

ANNUAL REPORT

2021 2022



Latrobe Council

The Latrobe Council is pleased to present its annual report for 2021/22.

The Annual Report highlights Council's performance against the 2021/22 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.


Front Cover Photo River Road, Latrobe
© Gerald Monson

Revised April 2023 after audit finalisation

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An aerial photograph of a coastal town at sunset. The sky transitions from a deep blue at the top to a warm orange and yellow near the horizon. The town is visible in the middle ground, with houses and buildings. In the foreground, a sandy beach leads to a body of water. A small jetty structure extends into the water, with two people standing on it. The text "OUR COUNCIL" is overlaid in white on a semi-transparent purple rectangular background.

OUR COUNCIL



MUNICIPAL PROFILE

Our municipal area

The Latrobe Municipal area covers 600 square kilometres and is at the eastern end of the North West Coast of Tasmania. Our 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 2022, the Australian Bureau of Statistics estimated resident population of the municipal area was 12,705.

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 former famous Latrobe Bicycle Club Wheel Race and is the birthplace of competitive wood chopping in Australia.

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

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.

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, vineyards 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 economy.
- 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 that 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.

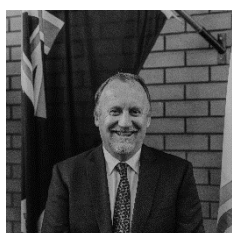
Employee Management – values the contribution of our staff and is committed to ensuring their ongoing well-being and development.

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 consists 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

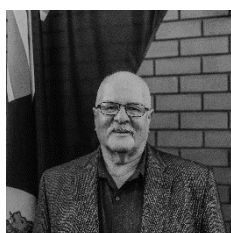
M: 0417 287 006

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
- LGAT General Management Committee
- Premier's Local Government Council
- 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
- St Patrick's Child Care Board of Management



Deputy Mayor Graeme Brown AFSM

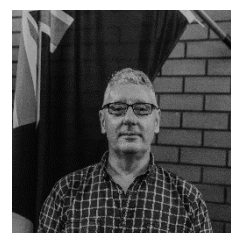
M: 0417 598 116

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

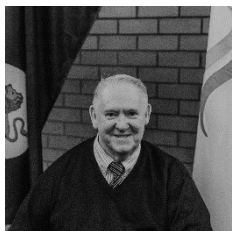
P: 6426 2777

E: crmclaren@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

M: 0419 139 053

E: crsims@latrobe.tas.gov.au

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
- Latrobe Memorial Hall and Hamilton Hub Advisory Special 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

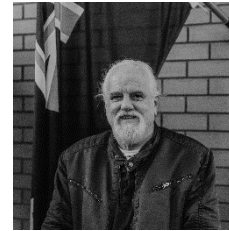


Councillor Sommer Metske
M: 0409 622 710
E: crmetske@latrobe.tas.gov.au

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; and
 - the efficient and effective management of assets; and
 - the fair and equitable treatment of employees of the Council.
- to facilitate and encourage the 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 representatives from both Councils and the General Manager, Gerald Monson:



- Mayor Peter Freshney
- Deputy Mayor Graeme Brown
- Cr Mike McLaren



- Mayor Tim Wilson
- Deputy Mayor Don Thwaites
- Cr Penny Lane

The Committee met three times during the 2021/22 financial year and made recommendations to the Latrobe and Kentish Councils including, that:

- The revised agreement on the general principles and methods for allocation of resource-shared costs be adopted.
- The Capital Works Program be prioritised and reduced, and:
 - The long term financial plans be reviewed for each Council taking into account the financial positions at the 30 June 2021; revised Capital Works Programs and potential increased costs being incurred on budgeted items; and
 - A further assessment of the Capital Works Programs be undertaken as part of the mid-year budget review.
- An independent staff survey be undertaken across all employees of both Latrobe and Kentish Councils with the results made publicly available through the Council meeting agendas.
- The adoption of the following human resources policies by Latrobe and Kentish Councils after discussion at their Council workshops:
 - Recruitment, Selection and Appointment Policy;
 - Equal Employment Opportunity (EEO) and Diversity Policy; and
 - Anti-Discrimination, Bullying and Harassment Policy.
- The General Manager prepare a submission to the Local Government Board, detailing the history and benefits of the shared services arrangement between the Latrobe and Kentish Councils.
- The General Manager approach the Local Government Association of Tasmania to ascertain if there is funding available through the State Government for Council to undertake a review of the Shared Services arrangement as outlined in the Draft Terms of Reference presented by the Centre for Local Government – Institute for Public Policy and Governance – University of Technology Sydney.
- The endorsement of signing a variation contract between the Latrobe and Kentish Councils and Technology One to licence their product for a further five years.
- The Councils progress the supply and delivery of new street bins throughout the Latrobe and Kentish areas.

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 2021–22

Date	Meeting	Mayor Freshney	Deputy Mayor Brown	Cr Allison	Cr Sims	Cr Metske	Cr McLaren	Cr Mead	Cr Young	Cr Wicks
12 July	Ordinary	✓	✓	✓	✓	✓	✓	✓	✓	✓
9 August	Ordinary	✓	✓	✓	✓	✗	✓	✓	✓	✓
13 September	Ordinary	✓	✓	✓	✓	✓	✓	✓	✓	✓
11 October	Ordinary	✓	✓	✓	✓	✓	✓	✓	✗	✓
8 November	Ordinary	✓	✓	✓	✓	✓	✓	✓	✓	✓
13 December	Ordinary & AGM	✓	✓	✓	✓	✓	✓	✓	✓	✓
17 January	Ordinary	✓	✓	✓	✓	✓	✓	✓	✓	✓
14 February	Ordinary	✓	✓	✗	✓	✓	✓	✓	✓	✓
7 March	Ordinary	✓	✓	✗	✓	✓	✓	✓	✓	✓
11 April	Ordinary	✓	✓	✗	✓	✓	✓	✗	✓	✓
9 May	Ordinary	✓	✓	✗	✓	✓	✓	✓	✓	✓
16 May	Special Planning Authority	✓	✓	✗	✓	✓	✓	✓	✓	✓
14 June	Ordinary	✓	✓	✗	✓	✓	✗	✓	✓	✓
27 June	Special Planning Authority	✓	✓	✗	✓	✓	✓	✓	✓	✓
Total Attended		14/14	14/14	7/14	14/14	13/14	13/14	13/14	13/14	14/14

Councillor attendance at Council Workshops during 2021–22

Date	Cr Freshney	Cr Brown	Cr Allison	Cr Sims	Cr Metske	Cr McLaren	Cr Mead	Cr Young	Cr Wicks
12 July	✓	✓	✓	✓	✓	✓	✓	✓	✓
26 July	✓	✓	✓	✓	✓	✓	✓	✓	✓
9 August	✓	✓	✓	✓	✗	✓	✓	✓	✓
23 August	✓	✓	✓	✗	✓	✓	✓	✓	✓
13 September	✓	✓	✓	✓	✓	✓	✓	✓	✓
11 October	✓	✓	✓	✓	✓	✓	✓	✗	✓
18 October	✓	✓	✓	✓	✓	✓	✓	✓	✓
25 October	✓	✗	✓	✓	✓	✓	✓	✓	✓
8 November	✓	✓	✗	✓	✓	✓	✓	✓	✓
22 November	✓	✓	✗	✓	✓	✓	✓	✓	✓
17 January	✓	✓	✓	✓	✓	✓	✓	✓	✓
14 February	✓	✓	✗	✓	✓	✓	✓	✓	✓
28 February	✓	✓	✗	✗	✓	✓	✓	✓	✓
7 March	✓	✓	✗	✓	✓	✓	✓	✓	✓
21 March	✓	✓	✗	✓	✓	✓	✓	✓	✓
28 March	✓	✓	✗	✓	✓	✓	✓	✓	✓
11 April	✓	✓	✗	✓	✓	✓	✗	✓	✓
26 April	✓	✓	✗	✓	✓	✓	✗	✓	✓
9 May	✓	✓	✗	✓	✓	✓	✓	✓	✓
23 May	✓	✓	✗	✗	✓	✓	✓	✓	✓
30 May	✓	✓	✗	✓	✓	✓	✓	✓	✓
14 June	✓	✓	✗	✓	✓	✗	✓	✓	✓
27 June	✓	✓	✗	✓	✓	✓	✓	✓	✓
Total Attended	23/23	22/23	9/23	20/23	22/23	22/23	21/23	22/23	23/23

A dramatic seascape at sunset or sunrise. The sky is filled with soft, colorful clouds in shades of purple, pink, and blue. In the foreground, white, frothy waves are crashing against dark, jagged rocks. The water is turbulent, with white foam and spray. In the background, a calm sea stretches to a distant, low mountain range under the colorful sky. A semi-transparent, light-colored rectangular box is overlaid in the center of the image, containing the text "THE YEAR IN REVIEW".

THE YEAR IN REVIEW

Shearwater Beach



Mayor
Peter Freshney



General Manager
Gerald Monson

MAYOR AND GENERAL MANAGER'S MESSAGE

The challenges of increasing costs, scarce resources and increasing development that emerged during early 2021 continued into the 2021/22 financial year. Council completed several projects throughout the year, including upgrading a section of Tarleton Road and adjoining footpath, pump tracks at Bosworth Park and at the Banksia Facilities and replacement and an extension of the underground Bonneys Creek culvert in James Street Latrobe. The main emphasis during the year was commencement of the priority projects, which were identified in Council's Strategic Plan which was adopted in September 2020.

The major project commenced was the Latrobe Flood mitigation scheme which will result in Latrobe being protected from a similar flood event to that which occurred in June 2016. Work is well underway with the \$15m project estimated to be completed in May 2023. Work also commenced on the Port Sorell Caravan Park upgrade and the nearby \$5.4 million redevelopment of the Banksia Facilities. Both facilities are used by residents and visitors to the area and will be great assets for years to come. Work also continued on the Wild Mersey Mountain Bike trails with commencement on the 150m long single span pedestrian and Mountain Bike Bridge over the Mersey River in the Warrawee Reserve. The Council has worked closely with the Kentish Council on this project and when completed in early 2023 has the potential to be a major attractor for visitors to both areas.

The Council initiated their inaugural volunteer recognition awards, and it was a great day in May during volunteer's week when Certificates of Appreciation were presented to 8 organisations and 22 individuals who had volunteered between 500 hours and 40 years' service to a variety of community groups. We congratulate

these groups and individuals who were recognised and encourage more nominations for the next volunteer's recognition event to be held in May 2023. Another highlight of the year is the presentation of the Australia Day awards and this year a group of individuals were recognised for their work in the resurrection of the Latrobe Senior Citizens Club and the reuse of their former building now rebadged as the Hamilton Hub. Marie Lunson, Elizabeth Jackson, Beverly Parker, Robyn Freshney and Desley Spolijac brought new life to the organisation and increased membership threefold. The club holds weekly activities at the Hub which are making a tangible difference in the lives of many in our community. The Young Citizen of the Year was awarded to Miss Arabella Gillies who has been involved in numerous organisations including charity events. Further details on Arabella's achievements are detailed in this report. The Community event of the year was awarded to the Port Sorell History Group for their development, in conjunction with other groups, of the Port Sorell Heritage Trail. This is a wonderful project, and we encourage residents and visitors to follow the trail around Port Sorell unlocking the history of the area which is depicted on 12 plaques located alongside existing pathways and walking tracks.

We wish to take this opportunity to thank Council's hard-working and dedicated staff who have been delivering a record capital works program against a background of Covid restrictions early in the year, resource and supply shortages and continued reform of the organisation including modernising processes through implementation of a new technology software system. The delivery of these projects over the last 12 months is a great achievement that all staff can be very proud of, and the community and organisation will have a lasting benefit.

2021/2022 – THE YEAR IN REVIEW

Mayor and General Manager's Message

Council's operating result for the year was a surplus of \$830,000, however after adjusting for capital grants, grants received in advance and other non-recurrent items, the underlying result was a deficit of \$5.9 million. This underlying deficit was not originally budgeted and was the result of a number of factors including;

- A change in accounting treatment of movements in landfill rehabilitation provisions and their inclusion in the calculation of the underlying surplus. A \$5m movement in 2021/22 has had a major impact on Council's underlying result.
- Once-off costs relating to a change in accounting policy regarding implementation of Council's cloud-based TechnologyOne IT systems. This included wages of \$164,000 and other implementation costs of \$123,000 that would previously have been capitalised and depreciated over 10 years.
- Other wages originally budgeted to be allocated to capital projects but actually allocated to operating activities, \$171,000
- Estimated additional back-fill labour costs due to higher than budgeted employee personal leave, \$65,000
- Higher than budgeted employee hours worked due to less than budgeted annual leave taken, \$65,000
- Higher than budgeted overtime payments, \$45,000
- Increased waste management costs, mainly in response to a safety issue at Port Sorell Waste Transfer Station, \$67,000
- Additional parks and public amenities costs of \$175,000 as included in the mid-year budget review, including additional cleaning costs due to Covid-19 and additional expenditure for vandalism repairs

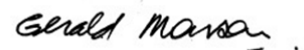
- A sharp and unexpected increase in inflation during the financial year resulted in higher prices for the goods and services purchased by Council which also contributed to the higher than budgeted costs.

Council has budgeted for a small underlying surplus of \$49,000 in 2022-23, and while it is currently tracking reasonably well against the year-to-date budget, there remain significant risks in relation to achieving this budgeted result for the current financial year which will require ongoing review of costs and service levels for the remainder of the 2022-23 financial year and over Council's long-term financial planning horizon to ensure a sustainable financial position is maintained.

As Mayor I take this opportunity to thank Deputy Mayor Graeme Brown for his continued support over the 12 month period and for the Councillors as we work together in the best interests of the Latrobe Council area residents and visitors to our beautiful part of Tasmania. While times have been often difficult throughout another challenging year it has been a great pleasure to serve our community and "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"> ▪ Facilitated external review and improvement of Council's risk management framework in conjunction with Council's Audit Panel. ▪ Procured Doc Assembler and Docs on Tap application from Harbour Software for the preparation and distribution of Council Meeting agenda and minute documentation. ▪ Delivered a new single (multi-employer) enterprise agreement across the Latrobe and Kentish Councils. ▪ Continued the Resource Sharing Agreement with the Kentish Council. 	<ul style="list-style-type: none"> ▪ Annual Plan and Budget preparation for 2022/23 was delayed due to greater than expected staff time required for the TechnologyOne Property and Rating system implementation and delays with revaluation of properties on account of work the Valuer-General was required to undertake across the municipality.
Community and Economic Development	<ul style="list-style-type: none"> ▪ Supported the delivery of Australia Day awards and ANZAC Day celebration. ▪ Supported event organisers to deliver events in a COVID-19 safe manner. ▪ Engaged with local businesses to deliver the Chocolate Wonders of Wearable Art Trail ▪ Assisted the Kentish and Latrobe Independent Business Association (KaLIBA) to grow its profile in the business community. ▪ Engaged new caretakers to operate the Port Sorell Caravan Park. ▪ Celebrated the achievement of volunteers with the inaugural Volunteer Recognition Awards. ▪ Continued to manage a portfolio of 64 elderly person units. ▪ Continued to provide visitor information via the Latrobe Visitor Information Centre. ▪ Constructed a curator storage area at the Australian Axeman's Hall of Fame to enable the preservation and storage of artefacts. 	<ul style="list-style-type: none"> ▪ Ongoing impacts on COVID-19 seeing the cancellation of events. ▪ Substantial turnover in tenants of Council's Elderly Persons Units and the resulting need for additional building improvements. ▪ Delayed completion of the Wild Mersey suspension bridge due to nesting wedge tailed eagles.

Achievements

Challenges

Infrastructure and Assets

- Commenced construction of the Latrobe flood mitigation project that was initiated by extensive flooding on the town in 2016.
- Completed major upgrade to Tarleton Road including widening, pavement rehabilitation and footpath installation.
- Continued the construction of 150 metre long single span pedestrian and Wild Mersey Mountain Bike bridge in the Warrawee Reserve.
- Completed the replacement and extension of the undersized Bonneys Creek culvert in James Street, Latrobe.
- Undertook the first stage of significant drainage upgrades in Sankey Street, Hawley Beach.
- Constructed 'pump tracks' at Bosworth Park in Latrobe and at the Banksia Facilities in Port Sorell.
- Linked Stanley Street and Stanley Street South in Latrobe with footpath and road extensions.
- Facilitated subdivisions allowing residential development and increased population of the municipality.

- Completing carry forward projects due to limited internal and external resources during an extremely buoyant economy.
- Several extreme weather events including rain and wind.
- Unprecedented subdivision and building development.
- Implementation of projects that had timing deadlines due to external funding commitments and delivery expectations.



Bonneys Creek Culvert

Development and Regulatory Services

- Approved and processed \$92.2m of development applications compared to \$72.7m in the previous year.
- Sought comments on draft Latrobe Local Provisions Schedule – Tasmanian Planning Scheme and held a number of community information sessions in relation to the proposed changes.
- Transitioned both Council's to common software for processing of development and regulatory applications and licences.
- Produced a series of factsheets in relation to responsible dog ownership.
- Issued 129 Food Premises licences and undertook 106 Food Premise inspections.

- Recruitment of qualified statutory planning and plumbing surveyor staff remains a difficulty in the current job market.

2021/22 SNAPSHOT



292 KM
LENGTH OF ROADS



9,771
ELECTORS



601 KM²
COUNCIL LAND AREA



12,705
POPULATION



6,707
PROPERTIES



35
BRIDGES



69,826
WEBSITE HITS



239
BUILDING
APPLICATIONS



5,603
WASTE BINS
SERVICED



133,507
FACEBOOK PAGE
REACH



2,748
DOGS REGISTERED



278
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 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 2021/22 a further 20kms of trails were opened between Railton and Sheffield, taking the network up to 90kms now open of the planned 100kms.

Offering a variety of trail experiences suitable for riders of all abilities, the trail network will provide 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

There has been a great deal of background activity on this important project, working on the detail of the design, including interactions with those impacted by the works. It has only been late in 2021/22 that a final project start timeframe could be locked in due to delays in seeking Federal Government approvals.

A key component of the design is the diversion culvert, designed to take flood flows out of Kings Creek at Kings Park and pass them under Gilbert Street and Cotton Street before entering the Mersey River. In addition, the flood levee along Cotton Street has been redesigned to rebuild Cotton Street on top of the new levee, reducing the impact on private land. The works from near the Miles Ford Bridge and beside River Road past the Australian Axeman's Hall of Fame remain unchanged from the original design.

There has also been much work ensuring the potential impacts of the critically endangered species of Central North Burrowing Crayfish will be minimised. Two sites have been identified where new habitats will be created for translocation of any crayfish found within the construction zone. The levee site and offset areas were inspected by the Commonwealth Department of Environment assessment team in early May, and an Environmental Protection Biodiversity Conservation Act permit was issued on 7 June 2022.

Council is extremely grateful for the 1/3 contributions made from both the Federal and State Government(s), which is a prime example of how the three tiers of government can work in unison on, what is, the largest infrastructure project undertaken in the Latrobe Municipality.

This project will see the construction of levees around Latrobe's south-western and southern perimeter as well as a flood gate structure (lower Kings Creek) and a peak-flow flood diverter on Kings Creek at Kings Park. The levee system is designed to prevent the Mersey River and Kings Creek floodwaters from entering the town's central business district and nearby residential areas during a significant flood event.

While there was no on-site construction activity in 2021/22, the pre-casting of concrete panels in the contractor's yard was commenced and other items have been procured to moderate against cost increases. The Principal Contractor, BridgePro Engineering, together with their sub-contractors, will be working on the project throughout the coming 2022/23 financial year.

Port Sorell Caravan Park Upgrade

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

Council resumed operational management of the Park in 2018 and worked through several licencing, risk and compliance issues that 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.

Stage 1 was implemented in 2020/21 to construct a new amenities block and laundry facilities to replace existing ageing infrastructure.

Council is expecting to complete Stage 2, new caretaker's residence & office/reception and the provision of underground infrastructure & realignment of internal roads to the sites that historically were occupied by the Lions Clubs cabins before the end of 2022. Council is scoping Stage 3, which will focus on changes to the primary access point, to be relocated to Darling St.

Banksia Facilities Redevelopment

Camp Banksia was initially leased by Council from the State Government in 2006 and eventually 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 several years of research and community feedback.

During 2021/22 the construction tender was awarded to AJR Construct for the building and civil components of the project. A "Pump Track" has also been constructed at the northern end of the facility for public use, being commissioned in July 2022. Negotiations are being finalised for a large, multi-age play space for public use, also incorporating a covered BBQ area and public toilets. The completed facility is expected to reopen to visitors during mid-2023.



Construction of pump track at Banksia Facilities

ACTIVITY OVERVIEW

COVID-19

Our community continued to be materially impacted by the COVID-19 pandemic. As a result, Council by necessity was forced to continue to adjust its financial projections to allow it to continue to positively support the recovery effort.

However, there continues to be an impact on community events and organisations and social connectedness. As COVID restrictions were lifted confidence in the event space has continued to grow but a number of events haven't re-started (and may not do so), while others have significantly modified their operating model.

Council was in a financial position where it could respond positively via bringing forward a number of capital projects, while at the same time providing financial measures and incentives to assist, particularly the business community. The effect of the pandemic is likely to continue to influence Council's financial performance for some time.

