisation

Property

Land improvements	257	277
Buildings	661	639

Plant and Equipment

Plant and Equipment	238	194
Computers and telecommunications	52	57

Infrastructure

Roads, bridges and footpaths	1,759	1,736
Drainage	416	365

Right of use assets

Right of use assets	5	5
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Intangible assets

Intangible assets	54	54
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Total

3,442	3,327
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Accounting policy

Depreciation and amortisation expense

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

Land improvements, buildings, Infrastructure, plant and equipment and other assets having limited useful lives are systematically depreciated over their useful lives to Council in a manner which reflects consumption of the service potential embodied in those assets. Right-of-use assets are amortised over the lease term. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation and amortisation 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 remaining values and a separate depreciation rate is determined for each component.

Land and road earthwork assets 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.

Major depreciation and amortisation periods used are listed below and are consistent with the prior year unless stated:

	Years
Land improvements	5-100
Buildings	20-120
Building improvements	20-120
Leasehold building improvements	20-120
Plant, machinery and equipment	5-20
Fixtures, fittings and furniture	2-20
Computers and telecommunications	3-5
Road surface - unsealed roads	3-7
Road pavement - sub-base	138-204
Road pavement - sealed basecourse	69-102
Road surface - sealed roads	12-30
Road kerb and channel	80
Bridges	
Bridges deck	20-80
Other Infrastructure	25-50
Footpaths and cycleways	20-80
Drainage	50-80
Intangible assets - software configuration	10
Right-of-use of assets	Term of lease

	2021 \$'000	2020 \$'000
Note 3.5 Finance costs		
Interest - Borrowings	8	7
Interest - Lease Liabilities	-	2
Total finance costs	<u>8</u>	<u>9</u>

Accounting policy

Finance expense

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

Finance costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised. No borrowing costs were capitalised during the period.

Finance costs are expensed as incurred using the effective interest method. Borrowing costs include interest on bank overdrafts, interest on borrowings, unwinding of discounts, and finance lease charges.

Note 3.6 Other expenses

External auditors' remuneration (Tasmanian Audit Office)	26	32
Audit panel costs	-	3
Councillors' allowances	163	173
Councillors' expenses	2	3
Councillors training expenses	2	1
Bank fees	42	37
Election and electoral role expenses	5	6
Electricity & gas	185	272
Fire levies	415	208
Insurance	89	180
Donations/ contributions to community organisations and events	57	35
Property management fees	2	2
Registrations and licenses	3	5
Subscriptions & memberships	134	119
Land tax	125	111
Total	<u>1,250</u>	<u>1,187</u>

Accounting policy

Other expenses

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

Note 4 Current Assets

Note 4.1 Cash and cash equivalents

Cash on hand	1	2
Cash at bank	603	351
Special committee bank accounts	645	84
Money market call account	1,001	505
Term deposits	10,976	8,200
Total cash and cash equivalents	<u>13,226</u>	<u>9,142</u>

Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:

i) Trust funds and deposits (note 7.2)	357	380
ii) Contract liabilities- capital grants in advance (note 7.5)	1,219	819
Restricted funds	<u>1,576</u>	<u>1,199</u>
Total unrestricted cash and cash equivalents	<u>11,650</u>	<u>7,943</u>

2021
\$'000

2020
\$'000

Accounting policy	
Cash and cash equivalents	
For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of six months or less, net of outstanding bank overdrafts.	
<i>Restricted funds</i>	
i) Includes refundable building, contract and other refundable amounts held in trust by Council for completion of specific purposes.	
ii) Represents grant funding received in advance until specific performance obligations required under funding arrangements are completed.	

Note 4.2 Trade and other receivables

Current

Rates debtors	288	244
less provision for impairment - rates debtors	(16)	(15)
Other debtors	112	68
less provision for impairment - other debtors	(4)	(2)
Resource sharing debtor - Kentish Council	283	888
Net GST receivable	161	170
Total	824	1,353

Reconciliation of movement in expected credit loss

Carrying amount at 1 July	17	150
Amounts written off during the year	-	-
Amounts recovered during the year	-	-
Increase / (decrease) in provision (rates debtors) recognised in profit or loss	1	(112)
Increase / (decrease) in provision (other debtors) recognised in profit or loss	2	(21)
Carrying amount at 30 June	20	17

For ageing analysis of the financial assets, refer to note 9.10

Accounting policy	
Trade and other receivables	
Trade receivables that do not contain a significant financing component are measured at amortised cost, which represents their transaction value. Impairment is recognised on an expected credit loss (ECL) basis. When determining whether the credit risk has increased significantly since initial recognition, and when estimating the ECL, Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience, an informed credit assessment and forward-looking information. Council has established a provision matrix to facilitate the impairment assessment.	
For rate debtors, Council takes the view that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rate debtors, Council uses the presumptions that assets more than 30 days past due have a significant increase in credit risk and those more than 90 days will likely be in default. Council writes off receivables when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.	

Note 4.3 Inventories

Inventories held for distribution	106	95
Total inventories	106	95

Accounting policy	
Inventories	
Inventories held for distribution are measured at cost adjusted when applicable for any loss of service potential. Other inventories are measured at the lower of cost and net realisable value.	
Where inventories are acquired at no cost, or for nominal consideration, the cost shall be the current replacement cost as at the date of acquisition.	

	2021 \$'000	2020 \$'000
Note 4.4 Other assets		
Current		
Prepayments	81	79
Accrued income	43	55
Total	124	134

* Accrued income only includes items that are reciprocal in nature.

Note 5 Investments

Note 5.1 Investment in associates

Investments in associates accounted for by the equity method are:

- Dulverton Regional Waste Management Authority	2,404	2,121
Total	2,404	2,121

Dulverton Regional Waste Management Authority

Background

Council is a member of the Dulverton Regional Waste Management Joint Authority, a Joint Authority established under the *Local Government Act 1993*. The primary activity of Dulverton is to operate regional landfill site. Other members in the Joint Authority are Devonport City, Central Coast and Kentish Councils.

Council's ownership interest in the Authority at 30 June 2021 was 11.25% (2020: 11.25%). The proportion of voting power held in the Authority is 25%.

Council's share of accumulated surplus(deficit)

Council's share of accumulated surplus(deficit) at start of year	1,573	1,344
Reported surplus(deficit) for year	357	297
Distributions for the year	(74)	(68)
Council's share of accumulated surplus(deficit) at end of year	1,856	1,573

Council's share of reserves

Council's share of reserves at start of year	430	411
Transfers (to) from reserves	-	19
Council's share of reserves at end of year	430	430

Movement in carrying value of specific investment

Carrying value of investment at start of year	2,121	1,880
Share of surplus(deficit) for year	357	297
Share of asset revaluation	-	19
Distributions received	(74)	(68)
Prior year adjustments	-	(7)
Carrying value of investment at end of year	2,404	2,121

Accounting policy

Accounting for investments in associates

Council's investment in associates is accounted for by the equity method as Council has the ability to influence rather than control the operations of the entities. The investment is initially recorded at the cost of acquisition and adjusted thereafter for post-acquisition changes in Council's share of the net assets of the entities. Council's share of the financial result of the entities is recognised in the Statement of Comprehensive Income.

	2021 \$'000	2020 \$'000
Note 5.2 Investment in water corporation		
Opening balance	26,841	34,954
Fair Value adjustments on equity investment assets	2,160	(8,113)
Total investment in water corporation	29,001	26,841

Council has derived returns from the water corporation as disclosed at note 2.9.

Accounting policy

Equity Investment

As Council's investment in TasWater is held for long-term strategic purposes, Council has elected under AASB 9: Financial Instruments to irrevocably classify this equity investment as designated at fair value through other comprehensive income. Subsequent changes in fair value on designated investments in equity instruments are recognised in other comprehensive income (for fair value reserve, refer note 9.1) and not reclassified through the profit or loss when derecognised. Dividends associated with the equity investments are recognised in profit and loss when the right of payment has been established and it can be reliably measured.

Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date. At 30 June 2021, Council holds 1.84% ownership interest in TasWater (2020, 1.86%) which is based on Schedule 2 of the Corporation's Constitution.

Note 6 Non-current assets		Restated
Note 6.1 Property, infrastructure, plant and equipment	2021	2020
	\$'000	\$'000
Summary		
at cost	8,247	6,128
Less accumulated depreciation	(2,671)	(2,437)
	<u>5,576</u>	<u>3,691</u>
Restated at fair value as at 30 June	281,789	269,698
Less accumulated depreciation	(83,798)	(80,858)
	<u>197,991</u>	<u>188,840</u>
Total	<u>203,567</u>	<u>192,531</u>
Property		
Land		
at fair value as at 30 June	14,030	14,030
	<u>14,030</u>	<u>14,030</u>
Land under roads		
at fair value at 30 June	24,585	24,302
	<u>24,585</u>	<u>24,302</u>
Land improvements		
at fair value at 30 June	11,312	10,050
Less accumulated depreciation	(4,106)	(3,849)
	<u>7,206</u>	<u>6,201</u>
Total Land	<u>45,821</u>	<u>44,533</u>
Buildings		
at fair value as at 30 June	50,581	50,092
Less accumulated depreciation	(26,538)	(25,876)
	<u>24,043</u>	<u>24,216</u>
Total Buildings	<u>24,043</u>	<u>24,216</u>
Total Property		
	<u>69,864</u>	<u>68,749</u>
Plant and Equipment		
Plant, machinery and equipment		
at cost	3,726	3,557
Less accumulated depreciation	(1,968)	(1,786)
	<u>1,758</u>	<u>1,771</u>
Computers and telecommunications		
at cost	977	788
Less accumulated depreciation	(703)	(651)
	<u>274</u>	<u>137</u>
Total Plant and Equipment	<u>2,032</u>	<u>1,908</u>
Infrastructure		
Roads, Bridges and Footpaths		
at fair value as at 30 June	145,458	137,900
Less accumulated depreciation	(43,255)	(41,650)
	<u>102,203</u>	<u>96,250</u>
Drainage		
Restated at fair value as at 30 June	35,823	33,324
Less accumulated depreciation	(9,899)	(9,483)
	<u>25,924</u>	<u>23,841</u>
Total Infrastructure	<u>128,127</u>	<u>120,091</u>

Works in progress		
Land at cost	2	-
Land improvements at cost	605	277
Buildings at cost	367	115
Plant and equipment at cost	10	-
Computers furniture and fittings at cost	17	18
Roads, bridges and footpaths at cost	1,261	639
Drainage at cost	1,281	713
Other	1	21
Total Works in progress	3,544	1,783
Total property, infrastructure, plant and equipment	203,567	192,531

Note 6.1 Property, infrastructure, plant and equipment (cont.)

