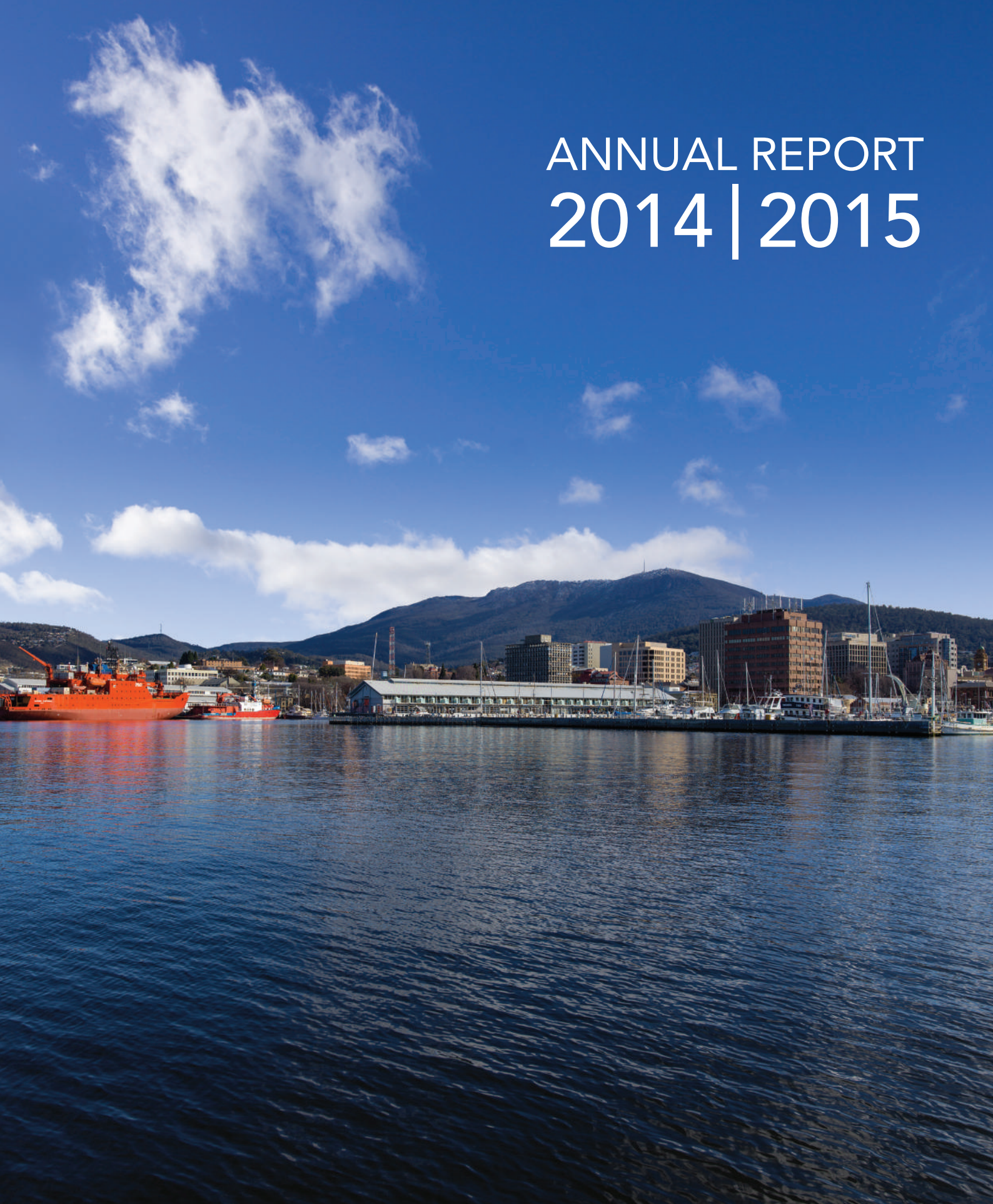


# ANNUAL REPORT 2014 | 2015



City of **HOBART**



*Public Interest Disclosure Act 2002*

The City of Hobart guidelines for dealing with matters under the *Public Interest Disclosure Act 2002* are available for viewing on the Council's homepage at [www.hobartcity.com.au](http://www.hobartcity.com.au) or a copy can be made available by contacting the Deputy General Manager/ Director Corporate Services on 6238 2827.