The State and Federal Governments have continued to provide 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, however, there were several reasons for an underlying deficit in 2021/22. 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 for property and rates was completed in June 2022 providing a fully integrated system across both Councils.

The TechOne – OneSystem is now operating across both Councils with ongoing investment required to enhance the system configuration and streamline business processes to meet the needs of the community and users.

During 2021/22 the Councils invested in the procurement of a new combined telephone system using MS Teams as the base which is beneficial to supporting our mobile workforce.

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 included 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 \$15 and \$25 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). Progression during 2021/22 included monitoring and enacting priority works in consultation with the EPA, consultants, and contractors. These works help ensure concepts for a remediated site are achievable and align with ongoing staged rehabilitation works, ensuring the site is suitable for further development as a passive recreation area into the future.

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.

Citizens of the year

It is usual to present Council's Australia Day Awards to an individual however, for 2022 it was presented to five individuals who have

collectively contributed to the resurrection of an organisation that was heading into recess, with the associated loss of vital services and support for many vulnerable members of our community.

In mid-2020, the future of the Latrobe Senior Citizens Club looked dire. Membership had dropped to an unsustainable number and the age profile was ever increasing, the Executive Committee were not able to continue in their roles, no-one was stepping forward to fill the vacancies and COVID was taking its toll on the members' capacity to manage the Clubroom facility.

Management of the building was handed back to Council thus easing that burden on the Club. This initiative also resulted in the allocation of a dedicated day for the Latrobe Senior Citizens Club while enabling the building to be used by other groups and individuals.

Unfortunately, no-one was putting their hand up to lead the Club and as a result the only option was to reluctantly go into recess.

Two public meetings were held and as a result five people, not previously involved with the Latrobe Senior Citizens Club, nominated to fill the vacant executive positions. They were appointed in December 2020 and, since then, have set about rebuilding the organisation and the relationships, which are vital in any community organisation.

They are Maree Lunson, Robyn Freshney, Elizabeth Jackson, Beverley Parker and Desley Spoljaric.

Bringing their own individual skills, the focus of these ladies was on re-building connections in a happy, positive and welcoming environment.

Membership consequently increased threefold to fifty-five active members with more growth expected.

Together these ladies made an obvious and tangible difference in the lives of many in our community.

Young citizen of the year

The recipient of this year's Young Citizen of the Year Award is a young lady of 20 with a 'can do'

attitude and a passion for the fashion industry, event management, social media marketing as well as volunteering to support others achieve excellence - Miss Arabella Gillies.

Arabella established a fashion business "aKarie" shortly after leaving high school as well as worked in fashion at Slaters store in Sheffield. Her client interaction at events such as the Apex Truly Tasmanian Craft Exhibition and Sale and other locations has expanded her acumen in this field.

Such is the respect of her in this capacity, she was also invited to mentor Don College Fashion Studies students.

For the past three years, she has been a hard-working member of the Devonport Apex Regatta Committee. Last year her role was in the social media area.

That experience sparked another passion, leading Arabella to establish "Lush Creative Management", an online business aimed at providing a helping hand to small businesses to set up and maintain their social media presence and marketing.

In addition, and for many years, Arabella has been dedicated to not only playing netball but coaching and umpiring it with two netball associations - Leven and Devon.

Fast forward to July when the suicide of a young, local girl had a profound effect on Arabella. She wanted to do something tangible that could empower those with feelings of hopelessness to talk and get the help that they needed, so off she went and coordinated the "Masquerades for Mental Health Charity Ball" that came to fruition in October.

Arabella organised practically all the event herself, including locating a venue, major sponsorship from local businesses for the ball, photographers, music and entertainment for the evening, donated items for the silent auction and lucky give away, food, and liaison for dietary requirements, decorations for the event, advertising and ticket sales. She also dealt with COVID safe plans and permits for charitable events.

This event was a sellout and raised \$9,000 for the Speak Up, Stay Chatty initiative.



Pictured: Maree Lunson, Elizabeth Jackson, Desley Spoljaric, Beverley Parker, Robyn Freshney (Citizens of the Year); Rod Brämich (representing the Port Sorell History Group for the Port Sorell Heritage Trail - Community Event of the Year) and Arabella Gillies (Young Citizen of the Year)

Community event of the year

Community events are very much integral components of a healthy and vibrant society. They help form the social fabric that supports and provides opportunities for community members from all walks of life, and they provide interaction that is pivotal in building social cohesion.

Unfortunately, community-based events have been heavily impacted by current circumstances with covid based cancellations now more prevalent than actual events.

This year's successful nomination took many months to bring to fruition. In fact, the idea was initially floated over two years ago.

With funding from the Tasmanian Government through a Regional Tourism Project Grant and

additional support provided by the Latrobe Council, the Port Sorell Lions Club and the Port Sorell Men's Shed, it was ultimately full steam ahead.

Extensive community consultation was undertaken, many skilled people were engaged and the passion of a small group of individuals in the Port Sorell History Group was the key to unlocking the potential of the Port Sorell Heritage Trail.

The Port Sorell Heritage trail is a series of 12 plaques located alongside existing pathways and walking tracks throughout the Port Sorell area.

The signs contain historical images and text designed to immerse viewers in the landscape and create a connection to the environment. It

provides a strong sense of place as well as a meaningful and engaging visitor experience.

The group were fortunate to be able to capture the memories of more senior members of the community throughout the development of the signage. As a self-guided trail, the project culminated in a launch in August 2021 and, since then, the Port Sorell History Group have been busy keeping up with promoting it to locals and visitors alike.

4 THE ADVOCATE Thursday January 27, 2022



AUSTRALIA DAY 2022

Awards shared and spirits high

BY MEG WHITFIELD

IF YOU'D told Arabella Gillies even a few weeks ago that her community efforts for Latrobe would result in her being the council's Young Citizen of the Year, she wouldn't have believed you.

Even now, with the ceremony over and the certificate firmly in her possession, she's lost for words.

"When Michelle (from Latrobe Council) called me, I asked her if she was joking," Ms Gillies said. "It's a big honour, and I feel very privileged."

While she may have been surprised, there can be no doubt the award was well earned, with the 20-year-old having a hard-to-beat CV.

A mentor for Don College Fashion Studies students, Ms Gillies has already created her own fashion and digital marketing businesses, balancing this with volunteering with the Devonport Apex Regatta Committee and coach-



HIGH SPIRITS: Latrobe was swimming in award recipients on Wednesday. **Picture: Meg Whitfield**

ing and umpiring netball.

Adding more to her plate, late last year Ms Gillies also coordinated the Masquerades for Mental Health Charity Ball, through which \$9000 was raised for the SPEAK UP! Stay ChatTY initiative.

It can be hard to know where to start, Ms Gillies said, but the effort is always

worth it.

"Some days, you put in all the work and it just feels like you're not doing enough," she said. "But it's things like this that make you feel as though people are noticing, and that the hard work, sweat and tears are worth it."

The Port Sorell History Group received the Commu-

nity Event of the Year award for their efforts in establishing the Port Sorell Heritage Trail, while the committee of the Latrobe Senior Citizens Club were collectively awarded Citizen of the Year for their role in keeping the community group alive, and now thriving. Thirteen new citizens were also welcomed.

2021/2022 – THE YEAR IN REVIEW

Calendar of Events

July	August	September	October	November	December
<p>Devonport Stamps & Collectables Fair</p> <p>Free Rose Cuttings</p>	<p>Cancer Council Daffodil Day</p> <p>Chocolate Wonders of Wearable Art Trail</p>	<p>Chitty Chitty Bang Bang Production (Geneva)</p>	<p>Choir in the Club</p> <p>Halloween Mini-Fest</p> <p>Tasmanian Gin & Spirits Fair</p> <p>Van Diemen's Band Concert</p> <p>Food Safety Training</p> <p>Port Sorell Spring Fair</p> <p>Sassafras Primary School Open Day for 150th</p>	<p>Women of the Moon</p> <p>Devonport Stamps, Coins & Collectables Fair</p> <p>Community CPR Training</p> <p>Apex Truly Tasmanian Craft Exhibition and Sale</p> <p>Warrawee X-Duathlon</p> <p>Latrobe Federal Band Concert</p> <p>Remembrance Day Services</p> <p>Devonport Anglers Club Junior Fish Out Day</p> <p>Reel Keen Fishing Competition</p> <p>Cradle Coast Cycling Event - Thirlstone</p>	<p>Latrobe Garden Trail</p> <p>Port Sorell Carols</p> <p>Market by the Beach</p> <p>Shearwater Village Market</p> <p>NW Axeman's Assn Woodchop</p> <p>Penguin Island Swim</p>
January	February	March	April	May	June
<p>Market by the Beach</p> <p>Latrobe Liliun Show</p> <p>Australia Day Awards & Citizenship Ceremony</p> <p>Super Sedan Grand Prix</p> <p>Moriarty Reubaix Cycling Road Race</p>	<p>Port Sorell Junior Surf Carnival</p> <p>Latrobe Flower & Vegetable Show</p>	<p>Junior Fishout Day</p> <p>North-West Dressage Competition</p> <p>Food on Freer</p> <p>Clean Up Australia Day</p> <p>Household Chemical Waste Disposal</p> <p>Australia Formula 500 Title</p> <p>Celebrate the Harvest</p>	<p>ANZAC Day Services</p> <p>Breast Screen Tasmania Bus at Port Sorell</p> <p>Port Sorell Easter Picnic</p> <p>Exercises on the Beach</p>	<p>Shearwater Mulled Wine in May</p> <p>Moriarty Reubaix Cycling Road Race</p> <p>Volunteer Recognition Awards</p> <p>Exercises on the Beach</p>	<p>Sassafras Platinum Jubilee Celebration</p> <p>Mid-Winter Solstice Splash</p> <p>Exercises on the Beach</p> <p>Shrek The Musical JR (Geneva)</p>



Devonport Anglers Club Junior Fish Out Day



Choc Bubble Mint by Amy Garwell



Dog obedience class



2022 Australia Day Citizenship Conferees



Shearwater Village market



Chitty Chitty Bang Bang Production



OUR PEOPLE

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.

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
\$160,001 - \$180,000*	2
\$260,000 - \$280,000	1

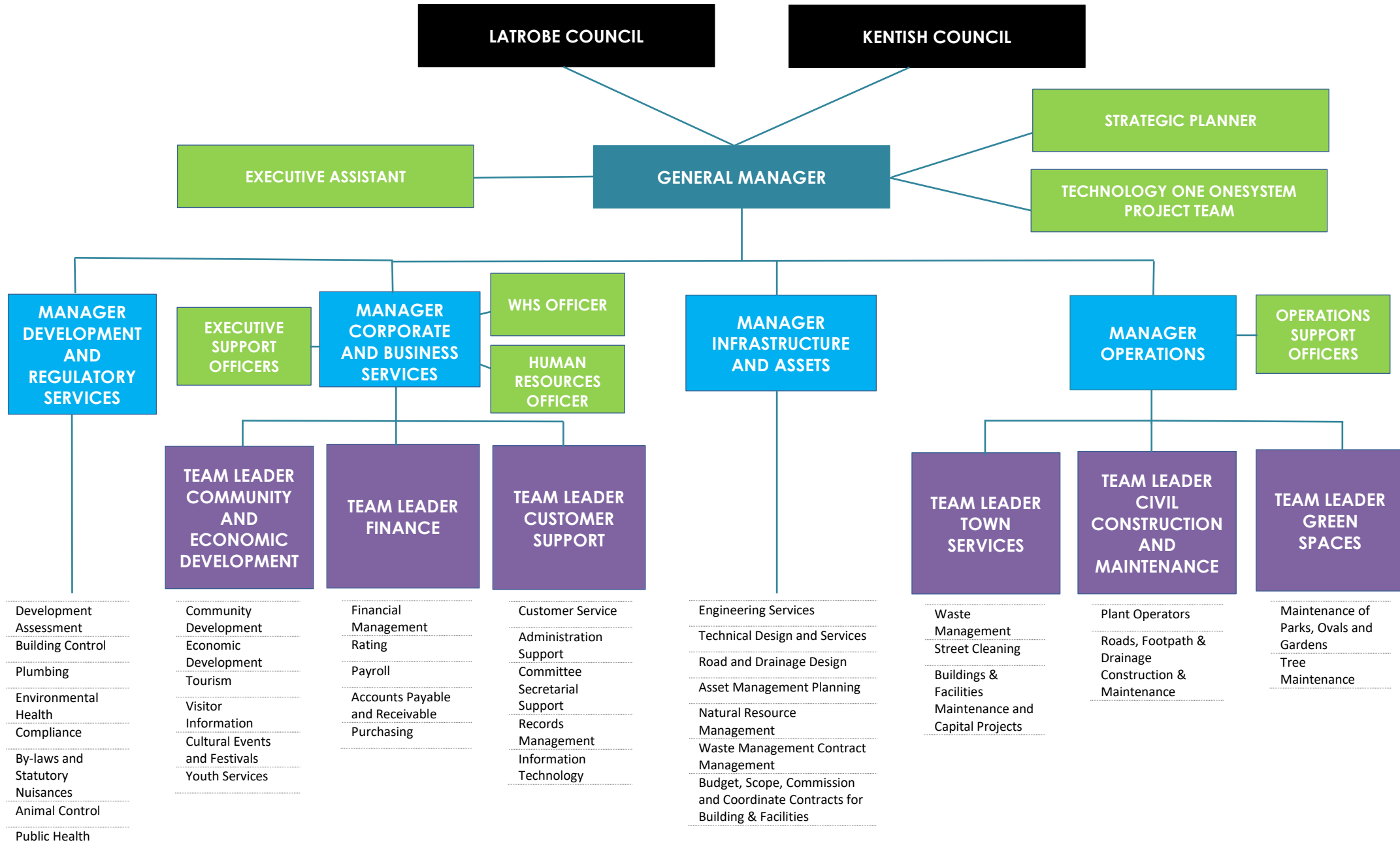
The Total annual remuneration is defined as the total of the:

- 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.

Kentish Council reimburses Latrobe Council for an appropriate portion 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 Council, they are not included in the above table, but are included in the equivalent table in the Kentish Council Annual Report.

ORGANISATION STRUCTURE – 2021-2022

Positions are resource-shared with Kentish Council



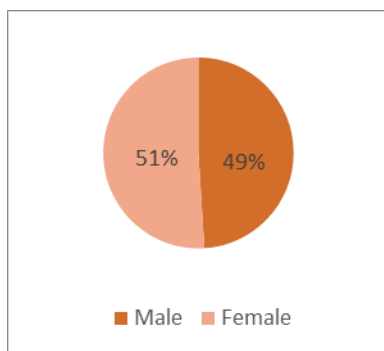
STAFF

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

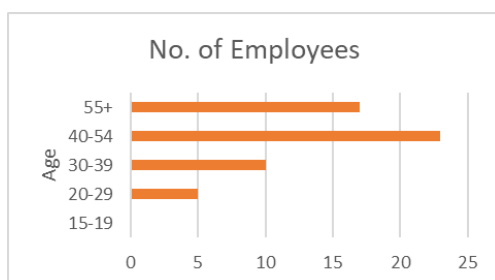
Under the resource sharing arrangement, Latrobe and Kentish Councils effectively share their workforce with employees legally employed by either Council and hired to the other Council as required for their employment role.

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)

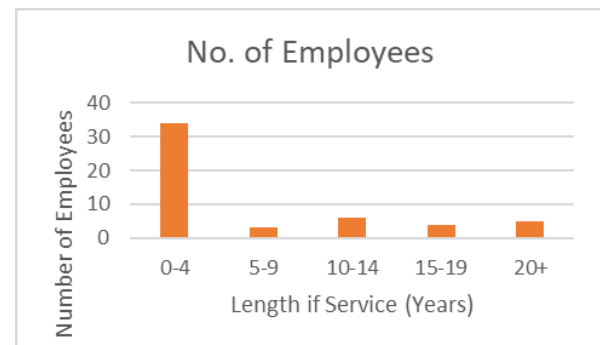


Number of Employees by Age (Latrobe Employees)



Length of Service (Latrobe Employees)

The average length of service is 6 years. The following chart provides a further break-down.

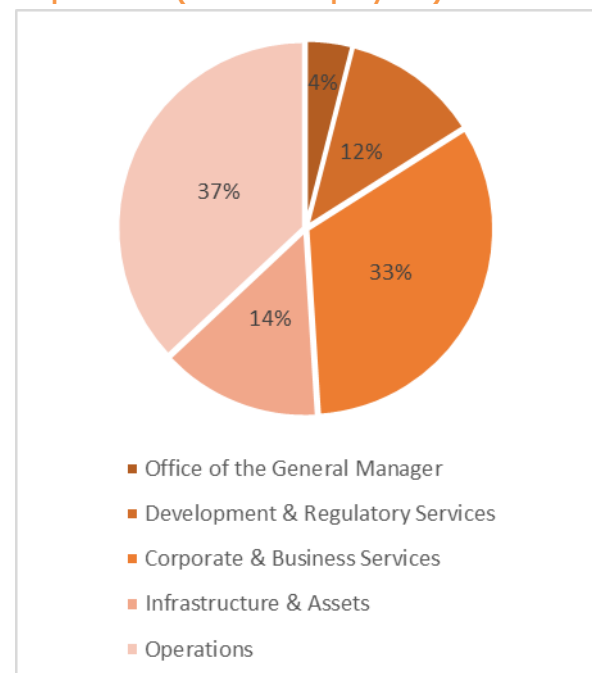


Full Time Equivalent Employees (Combined Latrobe and Kentish Workforce)

DEPARTMENT	FTE	% Latrobe	% Kentish
Office of the General Manager	3.0	67%	33%
Development & Regulatory Services	8.4	65%	35%
Corporate & Business Services	29.0	51%	49%
Infrastructure & Assets	9.5	68%	32%
Operations	28.9	56%	44%
TOTAL	78.8	57%	43%

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 to assist them to provide current information on local attractions and activities. Currently there is a team of 7 volunteers who attend to the many visitors and their enquiries.

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 supported 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
- Kentish and Latrobe Community Road Safety Partnership Committee
- Wild Mersey Mountain Bike Trails Advisory Committee

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

Recognising Volunteers

In 2022, Council invited not-for-profit organisations and groups that provide community-based services within the Latrobe Council area to nominate their organisation for their service.

Additionally, nominations were sought from their membership of individuals that meet specific hours of service or milestone years of voluntary service.

A presentation function was held on 21 May where presentations were made to eight organisations -

- Latrobe Federal Band
- Rubicon Fire Brigade
- Mersey Hospital Auxiliary
- RSPCA Tasmania
- Port Sorell Golf Club
- Latrobe Visitor Information Centre
- Latrobe Bowls and Community Club Inc
- Port Sorell Community Emergency Response Team (CERT)

and the following individuals –

Robert Clarke	40 years
Paul Osborne	30 years
Michael Dickson	30 years
Richard Higgs	30 years
Coral Howe	30 years
Kae Lamprey	30 years
Johan Hendriksen	20 years
Ineke Hendriksen	20 years
Helen Murfet	20 years
Nancy Maney	20 years
Vonda Turner	20 years
Josephine Badcock	20 years
David Baker	10 years
Rose Addison	10 years
Graeme Moore	10 years
Darren Hamilton	10 years
Sue George	10 years
Robert Allen	10 years
Jacobus Van Tatenhove	10 years
Barry Williams	5,000 hours
Katrina Hatfield	500 hours
Lynne Jones	500 hours



Recognising Volunteers event

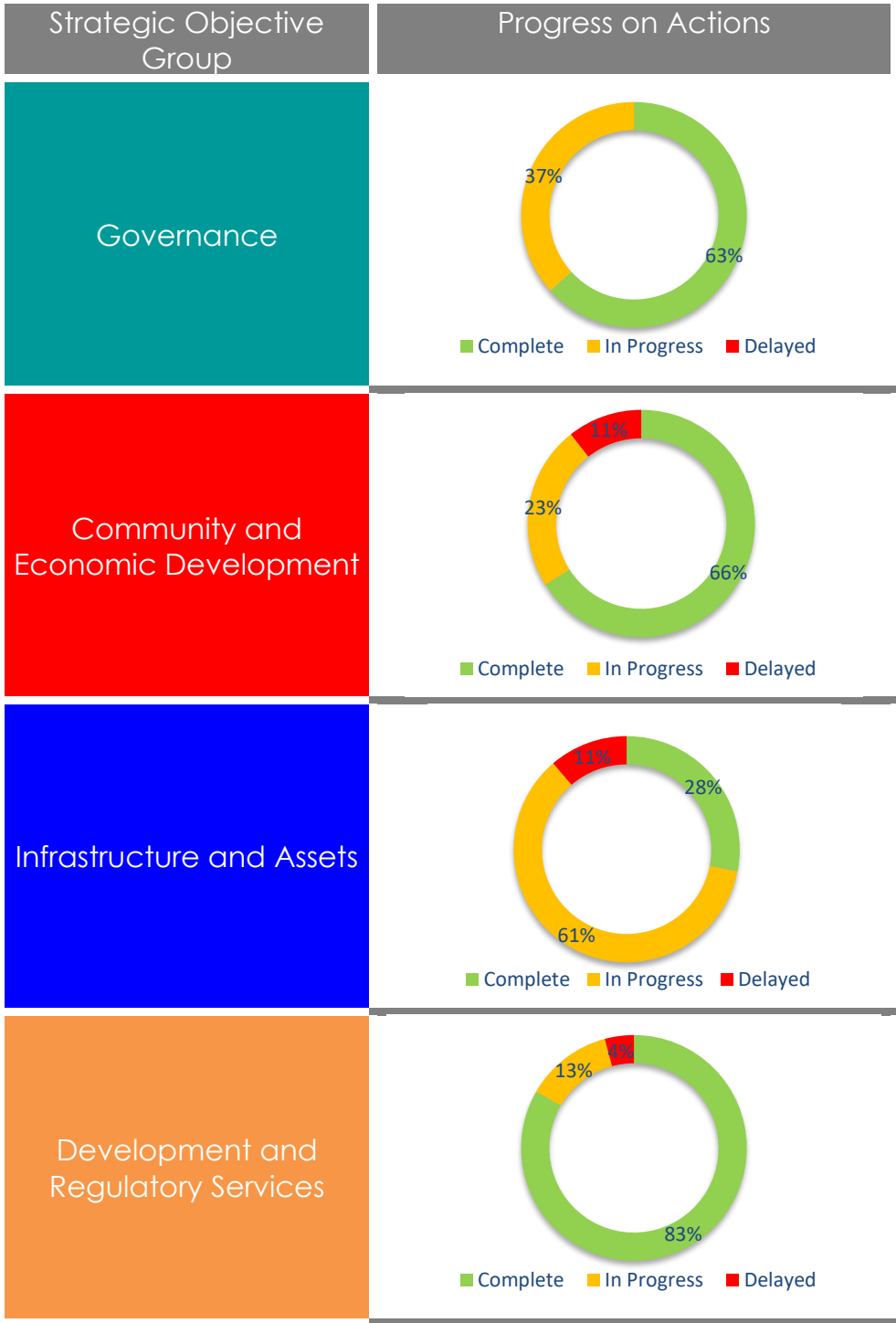
A scenic sunset at Shearwater Beach. The sun is low on the horizon, casting a golden glow across the sky and reflecting on the water. The foreground shows a sandy beach with some seaweed and rocks. A semi-transparent white box is overlaid on the middle of the image, containing the text "OUR PERFORMANCE".