Reconciliation of property, infrastructure, plant and equipment

2021	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (note 9.1)	Depreciation and amortisation (note 3.4)	Written down value of disposals	Transfers	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property							
Land	14,031	-	-	-	-	-	14,030
Land under roads	24,302	283	-	-	-	-	24,585
Land improvements	6,200	26	-	(257)	-	1,237	7,206
Total land	44,533	309	-	(257)	-	1,237	45,821
Buildings	24,216	-	-	(661)	-	488	24,043
Total buildings	24,216	-	-	(661)	-	488	24,043
Total property	68,749	309	-	(918)	-	1,725	69,864
Plant and Equipment							
Plant, machinery and equipment	1,771	-	-	(238)	(62)	287	1,758
Computers and telecommunications	138	-	-	(52)	-	188	274
Total plant and equipment	1,909	-	-	(290)	(62)	475	2,032
Infrastructure							
Roads, bridges and footpaths	96,249	5,106	-	(1,759)	(20)	2,625	102,203
Drainage	23,840	2,217	-	(416)	-	282	25,924
Total infrastructure	120,089	7,323	-	(2,175)	(20)	2,907	128,127
Land at cost	-	2	-	-	-	-	2
Land improvements at cost	278	1,467	-	-	-	(1,138)	605
Buildings at cost	115	697	-	-	-	(445)	367
Plant and equipment at cost	(1)	286	-	-	-	(276)	10
Computers furniture and fittings at cost	18	192	-	-	-	(194)	17
Roads, bridges and footpaths at cost	638	3,290	-	-	-	(2,668)	1,261
Drainage at cost	713	815	-	-	-	(247)	1,281
Other	21	112	-	-	-	(132)	1
Total works in progress	1,782	6,861	-	-	-	(5,100)	3,543
Total property, infrastructure, plant and equipment	192,529	14,493	-	(3,383)	(82)	7 *	203,566

*The balance of transfers out of property, infrastructure, plant and equipment assets of \$7,000 is due to a transfer to Computers and Telecommunications from Intangibles works in progress.

Note 6.1 Property, infrastructure, plant and equipment (cont.)

Reconciliation of property, infrastructure, plant and equipment

2020	Balance at beginning of financial year	Acquisition of assets	Restated revaluation increments (decrements) (note 9.1)	Depreciation and amortisation (note 3.4)	Written down value of disposals	Transfers	Restated balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property							
Land	18,456	-	(1,889)	-	-	(2,536)	14,031
Land under roads	19,737	165	4,400	-	-	-	24,302
Land improvements	4,781	-	735	(277)	-	961	6,200
Total land	42,974	165	3,246	(277)	-	(1,575)	44,533
Buildings	23,679	-	(239)	(639)	-	1,415	24,216
Total buildings	23,679	-	(239)	(639)	-	1,415	24,216
Total property	66,653	165	3,007	(916)	-	(160)	68,749
Plant and Equipment							
Plant, machinery and equipment	1,857	-	-	(194)	(221)	329	1,771
Computers and telecommunications	195	-	-	(57)	-	-	138
Total plant and equipment	2,052	-	-	(251)	(221)	329	1,909
Infrastructure							
Roads, bridges & footpaths	83,784	670	12,675	(1,736)	(131)	987	96,249
Drainage	20,779	474	2,455	(365)	(1)	498	23,840
Total infrastructure	104,563	1,144	15,130	(2,101)	(132)	1,485	120,089
Works in progress							
Land at cost	286	338	-	-	-	(624)	-
Land improvements at cost	311	897	-	-	-	(930)	278
Buildings at cost	730	572	-	-	-	(1,187)	115
Plant and equipment at cost	101	263	-	-	-	(365)	(1)
Computers furniture and fittings at cost	-	47	-	-	-	(29)	18
Roads, bridges and footpaths at cost	192	1,673	-	-	-	(1,227)	638
Drainage at cost	605	494	-	-	-	(386)	713
Other	66	23	-	-	-	(68)	21
Total works in progress	2,291	4,307	-	-	-	(4,816)	1,782
Total property, infrastructure, plant and equipment	175,559	5,616	18,137	(3,268)	(353)	(3,160) *	192,529

*The balance of transfers out of property, infrastructure, plant and equipment assets of \$3.16 million represents the opening balance of leased land with nominal or "peppercorn" rentals offset against the opening balance of asset revaluation reserves on adoption of AASB 16 Leases. Also see notes 9.1 and 10.3(g)(ii).

Certain 2020 numbers shown, relating to revaluation of drainage assets, do not correspond to the 2019/20 Financial Statements. For details regarding the restated balances, please refer to note 11.1.

Note 6.1 Property, infrastructure, plant and equipment (cont.)

Accounting policy

Recognition and measurement of assets

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

Property, plant and equipment and infrastructure received in the form of contributions, are recognised as assets and revenues at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value is the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date.

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

The following classes of assets have been recognised. In accordance with Council's policy, the threshold limits detailed below have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year:

	Threshold \$'000
Land	
Land	10
Land under roads	10
Land improvements	10
Buildings	
Buildings	10
Building improvements	10
Leasehold building improvements	10
Heritage buildings	10
Plant and Equipment	
Plant, machinery and equipment	5
Fixtures, fittings and furniture	5
Computers and telecommunications	5
Leased plant and equipment	5
Roads	
Road pavements and seals	10
Road substructure	10
Road formation and earthworks	10
Road kerb, channel and minor culverts	10
Road other	10
Bridges	
Bridges deck	10
Bridges substructure	10
Bridges other	10
Other Infrastructure	
Footpaths and cycleways	10
Drainage	10
Recreational, leisure and community facilities	10
Waste management	10
Parks, open space and streetscapes	10
Off street car parks	10
Other infrastructure	10

Note 6.1 Property, infrastructure, plant and equipment (cont.)

Revaluation

Council has adopted the following valuation bases for its non-current assets:

Land and land under roads	fair value
Land Improvements	fair value
Plant, machinery and equipment	cost
Computers and telecommunications	cost
Stormwater and drainage infrastructure	fair value
Roads and streets infrastructure	fair value
Bridges	fair value
Buildings	fair value
Intangibles	cost
Investment in water corporation	fair value

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, furniture, fittings and office equipment and intangible assets, are measured at their fair value in accordance with AASB 116 *Property, Plant & Equipment* and AASB 13 *Fair Value Measurement*. At balance date, Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset class materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date the class of asset was revalued.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis to ensure valuations represent fair value. The valuation is performed either by experienced Council officers or independent experts.

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

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

Impairment of assets

Impairment losses are recognised in the statement of comprehensive income under other expenses.

Reversals of impairment losses are recognised in the statement of comprehensive income under other revenue.

Land under roads

Council recognised the value of land under roads it controls at fair value.

	2021 \$'000	2020 \$'000
Note 6.2 Intangible assets		
Software configuration	708	530
Total intangible assets	708	530
Reconciliation of intangible assets - software configuration		
Gross carrying amount		
Balance at 1 July	584	542
Additions	232	42
Balance at 30 June	816	584
Accumulated amortisation and impairment		
Balance at 1 July	(54)	(54)
Amortisation expense	(54)	-
Balance at 30 June	(108)	(54)
Net book value at 30 June	708	530

Accounting policy

Intangible assets

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The estimated useful lives for current and comparative periods are as follows:

Software configuration	10 years
------------------------	----------

	2021 \$'000	2020 \$'000
Note 6.3 Right-of-use assets		
a) Right-of-use assets		
	Property	Property
Gross carrying amount		
Balance at 1 July	32	-
Adoption of AASB 16	-	32
Balance at 30 June	32	32
Accumulated amortisation		
Balance at 1 July	(5)	-
Amortisation Expense	(5)	(5)
Balance at 30 June	(10)	(5)
Net book value at 30 June	22	27

Accounting policy under AASB 16 - Applicable from 1 July 2019

Leases - Council as Lessee

In contracts where Council is a lessee, Council recognises a right-of-use asset and a lease liability at the commencement date of the lease, unless the short-term or low-value exemption is applied. Refer to note 7.4 for details on accounting policy of lease liability.

A right-of-use asset is initially measured at cost comprising the initial measurement of the lease liability adjusted for any lease payments made before the commencement date (reduced by lease incentives received), plus initial direct costs incurred in obtaining the lease and an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

All right-of-use assets are measured as described in the accounting policy for property, infrastructure, plant and equipment in Note 6.1. Also, Council applies AASB 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the aforesaid note.

	2021 \$'000	2020 \$'000
<p>Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.</p> <p>Refer to note 10.3 for further details on adoption of AASB 16.</p>		

Note 7 Current liabilities

Note 7.1 Trade and other payables

Trade payables	477	392
Accrued expenses	484	805
Resource sharing payables - Kentish Council	355	338
Rates and charges in advance	299	258
Total trade and other payables	1,615	1,793

Accounting policy

Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received. General Creditors are unsecured, not subject to interest charges and are normally settled within 60 days of invoice receipt.

Rates and charges in advance represents amounts received by Council prior to the commencement of the rating or charging period. Revenue is recognised by Council at the beginning of the rating or charge period to which the advance payment relates

For ageing analysis of trade and other payables, refer to note 9.10

Note 7.2 Trust funds and deposits

Refundable bonds and deposits	357	380
Tenancy bonds - Elderly Persons Units	90	107
Total trust funds and deposits	447	487

Non-current

Tenancy bonds - Elderly Persons Units	154	279
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Total trust funds

601	766
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Note 7.3 Provisions

	Annual leave	Long service leave	Landfill restoration	Other	Total
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
2021					
Balance at beginning of the financial year	495	529	13,719	180	14,923
Additional provisions	327	80	-	(12)	395
Amounts used	(320)	(79)	(299)	-	(698)
Balance at the end of the financial year	502	530	13,420	168	14,620
Current	502	470	150	141	1,263
Non-Current	-	59	13,270	27	13,356
Total	502	529	13,420	168	14,619
2020					
Balance at beginning of the financial year	478	456	12,959	135	14,028
Additional provisions	300	117	1,475	112	2,004
Amounts used	(282)	(44)	(716)	-	(1,042)
Balance at the end of the financial year	496	529	13,718	247	14,990
Current	496	469	183	236	1,384
Non-Current	-	60	13,536	11	13,606
Total	496	529	13,719	247	14,990

2021
\$'000

2020
\$'000

Accounting policy

Employee benefits

i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

ii) Other long term employee benefit obligations

The liability for long service leave and annual leave which is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

iii) Sick leave

No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. Council does not make payment for untaken sick leave.

iv) Defined benefit plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the statement of financial position, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. However, when this information is not reliably available, Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans i.e. as an expense when it becomes payable.

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund (the Fund), a sub-fund of the Tasplan Superannuation Fund (Tasplan). The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 34 of AASB 119 *Employee Benefits*, Council does not use defined benefit accounting for these contributions.

v) Defined contribution plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2021
\$'000

2020
\$'000

Accounting policy

Landfill restoration

Under legislation Council is obligated to restore the former Port Sorell landfill site to a particular standard. The site no longer operates as a landfill site and testing is underway to determine the extent of restoration required. The provision for landfill restoration 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 reinstate the site to a suitable standard and costs for independent specialist advice. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Note 7.4 Lease liabilities

Current	7	7
Non-Current	14	20
Total	21	27

Lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

As at 30 June 2021	Minimum lease payments due						Total
	Within	1-2	2-3	3-4	4-5	After 5	
	1 Year	Years	Years	Years	Years	Years	
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Lease payments	7	7	7	-	-	-	21
Finance charges	(0)	(0)	(0)	-	-	-	(0)
Net present value	7	7	7	-	-	-	21
As at 30 June 2020							
Lease payments	7	7	7	7	-	-	28
Finance charges	(0)	(0)	(0)	(0)	-	-	(1)
Net present value	7	7	7	7	-	-	27

Accounting policy

Leases - Council as Lessee

The lease liability is measured at the present value of outstanding payments that are not paid at balance date, discounted by using the rate implicit in the lease. Where this cannot be readily determined then Council's incremental borrowing rate for a similar term with similar security is used.

Short-term leases and leases of low-value assets

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases i.e. leases with a lease term of 12 months or less and leases of low-value assets i.e., when the value of the leased asset when new is \$10,000 or less. Council recognises the lease payments associated with these leases as expense on a straight-line basis over the lease term.

	2021 \$'000	2020 \$'000
Note 7.5 Contract Liabilities		
Current		
Unexpended grants	1,219	-
Non-Current		
Unexpended grants	-	819
Total contract liabilities	1,219	819

Accounting policy

Council recognised the following contact liabilities with customers:

i) Grants received in advance includes funding for the flood mitigation of Latrobe and refurbishment of the hydrotherapy pool at Latrobe. The funds received are under enforceable contracts which require Council to construct an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue.

Note 8 Non-current liabilities

Note 8.1 Interest-bearing loans and borrowings

Current

Borrowings - secured	250	-
Total	250	-

Non-current

Borrowings - secured	6,250	250
Total	6,500	250

Borrowings

The maturity profile for Council's borrowings is:

Not later than one year	250	-
Later than one year and not later than five years	3,800	250
Later than five years	2,450	-
Total	6,500	250

Accounting policy

Interest bearing liabilities

The borrowing capacity of Council is limited by the *Local Government Act 1993*. Interest bearing liabilities are initially recognised at fair value, net of transaction costs incurred. Subsequent to initial recognition these liabilities are measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Comprehensive Income over the period of the liability using the effective interest method.

Interest is expensed as it accrues and no interest has been capitalised during the current or comparative reporting period. There have been no defaults or breaches of the loan agreement during the period. Borrowings are secured by way of mortgages over the general rates of the Council.

Note		Balance at beginning of reporting year	Opening adjustment	Increment	(Decrement)	Balance at end of reporting year
		\$'000	\$'000	\$'000	\$'000	\$'000
Note 9	Other financial information					
Note 9.1	Reserves					
	(a) Asset revaluation reserve					
	2021					
	Land & land under roads	13,519	-	-	-	13,519
	Land improvements	2,239	-	-	-	2,239
	Buildings	12,208	-	-	-	12,208
	Fixtures, Fittings and furniture	4	-	-	-	4
	Subtotal - property	27,970	-	-	-	27,970
	Infrastructure					
	Roads, Bridges & footpaths	70,635	-	-	-	70,635
	Stormwater & drainage	14,531	-	-	-	14,531
	Off street car parks	714	-	-	-	714
	Subtotal - infrastructure	85,880	-	-	-	85,880
	Total asset revaluation reserve	113,850	-	-	-	113,850
	2020					
	Property					
	Land under roads	14,168	(3,160)	2,511	-	13,519
	Land improvements	1,504	-	734	-	2,238
	Buildings	12,447	-	-	(240)	12,207
	Fixtures, Fittings and furniture	4	-	-	-	4
	Subtotal - property	28,123	(3,160)	3,245	(240)	27,968
	Infrastructure					
	Roads, Bridges & footpaths	57,988	-	12,648	-	70,636
	Restated stormwater & drainage	12,076	-	2,455	-	14,531
	Off street car parks	714	-	-	-	714
	Restated subtotal - infrastructure	70,778	-	15,103	-	85,881
	Total asset revaluation reserve	98,901	(3,160)	18,348	(240)	113,849
	The asset revaluation reserve was established to capture the movements in asset valuations upon the periodic revaluation of Council's assets. The opening adjustment relates to the revaluation of leased land with nominal or "peppercorn" rentals on adoption of AASB 16 Leases.					
	Certain 2020 numbers shown, relating to revaluation of drainage assets, do not correspond to the 2019/20 Financial Statements. For details regarding the restated balances, please refer to note 11.1.					
	(b) Fair value reserve					
	2021					
	Equity Investment assets					
	Investment in water corporation	206	-	2,160	-	2,366
	Total fair value reserve	206	-	2,160	-	2,366
	2020					
	Equity Investment assets					
	Investment in water corporation	8,319	-	-	(8,113)	206
	Total fair value reserve	8,319	-	-	(8,113)	206
	Council has to designate its investment in Taswater as an equity investment at fair value through other comprehensive income. Subsequent changes in fair value are reflected in the reserve and will not be reclassified through the profit or loss when derecognised. Equity Investment assets within the Fair value reserve were previously classified as 'Available-for-sale assets'.					
	(c) Other reserves					
	2021					
	Share in reserves of associate					
	Associate - Dulverton Regional Waste Management Authority (note 5.1)	430	-	-	-	430
	Total other reserves	430	-	-	-	430
	2020					
	Share in reserves of associate					
	Associate - Dulverton Regional Waste Management Authority (note 5.1)	411	-	19	-	430
	Total other reserves	411	-	19	-	430
	Total Reserves				116,646	114,486

	2021 \$'000	2020 \$'000
Note 9.2 Reconciliation of cash flows from operating activities to surplus (deficit)		
Result from continuing operations	9,117	883
Depreciation/amortisation	3,442	3,327
(Profit)/loss on disposal of property, infrastructure, plant and equipment	7	207
Capital grants received specifically for new or upgraded assets	(959)	(469)
Share of Associates Profit/ Loss	(283)	(223)
Cash contribution capital	(49)	(639)
Contributions of non-monetary assets	(7,632)	(1,309)
Elderly Persons Unit income	(90)	(107)
<i>Change in assets and liabilities:</i>		
Decrease/(increase) in trade and other receivables	529	(973)
Decrease/(increase) in other assets	10	263
Decrease/(increase) in inventories	(11)	(6)
Increase/(decrease) in trade and other payables	(178)	603
Increase/(decrease) in provisions	(371)	961
Increase/(decrease) in other liabilities	-	5
Net cash provided by/(used in) operating activities	3,532	2,522
Note 9.3 Reconciliation of liabilities arising from financing activities		
Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Statement of Cash Flows as cash flows from financing activities.		
	Trust funds, interest-bearing loans and borrowings	
	\$'000	
Balance as at 1 July 2020	1,043	
Amortisation of elderly persons units donor fees	(90)	
Other movements	-	
Changes from financing cash flows:		
Cash received	6,175	
Cash repayments	(6)	
Balance as at 30 June 2021	7,122	
Balance as at 1 July 2019	1,008	
Adjustment due to AASB16 adoption	32	
Restated balance as at 1 July 2019	1,040	
Amortisation of elderly persons units donor fees	(107)	
Changes in fair value	-	
Other movements	2	
Transfers to / (from) other Government entity	-	
Changes from financing cash flows:		
Cash received	115	
Cash repayments	(7)	
Balance as at 30 June 2020	1,043	
Note 9.4 Reconciliation of cash and cash equivalents		
Cash and cash equivalents (see note 4.1)	13,226	9,142
Total reconciliation of cash and cash equivalents	13,226	9,142
Note 9.5 Financing arrangements		
Bank overdraft	25	25
Unused facilities	25	25

Note 9.6 Superannuation

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund (the Fund). The Fund was a sub-fund of the Tasplan Superannuation Fund up to 31 March 2021. On 1 April 2021, the Tasplan Superannuation Fund merged (via a Successor Fund Transfer) into the MTAA Superannuation Fund to become Spirit Super. The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 34 of AASB 119 Employee Benefits, Council does not use defined benefit accounting for these contributions.

For the year ended 30 June 2021 the Council contributed 0% of employees' gross income to the Fund. Assets accumulate in the fund to meet member benefits as they accrue, and if assets within the fund are insufficient to satisfy benefits payable, the Council is required to meet its share of the deficiency.

Rice Warner Pty Ltd undertook the last actuarial review of the Fund at 30 June 2020. The review disclosed that at that time the net market value of assets available for funding member benefits was \$51,939,000, the value of vested benefits was \$43,411,000, the surplus over vested benefits was \$8,528,000, the value of total accrued benefits was \$43,562,000, and the number of members was 95. These amounts relate to all members of the Fund at the date of valuation and no asset or liability is recorded in the Tasplan Super's financial statements for Council employees.

The financial assumptions used to calculate the Accrued Benefits for the Fund were:

- Net Investment Return 3.75% p.a.
- Salary Inflation 2.75% p.a.
- Price Inflation n/a

The actuarial review concluded that:

- The value of assets of the Fund was adequate to meet the liabilities of the Fund in respect of vested benefits as at 30 June 2020
- The value of assets of the Fund was adequate to meet the value of the liabilities of the Fund in respect of accrued benefits as at 30 June 2020.
- Based on the assumptions used, and assuming the Employer contributes at the levels described below, the value of the assets is expected to continue to be adequate to meet the value of the liabilities of the Fund in respect of vested benefits at all times during the period up to 30 June 2020.

Given the strong financial position of the Fund, the Actuary recommended that the Council consider a contribution holiday and contribute 0% of salaries from 1 July 2021 to 30 June 2024.

The Actuary will continue to undertake a brief review of the financial position of the Fund at the end of each financial year to confirm that the contribution rates remain appropriate. The next full triennial actuarial review of the Fund will have an effective date of 30 June 2023 and is expected to be completed late in 2023.

Council also contributes to other accumulation schemes on behalf of a number of employees; however the Council has no ongoing responsibility to make good any deficiencies that may occur in those schemes.