OUR PERFORMANCE

OVERVIEW OF PERFORMANCE

The table below provides an 'at a glance' overview of Council's performance against the 2021/22 Annual Plan.

Council's 2021/22 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	✗
2021/22 Annual Plan Actions		Status	Comments				
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		✓	Council continues to engage with the Airport, Tourism Tasmania and West by North West to increase the number of inbound flights and airfreight offerings.				
Support the North West of Tasmania being recognised as a renewable energy hub, including the Battery of the Nation project		>	Council has received project updates and advocated its support for the project to the other levels of government.				
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. KaLiBA is also advocating on the issue.				
Advocate for and promote the provision of a range of high quality education and life-long learning opportunities in the municipal area		>	Council is represented with Councillor Liaison Officers at each school.				
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 worked with stakeholders to re-open the Hydrotherapy Pool.				
Work with representatives of the agricultural sector to attract and retain seasonal workers		>	Council continues to work with the private sector to attempt to develop a long-term solution to the need for additional seasonal worker accommodation.				

GOVERNANCE

Objective Provide consistent, accountable, transparent and effective governance

Performance against Annual Plan

		Status Key					
		Completed	✓	In Progress	>	Delayed	✗
2021/22 Annual Plan Actions		Status	Comments				
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. New Enterprise Agreement implemented. Phase 2 One System Project implemented. Doc Assembler implemented.				
Install video conferencing equipment in the Council Chambers		✓	Equipment installed and operational. Council regularly conducting hybrid meetings/ workshops.				
Promote the professional development of elected members		✓	Attended relevant events.				
Promote awareness of Council's Code of Conduct to elected members		✓	Councillors encouraged to attend LGAT Forum.				
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		✓	Tested the market for the provision of IT support.				
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		✓	Regular updates provided via 'Cradle Coast & Country, website and social media.				
Deliver consistent and open community engagement, including where appropriate, community participation through established Council Committees		✓	Conducted a series of community information evenings across the municipality.				
Ensure Council information meets community and stakeholder interests, is accessible, easy to understand and complies with legislative requirements		✓	Engaged a communications specialist and project manager 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	✗
2021/22 Annual Plan Actions	Status	Comments					
Included an allowance of \$10,000 for internal audit activities, if required by recommendation of Council's Audit Panel	✓	Funds spent to engage an external consultant to review Councils Risk Management Framework.					
Allowed for an additional \$91,000 once-off expenditure in 2021/22 for the cost of municipal revaluations to determine updated property values for rating purposes for the 2022/23 rating year	✓	Revaluations not received until June 2022.					
A capital budget of \$734,000 allowed for the next stage of the OneSystem project, implementing a common TechnologyOne property and rates and regulatory services IT system across both Latrobe and Kentish Councils	✓	Changed accounting interpretation. Direct TechnologyOne costs treated as a prepayment over the term of the SaaS agreement with the balance of implementation costs expensed in 2021-22.					
Capital expenditure allocated for updating Councils computer network and phone system together with annual workstation replacements and general IT equipment replacements to ensure Councils IT systems remain modern and fit for purpose	✓						
Achieve an underlying surplus over the medium to long term	✓	Council had an underlying deficit for 2021-22 mainly due to additional costs as detailed in the comment section of the income statement table in the Financial Overview section of this report. Most of these additional costs were due to once-off factors. While there are risks to future surpluses including inflation and repeating adverse weather events, Council currently expects to continue to achieve a small underlying surplus result over the medium to long term.					
Maintain fair and equitable rating levels	✓	There were significant swings in property values both across and within different classes of property following revaluation by the Valuer-General. Council applied rate increase caps and differential rating to lessen the sudden impact of these swings on rate bills.					

2021/22 Annual Plan Actions	Status	Comments
Maintain a Financial Management Strategy which is aligned to Asset Management Plans and other strategic documents	✓	Rising prices, supply chain delays and weather events are putting pressure on Council's ability to maintain affordable service levels.
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	>	Financial report has been lodged with the Tasmanian Audit Office. The report on the audit of the financial report was not available at the time of producing this report.

EMPLOYEE DEVELOPMENT

Objective Develop opportunities for skilled, experienced, and motivated staff

Performance against Annual Plan

		Status Key					
		Completed	✓	In Progress	>	Delayed	✗
2021/22 Annual Plan Actions		Status	Comments				
Continue development of Workforce Development and Succession Plans		✓					
Continue to develop a leadership development program for Senior Management and Team Leaders		>	Scheduled for 2022/23.				
Provide and maintain adequate staff and resource levels to meet changing needs		>	Recruitment of new employees has been difficult due to a shortage in the labour market and wages competition with the private sector.				
Identify and provide appropriate training and encourage the personal development of employees		✓	Employees participated in various training and development opportunities.				
Develop and review staff policies		✓	Human Resource related policies were reviewed as required. 7 policies were updated to reflect contemporary HR practice.				
Develop and retain in-house skills through Council's Workforce Development Plan and Succession Plan		✓					
Encourage commitment to Council's customer service charter		✓					
Undertake staff performance reviews		✓	Online talent and succession module being implemented in TechOne for 2023.				

RISK MANAGEMENT

Objective Committed to risk management and building community capacity and resilience

Performance against Annual Plan

		Status Key	
		Completed ✓	In Progress > Delayed X
2021/22 Annual Plan Actions	Status	Comments	
Complete review of Council's corporate risk register and develop and monitor risk control improvement plans	>	Review of Corporate Risk Register is underway – planned to be completed in 2022-23.	
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 2022-23. Policy for staff working remotely / from home is in draft – approval and implementation planned for 2022-23.	
Develop a Risk Management Framework aligned with ISO 31000	>	Risk Management Policy and Framework drafted – approval and implementation planned for 2022-23.	
Maintain and improve risk management systems and culture as a core organisational focus	>	Risk Management Framework to be rolled out in 2022-23, and training to be developed.	
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. New TechOne forms are under development for hazard and incident reporting – rollout planned for 2022-23.	
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, with ongoing monitoring of compliance. Implementation of Risk Management Framework and implementation of WHS internal audit schedule will ensure continual improvement in risk management.	

2021/22 Annual Plan Actions	Status	Comments
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, storms, 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. Flood levee construction planned to commence in 2022-23.
Implement the Latrobe Flood Mitigation Report recommendations	✓	Recommendations implemented. Refer to update on page 21.



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
2021/22 Annual Plan Actions	Status	Comments	
Support for the creation of a joint Business Association with the Kentish municipality businesses, \$50,000	✓	Independent Business Association "KaLIBA" established.	
Developing a joint Biking and Walking Strategy with Kentish Council, \$20,000	X	To be delivered in the 2022/23 financial year as part of a rescoped Open Space, Sport and Recreation Plan.	
Supporting work in partnership with the West by North West regional tourism organisation	✓		
Port Sorell Caravan Park Refurbishment – Implement Master Plan	>	New Caretakers Residence/Reception & future cabin groundworks well underway during 2021/22. Refer to update on page 21.	
Implement the Latrobe Economic Development Strategy	>	Quarterly meetings of Economic Development Committee.	
Actively promote the municipal area as an ideal location to conduct business and commerce	✓	This is part of the body of work undertaken by KaLIBA.	
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 2022/2023.	
Support the establishment of industrial precincts in the Council area	>	Progression made on Latrobe Speedway Industrial Area Plan.	
Support business networking and opportunities for collaboration within the municipal area	✓		

TOURISM

Objective Promote, develop and support tourism activities

Performance against Annual Plan

		Status Key					
		Completed	✓	In Progress	>	Delayed	X
2021/22 Annual Plan Actions		Status	Comments				
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		✓	On-going.				
Refresh and update Alexander Street information bay at Port Sorell		>	In discussion on partnership with KaLIBA.				
Actively participate and encourage tourism operators to support the West by North West tourism organisation and their initiatives		✓	Engaged with local tourism initiatives delivered by West by North West.				
Provide guidance and support to tourism initiatives developed by the local industry		✓	On-going.				
Leverage Port Sorell as the gateway to Narawntapu National Park		X	Re-assessing project viability.				
Provide sustainable visitor information and interpretive services and infrastructure		✓	On-going.				
Maintain a policy on overnight low-cost self-contained camping areas within the municipal area		✓	On-going.				
Support the development of appropriate short term visitor accommodation		✓	On-going.				
Support opportunities for improvements to mobile communication reception in the area, including provision of WiFi where appropriate		✓	On-going.				
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
2021/22 Annual Plan Actions		Status	Comments				
Support for ANZAC Day celebrations		✓	Celebration involved the crew from HMAS Armidale and HMAS Sheean.				
Support the organisation and promotion of Australia Day events		>	Traditional Australia Day events - Henley-on-Mersey and Australia Day Waterslide - were cancelled due to COVID-19. They are hosted by external organisations.				
		✓	Council's Australia Day Citizen Awards and Citizenship Ceremony was successfully held in the Latrobe Memorial Hall.				
Continue to support Latrobe businesses in the development of Chocolate Winterfest, Latrobe as a major event for the Latrobe municipality		>	The 2021 Chocolate Winterfest was cancelled due to the challenges of executing an event during COVID-19. The Chocolate Wonders of Wearable Art Shop Trail was staged and involved 18 shop fronts and was a great success.				
		✓					
Support the organisation and promotion of the Sheean 80 th Anniversary service and potential Victoria Cross Exhibition		>	The Victoria Cross Exhibition initiative proposed by the Sheean family and Australian War Memorial did not come to fruition. The Sheean family desired that Latrobe be included if it transpired.				
		✓	The 80th Memorial Service is scheduled for 1 December 2022.				
Promote local arts, history and culture through local, regional and state tourism channels		✓					
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 included on digital tourism 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 X
2021/22 Annual Plan Actions	Status	Comments	
Continue the publication of Council Coast and Country newsletter to engage with the community	✓		
Support and promotion of a youth skateboard competition	>	Promoted regional skateboarding competitions via communication channels.	
Improve community facilities at Port Sorell, to meet changing needs	✓	Construction of a new pump track at Banksia Facilities.	
Continue to improve walkways and cycleways within the municipal area	>	Committed to develop an Open Space, Sport and Recreation Plan in partnership with Kentish Council.	
Support completion of the North West Coastal Pathway, including extensions to Port Sorell	>	Construction of the pathway from Devonport to Bells Parade completed.	
Incorporate the Port Sorell History Group's collection as part of the Banksia Facility Redevelopment	>	An exhibition space will be constructed as part of the redevelopment.	
Support and encourage youth participation and engagement in sport and local activities	✓	Commitment by Latrobe Council to fund the establishment of parkrun in Latrobe. Promoted opportunities for young people to engage in local sport and activities through communication channels.	
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	✓	Inaugural Volunteer Recognition Awards held to celebrate the achievement of volunteers.	
Support schools in their efforts to provide adequate and safe car and bus parking infrastructure	✓	Ongoing discussions as part of the Kentish and Latrobe Community Road Safety Committee.	
Support local opportunities in the health and human services sectors that arise from the Mersey Community Hospital being situated in the municipal area	✓	Assumed management of the Latrobe Hydrotherapy Pool for use by patients requiring rehabilitation services.	

2021/22 Annual Plan Actions	Status	Comments
Create conservation management plans and incentive policies for heritage assets	X	
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 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	X	Delayed.

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 X
2021/22 Annual Plan Action	Status	Comments			
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	✓	Banksia Facilities and the Youth Centre had satellite wifi installed for use in an emergency.			
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	✓				



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	✗
2021/22 Annual Plan Actions		Status	Comments				
Further integrate the sharing of equipment and other resources into the normal operating practices of Kentish and Latrobe Council workforces		>					
Tarleton Road widening – widening and relocation of stormwater drain		✓					
Tarleton Road – localised reconstructions		>	Consultant currently designing.				
Hawley Esplanade – pedestrian and cycling facilities		>	Community engagement extensive resulting in various iterations. Development Permit to be lodged.				
Port Sorell Main Road / Alexander Street existing roundabout – upgrade town entry amenity including the installation of kerb, improved drainage, and vegetation		>	Design nearing completion.				
Darling Street – upgrades as part of Caravan Park entrance redevelopment		✗	Yet to be commenced due to site redevelopment works.				
Stanley Street to South Stanley Street connection – connect Stanley Street from Paulownia Street to Benny Street		✓					
Reseal Gilbert Street – asphalt parking lane – Hamilton Street to Victor Street		>	Delayed due to flood mitigation project.				
Joyce Street footpath – Hugh Street North to existing footpath, 360m		✗	Not determined a priority as Hawley Esplanade will largely duplicate.				
Hamilton Street – reconstruct kerb and channel from Cotton Street to Thomas Street (eastern side)		>	Design underway.				
Bells Parade to River Road pathway – link to coastal pathway		>	Cannot be progressed until Warrabee High Level bridge is complete.				
Maintain an updated Transport Services Asset Management Plan		>					
Prepare parking, pedestrian, and traffic management plans for the key retail users		>	Ongoing based on opportunities and needs includes Kings Park Carpark area.				
Ensure there is off-street car parking maintained adjacent to commercial districts		✓	Monitoring.				
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		✓					

2021/22 Annual Plan Actions	Status	Comments
Lobby other levels of government for the continued safety and access upgrades on key roads which service the Latrobe area	✓	Involved in workshops in 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 of opportunities. Tarleton Road scope increased to include a concrete pathway.

STORMWATER

Objective Develop and improve the system for stormwater reticulation and disposal

Performance against Annual Plan

		Status Key					
		Completed	✓	In Progress	>	Delayed	✗
2021/22 Annual Plan Actions		Status	Comments				
Continue to develop a stormwater model for Latrobe township		>	Priority has been in relation to flood mitigation project and East Forth Street area.				
Latrobe Flood Mitigation Project – implement works identified by Entura design undertaken in 2019/20		>	In progress. Construction commenced in 2021/22 and will be completed in 2022/23.				
Port Sorell golf course – increase channel capacity – Pitcairn Street to outfall		>	Modelling commenced by consultant for the Poyston Creek catchment.				
Sankey Street – drainage improvements at the junction of Hawley Esplanade		✓	Works complete with additional works identified.				
Develop and adopt a Stormwater Strategy in accordance with the <i>Urban Drainage Act 2013</i>		✓	Management plan in place.				
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		✓	Stormwater System Management Plan exists. Localised modelling in vicinity of Sankey Street and Poyston Creek.				
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 upgrade near James St now complete.				

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 X
2021/22 Annual Plan Actions	Status	Comments		
Engage a curator and upgrade displays at Axemans Hall of Fame	✓			
Banksia Facilities Centre – site redevelopment	>	At the end of 2021/22 a contract had been let and the building works were well underway.		
Latrobe Recreation Ground – changeroom design and engineering concepts	>	Preliminary concepts complete and detail design component awarded.		
Latrobe Recreation Ground – changeroom redevelopment, subject to grant funding	>	Funding confirmed, external consultant engaged for project design & management.		
Latrobe Memorial Hall – redevelop the Latrobe Memorial Hall to accommodate the Latrobe Federal Band	X	Not Progressing – Council decision for the band to remain at their current facility and for it to be refurbished.		
Latrobe Hydrotherapy Pool	✓	Completed and operational.		
Elderly Persons Units – annual vacated unit refurbishments	>			
Hamilton Hub upgrades – install access control, security, Wi-Fi, furniture, deck, door, fence, car park and landscaping	✓	Priorities for the budget allocation actioned (Access control, public Wi-Fi & TV installed).		
Latrobe Youth Centre – redevelopment concept designs	>	Concepts produced and presented by architect.		
Update and maintain a Buildings and Community Facilities Asset Management Plan	>			
Review Council's disability access plan	>	Ongoing and considered on a project design basis.		
Identify and implement low energy and low emission upgrades in Council facilities	>	As opportunities and redevelopment occurs.		
Implement an electronic control access system for major facilities	✓	System adopted and priority sites fitted out.		
Investigate future sporting and recreational needs and plan infrastructure and/or access arrangements and consolidation of sports within designated precincts	>	Initiated during 2021/22 and to be continued as part of the Open Space, Sport and Recreation Plan.		
Own and operate the Port Sorell Caravan Park and upgrade the facilities offered to improve the visitor experience and provide increased financial performance	>	New Caretakers Residence/Reception & future cabin groundworks well underway during 2021/22.		

PARKS AND RESERVES

Objective Maintain parks and reserves for community use

Performance against Annual Plan

		Status Key		
		Completed ✓	In Progress >	Delayed X
2021/22 Annual Plan Actions	Status	Comments		
Develop an Open Space Sport and Recreation Plan for the municipality	>	In progress, to be completed during 2022/23.		
Bells Parade - \$10,000 pa for next 2 years to rectify a number of dead/dying trees in the precinct	✓	Priorities actioned.		
Atkinson / Thompson's Parks - \$5,000 pa for next 2 years to address trees for risk assessment	✓	Priorities actioned.		
Install seat shelters at Bosworth Park dog park	✓	2 Installed in 2021/22.		
Sheean Memorial – construct memorial (including land acquisition)	>	Working with government on project details and funding.		
Alberta Street land purchase	✓			
Latrobe Tennis Courts – dig out and replace court subgrade and surface, extend fence line to current standards	X	Funding contributions yet to be confirmed.		
Bosworth Park – "Learn to ride" bike path, hill, plantings, shelters & BBQs	✓			
Wild Mersey MTB – new bridge above 2016 flood level	>	75% complete.		
Latrobe CBD bins – replace street bins and install recycling bins	>	Bins ordered and to be installed during 2022/23.		
Wild Mersey MTB – additional trails in Warrawee and skills park	X	Unable to obtain approval from landowners.		
Port Sorell – mini pump track – location to be determined	✓	Completed at Banksia Facilities site.		
Update and maintain a Parks and Reserves Asset Management Plan	>	Under review, to be completed in 2022-23.		
Progress improvements to both Kings Park and Shearwater Park in line with the development plans	X	Delayed due to Latrobe Flood Mitigation Project. Shearwater Park delayed.		
Implement the Bells Parade Development Plan including heritage landscape renovations, interpretive signage and improvements to the Pig Island access and usage	>			
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
		✓	>	X
2021/22 Annual Plan Actions	Status	Comments		
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. Council represented on working group. Rice Grass information provided including Port Sorell community meeting presentation.		
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. Works continue in relation to maintaining ocean outfalls.		
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	>	Development of a draft strategy was undertaken.		

WASTE MANAGEMENT

Objective Provide responsible waste management services

Performance against Annual Plan

		Status Key					
		Completed	✓	In Progress	>	Delayed	X
2021/22 Annual Plan Actions		Status	Comments				
Port Sorell Landfill site – priority remedial actions		>					
Port Sorell Waste Transfer Station – temporary improvements to recycling facilities pending site rehabilitation		>	Planning permit received and works being scheduled during 2022/23 in consultation with Port Sorell Lions Club.				
Review all waste management services for the municipal area and implement strategy changes, as appropriate		>	New kerbside waste contract for NW Councils accepted.				
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		X	Subject to development of extra processing facilities at Dulverton. FOGO collection to be considered by Council during 2022/23.				
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		>	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. New kerbside recycling contract confirmed as accepted to Cradle Coast Waste Management Group.				