During the year Council made the required superannuation contributions for all eligible employees to an appropriate complying superannuation fund as required by the *Superannuation Guarantee (Administration) Act 1992*.

As required in terms of paragraph 148 of AASB 119 *Employee Benefits*, Council discloses the following details:

- The 2020 actuarial review used the "aggregate" funding method. This is a standard actuarial funding method. The results from this method were tested by projecting future fund assets and liabilities for a range of future assumed investment returns. The funding method used is consistent with the method used at the previous actuarial review in 2017.

Under the aggregate funding method of financing the benefits, the stability of the Councils' contributions over time depends on how closely the Fund's actual experience matches the expected experience. If the actual experience differs from that expected, the Councils' contribution rate may need to be adjusted accordingly to ensure the Fund remains on course towards financing members' benefits.

- In terms of Rule 27.4 of the Tasplan Trust Deed (Trust Deed), there is a risk that employers within the Fund may incur an additional liability when an Employer ceases to participate in the Fund at a time when the assets of the Fund are less than members' vested benefits. Each member of the Fund who is an employee of the Employer who is ceasing to Participate is required to be provided with a benefit at least equal to their vested benefit in terms of Rule 27.4 (b) (A). However, there is no provision in the Trust Deed requiring an employer to make contributions other than its regular contributions up to the date of cessation of contributions. This issue can be resolved by the Trustee seeking an Actuarial Certificate in terms of Rule 26.5 identifying a deficit and the Trustee determining in terms of Rule 26.3(c) that the particular employer should make the payment required to make good any shortfall before the cessation of participation is approved.

- The application of Fund assets on Tasplan being wound-up is set out in Rule 41.4. This Rule provides that expenses and taxation liabilities should have first call on the available assets. Additional assets will initially be applied for the benefit of the then remaining members and/or their Dependants in such manner as the Trustee considers equitable and appropriate in accordance with the Applicable Requirements (broadly, superannuation and taxation legislative requirements and other requirements as determined by the regulators).

The Trust Deed does not contemplate the Fund withdrawing from Tasplan. However it is likely that Rule 27.4 would be applied in this case (as detailed above).

- The Fund is a defined benefit Fund.
- The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. Thus the Fund is not able to prepare standard AASB119 defined benefit reporting.

- During the reporting period the amount of contributions paid to defined benefits schemes was \$10,792 (2019-20, \$10,792), and the amount paid to accumulation schemes was \$319,493 (2019-20, \$319,493).
- During the next reporting period the expected amount of contributions to be paid to defined benefits schemes is \$nil, and the amount to be paid to accumulation schemes is \$386,000.
- As reported above, Assets exceeded accrued benefits as at the date of the last actuarial review, 30 June 2020. Moderate investment returns, since that date, make it quite probable that this is still the position. The financial position of the Fund will be fully investigated at the actuarial review as at 30 June 2023.
- An analysis of the assets and vested benefits of sub-funds participating in the Scheme, prepared by Rice Warner Pty Ltd as at 30 June 2020, showed that the Fund had assets of \$51.94 million and members' Vested Benefits were \$43.41 million. These amounts represented 0.53% and 0.45% respectively of the corresponding total amounts for Tasplan.
- As at 30 June 2020 the Fund had 95 members and the total employer contributions and member contributions for the year ending 30 June 2020 were \$927,231 and \$235,365 respectively.

Note 9.6 Superannuation (Cont)

	2021 \$'000	2020 \$'000
Defined benefits fund		
Employer contributions	10	11
Accumulation funds		
Employer contributions	311	319

Note 9.7 Commitments

Capital Expenditure Commitments

Buildings	1,304	215
Plant and equipment and miscellaneous	315	208
Roads	2,575	1,331
Drainage	4,242	165
Land Improvements	2,917	210
Intangible assets	122	4
Total Capital expenditure commitments	11,475	2,133

Contractual commitments

Contractual commitments at end of financial year but not recognised in the financial report are as follows:

Garbage and recycling collection and disposal	1,255	821
IT support contract	120	136
Cradle Coast Authority	94	88
LGAT	46	41
Total contractual commitments	1,515	1,086

Note 9.8 Operating leases as lessor

Council is a lessor and enters into agreements with a number of lessees. These include commercial and non-commercial agreements.

Where leases are non-commercial agreements, these are generally with not for profit, such as sporting, organisations. In these cases subsidised or peppercorn rents are charged because Council recognises part of its role is community service and community support. In these situations, Council records lease revenue on an accruals basis and records the associated properties as part of land and buildings within property, plant and equipment. Buildings are recognised at depreciated replacement cost.

Where leases are commercial agreements, but properties leased are part of properties predominantly used by Council for its own purposes, Council records lease revenue on an accruals basis and records the associated properties as part of land and buildings within property, plant and equipment. Buildings are recognised at current replacement cost.

Disclosure	2021 \$'000	2020 \$'000
ii) Maturity analysis of operating lease payments to be received - Adoption of AASB 16		
Year 1	42	43
Year 2	18	6
Total	60	49

The following table presents the amounts reported in profit or loss:

Lease income on operating leases	36	-
Therein lease income relating to variable lease payments that do not depend on an index or rate	-	-

Note 9.9 Contingent liabilities and contingent assets

Contingent liabilities

Council is currently considering options and costs for the rehabilitation of the former Port Sorell landfill site in Alexander Street, Shearwater. A rehabilitation provision has been established (note 7.3) and increased during 2020 based on the latest advice received. Testing is currently underway to determine the extent of rehabilitation required however the provision established may not be sufficient.

Guarantees for loans to other entities

Council does not have any guarantees or loans to other entities.

Contingent assets

Council is unaware of any contingent assets.

Note 9.10 Financial Instruments

(a) Interest Rate Risk

The exposure to interest rate risk and the effective interest rates of financial assets and non-lease financial liabilities, both recognised and unrecognised, at balance date are as follows. For lease liabilities refer to Note 7.4.

2021

	Weighted average interest rate	Floating interest rate \$'000	Fixed interest maturing in:			Non-interest bearing \$'000	Total \$'000
			1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
Financial assets							
Cash and cash equivalents	0.27%	2,250	10,976	-	-	-	13,226
Trade and other receivables	0.00%	288	-	-	-	536	824
Investment in water corporation		-	-	-	-	29,001	29,001
Total financial assets		2,538	10,976	-	-	29,537	43,051
Financial liabilities							
Trade and other payables		-	-	-	-	1,615	1,615
Trust funds and deposits		-	-	-	-	601	601
Interest-bearing loans and borrowings	6.64%	-	250	3,800	2,450	-	6,500
Total financial liabilities		-	250	3,800	2,450	2,216	8,716
Net financial assets (liabilities)		2,538	10,726	(3,800)	(2,450)	27,321	34,335

2020

	Weighted average interest rate	Floating interest rate \$'000	Fixed interest maturing in:			Non-interest bearing \$'000	Total \$'000
			1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
Financial assets							
Cash and cash equivalents	1.17%	942	8,200	-	-	-	9,142
Trade and other receivables	0.00%	244	-	-	-	1,109	1,353
Investment in water corporation		-	-	-	-	26,841	26,841
Total financial assets		1,186	8,200	-	-	27,950	37,336
Financial liabilities							
Trade and other payables		-	-	-	-	1,793	1,793
Trust funds and deposits		-	-	-	-	766	766
Interest-bearing loans and borrowings	6.64%	-	-	250	-	-	250
Total financial liabilities		-	-	250	-	2,559	2,809
Net financial assets (liabilities)		1,186	8,200	(250)	-	25,391	34,527

Note 9.10 Financial Instruments (cont.)

(b) Fair Value

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

Financial Instruments	Total carrying amount as per Balance Sheet		Aggregate net fair value	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<i>Financial assets</i>				
Cash and cash equivalents	13,226	9,142	13,226	9,142
Trade and other receivables	824	1,353	824	1,353
Investment in water corporation	29,001	26,841	29,001	26,841
<i>Total financial assets</i>	<u>43,051</u>	<u>37,336</u>	<u>43,051</u>	<u>37,336</u>
<i>Financial liabilities</i>				
Trade and other payables	1,615	1,793	1,615	1,793
Trust funds and deposits	601	766	601	766
Interest-bearing loans and borrowings	6,500	250	6,500	250
<i>Total financial liabilities</i>	<u>8,716</u>	<u>2,809</u>	<u>8,716</u>	<u>2,809</u>

(c) Credit Risk

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is represented by the carrying amount of those assets as indicated in the Statement of Financial Position.

(d) Risks and mitigation

The risks associated with our main financial instruments and our policies for minimising these risks are detailed below.

Market risk

Market risk is the risk that the fair value or future cash flows of our financial instruments will fluctuate because of changes in market prices. Council's exposures to market risk are primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk. Components of market risk to which we are exposed are discussed below.

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. Interest rate risk arises from interest bearing financial assets and liabilities that we use. Non derivative interest bearing assets are predominantly short term liquid assets. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk.

Our loan borrowings are sourced either from Tasmanian Public Finance Corporation or from major Australian banks by a tender process. Finance leases are sourced from major Australian financial institutions. Overdrafts are arranged with major Australian banks. We manage interest rate risk on our net debt portfolio by:

- ensuring access to diverse sources of funding;
- reducing risks of refinancing by managing in accordance with target maturity profiles; and
- setting prudential limits on interest repayments as a percentage of rate revenue.

We manage the interest rate exposure on our debt portfolio by appropriate budgeting strategies and obtaining approval for borrowings from the Department of Treasury and Finance each year.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1993*. We manage interest rate risk by adopting an investment policy that ensures:

- conformity with State and Commonwealth regulations and standards,
- capital protection,
- appropriate liquidity,
- diversification by credit rating, financial institution and investment product,
- monitoring of return on investment,
- benchmarking of returns and comparison with budget.

Maturity will be staggered to provide for interest rate variations and to minimise interest rate risk.

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 our Statement of Financial Position. To help manage this risk:

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

Credit risk arises from Council's financial assets, which comprise cash and cash equivalents, and trade and other receivables. Council's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Exposure at balance date is addressed in each applicable policy note. Council generally trades with recognised, creditworthy third parties, and as such collateral is generally not requested, nor is it Council's policy to securitise its trade and other receivables.

It is Council's policy that some customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their credit rating, financial position, past experience and industry reputation.

In addition, receivable balance are monitored on an ongoing basis with the result that Council's exposure to bad debts is not significant.

Council may also be subject to credit risk for transactions which are not included in the Statement of Financial Position, such as when Council provides a guarantee for another party. Details of our contingent liabilities are disclosed in note 9.9.