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	✗
2021/22 Annual Plan Actions	Status	Comments				
Complete Latrobe Industrial Estate Master Plan	>	Draft Plan received.				
Provide statutory planning services for West Coast Council	✓					
Undertake actions required for finalising the new Statewide Planning Scheme	>	The State Planning Provisions came into effect as part of the Tasmanian Planning Scheme in 2017 and are due for review. A scoping paper for the review was released in May, 2022 and Council will participate in the review process.				
Introduce 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	✓	In conjunction with the Cradle Coast Authority, a review of the Regional Land Use Strategy has commenced.				
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	✓					
Invigorate and extend the Latrobe township business centre	✗	Consultants brief prepared.				
Implement the new Latrobe Planning Scheme as part of the Tasmanian Planning Scheme Framework	>	The Tasmanian Planning Commission directed Council to advertise the draft Latrobe Local Provisions Schedules (LPS) on 17 January 2022. Following advertising Council held a series of community information sessions. 51 submissions were received. Council considered the submissions and lodged its comments in relation to them, with the Tasmanian Planning Commission (TPC). The TPC will now conduct public hearings in relation to the draft LPS and the submissions made.				

Building Statistics	2020/21 No.	2021/22 No.	2020/21 Cost	2021/22 Cost
Dwelling Class 1	172	113	62,069,066	49,440,623
Dwelling Extensions	17	18	2,381,650	2,078,000
Outbuildings	47	57	1,314,721	2,548,922
Commercial/Industrial	15	25	6,820,000	40,443,000
Demolition	11	2	200,485	38,000
Substantial compliance	1	8	2,000	400,045
Other applications		16		256,263
Total Applications	263	223	\$72,787,922	95,204,853
Total Plumbing Applications	217	168		

Development application Statistics - 01/07/2021 – 30/06/2022			
Application Type	Discretionary	Permitted	Total
No permit required			38
No. applications accepted	130	110	240
Applications carried over From previous financial year	45	12	57
Applications carried forward	57	17	74

Use Class detail	Single Residential	Multiple Residential	Subdivision	Commercial	Tourism	Industrial & Utilities	Other	Total
No permit required	37			1				38
Discretionary/Permitted	122	14	28	9	11	11	45	240
Applications carried over from previous financial year	41	3	6	4	1	1	1	57
Total	200	17	34*	14	12	12	46	335

* Number of additional lots created – 122

HEALTH SERVICES

Objective Promote and maintain public health standards

Performance against Annual Plan

		Status Key				
	Completed	✓	In Progress	>	Delayed	✗
2021/22 Annual Plan Actions	Status	Comments				
Administer school based immunisation program which is carried out in conjunction with Department of Health	✓					
Co-ordinate food safety training for local businesses and organisations	✓	Due to Covid face to face training sessions were not held, however Council offers free Essential Food Safety training online.				
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	✓					
Undertake assessments of proposed on-site wastewater disposal systems and monitor existing systems to ensure compliance with environmental standards	✓					
Continue recreational water sampling program during the summer	✓					

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	X
2021/22 Annual Plan Actions		Status	Comments				
Introduce a range of factsheets to promote and raise awareness of responsible dog ownership		✓					
Promote responsible dog ownership including compliance with the Dog Control Act and Council's Dog Management Policy		✓					
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	2020/21	2021/22
Dogs registered	2,694	2,748
Dogs impounded	167	49
Infringements issued	86	59
Kennel licences issued	97	86
Cats registered	51	59

Fire Abatement Notices Issued	2020/21	2021/22
	23	17

An aerial photograph of a rural landscape. In the foreground, a small, weathered wooden shed with a corrugated metal roof sits in a lush green field. The field extends into the distance, where rolling hills and a small body of water are visible. The sky is a vibrant blue with scattered white clouds. A semi-transparent teal banner is overlaid across the middle of the image, containing the text 'STATUTORY COMPLIANCE' in white, bold, uppercase letters.

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:

- July 2021
 - Met with Felix Ellis MP regarding Chapel Road safety upgrades.
- August 2021
 - Wrote to the Deputy Premier requesting an opportunity to discuss the potential for a Tasmanian Government contribution to assist in the redevelopment the Banksia Facilities at Port Sorell.
 - Wrote to the Deputy Premier regarding the Latrobe Hydrotherapy Pool seeking to have the Tasmanian Government's financial commitment increased.
- September 2021
 - Met with the Deputy Premier regarding various issues including the Latrobe Hydrotherapy Pool and Camp Banksia.
 - Letter of support provided to the Port Sorell Surf Life Saving Club to assist with their application for a grant under the Department of Communities Tasmania's Improving the Playing Field Program.

- October 2021
 - Met with the Tasmanian Liberal Senate Team as part of their tour to inspect the Wild Mersey Mountain Bike Trails.
- November 2021
 - Letter of support provided to the organisers of the Tasmanian Masters Games 2022.
- December 2021
 - Wrote to Minister for Infrastructure and Transport regarding Mersey Main Road and requesting a meeting with residents and key stakeholders.
 - Wrote to Felix Ellis MP regarding Mersey Main Road and requesting a meeting with residents and key stakeholders
- February 2022
 - Wrote to the Minister for Infrastructure and Transport seeking information and an update on the current and previous traffic restrictions that have applied to Gilbert Street, Latrobe.
- March 2022
 - Letter sent to the Federal Minister for the Environment regarding the Latrobe flood Mitigation Project (copy of the letter also provided to Gavin Pearce MP).
 - Letter sent to Premier requesting a financial contribution towards the rehabilitation of the Port Sorell landfill site.
- May 2022
 - Wrote to TasRail regarding a railway crossing safety issue at Tarleton.
 - Met with Felix Ellis MP regarding the Latrobe Community Shed.
- June 2022
 - Correspondence to Gavin Pearce MHA regarding a constituent's Latrobe pedestrian overpass proposal

Council is also a member of the Local Government Association of Tasmania, Cradle

Coast Authority and Dulverton Regional Waste Management 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

Method	Description
Social media	Council has a Facebook page
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. An annual report from the Audit Panel covering the 2022 financial year is included at the end of this 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 reviewed its Fraud and Corruption Control Policy and Fraud and Corruption Control Plan in February 2022. These documents are available on Council's website.

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.

The Code of Conduct incorporates the Model Code of Conduct made by Order of the Minister for Local Government. There were two Code of Conduct complaints made during the financial year. The Local Government Code of Conduct Panel assessed both complaints. One was dismissed on initial assessment and the second one was partly upheld.

GST Dispute Statement

Local Government Act 1993 -Section 72A

Council reports 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.

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*.

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 2021/22.

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

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 duties. Council also has adopted a policy in relation to the reimbursement of expenses for

Councillors. The policy serves to provide clear expectation 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	46,760	0	46,760	0	46,760
Deputy Graeme Brown	26,147	0	26,147	0	26,147
Cr Shayne Allison	13,464	0	13,464	0	13,464
Cr Mike McLaren	13,360	0	13,360	0	13,360
Cr Vonette Mead	13,360	0	13,360	0	13,360
Cr Sommer Metske	13,464	0	13,464	0	13,464
Cr Garry Sims	13,464	0	13,464	0	13,464
Cr Gerrad Wicks	13,464	0	13,464	0	13,464
Cr Lesley Young	13,464	0	13,464	0	13,464
Total	166,947	0	166,947	0	166,947

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 2021-22. 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 four trained Health & Safety Representatives (HSRs), two management representatives and two other staff representatives. This Committee's key responsibility is to progress WHS items and initiatives.

With COVID-19 continuing to impact Council operations through 2021-22, an Incident Management Team (IMT) made up of management and key staff continued to meet. The IMT is responsible for communicating the latest updates, discussing issues and risks and also progressing actions and decisions. The IMT works alongside the WHS Committee.

Workplace Injuries

The total number of reported workplace injuries during 2021-22 was six, none of which resulted 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.

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 2021/22 was 20, compared to 18 recorded in 2020/21.

Nature of Complaint	No. of Complaints
Product or service	10
Employee or agent	7
Council decision	2
Complaint against Councillors	1

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

On behalf of CCA team, the Board, Committee Members and Representatives, I present the 2021/22 Annual Report. Although the Annual Report is primarily about providing a snapshot of key functions, projects, outputs and the financial accountability of CCA; it also provides an opportunity to pause, reflect and celebrate the contribution from the hardworking and highly committed team who make it all possible. Our work this financial year has brought CCA closer to its overarching priority to provide a fully integrated service across resource management, regional economic development, service provision, advocacy and representation.

Many years ago, I came across the term VUCA; it was used to describe the global situation. At the time VUCA or Volatile, Uncertain, Complex and Ambiguous sounded like just another management campaign but nowadays it describes much of our reality.

Fortunately, much that is volatile is a long way from the Cradle Coast. There is however a degree of **volatility** that comes from the **uncertainty** around local government elections and the local government review. The challenge and opportunity for CCA going forward resides in the shape of future relationships and partnerships between individual Councils and our collective – the Cradle Coast region, and the inevitable decisions about where and who is best placed to deliver what services. There are those aspects of local government that are difficult to define but primarily it is about form following function and the alignment to resources and community expectations. The outcomes from the election, the review and the Letter of Expectation will impact on the work of CCA.

Our work is **complex** and **ambiguous** because we work with multiple owners, multiple stakeholders, a diverse community and a dynamic political environment. Although the full extent of CCA's work is contained within the Annual Report, it is worth commenting on the value of the Regional Investment Framework as an evaluation tool for the projects of regional importance. The projects were ratified by the Representatives and together with feedback from Council workshops informed the Regional Advocacy Strategy in the lead up to the recent State and Federal Elections and will continue to inform our work in the next financial year.

We must also recognise the extraordinary amount of time and effort committed to the development of the Cradle Coast NRM 2030 Strategy and to the process of acquiring sign off by both the Federal and State Governments. This document can be viewed www.cradlecoast.com.

The development of the Coastal Pathway continues, with work currently being undertaken on the Penguin to Sulphur Creek, Don to Lilloo and West Ulverstone stages. We thank Devonport, Latrobe and Central Coast Council for their contributions to this project and the outstanding work being undertaken to connect the various sections of the pathway. It will be an asset to our region.

Although there are no visible signs of the work undertaken by CCA on the Truck Wash and Effluent Dump Project, there are two sites that are ready to progress to design and construct subject to the new Federal Government's sign off. It is CCA's understanding that this will be part of the budget process.

Finally, it has been another productive year for CCA. We have responded to the complexities associated with delivering 'business as usual,' responding to the opportunities and challenges that arise from a period of rapid economic growth, providing both stakeholders and government with considered responses to the impact of current and future developments – all within a context of COVID recovery and potentially reshaping CCA for a future beyond the review of local government. There is no doubt that it is a VUCA context.

Sheree Vertigan AM
Chief Executive Officer

Dulverton Regional Waste Management Authority

After 11 challenging, but highly enjoyable, years as CEO of the Dulverton Regional Waste Management Authority, it is somewhat surreal to be penning my final report for Owner Councils' Annual Reports. The new CEO will commence on the 29th of August, and I am confident she has the people and resources to carry DWM's success into the future.

By any measure, 2021/22 was another strong year for DWM.

The total quantity of chargeable waste disposals managed by DWM increased by 1.5%, from 105,903 tonnes in 2020/21 to 107,471 tonnes in 2021/22. In 2021/22, waste diversion to the Dulverton Organics Recycling Facility (DORF) for recycling into compost totalled 28.4%, and an additional 8,000 tonnes of green waste mulch was accepted.

As the primary waste management provider in the region, DWM continues to provide waste expertise to the Cradle Coast Waste Management Group (CCWVG). Knowledge in landfill, organics recycling, kerbside recycling and other industry relevant activities allows DWM's services to be provided for the greater benefit of the region.

The 2021/22 Financial Year concluded far stronger than budgeted with profit exceeding budget. The result was influenced by revenue increases in some waste stream revenues, and one large unforeseen Landfill Special Project involving disposal of contaminated soil, which resulted in revenue being 17.7% above budget. Direct operational cost exceeded budget by 3.1% but given the increase in landfill tonnes

(compared to budget) this is a great result. Overall operating expenses increased on the 2020/21 year by just 0.7%.

Pleasingly the amount of tax equivalents (or NTER - National Tax Equivalent Regime) paid and payable to the Owner Councils relating to the 2021/22 financial year, plus Dividends paid, surpassed \$1.7 million for the second year in a row. Dividends to Owner Councils are forecast into the foreseeable future.

Late 2022 will bring change to the Board composition, with long serving Chair Grant Atkins and Director and ARC Chair Jeff McNamara concluding their time on the Board. Both have been of tremendous support to me the past 11 years and I thank them and wish them well for the future.

I thank the Owner Representatives and Board for their support since I commenced in 2011. Together we have met the many challenges thrown at DWM. The organisation now has robust systems for WHS, environment, finance, business, risk management and records management. The new Board and CEO have strong foundations and it will be with great anticipation that I will watch DWM continue from strength to strength.

With that I farewell all, knowing that I am likely to cross tracks with many of you into the future, I look back with pride on every day of my 11 years as CEO knowing that I have left a very strong organisation as my legacy.

Mat Greskie
(former) Chief Executive Officer

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	6	-	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)	2	2	There are two identified and registered public health risk business which are tattooists.
Regulated Systems	2		Cooling towers.
Private Water Supplies	5		Registered private water suppliers (one is exempt as they don't have overnight accommodation).
Recreational Waters – natural	7	106	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	63	Testing completed monthly.
Immunisation	177	-	Number of immunisations administered at Geneva Christian College and Latrobe High School.
Nuisance Complaints	58		Complaints ranged from roosters crowing, backyard burning, noisy parties and builders working outside regulated timeframes.
Food Act 2003			
Registered Food Business	118	82	Annual licences.
Temporary Food Business	13		Events and special occasions.
Food Safety Training			During Covid promoted training available online via Council's website
Other			
Fire abatements	17	44	Abatements sent to property owners for long grass and overgrown vegetation.
Assessment of On-site wastewater systems	29	34	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	\$3,000.00
Latrobe Federal Band	Annual Community Grant	\$10,000.00
Latrobe Museum	Annual Community Grant	\$3,000.00
Latrobe Bowls Club	Annual Community Grant	\$2,000.00
Latrobe Football Club	Annual Community Grant	\$2,000.00
Port Sorell Surf Club	Annual Community Grant	\$1,633.64
Pickleball Tasmania	Annual Community Grant	\$1,636.00
Wesley Vale Football Cub	Annual Community Grant	\$1,263.36
Reel Keen Fishing Club	Annual Community Grant	\$1,951.52
Port Sorell Table Tennis Club	Annual Community Grant	\$2,000.00
Latrobe Garden Club	Annual Community Grant	\$1,360.00
Choir in the Club	Annual Community Grant	\$1,818.10
Crescendo Music Hub	Annual Community Grant	\$2,000.00
Latrobe Basketball Association	Annual Community Grant	\$761.99
Sassafras Community Hall Association Inc.	Annual Community Grant	\$3,000.00
St Patricks Primary School	Annual End of Year Award	\$40.00
Sassafras Primary School	Annual End of Year Award	\$80.00
Port Sorell Primary School	Annual End of Year Award	\$40.00
Latrobe Primary School	Annual End of Year Award	\$40.00
Latrobe High School	Annual End of Year Award	\$80.00
Geneva Christian College	Annual End of Year Award	\$40.00
Andrews Creek Primary School	Annual End of Year Award	\$40.00
Jetty rate remissions x 13	Rate remission	\$1,937.00
Latrobe Bowling Club	Rate remission	\$1,702.00
Port Sorell Bowls Club	Rate remission	\$1,283.00
Thirlstane Golf Club Inc	Rate remission	\$2,377.00
Wesley Vale Football Cub	Rate remission	\$1,054.00
Port Sorell Surf Club	Rate remission	\$1,135.00
Conservation Covenant x 2	Rate remission	\$595.00
Rubicon Enhancement Volunteers	Community Contribution	\$7,720.72
Port Sorell Golf Club	Community Contribution	\$7,500.00
Latrobe Park Run	Community Contribution	\$5,119.60
Latrobe Lions Club	Community Contribution	\$5,136.36
Charles Kettle	Minor Bursary	\$100.00
Total		\$73,443.00


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.

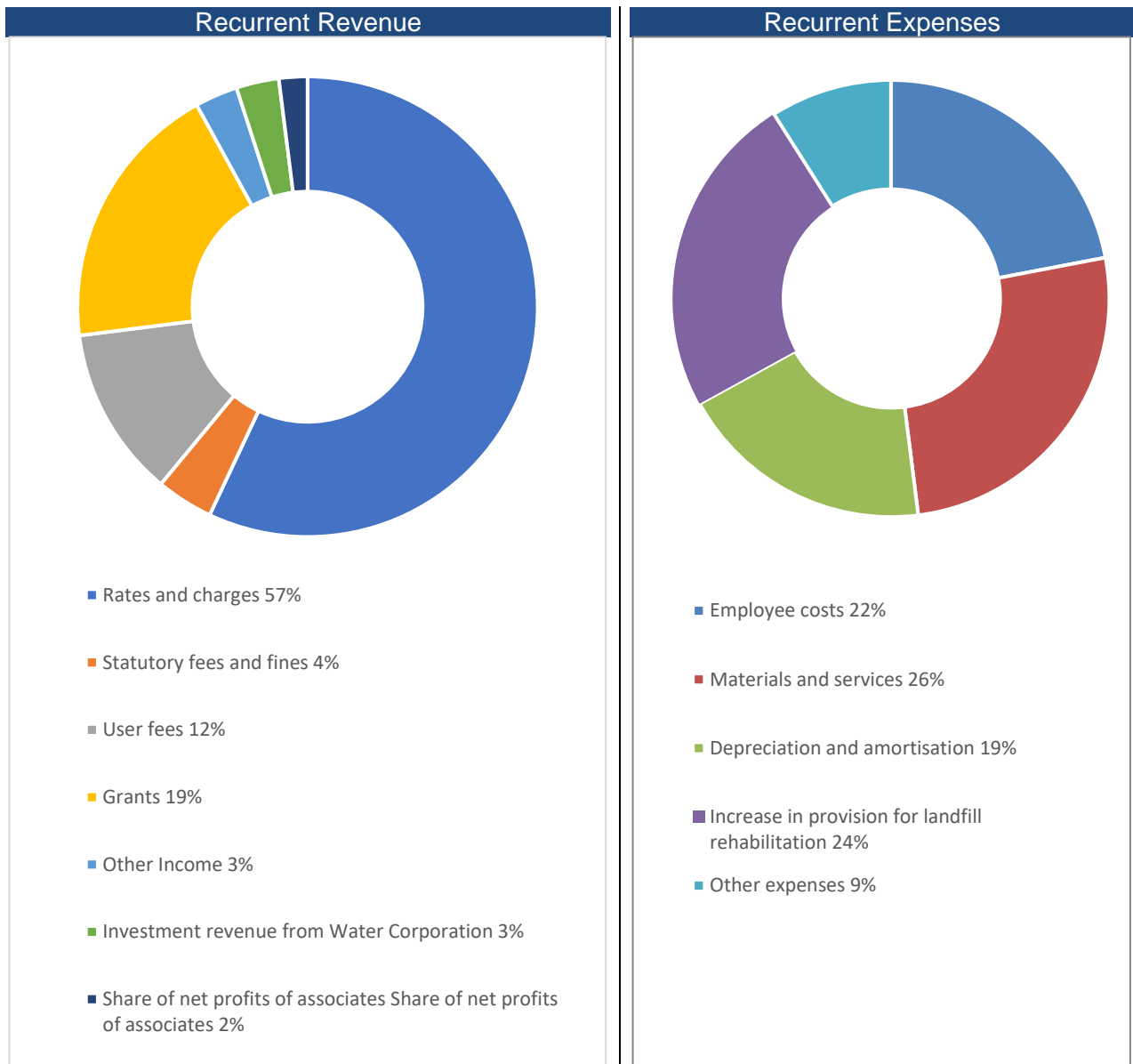
Contractor/Supplier	Address	Description	Contract Period	Value
BridgePro Engineering Pty Ltd	19 Faulkner Drive, Latrobe TAS 7307	Latrobe Flood Mitigation Variation - Cotton Street Levee	Jun 2022-Jun 2023	\$1,021,061
BridgePro Engineering Pty Ltd	19 Faulkner Drive, Latrobe TAS 7307	Latrobe Flood Mitigation Variation - HV Latent Condition	May 2022-Jun 2023	\$138,409
BridgePro Engineering Pty Ltd	19 Faulkner Drive, Latrobe TAS 7307	Latrobe Flood Mitigation Variation - River Road Offset	Feb 2022-Jun 2023	\$31,292
BridgePro Engineering Pty Ltd	19 Faulkner Drive, Latrobe TAS 7307	Latrobe Flood Mitigation Variation - Kings Creek Offset	Jun 2022-Jun 2023	\$22,093
BridgePro Engineering Pty Ltd	19 Faulkner Drive, Latrobe TAS 7307	Latrobe Flood Mitigation Variation - Survey Request	Oct 2021-Jun 2023	\$6,046
AJR Construct Pty Ltd	11 Luck St Spreyton 7310	Banksia Facilities Redevelopment	Jun 2022-Jun 2023	\$4,018,410
Oliver Kelly Construction Pty Ltd	134 Don Rd Devonport 7310	Port Sorell Caravan Park Refurbishment	Jun 2022-Dec 2022	\$615,962
Crossroads Civil Contracting Pty Ltd	73-79 Lilydale Rd Rocherlea 7248	Annual Road Reseal Program	Nov 2021-Jun 2022	\$416,006
Fairbrother Pty Ltd	12 Stoney Rise Rd Devonport 7310	Hydrotherapy Pool Redevelopment	Jan 2022-May 2022	\$384,678
Technology One Limited¹	Level 11, 540 Wickham Street, Fortitude Valley QLD 4006	Software as a Service – variation agreement.	Jun 2022 – Jun 2027	\$1,685,417
Trailscapes	Blackwood South Australia 5051	Bosworth Park Pump Track	May 2022-Jun 2022	\$147,860
ATM Civil Contracting Pty Ltd	46 York St Latrobe 7307	Sankey St Drainage Improvements	Nov 2021-Dec 2021	\$127,956
G A Connor & M J Jungfer	42 Meredith St Port Sorell 7307	Port Sorell Caravan Park Caretaker	Nov 2021-Dec 2022	\$125,271
Valuelit Pty Ltd	Level 4 271 William St Melbourne 3000	Full Municipal Revaluation	Oct 2021-Dec 2022	\$123,500
RideMore Pty Ltd	20 Bradden St West Ulverstone 7315	Port Sorell Pump Track	June 2022	\$104,000

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

Revenue	Expenses	Operating Surplus
\$21.6m	\$20.8m	\$0.8m
↓	↑	↓
-157%	53%	\$0.8m

Council's underlying operating deficit was \$5.9 million after adjustments for capital grants, grants received in advance and non-recurring or one-off items.