Credit quality of contractual financial assets that are neither past due nor impaired

	Financial Institutions	Government agencies	Other	Total
2021				
Cash and cash equivalents	13,226	-	-	13,226
Trade and other receivables	-	-	824	824
Total contractual financial assets	13,226	-	824	14,050
2020				
Cash and cash equivalents	9,142	-	-	9,142
Trade and other receivables	-	-	1,353	1,353
Total contractual financial assets	9,142	-	1,353	10,495

Ageing of Trade and Other Receivables

At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's Trade and Other Receivables was:

	2021 \$'000	2020 \$'000
Current (not yet due)	620	1,054
Past due by up to 30 days	8	-
Past due between 31 and 180 days	3	36
Past due between 181 and 365 days	63	15
Past due by more than 1 year	130	121
Total Trade & Other Receivables	824	1,226

Ageing of individually impaired Trade and Other Receivables

At balance date, other debtors representing financial assets with a nominal value of \$16,976 (2019-20: \$16,976) were impaired. The amount of the provision raised against these debtors was \$16,976 (2019-20: \$16,976). The individually impaired debtors relate to rate and sundry debtors and 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.

The ageing of Trade and Other Receivables that have been individually determined as impaired at reporting date was:

	2021	2020
	\$'000	\$'000
Past due between 31 and 180 days	1	1
Past due by more than 1 year	19	16
Total Trade & Other Receivables	20	17

Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements:

- we will not have sufficient funds to settle a transaction on the date;
- we will be forced to sell financial assets at a value which is less than what they are worth; or
- we may be unable to settle or recover a financial assets at all.

To help reduce these risks we:

- 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 exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The table below lists the contractual maturities for non-lease Financial Liabilities. For lease liabilities refer to Note 7.4.

These amounts represent the discounted cash flow payments (i.e. principal only).

2021	6 mths or less \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	1,615	-	-	-	-	1,615	1,615
Trust funds and deposits	447	-	154	-	-	601	601
Interest-bearing loans and borrowings	250	-	-	3,800	2,450	6,500	6,500
Total financial liabilities	2,312	-	154	3,800	2,450	8,716	8,716

2020	6 mths or less \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	1,793	-	-	-	-	1,793	1,793
Trust funds and deposits	487	-	279	-	-	766	766
Interest-bearing loans and borrowings	-	-	250	-	-	250	250
Total financial liabilities	2,280	-	529	-	-	2,809	2,809

(e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Council believes the following movements are 'reasonably possible' over the next 12 months (Base rates are sourced from Reserve Bank of Australia):

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

The table below discloses the impact on net operating result and equity for each category of financial instruments held by Council at year-end, if the above movements were to occur.

		Interest rate risk			
		-1.0%		1.00%	
		-200 basis points		+100 basis points	
2021	\$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets:					
Cash and cash equivalents	13,226	(132)	(132)	132	132
Trade and other receivables	824	(8)	(8)	8	8
Financial liabilities:					
Interest-bearing loans and borrowings	6,500	(65)	(65)	65	65

		Interest rate risk			
		-2.0%		1.00%	
		-200 basis points		+100 basis points	
2020	\$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets:					
Cash and cash equivalents	9,142	(183)	(183)	91	91
Trade and other receivables	1,353	(27)	(27)	14	14
Financial liabilities:					
Interest-bearing loans and borrowings	250	(5)	(5)	3	3

Note 9.11 Fair Value Measurements

Council measures and recognises the following assets at fair value on a recurring basis:

- Investment in water corporation
- Property, infrastructure plant and equipment
 - Land
 - Buildings
 - Roads, including footpaths & cycleways
 - Bridges
 - Other infrastructure

Council does not measure any liabilities at fair value on a recurring basis.

(a) Fair Value Hierarchy

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the Council. The table presents the Council's assets and liabilities measured and recognised at fair value at 30 June 2021.

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for Council infrastructure assets, which are of a specialist nature for which there is no active market for similar or identical assets. These assets are valued using a combination of observable and unobservable inputs.

As at 30 June 2021

	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Recurring fair value measurements					
Investment in water corporation	5.2	-	-	29,001	29,001
Land	6.1	-	14,030	-	14,030
Land under roads	6.1	-	-	24,585	24,585
Land Improvements	6.1	-	-	7,206	7,206
Buildings	6.1	-	-	24,043	24,043
Roads, bridges, footpaths & cycleways	6.1	-	-	102,203	102,203
Drainage	6.1	-	-	25,924	25,924
		-	14,030	212,962	226,992

As at 30 June 2020

	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Recurring fair value measurements					
Investment in water corporation	5.2	-	-	26,841	26,841
Land	6.1	-	14,030	-	14,030
Land under roads	6.1	-	-	24,302	24,302
Land Improvements	6.1	-	-	6,201	6,201
Buildings	6.1	-	-	24,216	24,216
Roads, bridges, footpaths & cycleways	6.1	-	-	96,250	96,250
Restated drainage	6.1	-	-	23,841	23,841
		-	14,030	201,651	215,681

Transfers between levels of the hierarchy

Council's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels 1 and 2 during the year, nor between levels 2 and 3.

Land

Land fair values were revalued in 2020 by Council Engineering Officers. Level 2 valuation inputs were used to value land in freehold title as well as land used for special purposes, which is restricted in use under current planning provisions. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square metre.

Land held for sale

Land classified as held for sale during the reporting period was measured at the lower of its carrying amount and fair value less cost to sell at the time of reclassification. The fair value of the land was determined using the approach described in the preceding paragraph.

Land under roads

Land under roads is based on council valuations at 30 June 2020 using average per square metre property value rates supplied by the Valuer General.

Buildings

Building assets were revalued in 2020 by Council Engineering Officers.

Where there is a market for Council building assets, fair value has been derived from the sales prices of comparable properties after adjusting for differences in key attributes such as property size. The most significant input into this valuation approach was price per square metre.

In determining the level of accumulated depreciation the asset has been disaggregated into significant components which exhibit useful lives. Allowance has been made for the typical asset life cycle and renewal treatments of each component, residual value at the time the asset is considered to be no longer available for use.

While the unit rates based on square metres can be supported by market evidence (level 2), the estimates of residual value and useful life that are used to calculate accumulated depreciation comprise unobservable inputs (level 3). These other inputs are not significant to the overall valuation.

Infrastructure assets

All Council infrastructure assets were fair valued using written down current replacement cost. This valuation comprises the asset's current replacement cost (CRC) less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Council first determined the gross cost of replacing the full service potential of the asset and then adjusted this amount to take account of the expired service potential of the asset.

CRC was measured by reference to the lowest cost at which the gross future economic benefits of the asset could currently be obtained in the normal course of business. The resulting valuation reflects the cost of replacing the existing economic benefits based on an efficient set of modern equivalent assets to achieve the required level of service output.

The unit rates (labour and materials) and quantities applied to determine the CRC of an asset or asset component were based on the assumption that the CRC was determined as the full cost of replacement with a new asset including components that may not need to be replaced, such as earthworks.

The level of accumulated depreciation for infrastructure assets was determined based on the age of the asset and the useful life adopted by Council for the asset type. Estimated useful lives and residual values are disclosed in note

The calculation of CRC involves a number of inputs that require judgement and are therefore classed as unobservable. While these judgements are made by qualified and experienced staff, different judgements could result in a different valuation. The table at (d) below summarises the effect that changes in the most significant unobservable inputs would have on the valuation.

The methods for calculating CRC are described under individual asset categories below.

Roads, including footpaths & cycleways

Council categorises its road infrastructure into urban and rural roads and then further sub-categorises these into sealed and unsealed roads and collector / commercial or residential roads. Urban roads are managed in segments according to the typical street block, while rural roads are managed in segments according to changes in key characteristics such as road width, or date of sealing. All road segments are then componentised into formation, sub-pavement, pavement and seal (where applicable). Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

Roads, footpaths & cycleways were revalued as at 1 July 2019 by Council Engineering Officers following the method described below. CRC is based on the road area multiplied by a unit price; the unit price being an estimate of labour and material inputs, services costs, and overhead allocations. Council assumes that pavements are constructed to depths of; 400mm (200mm sub-base plus 200mm base-course) for urban collector / commercial roads; 350mm (150mm sub-base and 200mm base course) for rural collector / commercial roads; 300mm (150mm sub-base and 150mm base course) for urban residential and rural residential roads; and 200mm (100mm sub-base and 100mm wearing surface) for unsealed roads. For internal construction estimates, material and services prices are based on existing supplier contract rates or supplier price lists and labour wage rates are based on Council's Enterprise Bargaining Agreement (EBA). Where construction is outsourced, CRC is based on the average of completed similar projects over the last few years.

Note 9.11 Fair Value Measurements (cont.)

Bridges

A full valuation of bridges assets was undertaken in 2020 by Council Engineering Officers. Each bridge is assessed individually and componentised into sub-assets representing the deck and sub-structure. The valuation is based on the material type used for construction and the deck and sub-structure area.

Drainage

A full valuation of drainage assets was undertaken in 2020 by Council Engineering Officers. Similar to roads, stormwater and drainage assets are managed in segments; pits and pipes being the major components.

Consistent with roads, Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment and that a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

CRC is based on the unit price for the component type. For pipes, the unit price is multiplied by the asset's length. The unit price for pipes is based on the construction material as well as the depth the pipe is laid.

Other Infrastructure

Other infrastructure is not deemed to be significant in terms of Council's Statement of Financial Position.

(d) Unobservable inputs and sensitivities

Asset / liability category*	Carrying amount (at fair value) \$'000	Key unobservable inputs *	Expected range of inputs	Description of how changes in inputs will affect the fair value
Investment in water corporation	\$29,001	refer to note 5.2		

*There were no significant inter-relationships between unobservable inputs that materially affect fair values.

(e) Changes in recurring level 3 fair value measurements

The changes in level 3 property plant and equipment assets with recurring fair value measurements are detailed in note 6.1 (Property, infrastructure, plant and equipment). Investment in water corporation, which is classified as level 3 has been separately disclosed in note 5.2.

There have been no transfers between level 1, 2 or 3 measurements during the year.

(f) Valuation processes

Council's current policy for the valuation of property, infrastructure, plant and equipment, investment in water corporation and investment property (recurring fair value measurements) is set out in notes 5.2 and 6.1 respectively.

Non-recurring fair value measurements are made at the point of reclassification by a registered valuer.

(g) Assets and liabilities not measured at fair value but for which fair value is disclosed

Council has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in other notes.

The fair value of borrowings disclosed in note 8.1 equates to the carrying amount as the carrying amount approximates fair value (level 2).

The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature (Level 2).

Note 9.12 Events occurring after balance date

- (a)** There are no subsequent events after 30 June 2021 that have a material impact on the accounts.