UNDERLYING RESULT

	Budget 2021/22 \$'000	Actual 2021/22 \$'000	Actual 2020/21 \$'000
Recurrent revenue	13,565	14,898	13,389
Recurrent expenditure	13,562	20,796	13,123
Underlying Surplus	3	-5,898	266

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

Comparison of Income Statement to Original Budget

	Original Budget 2022 \$'000	Actual 2022 \$'000	\$ Variance \$'000	% Variance	Comments
Income					
Rates and charges	8,511	8,803	292	3%	Favourable variance to budget due to supplementary property revaluations.
Statutory fees and fines	473	623	150	32%	Favourable variance partly due to \$120,000 of plumbing surveying fees being re-allocated from the original budget for User Fees. Also increased development activity has caused a positive result for Building and Planning Fees against budget estimates.
User fees	1,764	1,927	163	9%	Favourable variance to budget mainly due to higher than budgeted Building Permit income and higher than budgeted user fees from the Port Sorell Caravan Park.
Grants	1,795	2,990	1,195	67%	Favourable budget variance partially due to unbudgeted 2022/23 Commonwealth Financial Assistance Grants received in advance during 2021/22 and partially due to a \$400,000 grant for redevelopment of the Latrobe Hydrotherapy Pool which was not included in the original operating budget.
Interest	30	48	18	60%	Favourable variance to budget due higher than expected interest rates from January 2022.
Other income	394	394	0	0%	Other income was in line with original budget expectations.

FINANCIAL OVERVIEW

	Original Budget 2022	Actual 2022	\$ Variance	% Variance	Comments
	\$'000	\$'000	\$'000		
Investment revenue from Water Corporation	458	458	0	0%	Investment revenue from TasWater was in line with original budget expectations.
Share of net profits/(losses) of associates and joint ventures accounted for by the equity method	140	280	140	100%	Favourable variance due to increased returns from the Dulverton Regional Waste Management Authority.
Capital grants received specifically for new or upgraded assets	9,751	2,361	-7,390	-76%	Unfavourable variance due to expenditure on the Banksia Facility Redevelopment, Latrobe Flood Mitigation project and Hawley Esplanade Pathway and corresponding grant funding being carried forward into 2022/23.
Capital grants received specifically for renewal of assets	0	311	311		Roads to Recovery grant funding was in line with original budget expectations.
Contributions - cash	60	105	45	75%	Favourable variance mainly due to unbudgeted developer contributions to stormwater upgrades and higher than budgeted public open space contributions from developers.
Contributions - non-monetary assets	2,000	3,326	1,326	66%	Favourable variance due to higher value of subdivision assets transferred to Council than budgeted.
Interest	30	48	18	60%	Favourable variance to budget due higher than expected interest rates from January 2022.
Other income	394	394	0	0%	Other income was in line with original budget expectations.
Investment revenue from Water Corporation	458	458	0	0%	Investment revenue from TasWater was in line with original budget expectations.
Share of net profits/(losses) of associates and joint ventures accounted for by the equity method	140	280	140	100%	Favourable variance due to increased returns from the Dulverton Regional Waste Management Authority.
Total revenue	25,376	21,626	-3,750	-15%	Overall unfavourable variance

FINANCIAL OVERVIEW

	Original Budget 2022	Actual 2022	\$ Variance	% Variance	Comments
	\$'000	\$'000	\$'000		
Expenses					
Employee costs	3,758	4,472	714	19%	<p>This variance includes;</p> <ul style="list-style-type: none"> • \$164,000 of employee costs for implementation of Council's cloud-based IT systems expensed in 2022 due to a change in accounting policy • \$171,000 overestimated Council staff costs allocated to other capital projects that were delayed during the 2022 financial year. • \$65,000 increased personal leave • \$65,000 additional annual leave costs • \$45,000 additional overtime costs • \$28,000 higher than budgeted workers compensation insurance • \$14,000 higher than budgeted recruitment costs • \$19,000 protective clothing and uniform costs for Operations staff omitted from the original budget by mistake • unbudgeted redundancy costs of \$11,000. • Sundry minor variances, \$132,000
Materials and services	4,547	5,531	984	22%	<p>\$450,000 of this unfavourable variance to budget relates to redevelopment and operating costs for the Latrobe Hydrotherapy Pool. \$400,000 of this budget variance is offset by unbudgeted operating grant income mentioned above. The balance of the \$984,000 variance relates to additional costs budgeted at</p>

	Original Budget 2022	Actual 2022	\$ Variance	% Variance	Comments
	\$'000	\$'000	\$'000		
					<p>the mid-year budget review including:</p> <ul style="list-style-type: none"> • Additional costs of \$148,000 at Port Sorell Caravan Park (partially offset by additional income noted above) • Additional roads expenditure of \$56,000 including allowance for additional roadside spraying and slashing due to exceptional growing conditions and excessive road seal repairs and drainage following winter. • Waste management increased by \$67,000 mainly due to costs of responding to a safety issue at the Port Sorell Transfer Station and a higher than normal green-waste takings and mulching • Additional parks and public amenities costs of \$175,000 including additional cleaning costs due to Covid-19 and additional expenditure for vandalism repairs • Additional buildings operating and maintenance costs of \$37,000 • \$44,000 additional planning contractor costs due to difficulty in recruiting a planner to fill a vacancy • \$8,525 for Latrobe's share of staff survey costs.
Impairment of receivables	0	95	95		A number of properties with long outstanding rates were assessed during the year as unlikely to be sold for a high enough amount to cover the outstanding rates. This led to an unbudgeted increase in impairment of rates debts.
Depreciation and amortisation	3,750	3,850	100	3%	Minor unfavourable variance.
Finance costs	149	76	-73	-49%	Minor favourable variance resulting from the offset of interest

FINANCIAL OVERVIEW




	Original Budget 2022	Actual 2022	\$ Variance	% Variance	Comments
	\$'000	\$'000	\$'000		
					subsidies received from the State Government.
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	0	283	283		Unfavourable variance due to loss on infrastructure assets written off (mainly roads requiring reseal).
Increase in provision for landfill rehabilitation	0	5,002	5,002		This significant budgeted variance relates to an updated estimate by consultants of the future cost of rehabilitation of the former Port Sorell landfill site. This is not a cash expense but rather an increase in Council's provision for future rehabilitation expenditure.
Other expenses	1,358	1,487	129	9%	This unfavourable budget variance mainly relates to an unbudgeted change in the accounting treatment of the costs of implementation of Council's cloud-based IT systems.
Total expenses	13,562	20,795	7,233	53%	Overall unfavourable variance.

Comparison of Capital Expenditure to Budget

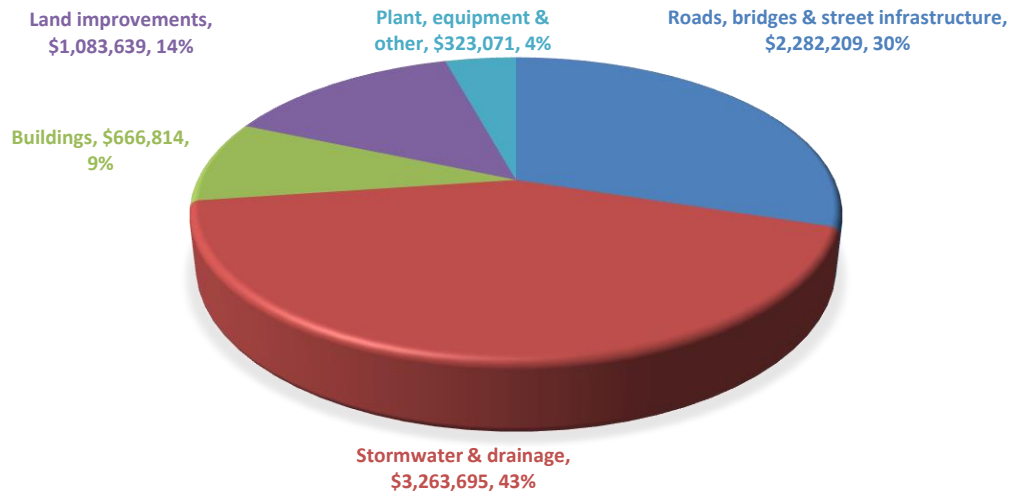
Capital Works Areas	Original Budget	Adjustment to Carry Forward	Mid-Year Budget Review	Final Budget	Actual Expenditure	Carried Forward to 2022/2023	Budget Variance
Roads, bridges & street infrastructure	4,486,573	199,101	-602,829	4,082,845	2,282,209	1,883,403	-82,767
Stormwater & drainage	6,261,932	81,679	-3,060,659	3,282,951	3,263,695	49,781	-30,525
Buildings	6,711,666	0	-4,913,645	1,798,021	666,814	1,000,400	130,807
Land improvements	3,747,167	3,055	-1,931,277	1,818,945	1,083,639	862,917	-127,611
Plant, equipment & other	2,265,942	25,395	-920,405	1,370,931	323,071	1,010,167	37,693
Total Capital Works	23,473,280	309,229	-11,428,816	12,353,693	7,619,429	4,806,668	-72,404
Represented by:							
Asset renewal	5,770,954	150,533	-2,253,232	3,668,256	2,300,782	1,344,899	22,575
New/upgraded assets	17,702,325	158,696	-9,175,584	8,685,437	5,318,647	3,461,769	-94,979
Roads, bridges & street infrastructure	4,486,573	199,101	-602,829	4,082,845	2,282,209	1,883,403	-82,767
Total Capital Works	23,473,279	309,229	-11,428,816	12,353,693	7,619,429	4,806,668	-72,404

CAPITAL BUDGET VARIANCES EXPLANATION

Total unfavourable capital expenditure budget variance

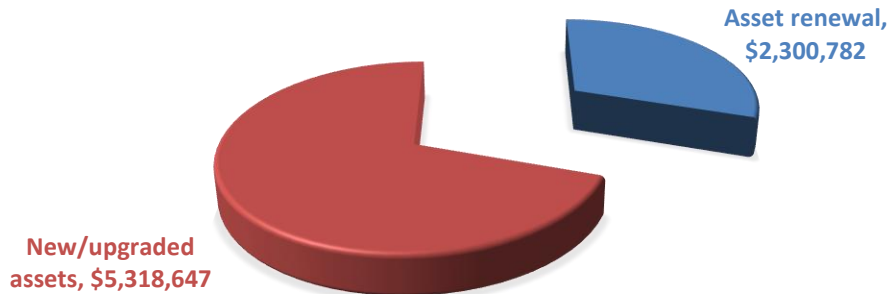
<p>\$72k</p> <p>0.05% more than budget</p> 	
<p>\$38 thousand</p>  <p>Plant, equipment & other</p> <p>Minor favourable budget variance due to deferred spending.</p>	<p>\$128 thousand</p>  <p>Land Improvements</p> <p>This unfavourable budget variance is mainly due to Wild Mersey Mountain Bike Trail assets transferred from Kentish Council to Latrobe under the grant sharing arrangements between the two Councils for the Wild Mersey Mountain Bike Trails. This variance is more than offset by \$531,000 of grant funds redistributed from Kentish to Latrobe Council during the year.</p>
<p>\$83 thousand</p>  <p>Roads, bridges & streets</p> <p>This unfavourable variance is mainly due to higher than budgeted annual road reseal program costs.</p>	<p>\$131 thousand</p>  <p>Buildings</p> <p>This favourable budget variance is mainly due to deferred expenditure for projects such as Latrobe Youth Centre Stadium floor refurbishment, Latrobe Recreation Ground Changeroom redevelopment design and concepts and Elderly Persons Unit refurbishments.</p>

Capital Expenditure by Asset Class

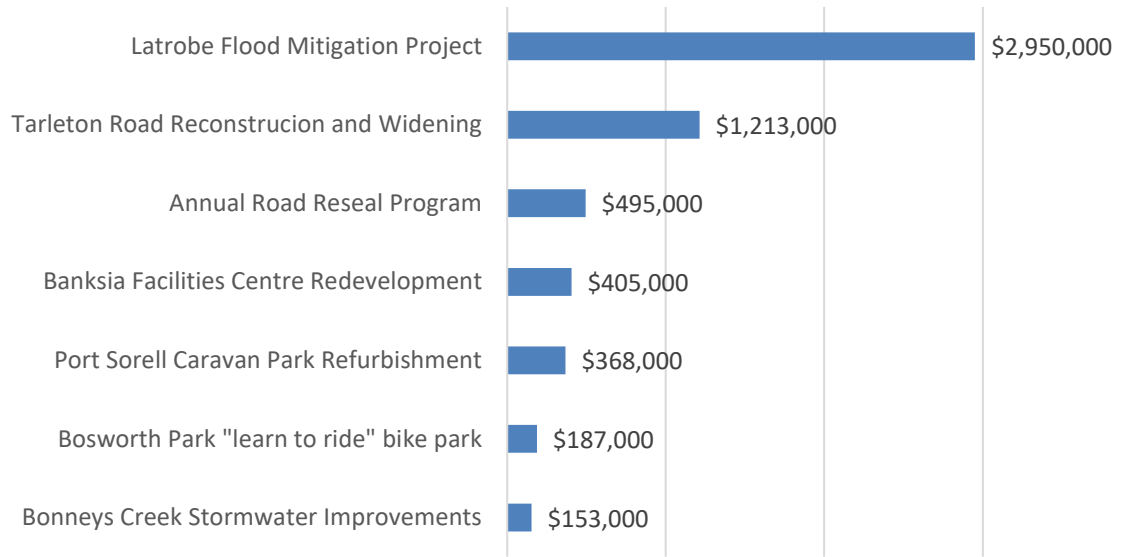


In measuring financial sustainability, it is important to distinguish between expenditure on new and upgraded assets and expenditure on existing assets. This distinction is graphically represented below;

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

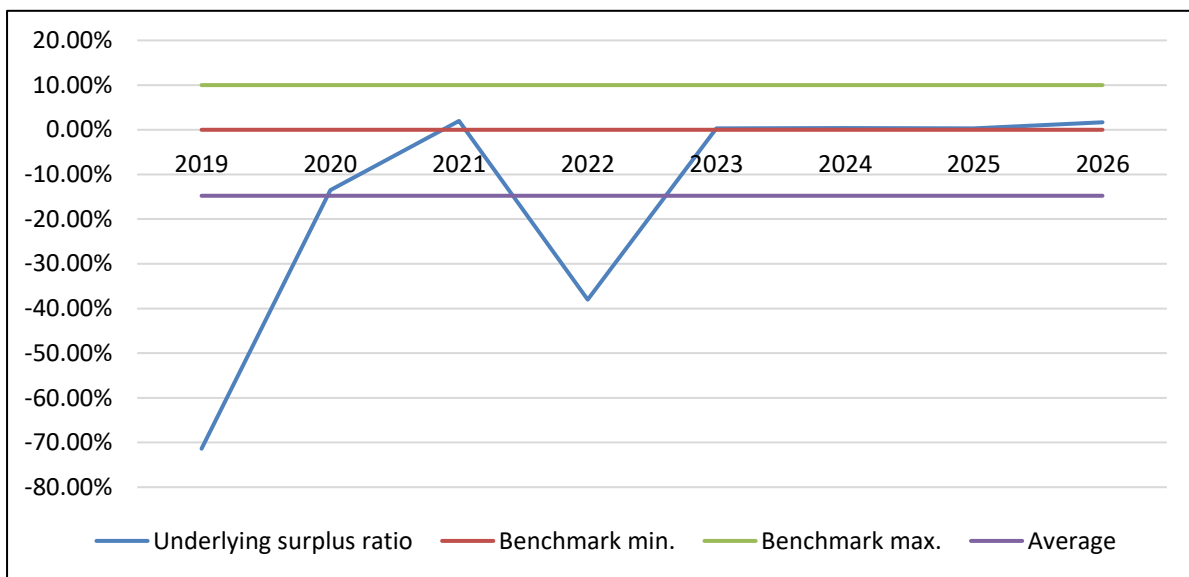
This ratio measures the percentage by which Council's 'controllable' income sources and 'operating' grants vary from day to day expenses (including depreciation). It serves as an overall measure of financial operating effectiveness.

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. Due to a change of treatment of movements in landfill rehabilitation provisions and their inclusion in the calculation of the underlying surplus ratio, 2019 and 2020 has been restated. Movement in provisions are no longer included in the calculation and have significantly decreased Council's underlying surplus ratio in these years. In 2019, underlying surplus/deficit decreased from an \$800,000 surplus to a \$10 million deficit. Underlying surplus ratio has decreased from 5.73% to -71.38%. This was due to the removal of a \$10.8 million movement in provision. In 2020, underlying surplus/deficit decreased from a \$216,000 deficit to \$1.7 million deficit. Underlying surplus ratio has decreased from -1.72% to -13.5%. This was due to the removal of a \$1.5 million movement in provision. While the 2022 below benchmark result is mainly due to a \$5 million movement of provision and once-off additional costs as listed in the variance explanation column of the income statement table presented earlier in this financial overview section of the annual report.

FINANCIAL OVERVIEW

	2019	2020	2021	2022	2023	2024	2025	2026	Av.
Underlying surplus ratio	-71.38%	-13.51%	1.98%	-38.00%	0.32%	0.42%	0.32%	1.69%	0.37%
To assess sustainability									
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Underlying surplus (excluding income to fund new or upgraded assets)	-9,965	-1,690	266	-5,898	49	67	53	292	52
Recurrent Income	13,960	12,510	13,420	15,523	15,491	16,017	16,635	17,281	15,105

■ Projected
■ Actual



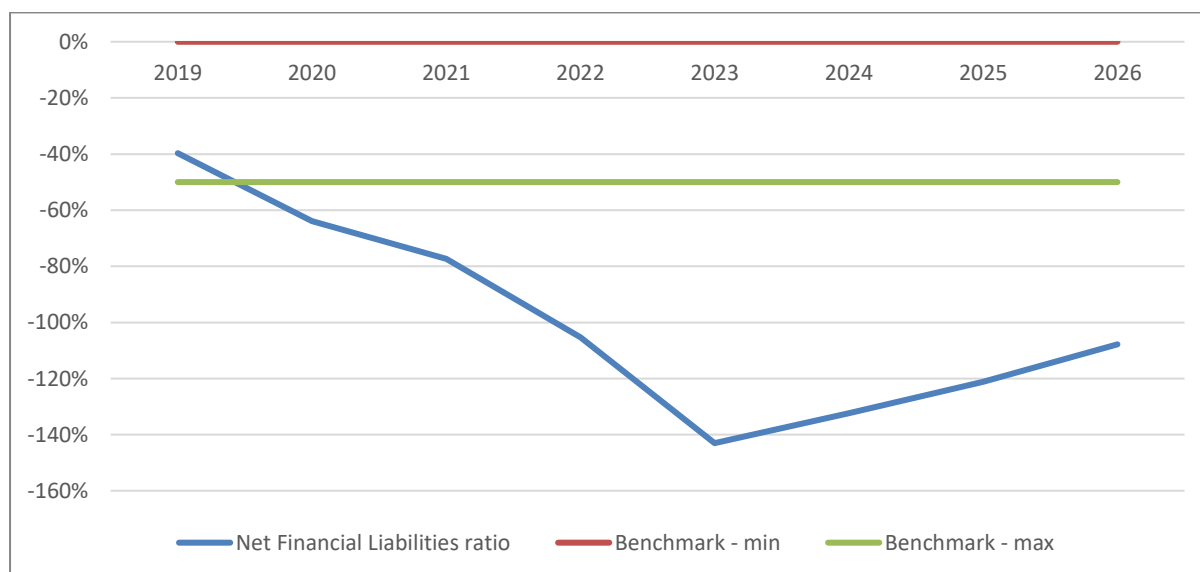
Net Financial Assets/(Liabilities) Ratio

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 2023 to 2026 show this ratio to 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.