Note 10 Other matters

Note 10.1 Related party transactions

(i) Responsible Persons

Names of persons holding the position of a Responsible Person at the Council at any time during the year are:

Councillors	Councillor Peter Freshney - Mayor (2011 - current)
	Councillor Graeme Brown - Deputy Mayor (2014 - current)
	Councillor Mike McLaren (1999-2002 and 2003 - current)
	Councillor Garry Sims (1994 - current)
	Councillor Gerrad Wicks (2014 - current)
	Councillor Lesley Young (2009 - current)
	Councillor Vonette Mead (Nov 2018 - current)
	Councillor Sommer Metske (Nov 2018 - current)
	Councillor Shayne (Cush) Allison (Nov 2018 - current)

General Manager Gerald Monson (July 2007 - current)

(ii) Councillor Remuneration

2021

Position	Period	Short term employee benefits			Expenses ²	Total allowances and expenses section 72
		Allowances	Vehicles ¹	Total Compensation AASB 124		
		\$	\$	\$	\$	\$
Mayor	Full Year	45,343	-	45,343	-	45,343
Deputy Mayor	Full Year	25,355	136	25,491	-	25,491
Councillors	Full Year	91,729	-	91,729	-	91,729
Total		162,427	136	162,563	-	162,563

2020

Position	Period	Short term employee benefits			Expenses ²	Total allowances and expenses section 72
		Allowances	Vehicles ¹	Total Compensation AASB 124		
		\$	\$	\$	\$	\$
Mayor	Full Year	44,988	-	44,988	2,392	47,380
Deputy Mayor	Full Year	25,157	-	25,157	93	25,250
Councillors	Full Year	89,976	-	89,976	-	89,976
Total		160,121	-	160,121	2,485	162,606

¹ Includes total cost of providing and maintaining vehicles provided for private use, including registration, insurance, fuel and other consumables, maintenance cost and parking (including notional value of parking provided at premises that are owned or leased and fringe benefits tax).

² Section 72(1)(b) of the *Local Government Act 1993* requires the disclosure of expenses paid to Councillors.

(iii) Key Management Personnel Remuneration

2021	Number of employees	Short term employee benefits				Post employment benefits		Non-monetary Benefits ⁷	Total
		Salary ¹	Short-term Incentive Payments ²	Vehicles ³	Other Allowances and Benefits ⁴	Super-annuation ⁵	Termination Benefits ⁶		
Remuneration band		\$	\$	\$	\$	\$	\$	\$	
\$40,001 - \$60,000	1	39,913	-	4,901	-	5,118	-	1,084	51,016
\$140 001 - \$160 000	1	128,386	-	11,859	-	12,197	-	(2,820)	149,622
\$220 001 - \$240 000	1	194,350	-	16,219	-	24,294	-	4,119	238,982
Total		362,649	-	32,979	-	41,609	-	2,383	439,620

Employee in remuneration band \$40,001 - \$60,000 has been employed by Council for the full year and was promoted to a key management position on 25 February 2021. The benefits disclosed are from 25 February 2021 to 30 June 2021.

Less key management personnel services hired to Kentish Council (estimated at 1.35 FTE)	(202,297)
Add key management personnel services hired from Kentish (estimated 1.1 FTE)	100,786
Net cost of key management personnel services 2021	338,109

2020	Number of employees	Short term employee benefits				Post employment benefits		Non-monetary Benefits ⁷	Total
		Salary ¹	Short-term Incentive Payments ²	Vehicles ³	Other Allowances and Benefits ⁴	Super-annuation ⁵	Termination Benefits ⁶		
Remuneration band		\$	\$	\$	\$	\$	\$	\$	
\$160 001 - \$180 000	1	141,338	-	15,060	-	13,427	-	10,126	179,951
\$240 001 - \$260 000	1	195,050	-	16,274	-	18,530	-	19,081	248,935
Total		336,388	-	31,334	-	31,957	-	29,206	428,886

Less key management personnel services hired to Kentish Council (estimated at 0.9 FTE)	(196,448)
Add key management personnel services hired from Kentish (estimated 1.1 FTE)	145,079
Net cost of key management personnel services 2020	377,517

¹ Gross Salary includes all forms of consideration paid and payable for services rendered, compensated absences during the period and salary sacrifice amounts.

² Short term incentive payments are non-recurrent payments which depend on achieving specified performance goals within specified timeframes. These payments are capped at 15% of base salary. [This includes such items as retention bonuses in culmination with termination.]

³ Includes total cost of providing and maintaining vehicles provided for private use, including registration, insurance, fuel and other consumables, maintenance cost and parking (including notional value of parking provided at premises that are owned or leased and fringe benefits tax).

⁴ Other allowances and benefits includes all other forms of employment allowances (excludes reimbursements such as travel, accommodation or meals), payments in lieu of leave, and any other compensation paid and payable.

⁵ Superannuation means the contribution to the superannuation fund of the individual.

⁶ Termination benefits include all forms of benefit paid or accrued as a consequence of termination.

⁷ Non-monetary benefits include annual and long service leave movements and non-monetary benefits (such as housing, subsidised goods or services etc).

⁸ Due to a restructure implemented during the 2019 year the number of employees considered to be key management personnel is now 2 not 4.

⁹ Key management personnel are hired from and to Kentish Council as required.

(iv) Remuneration Principles

Councillors

Councillor allowances and expenses are paid in accordance with section 42 and 43 of the Local Government (General) Regulations 2015

Executives

Remuneration levels for key management personnel are set in accordance with market based salaries relative to the responsibilities and accountability of the position.

The employment terms and conditions of senior executives are contained either in council's Enterprise Agreement or in individual employment contracts and prescribe total remuneration, superannuation, annual and long service leave, vehicle and salary sacrifice provisions. In addition to their salaries, Council also provides non-cash benefits and contributes to post-employment superannuation plans on their behalf.

The performance of each senior executive, including the General Manager, is reviewed annually which includes a review of their remuneration package.

(v) Transactions with associates

Council's interests in associates is detailed in note 5.1

The following transactions occur with Dulverton Regional Waste Management Authority

<i>Nature of the transaction</i>	<i>Amount of the transactions during the year</i>	<i>Outstanding balances, including commitments at year end</i>	<i>Terms and conditions</i>	<i>Provisions for doubtful debts related outstanding balances</i>	<i>The expense recognised during the period relating to bad or doubtful debts due from related parties</i>
<i>Waste disposal services (1)</i>	\$684,532	\$51,705	<i>30-day terms on invoices</i>	\$0	\$0
<i>National Taxation Equivalent Regime (2)</i>	\$117,911	\$0	<i>As per section 71 of the Government Business Enterprises Act 1995</i>	\$0	\$0
<i>Dividends (3)</i>	\$74,250	\$0	<i>As determined by the Board of Dulverton Waste management Authority</i>	\$0	\$0

¹ Council incurs gate fees for disposal of waste as part of its kerbside waste collection services and disposal of waste transferred from its waste transfer stations. Amounts are payable monthly.

² As part owner of the Dulverton Regional Waste management Authority, council receives quarterly income tax equivalent payments from the authority

³ As part owner of the Dulverton Regional Waste Management Authority, council receives dividends payments as declared by the board of the authority.

(iv) **Transactions with related parties**

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

<i>Nature of the transaction</i>	<i>Amount of the transactions during the year</i>	<i>Outstanding balances, including commitments at year end</i>	<i>Terms and conditions</i>	<i>Provisions for doubtful debts related outstanding balances</i>	<i>The expense recognised during the period relating to bad or doubtful debts due from related parties</i>
<i>Building maintenance repairs (1)</i>	\$376,425	\$79,743	<i>30-day terms on invoices</i>	\$0	\$0
<i>Commercial Lease and reimbursement of utilities (2)</i>	\$15,377	\$5,877	<i>30-day terms on invoices</i>	\$0	\$0

¹ Council has engaged a related party to undertake repairs and maintenance on some council buildings.

² Council leased commercial premises to related parties of Key Management Personnel during 2020-21. The terms and conditions under the lease agreements were based on normal rates for such leases and payments were due and payable under normal payment terms.

In accordance with s84(2)(b) of the *Local Government Act 1993*, no interests have been notified to the General Manager in respect of any body or organisation with which the Council has major financial dealings.

(v) **Loans and guarantees to/from related parties**

The aggregate amount of loans in existence at balance date that have been made, guaranteed or secured by the council to a related party was nil.

(vi) **Commitments to/from related parties**

The aggregate amount of commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party was nil.

(vii) **Transactions with related parties that have not been disclosed**

Most of the entities and people that are related parties of council live and operate within the municipality. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. Some examples include:

- Payment of rates on a primary residence
- Dog registration
- Use of Council's swimming pool

Council has not included these types of transaction in its disclosure, where they are made on the same terms and conditions available to the general public.

Note 10.2 Special committees and other activities

The Council has established a number of Special Committees under section 24 and a controlling authority under section 29 of the *Local Government Act 1993* to manage Council facilities on its behalf. These Special Committees and Controlling Authority do not have separate legal identity to Council and their income, expenditure, assets and liabilities are included in Council's Statement of Comprehensive Income and Statement of Financial Position

2021

Special Committees and Controlling Authority of Council include Axeman's Hall of Fame Management Committee, Banksia Facilities Management Committee, Bells Parade Development Committee, Elderly Persons Units Advisory Committee, Latrobe Cemetery Committee, Latrobe and Districts Youth Centre Management Committee, Latrobe Council Economic Development Committee, Latrobe Sport and Recreation Management Committee, Latrobe Tree Planting Committee, Moriarty Hall Committee, Port Sorell Advisory Committee, Port Sorell Caravan Park Committee and the Port Sorell Memorial Hall Controlling Authority.

Council is also a member of two Joint Authorities, the Cradle Coast Authority and Dulverton Regional Waste Management Authority. The Council is a member of the Mersey Regional Emergency Management Committee.

2020

Special Committees and Controlling Authority of Council include Axeman's Hall of Fame Management Committee, Banksia Facilities Management Committee, Bells Parade Development Committee, Elderly Persons Units Advisory Committee, Latrobe Cemetery Committee, Latrobe and Districts Youth Centre Management Committee, Latrobe Sport and Recreation Management Committee, Latrobe Tree Planting Committee, Moriarty Hall Committee, Port Sorell Advisory Committee, Port Sorell Caravan Park Committee and the Port Sorell Memorial Hall Controlling Authority.

Council is also a member of two Joint Authorities, the Cradle Coast Authority and Dulverton Regional Waste Management Authority. The Council is a member of the Mersey Regional Emergency Management Committee.

Note 10.3 Other significant accounting policies and pending accounting standards

(a) Taxation

Council is exempt from all forms of taxation except Fringe Benefits Tax, Payroll Tax and the Goods and Services Tax.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(b) Impairment of non-financial assets

At each reporting date, Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the Statement of Other Comprehensive Income, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation reserve 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. For non-cash generating assets of Council such as roads, drains, public buildings and the like, value in use is represented by the deprival value of the asset approximated by its written down replacement cost.

(c) Allocation between current and non-current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next twelve months, being Council's operational cycle, or if Council does not have an unconditional right to defer settlement of a liability for at least 12 months after the reporting date.

(d) Financial guarantees

Financial guarantee contracts are recognised as a liability at the time the guarantee is issued. The liability is initially measured at fair value, and if there is material increase in the likelihood that the guarantee may have to be exercised, at the higher of the amount determined in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised less cumulative amortisation, where appropriate. In the determination of fair value, consideration is given to factors including the probability of default by the guaranteed party and the likely loss to Council in the event of default.

(e) Contingent assets, contingent liabilities and commitments

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Commitments are not recognised in the Statement of Financial Position. Commitments are disclosed at their nominal value inclusive of the GST payable.

(f) Budget

The estimated revenue and expense amounts in the Statement of Other Comprehensive Income represent original budget amounts and are not audited.

(g) Adoption of new and amended accounting standards

In the current year, Council has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. These include:

(i) AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material

The amendments refine the definition of material in AASB 101 and are applicable for the year ended 30 June 2021. The amendments clarify the definition of material and includes guidance relating to obscuring information that could be reasonably expected to influence decisions of the primary users of the financial information. The amendments include additional guidance to the definition of material, gives it more prominence, and clarifies the explanation accompanying the definition of material. The adoption of the amendments has not had any significant impact on Council.

(h) **Pending Accounting Standards**

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2021 reporting periods. Council's assessment of the impact of the relevant new standards and interpretations is set out below.

(i) *AASB 2017-5 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Correction*, applicable to annual reporting periods beginning on or after 1 January 2022.

The amendments address an inconsistency between the requirements in AASB10, and those in AASB128 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

Council does not anticipate the occurrence of a sale or contribution of assets with its associate therefore no Impact is anticipated.

All other Australian accounting standards and interpretations with future effective dates are either not applicable to Council's activities, or have no material impact.

Note 10.4 Significant Business Activities

The operating capital and competitive neutrality costs of the Council's significant business activities:

	Port Sorell Caravan Park		Camp Banksia	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<i>Revenue</i>				
User fees	509	392	281	239
Interest	-	2	-	-
Other income	-	-	-	4
Total Revenue	509	394	281	243
<i>Expenditure</i>				
<i>Direct</i>				
Employee benefits	4	12	84	139
Materials and services	145	150	52	88
Other expenses	72	56	38	37
<i>Indirect</i>				
Engineering & Administration	50	34	66	93
Total Expenses	271	252	240	357
<i>Notional cost of free services received</i>				
<i>Capital Costs</i>				
Depreciation and amortisation	19	19	42	42
Opportunity cost of capital	31	36	117	144
Total Capital Costs	50	55	159	186
<i>Competitive neutrality adjustments</i>				
Rates and land tax	-	-	-	-
Loan guarantee fees	-	-	-	-
Total	-	-	-	-
<i>Calculated Surplus/(Deficit)</i>	188	88	(119)	(300)
Tax equivalent rate	30%	30%	30%	30%
Taxation equivalent	56	26	-	-
Competitive neutrality costs	56	26	-	-

Accounting policy

Significant business activities

Council is required to report the operating, capital and competitive neutrality costs in respect of each significant business activity undertaken by the Council. Council's disclosure is reconciled above. Council has determined, based upon materiality that the activities defined above are considered significant business activities. Competitive neutrality costs include notional costs i.e. income tax equivalent, rates and loan guarantees. In preparing the information disclosed in relation to significant business activities, the following assumptions have been applied:

The income tax rate is 30%

The return on capital is 2.5%

Note	10.5 Management indicators	Benchmark	2021 \$'000	2020 \$'000	2019 \$'000	2018 \$'000
	(a) Underlying surplus or deficit					
	Net result for the year		9,117	883	(8,023)	3,671
	Less non-operating income					
	Contributions non-monetary assets		(7,632)	(1,309)	(319)	(2,302)
	Contributions - cash		(49)	(639)	-	(68)
	National disaster relief grants received		-	-	-	(77)
	State Government Payroll Tax Waiver-COVID 19		-	(196)	-	-
	Grants specifically for new/upgraded assets		(648)	(158)	(1,349)	(140)
	Grants for renewal of assets		(311)	(311)	(220)	(444)
	Grants received in advance - current year		(908)	(877)	(844)	(790)
	Grants received in advance - prior year		877	844	790	745
	Add non-operational expenses					
	Landfill rehabilitation provision		-	1,475	10,765	-
	Additional costs due to COVID 19		-	73	-	-
	Underlying surplus/deficit		446	-216	800	595

The intent of the underlying result is to show the outcome of a council's normal or usual day to day operations.

(b) Underlying surplus ratio						
<u>Underlying surplus or deficit</u>			446	-216	800	595
Recurrent income*			13,420	12,510	13,960	13,365
Underlying surplus ratio %	0%	3%	-2%	6%	4%	

This ratio serves as an overall measure of financial operating effectiveness.

(c) Net financial liabilities						
Liquid assets less			14,199	10,645	10,428	10,962
total liabilities			24,575	18,644	15,969	6,930
Net financial liabilities	0		(10,376)	(7,999)	-5,541	4,032

This measure shows whether Council's total liabilities can be met by its liquid assets. An excess of total liabilities over liquid assets

(d) Net financial liabilities ratio						
<u>Net financial liabilities</u>			(10,376)	-7,999	-5,541	4,032
Recurrent income*			13,420	12,510	13,960	13,365
Net financial liabilities ratio %	0% - (50%)	-77%	-64%	-40%	30%	

This ratio indicates the net financial obligations of Council compared to its recurrent income.

(e) Asset consumption ratio

An asset consumption ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.

<i>Transport Infrastructure</i>						
<u>Fair value (Carrying amount)</u>			102,203	96,250	83,784	84,227
Current replacement cost (Gross)			145,458	137,900	128,490	127,337
Asset consumption ratio %			70%	70%	65%	66%
<i>Buildings</i>						
<u>Fair value (Carrying amount)</u>			24,043	24,216	23,679	24,146
Current replacement cost (Gross)			50,581	50,092	43,892	43,644
Asset consumption ratio %			48%	48%	54%	55%
<i>Restated Drainage</i>						
<u>Fair value (Carrying amount)</u>			25,924	23,841	20,779	20,335
Current replacement cost (Gross)			35,823	33,324	28,928	28,135
Asset consumption ratio %			72%	72%	72%	72%

This ratio indicates the level of service potential available in Council's existing asset base.

Note	10.5 Management indicators (cont.)	2021 \$'000	2020 \$'000	2019 \$'000	2018 \$'000
(f)	Asset renewal funding ratio				
	An asset renewal funding ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.				
	<i>Transport Infrastructure</i>				
	Projected capital funding outlays**	14,081	15,180	9,442	9,442
	Projected capital expenditure funding***	9,720	11,524	7,331	8,125
	Asset renewal funding ratio %	90-100%	145%	132%	129%
	<i>Buildings</i>				
	Projected capital funding outlays**	4,365	4,013	429	911
	Projected capital expenditure funding***	41	76	751	751
	Asset renewal funding ratio %	90-100%	10646%	5280%	57%
	<i>Restated Drainage</i>				
	Projected capital funding outlays**	236	236	154	1,007
	Projected capital expenditure funding***	153	170	153	168
	Asset renewal funding ratio %	90-100%	155%	139%	101%

** Current value of projected capital funding outlays for an asset identified in Council's long-term financial plan.

*** Value of projected capital expenditure funding for an asset identified in Council's long-term strategic asset management plan. This ratio measures Council's capacity to fund future asset replacement requirements.

(g) **Asset sustainability ratio**

Capex on replacement/renewal of existing assets	1,976	998	1,495	1,178
Annual depreciation expense	3,442	3,327	3,326	3,438
Asset sustainability ratio %	100%	57%	30%	45%

This ratio calculates the extent to which Council is maintaining operating capacity through renewal of their existing asset base.

	Capital renewal expenditure \$'000	Capital new /upgrade expenditure \$'000	Total Capital Expenditure \$'000
2021			
Roads and Bridges	600	2,701	3,301
Stormwater and drainage	85	737	822
Buildings etc	276	421	697
Land Improvements	604	864	1,468
Land	-	2	2
Plant, Equipment, Other	411	490	901
Intangibles (software)	-	241	241
Total	1,976	5,456	7,432
2020			
Roads and Bridges	661	965	1,626
Stormwater and drainage	0	476	476
Buildings etc	81	491	572
Land Improvements	21	876	897
Land	0	338	338
Plant, Equipment, Other	235	71	306
Intangibles (software)	0	69	69
Total	998	3,286	4,284

Note 11.1 Correcton of prior period error

Comparative figures have been restated in the Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity. These changes are a result of prior period errors in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

During the 2020/21 review of the fair values of Council's assets, an error in the 2019/20 revaluation of drainage assets was discovered. Due to a calculation error, the gross value of drainage assets was increased by \$289,108 when it should have been increased by \$3,420,653 and accumulated depreciation of drainage assets was increased by \$992,083, when it should have been increased by \$965,451.

In terms of the net book value of drainage assets, the net revaluation decrement for drainage assets in 2019/20 of \$702,975, should have been a net increment of \$2,455,202. The opening balances as at 1 July 2020 have not been impacted.

As these adjustment reflected characteristics of assets that existed in the prior period, an adjustment to the prior period balances has been made. This is classified as an error in accordance with AASB 108. The prior period adjustment are detailed below, with the Statement of Comprehensive Income and Statement of Financial Position balances as at 30 June 2020 restated as follows:

Statement of Comprehensive Income

Net asset revaluation increment was increased by \$3,158,178.
Total other comprehensive income was increased by \$3,158,178.
Total comprehensive result was increased by \$3,158,178.

Statement of Financial Position

Property, infrastructure, plant and equipment assets were increased by \$3,158,178.
Total non-current assets were increased by \$3,158,178.
Total assets were increased by \$3,158,178.
Net assets were increased by \$3,158,178.
Asset revaluation reserves were increased by \$3,158,178.
Total equity was increased by \$3,158,178.

Statement of Changes in Equity

Asset revaluation reserves were increased by \$3,158,178.
Total comprehensive income was increased by \$3,158,178.
Balance at end of the financial year was increased by \$3,158,178.

The following tables disclose the impact on the 2019-20 notes that have been restated for the adjustment of prior period errors discussed above.