	2019	2020	2021	2022	2023	2024	2025	2026	Av.
Net Financial Liabilities ratio	-40%	-64%	-77%	-105%	-143%	-132%	-121%	-108%	-99%
To assess the level of debt held by Council									
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net Financial Assets (Liabilities)	-5,541	-7,999	-10,376	-16,351	-22,154	-21,205	-20,161	-18,635	-15,303
Recurrent Income	13,960	12,510	13,420	15,523	15,491	16,017	16,635	17,281	15,105

■ Projected
■ Actual



Asset Sustainability Ratio

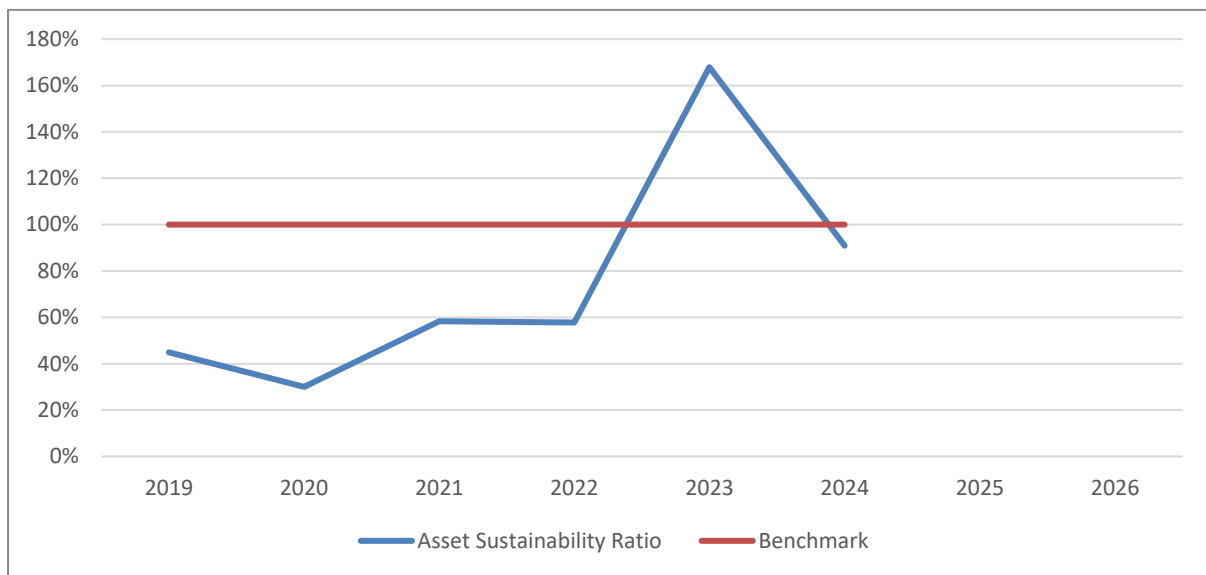
This ratio measures whether assets are being replaced at the rate they are wearing out. Council's projected average ratio of 72% for the 8 years ending in 2026. Council aims to match its asset renewal expenditure with actual asset renewal demand as identified by its asset management plans.

	2019	2020	2021	2022	2023	2024	2025	2026	Av.
Asset Sustainability Ratio	45%	30%	58%	58%	168%	91%		54%	72%

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	1,495	998	1,976	2,226	6,624	3,677	1,952	2,296	2,656
Depreciation expense	3,326	3,327	3,388	3,850	3,945	4,044	4,145	4,249	3,784

■ Projected
■ Actual



Asset Consumption Ratio

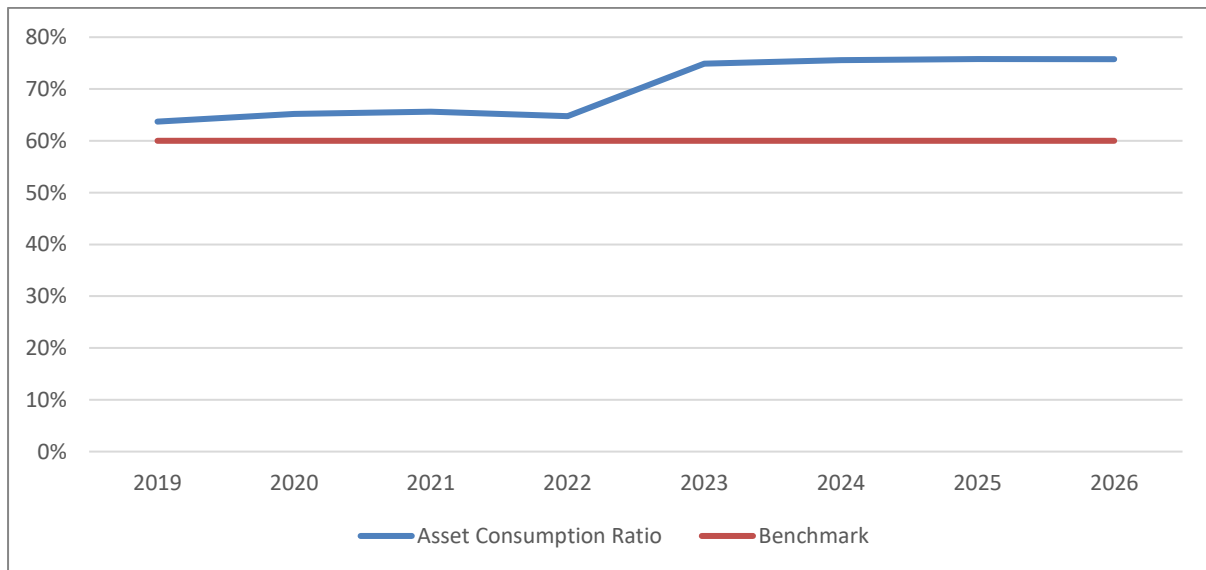
This indicator shows the average proportion of 'as new' condition left in Council's infrastructure assets. When used in conjunction with the asset sustainability ratio, Council's asset consumption ratio indicates that on average the Council's infrastructure is only around 35% into its expected useful life which explains why there may not currently be a high demand for asset renewals.

	2019	2020	2021	2022	2023	2024	2025	2026	Av.
Asset Consumption Ratio	64%	65%	66%	65%	75%	76%	76%	76%	70%

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	128,242	144,307	152,170	176,909	230,807	235,421	237,322	238,689	192,983
Current replacement cost of assets	201,310	221,316	231,862	273,181	308,161	311,403	313,154	315,014	271,925

■ Projected
■ Actual

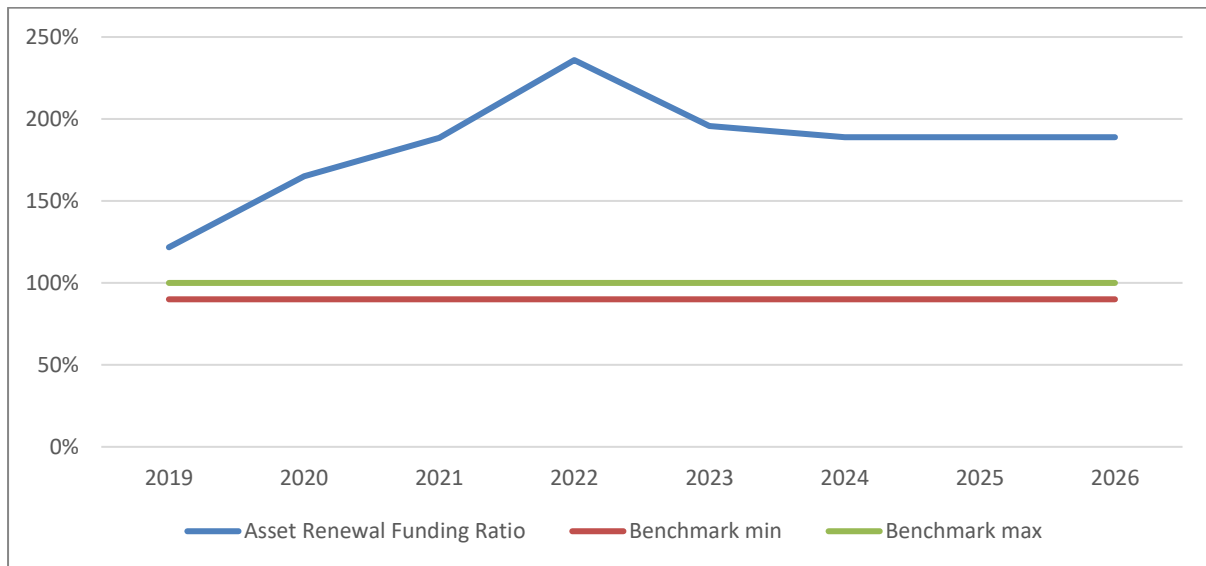


Asset Renewal Funding Ratio

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.

	2019	2020	2021	2022	2023	2024	2025	2026	Av.
Asset Renewal Funding Ratio	122%	165%	188%	236%	196%	189%	189%	189%	184%
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	10,025	19,429	18,682	21,007	16,949	15,913	15,913	15,913	16,729
Net Present value of ten year projected capital renewal expenditure demand	8,235	11,770	9,914	8,904	8,657	8,429	8,429	8,429	9,096

■ Projected
■ Actual



Understanding Council's Financial Statements

Introduction

Each year, individual Local Governments are 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 on the Primary Financial Statements.

Independent Auditor's Report
To the Councillors of Latrobe Council
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 2022 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 2022 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.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. These matters were addressed in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Why this matter is considered to be one of the most significant matters in the audit	Audit procedures to address the matter included
<p>Valuation of property & infrastructure assets <i>Refer to notes 6.1 and 9.11</i></p>	
<p>Property and infrastructure at 30 June 2022 included land, land under roads, land improvements, buildings and infrastructure (roads, bridges, footpaths and drainage) totalling \$226.44 million recognised at fair value. The fair value of these assets are based on market value or current replacement cost. Council undertakes formal revaluations on a regular basis to ensure valuations represent fair value. Indexation is applied to fair values between formal valuations.</p> <p>During the financial year Council undertook a full revaluation of land at market value. At balance sheet date, indexation was applied to other assets including buildings, drainage, and roads, bridges and footpaths asset classes.</p> <p>The valuations were determined by internal and external experts are highly dependent upon a range of assumptions and estimated unit rates.</p>	<ul style="list-style-type: none"> • Assessing the expertise and independence of experts engaged to assist in the valuations. • Evaluating the appropriateness of the valuation methodology applied to determine fair values. • Testing the mathematical accuracy of the indexation calculations. • Testing, on a sample basis, the allocation of costs between capital and operating expenditure, including costs capitalised to work in progress. • Assessing the adequacy of disclosures made in the financial report, including those regarding key assumptions used.

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.

From the matters communicated with the General Manager, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



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

29 March 2023
Hobart

LATROBE COUNCIL
ANNUAL FINANCIAL REPORT
For the Year Ended 30 June 2022

LATROBE COUNCIL
Financial Report
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Statement of Comprehensive Income For the Year Ended 30 June 2022

	Note	Budget 2022 \$'000	Actual 2022 \$'000	Actual 2021 \$'000
Income from continuing operations				
Recurrent income				
Rates and charges	2.1	8,511	8,803	8,025
Statutory fees and fines	2.2	473	623	758
User fees	2.3	1,764	1,927	1,758
Grants	2.4	1,795	2,990	1,769
Interest	2.6	30	48	52
Other income	2.7	394	394	510
Investment revenue from Water Corporation	2.9	458	458	191
Share of net profits/(losses) of associates and joint ventures accounted for by the equity method	5.1	140	280	357
		13,565	15,523	13,420
Capital income				
Capital grants received specifically for new or upgraded assets	2.4	9,751	2,361	648
Capital grants received specifically for renewal of assets	2.4	-	311	311
Contributions - cash	2.5	60	105	49
Contributions - non-monetary assets	2.5	2,000	3,326	7,632
		11,811	6,103	8,640
Total income from continuing operations		25,376	21,626	22,060
Expenses from continuing operations				
Employee costs	3.1	(3,758)	(4,472)	(3,846)
Materials and services	3.2	(4,547)	(5,531)	(4,387)
Impairment of receivables	3.3	-	(95)	(3)
Depreciation and amortisation	3.4	(3,750)	(3,850)	(3,388)
Finance costs	3.5	(149)	(76)	(8)
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	2.8	-	(283)	(7)
Increase in provision for landfill rehabilitation	7.3	-	(5,002)	-
Other expenses	3.6	(1,358)	(1,487)	(1,484)
		(13,562)	(20,796)	(13,123)
Result from continuing operations		11,814	830	8,937
Net result for the year		11,814	830	8,937
Other comprehensive income				
Items that will not be reclassified subsequently to net result				
Fair value adjustments on equity investment assets	9.1	-	792	2,160
Net asset revaluation increment/(decrement)	9.1	-	26,470	-
Share of other comprehensive income of associates and joint ventures accounted for by the equity method	9.1	-	299	-
Total Other Comprehensive Income		-	27,561	2,160
Total Comprehensive result		11,814	28,391	11,097

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

**Statement of Financial Position
As at 30 June 2022**

	Note	2022 \$'000	2021 \$'000
Assets			
Current assets			
Cash and cash equivalents	4.1	1,456	2,250
Trade and other receivables	4.2	1,144	824
Investments	4.3	14,500	10,976
Inventories	4.4	114	106
Other assets	4.5	1,046	302
Total current assets		18,260	14,458
Non-current assets			
Investments in associates accounted for using the equity method	5.1	2,909	2,404
Investment in water corporation	5.2	29,793	29,001
Property, infrastructure, plant and equipment	6.1	236,306	203,567
Right-of-use assets	6.2	16	22
Total non-current assets		269,024	234,994
Total assets		287,284	249,452
Liabilities			
Current liabilities			
Trade and other payables	7.1	2,261	1,615
Trust funds and deposits	7.2	524	447
Provisions	7.3	1,166	1,263
Lease liabilities	7.4	7	7
Contract liabilities	7.5	500	1,219
Interest-bearing loans and borrowings	8.1	-	250
Total current liabilities		4,458	4,801
Non-current liabilities			
Trust funds and deposits	7.2	95	154
Provisions	7.3	18,205	13,356
Lease liabilities	7.4	7	14
Interest-bearing loans and borrowings	8.1	11,250	6,250
Total non-current liabilities		29,557	19,774
Total liabilities		34,015	24,575
Net Assets		253,269	224,877
Equity			
Accumulated surplus		109,061	108,231
Reserves	9.1	144,208	116,646
Total Equity		253,269	224,877

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

Statement of Changes in Equity For the Year Ended 30 June 2022

	Note	Accumulated	Asset	Fair Value	Other	Total
		Surplus	Revaluation	Reserve	Reserves	Equity
		2022	Reserve	Reserve	2022	2022
2022		2022	2022	2022	2022	2022
		\$'000	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year		108,231	113,850	2,366	430	224,877
Net result for the year		830	-	-	-	830
Other Comprehensive Income:						
Fair value adjustment on equity investment assets	5.2	-	-	792	-	792
Net asset revaluation increment/(decrement)	9.1	-	26,470	-	-	26,470
Share of other comprehensive income of associates & joint ventures accounted for by the equity method		-	-	-	299	299
Total comprehensive income		109,061	140,320	3,158	729	253,268
Transfers between reserves		-	-	-	-	-
Balance at end of the financial year		109,061	140,320	3,158	729	253,268

	Note	Accumulated	Asset	Fair Value	Other	Total
		Surplus	Revaluation	Reserve	Reserves	Equity
		2021	Reserve	Reserve	2021	2021
2021		2021	2021	2021	2021	2021
		\$'000	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year		99,645	113,850	206	430	214,131
Adjustment due to IFRIC interpretation change - cloud systems		(350)	-	-	-	(350)
Restated opening balance		99,294	113,850	206	430	213,780
Net result for the year		8,937	-	-	-	8,937
Other Comprehensive Income:						
Fair value adjustment on available for sale asset	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		108,231	113,850	2,366	430	224,877
Transfers between reserves		-	-	-	-	-
Balance at end of the financial year		108,231	113,850	2,366	430	224,877

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

Statement of Cash Flows
For the Year Ended 30 June 2022

	Note	2022 Inflows/ (Outflows) \$'000	2021 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates		8,865	8,022
Statutory fees and fines		623	569
User charges and other fines		2,300	1,402
Grants		2,990	1,769
Dividend received from associate		74	74
Interest Received		48	64
Investment revenue from water corporation	2.9	458	191
Other receipts		419	1,241
GST Refunds received		1,061	972
Payments to suppliers		(7,784)	(5,906)
Payments to employees (including redundancies)		(4,583)	(3,840)
Finance costs paid		(76)	(8)
Other payments		(1,487)	(1,250)
Net cash provided by (used in) operating activities	9.2	<u>2,908</u>	<u>3,300</u>
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(7,769)	(6,868)
Payments for intangibles		-	-
Proceeds from sale of property, infrastructure, plant and equipment		700	75
Capital grants		1,953	1,359
Capital contributions		105	49
Net payments for investments		(3,524)	(2,776)
Net cash provided by (used in) investing activities		<u>(8,535)</u>	<u>(8,161)</u>
Cash flows from financing activities			
Proceeds from trust funds and deposits		90	(75)
Repayment of lease liabilities (principal repayments)		(7)	(6)
Proceeds from interest bearing loans and borrowings		5,000	6,250
Repayment of interest bearing loans and borrowings		(250)	-
Net cash provided by (used in) financing activities	9.3	<u>4,833</u>	<u>6,169</u>
Net increase (decrease) in cash and cash equivalents		(794)	1,308
Cash and cash equivalents at the beginning of the financial year		2,250	942
Cash and cash equivalents at the end of the financial year	9.4	<u>1,456</u>	<u>2,250</u>

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 , 4.4, 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 Change in accounting policy - configuration and customisation of cloud based computer software systems

In previous financial years, Council has classified cost of configuring and customising its cloud-based software systems as intangible assets and has amortised these costs over the expected life of the relevant software-as-a-service (saas) agreement. Following a decision issued in December 2021 by the International Financial Reporting Standards Interpretations Committee (IFRIC), Council has changed its accounting treatment of such costs.

Cost of configuring and customising cloud-based software systems are now expensed upfront if they are a distinct service separate from the services provided in accordance with the saas agreement or if they are provided by Council staff or a third-party supplier.

Where cloud-based configuration and customisation is not a distinct service from the services provided in accordance with the saas agreement, they are recognised initially as a prepaid asset and then amortised over the term of the saas agreement.

This change in accounting policy has been applied retrospectively and the impact of the change is summarised in note 11.1

1.5 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						
2021 - 2022	1,420	8,249	9,669	(2,357)	7,312	48,278
2020 - 2021	960	7,333	8,293	(1,351)	6,942	43,681
Roads, streets and bridges						
2021 - 2022	2,244	2,246	4,490	(3,405)	1,085	141,122
2020 - 2021	1,565	5,473	7,038	(3,214)	3,824	128,148
Stormwater/ drainage						
2021 - 2022	969	1,135	2,104	(979)	1,125	35,444
2020 - 2021	190	2,261	2,451	(650)	1,801	27,204
Waste management						
2021 - 2022	-	1,553	1,553	(7,018)	(5,465)	2,909
2020 - 2021	-	1,603	1,603	(1,768)	(165)	2,404
Environmental health/ environmental management						
2021 - 2022	-	14	14	(155)	(141)	-
2020 - 2021	-	31	31	(139)	(108)	-
Development and regulatory services						
2021 - 2022	35	1,889	1,924	(2,206)	(282)	-
2020 - 2021	-	1,516	1,516	(1,688)	(172)	-
Buildings and community amenities						
2021 - 2022	413	1,091	1,504	(2,797)	(1,293)	25,428
2020 - 2021	2	1,062	1,064	(2,045)	(981)	24,410
Community and economic development						
2021 - 2022	532	90	622	(412)	210	0
2020 - 2021	11	28	39	(430)	(391)	0
Parks and reserves						
2021 - 2022	50	21	71	(1,793)	(1,722)	32,445
2020 - 2021	-	25	25	(1,651)	(1,626)	21,844
Operations						
2021 - 2022	-	0	0	-	-	1,656
2020 - 2021	-	0	0	-	-	1,768
Total						
2021 - 2022	5,663	16,288	21,951	(21,122)	829	287,282
2020 - 2021	2,728	19,332	22,060	(12,936)	9,124	249,459

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

	2022	Restated 2021
	\$'000	\$'000
Current assets	18,260	14,458
Non-current assets	269,024	234,994
	287,284	249,452

(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.

	2022 \$'000	2021 \$'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 2021-22 was \$152.1 million (2020-21 \$109.8 million). The 2021-22 rate in the assessed annual value dollar was 6.4316 cents (2020-21, 6.1783).		
Residential	4,888	4,472
Commercial	333	315
Industrial	563	386
Primary production	900	843
Public institution	315	281
Quarry/mining	1	1
Sporting/recreation	22	19
Vacant	278	255
Supplementary rates and rate adjustments	-	123
Fire levy	463	425
Garbage charge	1,083	957
Less discounts for early payment of rates	(31)	(39)
Less rate remissions	(12)	(13)
Total rates and charges	8,803	8,025

The date of the previous 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 (OVG) usually every two years. The OVG recently revalued land within the municipal district as at 1 July 2021, however, these updated valuations will first be applied for rating purposes during the 2022-2023 financial year.

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	86	92
Building fees	209	276
Health fees and fines	2	19
Property information certificates	126	135
Town planning fees	200	236
Total statutory fees and fines	623	758

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. Plumbing permit fees totalling \$131,000 (2021, \$187,000) have been reclassified from user fees to statutory fees and fines because they relate to permits issues under the Building Act 2016.

Note 2.3 User fees

Building fees	282	210
Hire of facilities	867	847
Planning fees	10	14
Rent	641	582
Waste management fees	63	80
Stormwater connection fees	7	1
Other fees and hire charges	57	24
Total user fees	1,927	1,758

	2022 \$'000	2021 \$'000
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. Plumbing permit fees totalling \$131,000 (2021, \$187,000) have been reclassified from user fees to statutory fees and fines because they relate to permits issues under the Building Act 2016. Facility hire fees for Camp Banksia and the Port Sorell Caravan Park totalling \$779,000 (2021, \$766,000) have been reclassified from other income to user fees to better reflect the nature of these receipts. Hall hire fees listed separately in 2021 (\$11,000) are now included in the Hire of facility total above.		

Note 2.4 Grants

Grants were received in respect of the following:

Summary of grants

Commonwealth funded grants	2,838	2,068
State funded grants	2,824	660
Total	5,662	2,728

Grants - Recurrent

Commonwealth Government Financial Assistance Grants - general purpose (Untied)	1,420	960
Commonwealth Government Financial Assistance Grants - roads (Untied)	1,086	778
Commonwealth Government Financial Assistance Grants - bridges (Untied)	21	19
Heavy Vehicle Motor Tax distribution	18	-
State Grant - Latrobe Hydrotherapy Pool	400	-
State Grants -Planning	35	-
Australian Axeman's Hall Of Fame - Exhibition Grant	10	-
Roads	-	6
Cultural Events	-	2
State Local Government Accelerated Capital Program - interest reimbursements	-	4
Total recurrent grants	2,990	1,769

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

Australian Axemans Hall of Fame - AMAGA Grant	3	-
Community Development Grants	-	9
Parks & Reserves Grants - Port Sorell Pump Track	50	-
Roads Grants	808	449
Wild Mersey Grants transferred from Kentish Council	531	-
Stormwater grants	969	190
Total capital grants specifically for new or upgraded assets	2,361	648

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

2,672	959
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	2022 \$'000	2021 \$'000
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	1,219	819
Add: Funds received and not recognised as revenue in the current year	500	590
Less: Funds received in prior year but revenue recognised and funds spent in current year	(1,219)	(190)
Balance of unspent funds at 30 June	500	1,219
Note 2.5 Contributions		
(a) Cash		
Open space contributions	72	7
Drainage contributions	25	42
Parks and reserves contributions	8	-
Total	105	49
(b) Non-monetary assets		
Land under roads	130	283
Roads	2,092	3,243
Drainage	1,104	2,217
Parks, open space and streetscapes	-	26
Coastal Pathway - River Road	-	1,863
Total	3,326	7,632
Total contributions	3,431	7,681

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	48	52
Total	48	52

Accounting policy

Interest is recognised progressively as it is earned.

Note 2.7 Other income

Labour hire to West Coast Council	31	33
Tax equivalents - Dulverton Waste Management	120	118
Elderly Persons Units - amortisation of donor fees	72	90
Sundry income	171	269
Total other income	394	510

Accounting policy - reclassification of comparatives

Facility hire fees for Camp Banksia and the Port Sorell Caravan Park totalling \$779,000 (2021, \$766,000) have been reclassified from other income to user fees to better reflect the nature of these receipts. Elderly Persons Units amortisation of donor fees of \$72,000 (2021, \$90,000) has been reclassified from other income to be separately disclosed above.

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

Proceeds of sale	700	75
Write down value of assets disposed	(983)	(82)
Total	(283)	(7)

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.

	2022	2021
	\$'000	\$'000
Note 2.9 Investment revenue from water corporation		
Dividend revenue received	458	191
Total investment revenue from water corporation	458	191

Accounting policy

Investment revenue

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

Note 3 Expenses

Note 3.1 Employee costs

Wages and salaries	3,470	2,854
Annual leave and long service leave	209	399
Superannuation	311	321
Fringe benefits tax	27	31
Payroll Tax	222	179
Training	13	15
Professional development	19	2
Protective clothing	24	15
Workers compensation insurance	228	105
Contract employee costs	24	152
Other employment related expenses	51	25
	<u>4,598</u>	<u>4,098</u>
Less amounts capitalised	(126)	(252)
Total employee costs	4,472	3,846

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	600	556
Consumables	85	47
Contracts - general	3,817	2,860
Fuel	103	90
Fleet maintenance	117	134
Repairs & maintenance	5	11
Minor equipment purchases	14	27
Property holding costs - water rates	271	259
Property maintenance costs	40	17
Communications costs	91	110
Marketing and Advertising	58	52
Levies & Licences	287	198
Lease Costs	(7)	-
Legal costs	67	94
Consultants	282	202
General expenses	261	183
IT software & maintenance	227	251
Internal cost allocation	(787)	(704)
Total materials and services	5,531	4,387

	2022 \$'000	2021 \$'000
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.		
Various materials and contracts costs that were previously classified separately according to infrastructure type such as roads and buildings and property maintenance costs are now classified as general materials and contracts - general to reduce the number of separate classifications used. 2021 comparative figures for these costs have also been re-allocated to general materials and contracts - general.		

Note 3.3 Impairment of receivables

Rates debtors	95	1
Other debtors	-	2
Total impairment of receivables	95	3

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

<i>Property</i>		
Land improvements	268	257
Buildings	664	661
<i>Plant and Equipment</i>		
Plant and Equipment	231	238
Computers and telecommunications	73	52
<i>Infrastructure</i>		
Roads, bridges and footpaths	1,817	1,759
Drainage	792	416
<i>Right of use assets</i>		
Right of use assets	5	5
Total	3,850	3,388

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

	2022 \$'000	2021 \$'000
Accounting policy (continued)		
Road pavement - sealed basecourse		69-102
Road surface - sealed roads		12-30
Road kerb and channel		80
Bridges		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

Note 3.5 Finance costs

Interest - Borrowings	76	8
Total finance costs	76	8

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

Audit costs	50	26
Adjustment - change in accounting methods for configuration of cloud-based software system	123	234
Councillors' allowances	167	163
Councillors' expenses	1	2
Councillors training expenses	3	2
Bank fees	38	42
Election and electoral role expenses	5	5
Electricity & gas	160	185
Fire levies	435	415
Insurance	165	89
Donations/ contributions to community organisations and events	58	57
Property management fees	-	2
Registrations and licenses	3	3
Subscriptions & memberships	143	134
Land tax	136	125
Total	1,487	1,484

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.

	2022 \$'000	2021 \$'000
Note 4 Current Assets		
Note 4.1 Cash and cash equivalents		
Cash on hand	1	1
Cash at bank	209	603
Special committee bank accounts	244	645
Money market call account	1,002	1,001
Total cash and cash equivalents	1,456	2,250
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)	524	447
ii) Contract liabilities- capital grants in advance (note 7.5)	500	1,219
Restricted funds	1,024	1,666
Total unrestricted cash and cash equivalents	432	584

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.

Restricted funds

- 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	277	288
less provision for impairment - rates debtors	(111)	(16)
Other debtors	87	112
less provision for impairment - other debtors	-	(4)
Resource sharing debtor - Kentish Council	742	283
Net GST receivable	149	161
Total	1,144	824

Reconciliation of movement in expected credit loss

Carrying amount at 1 July	19	16
Increase / (decrease) in provision (rates debtors) recognised in profit or loss	95	1
Increase / (decrease) in provision (other debtors) recognised in profit or loss	-	2
Carrying amount at 30 June	114	19

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 usually be recovered when the property is next sold. An impairment is only charged for those rates debts where future sale proceeds are not expected to cover the outstanding rates. 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.

	2022 \$'000	2021 \$'000
Note 4.3 Investements		
Current		
Term deposits	14,500	10,976
Total investments	<u>14,500</u>	<u>10,976</u>

Accounting policy

Investments

Council's investment in term deposits are held to maturity for principle and interest and are measured at amortised cost.

Note 4.4 Inventories		
Inventories held for distribution	114	106
Total inventories	<u>114</u>	<u>106</u>

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.

Note 4.5 Other assets		
Current		
Prepayments	596	259
Accrued income	450	43
Total	<u>1,046</u>	<u>302</u>

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

	2022 \$'000	2021 \$'000
Note 5 Other Investments		
Note 5.1 Investment in associates		
Investments in associates accounted for by the equity method are:		
- Dulverton Regional Waste Management Authority	2,909	2,404
Total	2,909	2,404

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 2022 was 11.25% (2021: 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	1,856	1,573
Reported surplus(deficit) for year	280	357
Distributions for the year	(74)	(74)
Council's share of accumulated surplus(deficit) at end of year	2,062	1,856

Council's share of reserves

Council's share of reserves at start of year	430	430
Transfers (to) from reserves	299	-
Council's share of reserves at end of year	729	430

Movement in carrying value of specific investment

Carrying value of investment at start of year	2,404	2,121
Share of surplus(deficit) for year	280	357
Share of asset revaluation	299	-
Distributions received	(74)	(74)
Carrying value of investment at end of year	2,909	2,404

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.

Note 5.2 Investment in water corporation

Opening balance	29,001	26,841
Fair Value adjustments on equity investment assets	792	2,160
Total investment in water corporation	29,793	29,001

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 2022, Council holds 1.80% ownership interest in TasWater (2021, 1.84%) 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	2022	2021
	\$'000	\$'000
Summary		
at cost	12,761	8,247
Less accumulated depreciation	(2,898)	(2,671)
	9,863	5,576
at fair value as at 30 June	321,483	281,789
Less accumulated depreciation	(95,040)	(83,798)
	226,443	197,991
Total	236,306	203,567
Property		
Land		
at fair value as at 30 June	23,751	14,030
	23,751	14,030
Land under roads		
at fair value at 30 June	24,715	24,585
	24,715	24,585
Land improvements		
at fair value at 30 June	11,710	11,312
Less accumulated depreciation	(4,384)	(4,106)
	7,326	7,206
Total Land	55,792	45,821
Buildings		
at fair value as at 30 June	54,295	50,581
Less accumulated depreciation	(29,672)	(26,538)
	24,623	24,043
Total Buildings	24,623	24,043
Total Property	80,415	69,864
Plant and Equipment		
Plant, machinery and equipment		
at cost	3,664	3,726
Less accumulated depreciation	(2,122)	(1,968)
	1,542	1,758
Computers and telecommunications		
at cost	1,093	977
Less accumulated depreciation	(776)	(703)
	317	274
Total Plant and Equipment	1,859	2,032
Infrastructure		
Roads, Bridges and Footpaths		
at fair value as at 30 June	163,813	145,458
Less accumulated depreciation	(49,344)	(43,255)
	114,469	102,203
Drainage		
at fair value as at 30 June	43,199	35,823
Less accumulated depreciation	(11,640)	(9,899)
	31,559	25,924
Total Infrastructure	146,028	128,127

Works in progress		
Land at cost	54	2
Land improvements at cost	1,315	605
Buildings at cost	804	367
Plant and equipment at cost	113	10
Computers furniture and fittings at cost	1	17
Roads, bridges and footpaths at cost	1,831	1,261
Drainage at cost	3,885	1,281
Other	1	1
Total Works in progress	8,004	3,544
Total property, infrastructure, plant and equipment	236,306	203,567

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

Reconciliation of property, infrastructure, plant and equipment

2022	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	14,030	-	9,961	-	(240)	-	23,751
Land under roads	24,585	130	-	-	-	-	24,715
Land improvements	7,207	-	-	(268)	-	387	7,325
Total land	45,822	130	9,961	(268)	(240)	387	55,791
Buildings	24,042	-	1,419	(664)	(389)	214	24,623
Total buildings	24,042	-	1,419	(664)	(389)	214	24,623
Total property	69,864	130	11,380	(932)	(629)	601	80,414
Plant and Equipment							
Plant, machinery and equipment	1,758	-	-	(231)	(66)	81	1,542
Computers and telecommunications	274	-	-	(73)	-	116	317
Total plant and equipment	2,032	-	-	(304)	(66)	197	1,859
Infrastructure							
Roads, bridges and footpaths	102,203	2,092	10,611	(1,817)	(259)	1,639	114,469
Drainage	25,923	1,104	4,480	(792)	-	843	31,558
Total infrastructure	128,126	3,196	15,091	(2,609)	(259)	2,482	146,027
Land at cost	2	52	-	-	-	-	54
Land improvements at cost	606	967	-	-	-	(258)	1,315
Buildings at cost	367	714	-	-	-	(276)	804
Plant and equipment at cost	10	184	-	-	-	(81)	113
Computers furniture and fittings at cost	17	101	-	-	-	(116)	1
Roads, bridges and footpaths at cost	1,262	2,274	-	-	-	(1,704)	1,831
Drainage at cost	1,280	3,450	-	-	-	(845)	3,885
Other	1	-	-	-	-	-	1
Total works in progress	3,545	7,742	-	-	-	(3,280)	8,006
Total property, infrastructure, plant and equipment	203,567	11,068	26,471	(3,845)	(954)	-	236,306

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	14,030	-	-	-	-	-	14,030
Land under roads	24,302	283	-	-	-	-	24,585
Land improvements	6,201	26	-	(257)	-	1,236	7,207
Total land	44,533	309	-	(257)	-	1,236	45,822
Buildings	24,216	-	-	(661)	-	488	24,042
Total buildings	24,216	-	-	(661)	-	488	24,042
Total property	68,749	309	-	(918)	-	1,724	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 & footpaths	96,251	5,106	-	(1,759)	(20)	2,625	102,203
Drainage	23,841	2,217	-	(416)	-	282	25,923
Total infrastructure	120,092	7,323	-	(2,175)	(20)	2,907	128,126
Works in progress							
Land at cost	-	2	-	-	-	-	2
Land improvements at cost	277	1,467	-	-	-	(1,138)	606
Buildings at cost	115	697	-	-	-	(445)	367
Plant and equipment at cost	-	286	-	-	-	(276)	10
Computers furniture and fittings at cost	18	192	-	-	-	(194)	17
Roads, bridges and footpaths at cost	639	3,290	-	-	-	(2,668)	1,262
Drainage at cost	713	815	-	-	-	(247)	1,280
Other	21	112	-	-	-	(132)	1
Total works in progress	1,783	6,861	-	-	-	(5,100)	3,545
Total property, infrastructure, plant and equipment	192,533	14,493	-	(3,383)	(82)	8 *	203,567

*The 2021 balance of transfers out of property, infrastructure, plant and equipment assets of \$8,000 is due to a transfer to Computers and Telecommunications from Intangibles works in progress.

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.

	2022 \$'000	2021 \$'000
Note 6.2 Right-of-use assets		
a) Right-of-use assets		
	Property	Property
Gross carrying amount		
Balance at 1 July	32	32
Balance at 30 June	<u>32</u>	<u>32</u>
Accumulated amortisation		
Balance at 1 July	(11)	(5)
Amortisation Expense	(5)	(5)
Balance at 30 June	<u>(16)</u>	<u>(10)</u>
Net book value at 30 June	<u>16</u>	<u>22</u>

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.

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.

Refer to note 10.3 for further details on adoption of AASB 16.

Note 7 Current liabilities

Note 7.1 Trade and other payables

Trade payables	137	477
Accrued expenses	1,770	484
Resource sharing payables - Kentish Council	-	355
Rates and charges in advance	354	299
Total trade and other payables	<u>2,261</u>	<u>1,615</u>

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	453	357
Tenancy bonds - Elderly Persons Units	71	90
Total trust funds and deposits	<u>524</u>	<u>447</u>

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	2022 \$'000	2021 \$'000
Non-current		
Tenancy bonds - Elderly Persons Units	95	154
Total trust funds	619	601

Note 7.3 Provisions

	Annual leave \$ '000	Long service leave \$ '000	Landfill restoration \$ '000	Other \$ '000	Total \$ '000
2022					
Balance at beginning of the financial year	502	529	13,420	169	14,620
Additional provisions	(13)	111	5,002	-	5,100
Amounts used	(126)	(83)	(141)	-	(350)
Balance at the end of the financial year	363	557	18,281	169	19,370
Current	363	477	185	141	1,166
Non-Current	-	81	18,096	28	18,205
Total	363	558	18,281	169	19,371
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	-	60	13,270	27	13,356

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.

	2022	2021
	\$'000	\$'000

<p><i>iii) Sick leave</i></p> <p>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.</p> <p><i>iv) Defined benefit plans</i></p> <p>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.</p> <p>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 <i>Employee Benefits</i>, Council does not use defined benefit accounting for these contributions.</p> <p><i>v) Defined contribution plans</i></p> <p>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.</p>		
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Accounting policy
<p>Landfill restoration</p> <p>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.</p>

	2022 \$'000	2021 \$'000
Note 7.4 Lease liabilities		
Current	7	7
Non-Current	7	14
Total	14	21

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

As at 30 June 2022	Minimum lease payments due						Total \$ '000
	Within 1 Year \$ '000	1-2 Years \$ '000	2-3 Years \$ '000	3-4 Years \$ '000	4-5 Years \$ '000	After 5 Years \$ '000	
Lease payments	7	7	-	-	-	-	14
Finance charges	-	-	-	-	-	-	-
Net present value	7	7	-	-	-	-	14
As at 30 June 2021							
Lease payments	7	7	7	-	-	-	21
Finance charges	-	-	-	-	-	-	-
Net present value	7	7	7	-	-	-	21

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.

	2022 \$'000	2021 \$'000
Note 7.5 Contract Liabilities		
Current		
Unexpended grants	500	1,219
Non-Current		
Unexpended grants	-	-
Total contract liabilities	500	1,219

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
	-	250

Non-current

Borrowings - secured	11,250	6,250
Total	11,250	6,500

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	6,250	3,800
Later than five years	5,000	2,450
Total	11,250	6,500

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						
	2022						
	Land & land under roads	13,519	-	9,960	-	23,480	
	Land improvements	2,239	-	-	-	2,239	
	Buildings	12,208	-	1,419	-	13,627	
	Fixtures, Fittings and furniture	4	-	-	-	4	
	Subtotal - property	27,970	-	11,379	-	39,350	
	Infrastructure						
	Roads, Bridges & footpaths	70,635	-	10,611	-	81,246	
	Stormwater & drainage	14,531	-	4,480	-	19,011	
	Off street car parks	714	-	-	-	714	
	Subtotal - infrastructure	85,880	-	15,091	-	100,971	
	Total asset revaluation reserve	113,850	-	26,470	-	140,321	
	2021						
	Property						
	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	
	Restated stormwater & drainage	14,531	-	-	-	14,531	
	Off street car parks	714	-	-	-	714	
	Restated subtotal - infrastructure	85,880	-	-	-	85,880	
	Total asset revaluation reserve	113,850	-	-	-	113,850	
	(b) Fair value reserve						
	2022						
	Equity Investment assets						
	Investment in water corporation	2,366	-	792	-	3,158	
	Total fair value reserve	2,366	-	792	-	3,158	
	2021						
	Equity Investment assets						
	Investment in water corporation	206	-	2,160	-	2,366	
	Total fair value reserve	206	-	2,160	-	2,366	
	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						
	2022						
	Share in reserves of associate						
	Associate - Dulverton Regional Waste Management Authority (note 5.1)	430	-	299	-	729	
	Total other reserves	430	-	299	-	729	
	2021						
	Share in reserves of associate						
	Associate - Dulverton Regional Waste Management Authority (note 5.1)	430	-	-	-	430	
	Total other reserves	430	-	-	-	430	
	Total Reserves				144,208	116,646	

	2022 \$'000	2021 \$'000
Note 9.2 Reconciliation of cash flows from operating activities to surplus (deficit)		
Result from continuing operations	830	8,937
Depreciation/amortisation	3,850	3,388
(Profit)/loss on disposal of property, infrastructure, plant and equipment	283	7
Capital grants received specifically for new or upgraded assets	(2,672)	(959)
Share of Associates Profit/ Loss	(206)	(283)
Cash contribution capital	(105)	(49)
Contributions of non-monetary assets	(3,326)	(7,632)
Elderly Persons Unit income	(72)	(90)
<i>Change in assets and liabilities:</i>		
Decrease/(increase) in trade and other receivables	(320)	529
Decrease/(increase) in other assets	(744)	11
Decrease/(increase) in inventories	(8)	(11)
Increase/(decrease) in trade and other payables	646	(176)
Increase/(decrease) in provisions	4,752	(371)
Net cash provided by/(used in) operating activities	2,908	3,300
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 2021	7,122	
Amortisation of elderly persons units donor fees	(72)	
Other movements	-	
Changes from financing cash flows:		
Cash received	5,090	
Cash repayments	(257)	
Balance as at 30 June 2022	11,883	
Balance as at 1 July 2020	1,043	
Amortisation of elderly persons units donor fees	(90)	
Changes in fair value	-	
Other movements	-	
Transfers to / (from) other Government entity	-	
Changes from financing cash flows:		
Cash received	6,175	
Cash repayments	(6)	
Balance as at 30 June 2021	7,122	
Note 9.4 Reconciliation of cash and cash equivalents		
Cash and cash equivalents (see note 4.1)	1,456	2,250
Total reconciliation of cash and cash equivalents	1,456	2,250
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 2022 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.