Due to the minor nature of the prior period error, Council has chosen to disclose the error by using a note in the accounts rather than producing an additional column in the financial reports.

Adjustment: Note 6 - Property, infrastructure, plant & equipment

The following prior year balances in note 6 have been restated due to the above error. All other prior year balances in note 6 are unchanged.

	2020 (unadjusted) \$'000	2020 (adjusted) \$'000	Prior year error adjustment \$'000
Property, infrastructure, plant and equipment			
Summary			
at fair value as at 30 June	266,566	269,697	3,131
Less accumulated depreciation	(80,884)	(80,857)	27
Sub-total	185,682	188,840	3,158
Carrying Amounts			
Drainage			
At fair value	30,192	33,323	3,131
less accumulated depreciation	(9,509)	(9,482)	27
Total	20,683	23,841	3,158
Total Infrastructure	116,933	120,091	3,158
Total property, infrastructure, plant and equipment	189,373	192,531	3,158
Reconciliation of property, infrastructure, plant and equipment			
Balance at beginning of financial year	178,559	178,559	-
Acquisition of assets	5,616	5,616	-
Revaluation increments/ (decrements)	14,979	18,137	3,158
Depreciation and amortisation	(3,268)	(3,268)	-
Written down value of disposals	(353)	(353)	-
Transfers	(3,160)	(3,160)	-
Balance at end of financial year	192,373	195,531	3,158

Adjustment: Note 9.1 - Reserves

The following prior year balances in note 9 have been restated due to the above error. All other prior year balances in note 9 are unchanged.

	2020 (unadjusted) \$'000	2020 (adjusted) \$'000	Prior year error adjustment \$'000
Asset revaluation reserve - drainage			
Balance at beginning of financial year	12,076	12,076	-
Opening adjustment	-	-	-
Increment	-	2,455	2,455
Decrement	(703)	-	703
Balance at end of financial year	11,373	14,531	3,158
Asset revaluation reserve - total			
Balance at beginning of financial year	98,901	98,901	-
Opening adjustment	(3,160)	(3,160)	-
Increment	15,893	18,348	2,455
Decrement	(943)	(240)	703
Balance at end of financial year	110,691	113,849	3,158

Certification of the Financial Report

The financial report presents fairly the financial position of the Latrobe Council as at 30 June 2021 and the results of its operations and cash flows for the year then ended, in accordance with the *Local Government Act 1993* (as amended), Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board.



Gerald Monson
General Manager

Date : 7 October 2021

Latrobe Council Audit Panel

Biennial Report to Council

For the two-year period ended 30 June 2021

Audit Panel Objectives

The objective of the Audit Panel is to provide an accountability mechanism in relation to Council's financial, compliance, risk management and internal control activities. The panel reviews the council's performance under section 85A of the Local Government Act and reports to the council its conclusions and recommendations.

Meeting Attendance – Audit Panel Members

Meeting Date	Mr Ben Coull (Chairman)	Cr Graeme Brown	Cr Lesley Young	Cr Mike McLaren (Proxy)
15 October 2019	✓			✓
17 December 2019	✓	✓	✓	
17 March 2020	✓	✓	✓	
29 May 2020 (held 16 June)	✓	✓	✓	
25 August 2020 (held 29 Sept)	✓	✓	✓	
24 November 2020	✓	✓	✓	
23 February 2021 (held 2 March)	✓	✓	✓	
25 May 2021	✓	✓	✓	

Summary of the Audit Panel meetings held between July 2019 and June 2021

Meeting Date	Main Agenda Items / Outcomes
15 October 2019	<p>Stand-alone session</p> <ul style="list-style-type: none">➤ Received a progress update regarding the unaudited Annual Financial Report for 2018-19 <p>Joint session with Kentish Council Audit Panel</p> <ul style="list-style-type: none">➤ Received Embedding Shared Services update from management➤ Agreed to review the Annual Work Plan of the Audit Panel➤ Reviewed and discussed Tasmanian Audit Office (TAO) report, Procurement in Local Government September 2019➤ Received an update from management on Council's Risk Register and key risk exposures➤ Reviewed and discussed a briefing from management on the induction process for employees and elected members

Meeting Date	Main Agenda Items / Outcomes
	<ul style="list-style-type: none"> ➤ Received a report from Tasmanian Audit Office regarding the 2018/19 Audit Strategy ➤ Reviewed the Audit Panel Charters and recommended that the current charters be endorsed by the councils without change.
17 December 2019	<p>Stand-alone session</p> <ul style="list-style-type: none"> ➤ Discussed and reviewed 2018-19 Annual Report and unaudited Financial Report ➤ Received a progress update regarding audit of 2018-19 Annual Financial Report (lodged 22/11/19) <p>Joint session with Kentish Council Audit Panel</p> <ul style="list-style-type: none"> ➤ Received Embedding Shared Services update from management ➤ Reviewed and discussed Corporate Risk Registers, latest Risk Report to senior management and latest Risk and WHS Report to Councils. ➤ Endorsed Audit Panel Annual Reports for the year ended 30 June 2019
17 March 2020	<p>Stand-alone session</p> <ul style="list-style-type: none"> ➤ Received a progress update regarding audit of 2018-19 Annual Financial Report <p>Joint session with Kentish Council Audit Panel</p> <ul style="list-style-type: none"> ➤ Received OneSystem Implementation and Embedding Shared Services update from management ➤ Received a verbal report from management regarding the councils' initial response and planning regarding the Covid-19 pandemic ➤ Received an update from the councils' risk management staff regarding the revised Corporate Risk Register ➤ Received a report from the Team Leader Development and Regulatory Services on policies and processes controlling the councils' responsibility as a Planning Authority
29 May 2020 (held 16 June)	<p>Stand-alone session</p> <ul style="list-style-type: none"> ➤ Received a Covid-19 response update from management

Meeting Date	Main Agenda Items / Outcomes
	<ul style="list-style-type: none"> ➤ Discussed and reviewed revised 2018-19 Annual Financial Report due for audit sign-off ➤ Received a progress update regarding audit of 2018-19 Annual Financial Report <p>Joint session with Kentish Council Audit Panel</p> <ul style="list-style-type: none"> ➤ Received OneSystem Implementation and Embedding Shared Services update from management ➤ Received an update from Tasmanian Audit Office on TAO activities and plans including changes in operations in response to Covid-19 ➤ Reviewed and discussed Accounting Policies with input from Tasmanian Audit Office ➤ Received an update on the process and progress to date for development of the 2020-21 Annual Plan and Budget and 2020-2030 Long Term Financial Plan
25 August 2020 (held 29 Sept)	<p>Stand-alone session</p> <ul style="list-style-type: none"> ➤ Received a presentation from management on Council’s 2020-2030 Long Term Financial Plan ➤ Received a report on 2018-19 audit completion report and Memorandum of Audit Findings from Tasmanian Audit Office <p>Joint session with Kentish Council Audit Panel</p> <ul style="list-style-type: none"> ➤ Received a Covid-19 response, OneSystem Implementation and Embedding Shared Services update from management ➤ Received a report on 2018-19 Memorandum of Audit Findings from Tasmanian Audit Office ➤ Received a report from Tasmanian Audit Office regarding their recent publications on Management of Underperformance in the Tasmanian State Service and Effectiveness of Internal Audit
24 November 2020	<p>Stand-alone session</p> <ul style="list-style-type: none"> ➤ Received a progress update regarding unaudited Annual Financial Report for 2019-20 <p>Joint session with Kentish Council Audit Panel</p> <ul style="list-style-type: none"> ➤ Received updates on outstanding actions from prior meetings including IT security, business case analysis for capital projects and Risk Register update ➤ Received a Covid-19 response, OneSystem Implementation and Embedding Shared Services update from management

Meeting Date	Main Agenda Items / Outcomes
	<ul style="list-style-type: none"> ➤ Discussed current segregation of duties within council and opportunities for improvement including potential future internal audit of procurement processes and further development of anti-fraud culture ➤ Discussed proposed reform to audit panel functions and membership rules
23 February 2021 (held 2 March)	<p>Stand-alone session</p> <ul style="list-style-type: none"> ➤ Received a report on 2019-20 Memorandum of Audit Findings from Tasmanian Audit Office ➤ Reviewed a sample of major procurement decisions to determine compliance with procurement policies and tender requirements <p>Joint session with Kentish Council Audit Panel</p> <ul style="list-style-type: none"> ➤ Received a Covid-19 response, OneSystem Implementation and Embedding Shared Services update from management ➤ Received a Finance team Key Dates Checklist for 2020/21 and 2021/22 ➤ Discussed internal audit and resolved to recommend that each council includes an allowance of \$10,000 in its 2021/22 budget for internal audit activities if required ➤ Reviewed and discussed TAO publication Procurement in Local Government 2 2019-20 and recommended that spot checks be conducted to gauge the level of compliance and system improvements be investigated <i>if warranted</i>
25 May 2021	<p>Stand-alone session</p> <ul style="list-style-type: none"> ➤ Reviewed the Audit Panel Charter and made relevant recommendations to Council ➤ Received a progress update on implementation of recommendations from the 2020 Memorandum of Audit Findings from Tasmanian Audit Office <p>Joint session with Kentish Council Audit Panel</p> <ul style="list-style-type: none"> ➤ Received a Covid-19 response, OneSystem Implementation and Embedding Shared Services update from management ➤ Received an updated Finance team Key Dates Checklist for 2020/21 and 2021/22

Meeting Date	Main Agenda Items / Outcomes
	<ul style="list-style-type: none"> ➤ Reviewed and discussed current Accounting Policies of the councils and recommended that the councils check with other councils and consider increasing their capitalization thresholds for road, bridge and building assets to between \$25,000 and \$30,000 ➤ Received an update from the Team Leader Finance on the 2020/21 Budget ➤ Reviewed and discussed policies and processes for payment of allowances and reimbursements to employees and elected members and requested that statistics on the number and dollar value of reimbursements be presented to the next Audit Panel meeting ➤ Reviewed and discussed the Auditor General’s Report on the Financial Statements of State Entities (Local Government Section) for 2019/20

The audit panel has met once since the end of the 2020/21 financial year and work relevant to this annual report completed during that time includes:

- Reviewed and discussed the unaudited financial report for the year ended 30 June 2021 (lodged with TAO 14/8/21)
- Noted the re-appointment of Ben Coull as chairperson until 9 August 2025 and the re-appointment of Councillors Brown, Young and McLaren (Proxy) until the end of their current four-year term on Council.
- Received a presentation from TAO on the 2020/21 Audit Strategy

The Audit Panel was effectively supported in its activities by council staff, and their contribution to its functioning is duly appreciated by members of the audit panel.

Signed this 23 November 2021

Mr Ben Coull
Chairman