Note 9.6 Superannuation (Cont)

- During the reporting period the amount of contributions paid to defined benefits schemes was \$0 (2020-21, \$10,792), and the amount paid to accumulation schemes was \$310,715 (2020-21, \$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 \$411,000.
- As reported above, Assets exceeded accrued benefits as at the date of the last actuarial review, 30 June 2020. Favourable investment returns, since that date, has seen further improvement in the financial position of the Fund. 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 Deloitte Consulting Pty Ltd as at 30 June 2021, showed that the Fund had assets of \$54.52 million and members' Vested Benefits were \$45.12 million. These amounts represented 0.21% and 0.18% respectively of the corresponding total amounts for Spirit Super.
- As at 30 June 2021 the Fund had 87 members and the total employer contributions and member contributions for the year ending 30 June 2021 were \$879,254 and \$229,820 respectively.

	2022 \$'000	2021 \$'000
Defined benefits fund		
Employer contributions	-	10
Accumulation funds		
Employer contributions	311	301

Note 9.7 Commitments

Capital Expenditure Commitments

Buildings	796	1,304
Plant and equipment and miscellaneous	94	315
Roads	149	2,575
Drainage	9,916	4,242
Land Improvements	244	2,917
Cloud-based IT system configuration	-	122
Total Capital expenditure commitments	11,199	11,475

Contractual commitments

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

General Materials and Contracts	408	1,255
IT software and support contracts	1,021	120
Municipal Revaluations	59	-
Facility Management	429	-
Cradle Coast Authority	98	94
LGAT	39	46
Total contractual commitments	2,054	1,515

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.

	2022 \$'000	2021 \$'000
Disclosure		
ii) Maturity analysis of operating lease payments to be received - Adoption of AASB 16		
Not later than one year	31	42
Later than one year and not later than five years	59	18
Total	90	60

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

Lease income on operating leases	31	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.

2022

	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	0.80%	1,456	0	-	-	-	1,456
Trade and other receivables	0.00%	277	-	-	-	867	1,144
Investments	1.62%	-	14,500	-	-	-	14,500
Investment in water corporation		-	-	-	-	29,793	29,793
Total financial assets		1,733	14,500	-	-	30,660	46,893
Financial liabilities							
Trade and other payables		-	-	-	-	2,261	2,261
Trust funds and deposits		-	-	-	-	619	619
Interest-bearing loans and borrowings	2.85%	-	-	6,250	5,000	-	11,250
Total financial liabilities		-	-	6,250	5,000	2,880	14,130
Net financial assets (liabilities)		1,733	14,500	(6,250)	(5,000)	27,780	32,763

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	0.05%	2,250	0	-	-	-	2,250
Trade and other receivables	0.00%	288	-	-	-	536	824
Investments	0.30%	-	10,976	-	-	-	10,976
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

Note 9.10 Financial Instruments (continued)

(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 the Statement of Financial Position		Aggregate net fair value	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<i>Financial assets</i>				
Cash and cash equivalents	1,456	2,250	1,456	2,250
Trade and other receivables	1,144	824	1,144	824
Investments	14,500	10,976	14,500	10,976
Investment in water corporation	29,793	29,001	29,793	29,001
<i>Total financial assets</i>	<u>46,893</u>	<u>43,051</u>	<u>46,893</u>	<u>43,051</u>
<i>Financial liabilities</i>				
Trade and other payables	2,261	1,615	2,261	1,615
Trust funds and deposits	619	601	619	601
Interest-bearing loans and borrowings	11,250	6,500	11,250	6,500
<i>Total financial liabilities</i>	<u>14,130</u>	<u>8,716</u>	<u>14,130</u>	<u>8,716</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
2022				
Cash and cash equivalents	1,456	-	-	1,456
Trade and other receivables	-	-	1,144	1,144
Investments	14,500	-	-	14,500
Total contractual financial assets	15,956	-	1,144	17,100
2021				
Cash and cash equivalents	2,250	-	-	2,250
Trade and other receivables	-	-	824	824
Investments	10,976	-	-	10,976
Total contractual financial assets	13,226	-	824	14,050

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:

	2022 \$'000	2021 \$'000
Current (not yet due)	915	620
Past due by up to 30 days	4	8
Past due between 31 and 180 days	151	3
Past due between 181 and 365 days	28	63
Past due by more than 1 year	45	130
Total Trade & Other Receivables	1,143	824

Ageing of individually impaired Trade and Other Receivables

At balance date, rates debtors representing financial assets with a nominal value of \$111,000 (2020-21: \$16,976) were impaired. The amount of the provision raised against these debtors was \$111,000 (2019-20: \$16,976). The individually impaired debtors relate to rates that 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:

	2022 \$'000	2021 \$'000
Past due between 31 and 180 days	-	1
Past due by more than 1 year	111	19
Total Trade & Other Receivables	111	20

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).

2022	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	2,261	-	-	-	-	2,261	2,261
Trust funds and deposits	524	-	95	-	-	619	619
Interest-bearing loans and borrowings	-	-	-	6,250	5,000	11,250	11,250
Total financial liabilities	2,785	-	95	6,250	5,000	14,130	14,130

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

(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%	
		-100 basis points		+100 basis points	
2022	\$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets:					
Cash and cash equivalents	1,456	(15)	(15)	15	15
Trade and other receivables	1,144	(11)	(11)	11	11
Investments	14,500	(145)	(145)	145	145
Financial liabilities:					
Interest-bearing loans and borrowings	11,250	(113)	(113)	113	113

		Interest rate risk			
		-1.0%		1.00%	
		-100 basis points		+100 basis points	
2021	\$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets:					
Cash and cash equivalents	2,250	(23)	(23)	23	23
Trade and other receivables	824	(8)	(8)	8	8
Investments	10,976	(110)	(110)	110	110
Financial liabilities:					
Interest-bearing loans and borrowings	6,500	(65)	(65)	65	65

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 2022.

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 2022

	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Recurring fair value measurements					
Investment in water corporation	5.2	-	-	29,793	29,793
Land	6.1	-	23,751	-	23,751
Land under roads	6.1	-	-	24,715	24,715
Land Improvements	6.1	-	-	7,326	7,326
Buildings	6.1	-	-	24,623	24,623
Roads, bridges, footpaths & cycleways	6.1	-	-	114,469	114,469
Drainage	6.1	-	-	31,559	31,559
		-	23,751	232,485	256,236

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
Restated drainage	6.1	-	-	25,924	25,924
		-	14,030	212,962	226,992

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 as at 1 July 2021 by based on fresh valuations issued by the Valuer-General. 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 under roads

Land under roads is based on valuations determined by the Valuer-General effective 1 July 2019, using site values adjusted for engloblo (undeveloped and/or unserviced) characteristics, access rights, private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation.

Buildings

Building assets were revalued as at 1 July 2019 by Council Engineering Officers. Council applied the Australian Bureau (ABS) Non-residential Building Construction Index for Tasmania as at 30 June 2022 to increase the value of special purpose buildings without a market value by 22.7%.

Where Council buildings are of a specialist nature and there is no active market for the assets, the 2020 fair value was been determined on the basis of replacement with a new asset having similar service potential. The gross current values in 2020 were derived from reference to market data for recent projects and costing guides.

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 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. Council applied the Australian Bureau (ABS) Road and Bridge Construction Index for Australia as at 30 June 2022 to increase the value of these assets by 10.8%.

Note 9.11 Fair Value Measurements (cont.)

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.

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. Council applied the Australian Bureau (ABS) Road and Bridge Construction Index for Australia as at 30 June 2022 to increase the value of these assets by 10.8%.

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. Council applied the Australian Bureau (ABS) Other heavy and civil engineering constructio Index for Australia as at 30 June 2022 to increase the value of these assets by 13.6%.

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	\$29,793	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 were no subsequent events that have impacted the financial position and results of operations of Council as at and for the year ended 30 June 2022.

(b) There was a significant rainfall and flooding event throughout the Latrobe municipality in October 2022 that resulted in extensive damage to Council roads and associated infrastructure. The estimated cost of recovery from this flood event is \$718,000, with \$436,000 expected to be recovered through the National Disaster Relief and Recovery Arrangements, leaving Council to fund an estimated net cost of \$282,000 during the 2022-23 financial year from its accumulated cash reserves.

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

2022

Position	Period	Short term employee benefits			Expenses ²	Total allowances and expenses section 72
		Allowances	Vehicles ¹	Total Compensation AASB 124		
		\$	\$	\$	\$	\$
Mayor	Full Year	46,760	-	46,760	-	46,760
Deputy Mayor	Full Year	26,147	-	26,147	-	26,147
Councillors	Full Year	94,040	-	94,040	-	94,040
Total		166,947	-	166,947	-	166,947

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	-	45,342
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

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)(c) of the *Local Government Act 1993* requires the disclosure of expenses paid to Councillors.

(iii) Key Management Personnel Remuneration

2022	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	2	237,064	-	31,849	-	31,832	-	39,904	340,649
\$260,001 - \$280,000	1	199,107	-	16,274	-	26,833	-	16,917	259,131
Total		436,171	-	48,123	-	58,665	-	56,821	599,780

Less key management personnel services hired to Kentish Council (estimated at 1.35 FTE)	(274,092)
Add key management personnel services hired from Kentish (estimated 1.1 FTE)	182,537
Net cost of key management personnel services 2022	508,226

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 was 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

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 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>	\$756,439	\$59,813	<i>30-day terms on invoices</i>	\$0	\$0
<i>National Taxation Equivalent Regime (2)</i>	\$120,164	\$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.

Nature of the transaction	Amount of the transactions during the year	Outstanding balances, including commitments at year end	Terms and conditions	Provisions for doubtful debts related outstanding balances	The expense recognised during the period relating to bad or doubtful debts due from related parties
Building maintenance repairs (1)	\$264,597	\$0	30-day terms on invoices	\$0	\$0
Commercial Lease and reimbursement of utilities (2)	\$16,500	\$7,139	30-day terms on invoices	\$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.

2022

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.

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 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 2022 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 acknowledge 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	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
<i>Revenue</i>				
User fees	540	509	257	281
Interest	-	-	-	-
Other income	-	-	-	-
Total Revenue	540	509	257	281
<i>Expenditure</i>				
<i>Direct</i>				
Employee benefits	12	4	46	84
Materials and services	234	145	108	52
Other expenses	6	72	18	38
<i>Indirect</i>				
Engineering & Administration	56	50	71	66
Total Expenses	308	271	243	240
<i>Notional cost of free services received</i>				
<i>Capital Costs</i>				
Depreciation and amortisation	40	19	71	42
Opportunity cost of capital	123	31	245	117
Total Capital Costs	163	50	316	159
<i>Competitive neutrality adjustments</i>				
Rates and land tax	-	-	-	-
Loan guarantee fees	-	-	-	-
Total	-	-	-	-
<i>Calculated Surplus/(Deficit)</i>	69	188	301	119
Tax equivalent rate	30%	30%	30%	30%
Taxation equivalent	21	56	90	-
Competitive neutrality costs	21	56	90	-

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 5% (2021, 2.5%)

Note	10.5 Management indicators	Benchmark	2022 \$'000	2021 \$'000	2020 \$'000	2019 \$'000
(a)	Underlying surplus or deficit					
	Net result for the year		830	8,937	883	(8,023)
	Less non-operating income					
	Contributions non-monetary assets		(3,326)	(7,632)	(1,309)	(319)
	Contributions - cash		(105)	(49)	(639)	-
	State Government Payroll Tax Waiver-COVID 19		-	-	(196)	-
	Grants specifically for new/upgraded assets		(2,361)	(648)	(158)	(1,349)
	Grants for renewal of assets		(311)	(311)	(311)	(220)
	Grants received in advance - current year		(1,533)	(908)	(877)	(844)
	Grants received in advance - prior year		908	877	844	790
	Add non-operational expenses					
	Additional costs due to COVID 19		-	-	73	-
	Underlying surplus/deficit		<u>(5,898)</u>	<u>266</u>	<u>(1,690)</u>	<u>(9,965)</u>

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>		<u>(5,898)</u>	<u>266</u>	<u>(1,690)</u>	<u>-9,965</u>
	Recurrent income*		15,523	13,420	12,510	13,960
	Underlying surplus ratio %	0%	-38%	2%	-14%	-71%

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

(c)	Net financial liabilities					
	Liquid assets less		17,664	14,199	10,645	10,428
	total liabilities		<u>34,015</u>	<u>24,575</u>	<u>18,644</u>	<u>15,969</u>
	Net financial liabilities	0	<u>(16,351)</u>	<u>(10,376)</u>	<u>(7,999)</u>	<u>(5,541)</u>

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>		<u>(16,351)</u>	<u>(10,376)</u>	<u>(7,999)</u>	<u>(5,541)</u>
	Recurrent income*		15,523	13,420	12,510	13,960
	Net financial liabilities ratio %	0% - (50%)	-105%	-77%	-64%	-40%

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.

Transport Infrastructure

<u>Fair value (Carrying amount)</u>	114,469	102,203	96,250	83,784
Current replacement cost (Gross)	163,813	145,458	137,900	128,490
Asset consumption ratio %	70%	70%	70%	65%

Buildings

<u>Fair value (Carrying amount)</u>	24,623	24,043	24,216	23,679
Current replacement cost (Gross)	54,295	50,581	50,092	43,892
Asset consumption ratio %	45%	48%	48%	54%

Drainage

<u>Fair value (Carrying amount)</u>	31,559	25,924	23,841	20,779
Current replacement cost (Gross)	43,199	35,823	33,324	28,928
Asset consumption ratio %	73%	72%	72%	72%

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

Note	10.5 Management indicators (cont.)	2022 \$'000	2021 \$'000	2020 \$'000	2019 \$'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>				
	<u>Projected capital funding outlays**</u>	13,548	14,081	15,180	9,442
	Projected capital expenditure funding***	8,733	9,720	11,524	7,331
	Asset renewal funding ratio %	90-100% 155%	145%	132%	129%
	<i>Buildings</i>				
	<u>Projected capital funding outlays**</u>	7,251	4,365	4,013	429
	Projected capital expenditure funding***	18	41	76	751
	Asset renewal funding ratio %	90-100% 40283%	10646%	5280%	57%
	<i>Drainage</i>				
	<u>Projected capital funding outlays**</u>	208	236	236	154
	Projected capital expenditure funding***	153	153	170	153
	Asset renewal funding ratio %	90-100% 136%	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**

<u>Capex on replacement/renewal of existing assets</u>	2,226	1,976	998	1,495
Annual depreciation expense	3,850	3,388	3,327	3,326
Asset sustainability ratio %	100% 58%	58%	30%	45%

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

2022	Capital renewal expenditure \$'000	Capital new /upgrade expenditure \$'000	Total Capital Expenditure \$'000
Roads and Bridges	1,340	962	2,302
Stormwater and drainage	31	3,419	3,450
Buildings etc	513	201	714
Land Improvements	203	764	967
Land	-	52	52
Plant, Equipment, Other	139	145	284
Total	2,226	5,543	7,769

2021	Capital renewal expenditure \$'000	Capital new /upgrade expenditure \$'000	Total Capital Expenditure \$'000
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	0	2	2
Plant, Equipment, Other	411	490	901
Intangibles (software)	0	241	241
Total	1,976	5,456	7,432

Note 11.1 Change in accounting policy - configuration and customisation of cloud based computer software systems

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 a change in accounting policy relating to configuration and customisation of cloud based computer software systems as described in note 1.4.

In December 2021 by the International Financial Reporting Standards Interpretations Committee (IFRIC) issued a decision clarifying its interpretation of the application of international accounting standards to costs of configuration and customisation of cloud-based software systems. This decision rejected the approach Council has taken in the past of recognising the customisation and configuration costs as an intangible asset to be amortised over the life of the software-as-a-service (SaaS) agreement.

The impact of this change in accounting policy on Council's opening position at 1 July 2020 and on the comparative figures for 2020-21 is outlined below:

Opening position 1 July 2020

Write off \$350,000 of intangible assets to retained earnings.

Reclassify \$179,711 of intangible assets to Prepayments

Comparative figures for 2020-21

Statement of Comprehensive Income

Amortisation expense (note 3.4) was reduced by \$54,000

Other expenses (note 3.6) was increased by \$234,000

Total comprehensive result was decreased by \$180,000

Statement of Financial Position

Other Assets (note 4.4) - Prepayments were increased by \$178,000

Total current assets were increased by \$178,000

Intangible Assets (2021 note 6.2) were decreased by \$708,000

Total non-current assets were increased by \$708,000

Total assets were decreased by \$530,000

Net assets were decreased by \$530,000

Total equity was decreased by \$530,000

Statement of Changes in Equity

Opening retained earnings were decreased by \$350,000

Total comprehensive income was decreased by \$180,000

Balance at end of the financial year was decreased by \$530,000

Certification of the Financial Report

The financial report presents fairly the financial position of the Latrobe Council as at 30 June 2022 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 : 14 February 2023

Latrobe Council Audit Panel

Annual Report to Council

For year ended 30 June 2022

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)
24 August 2021	✓		✓	
23 November 2021	✓	✓	✓	
22 February 2022	✓		✓	
31 May 2022	✓	✓	✓	

Summary of the Audit Panel meetings held between July 2021 and June 2022

Meeting Date	Main Agenda Items / Outcomes
24 August 2021	<p>Stand-alone session</p> <ul style="list-style-type: none">➤ Received, reviewed and discussed the unaudited Annual Financial Report for 2020-21➤ Noted the reappointment by Council of Ben Coull as independent chairperson until 17 August 2025 and the reappointment of Councillors Brown, Young and McLaren (Proxy) until the end of their current four-year term on Council.➤ Received a presentation from Tasmanian Audit Office regarding 2020-21 Audit Strategy <p>Joint session with Kentish Council Audit Panel</p> <ul style="list-style-type: none">➤ Reviewed and discussed Council's cyber risk including receiving a report from management regarding Essential 8 compliance and cyber risk training programs.➤ Reviewed and discussed Council's Risk Management Framework and Corporate Risk Register➤ Resolved to seek a proposal from Wise Lord and Fergusson including scope and price of to conduct an independent review of both councils' Risk Management Framework and Corporate Risk Register➤ Reviewed and discussed a self-assessment review survey to measure the effectiveness of the Audit Panel.
23 November 2021	<p>Stand-alone session</p> <ul style="list-style-type: none">➤ Discussed and reviewed 2020-21 Audited Annual Financial Report including TAO Audit Report together with TAO completion report➤ KPMG presented the Memorandum of Audit Findings noting that there were no new audit findings and that open findings were reduced from 9 to 5, with most of the remaining open findings expected to be closed during 2021/22.

Meeting Date	Main Agenda Items / Outcomes
	<ul style="list-style-type: none"> ➤ Discussed and endorsed an Audit Panel Report to Council for the two-year period ended 30 June 2021 and recommend that council upload the report to its website and include it in its annual report. <p>Joint session with Kentish Council Audit Panel</p> <ul style="list-style-type: none"> ➤ Received a presentation from Council’s IT providers regarding Essential 8 cyber risk compliance and cyber risk training provided to staff and councillors. ➤ Reviewed and discussed Council’s revised Risk Management Framework and recommended it to Council for adoption. ➤ Resolved to engage WLF to deliver a review of Council’s risk management policy and risk registers. ➤ Reviewed and discussed revised Fraud & Corruption Control Policy and Fraud & Corruption Control System and resolved to recommend these documents to the councils for adoption. ➤ Reviewed and discussed revised Investment Policy and resolved to recommend it to the councils for adoption. ➤ Reviewed, discussed and resolved to endorse Audit Panel self-assessment review.
22 February 2022	<p>Stand-alone session</p> <ul style="list-style-type: none"> ➤ Reviewed and discussed the previous year’s audit management letter and managements update on actions taken to implement/address auditor recommendations. <p>Joint session with Kentish Council Audit Panel</p> <ul style="list-style-type: none"> ➤ Reviewed, discussed and adopted Audit Panel annual work program for 2022. ➤ Reviewed and discussed the results of procurement spot checks conducted by Council’s Supply Services (accounts payable) staff during May and June 2021 and determined that the results of the testing do not warrant a recommendation for further testing at this stage. ➤ Received a verbal report from management indicating management’s risk-based approach to ensuring legislative compliance and resolved that the Audit Panel is satisfied with the explanations provided by management regarding legislative compliance and with the ongoing process and progress of reviewing and updating Council Policies <p>Reviewed and discussed Tasmanian Audit Office Performance Audit report on Council general manager recruitment, appointment and performance assessment.</p>
31 May 2022	<p>Joint session with Kentish Council Audit Panel</p> <ul style="list-style-type: none"> ➤ Received a presentation from KPMG regarding 2021-22 Audit Strategy ➤ The Audit Panel reviewed and discussed the attached Accounting Position Paper outlining consideration of accounting policies, accounting standards, significant accounting estimates and significant accounting issues expected to impact preparation of the 2022 financial statements. The Audit Panel concurred with the staff recommendation to leave the current asset capitalisation thresholds unchanged. ➤ Received an update on the process and progress to date for development of the 2022-23 Annual Plan and Budget ➤ Received a briefing from the councils’ HR Professional on Councils’ recruitment policy, process and procedures and resolved to recommend that Council consider amending its recruitment policy to include a line noting that the General Manager is to advise the council when discretion to direct appoint an employee is used, including justification for the decision to direct appoint. ➤ Received an update from management regarding the recent Staff Survey

Mr Ben Coull
Chairman