*Photo Acknowledgements*

Alastair Bett  
Pete Harmsen

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## VISION FOR THE CITY OF HOBART

In 2025 Hobart will be a city that:

- offers opportunities for all ages and is a city for life
- is recognised for its natural beauty and quality of environment
- is well-governed at a regional and community level
- achieves good quality development and urban management
- is highly-accessible through efficient transport options
- builds strong, safe and healthy communities through diversity, participation and empathy
- is dynamic, vibrant and culturally expressive.

## MISSION

Our mission is to ensure good governance of our Capital City.

## VALUES

### **We're about people**

We value people – our community, customers and colleagues

### **We're professional**

We take pride in our work

### **We're enterprising**

We look for ways to create value

### **We're responsive**

We're accessible and focussed on service

### **We're inclusive**

We respect diversity in people and ideas

### **We're making a difference**

We recognise that everything we do shapes Hobart's future





# PART I

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# ABOUT THE COUNCIL



## LORD MAYOR'S MESSAGE

As the City of Hobart's Lord Mayor it is an honour to present my first Annual Report documenting the achievements of the Hobart City Council for 2014–15.

It has been an exciting year for the City with the community electing three new Aldermen: Alderman Suzy Cooper, Alderman Anna Reynolds and Alderman Tanya Denison. For the first time in the history of the Council there is an even gender balance in the Council Chamber. Personally, I feel privileged to have been elected the second female Lord Mayor in the 161-year history of the Council. I follow in the footsteps of our first ever female Lord Mayor, Doone Kennedy AO. It is also the first time elected members will serve a four year term which will allow us, as an elected body, the opportunity to focus on the Council's strategic capacity, financial sustainability and service delivery as well as continuing to represent the best interests of the community.

As a new Council we have been focussed on delivering services and activities that are relevant to the community and provide it with confidence that the City has strong governance mechanisms in place and is well managed.

In June this year, the Council endorsed a raft of new guidelines covering all aspects of aldermanic expenses that will see the

development of one of the most comprehensive Aldermanic Reimbursement of Expenses policies in the state. The new guidelines are designed to give the community comfort that their rate-paying dollars are being spent appropriately. In addition the Council ceased its policy on financial assistance for major developments.

With this strong accountability framework in place, I am pleased to provide an overview of some of the more significant achievements for the year.

In April the City of Hobart successfully held two community engagement forums in South Hobart and Mount Stuart which were very well attended. The forums provided both an opportunity for community members to be informed about important issues but also to raise issues of importance to them. The feedback the Council received from the forums was useful and the public are to be thanked for their participation.

Hobart is currently experiencing significant tourism growth particularly as a result of our vibrant cultural and creative products, events, festivals and people. The City of Hobart was proud to support events such as the 2014 Festival of Voices, Dark Mofo, the Tasmanian International



Arts Festival, the Australian Wooden Boat Festival and AFL games as these events draw significant crowds to Hobart.

Hobart continues to witness an increase in economic growth through commercial development opportunities which is also a strong indicator of confidence in Hobart's tourism sector. This confidence has led to a surge of development proposals for hotels in the City with six new hotels either under construction, approved or being considered.

Cruise ship visitors to Hobart now benefit from the provision of an information desk located at Macquarie Wharf No 2 which is supported by a warm and welcoming group of volunteers who meet and greet passengers and offer the best of Tasmanian customer service.

The Council continues to progress actions out of its Inner City Action Plan (ICAP), including the extension of the cycleway along Morrison Street, between Elizabeth and Brooke streets. The concept design for the shared access bridge to connect the Queens Domain to the inner city has also been completed, as has the design for the upgrade of Collins Court.

The reconstruction of Liverpool Street, between Elizabeth and Murray streets, a high-priority

ICAP project designed to support retail trading in the city centre, has commenced and the Council's City Wayfinding System, comprising a family of signs to assist pedestrian and cyclists to navigate around Hobart's waterfront and city centre, has commenced installation.

Major work on resurfacing sections of Macquarie Street and Sandy Bay Road is complete, as is the planning and engagement process for the long overdue streetscape refurbishment for the Sandy Bay Shopping Precinct. The Council is currently consulting with the community on upgrades of the shopping precincts of North Hobart, New Town, Lenah Valley, South Hobart, Battery Point and Lower Sandy Bay.

After a thorough audit of the Council's public conveniences, a program has commenced to upgrade these essential assets. In conjunction with this program, we have sought the views of the community to assist us with improving Hobart's public conveniences. The Soldiers Memorial Oval now boasts a new sports pavilion and the public conveniences and barbeque facilities have been upgraded at the Springs on kunanyi/Mount Wellington.

Initiatives around climate change continue with the completion of the "Whatever the Weather" project.

The Bushfire Management Strategy is being progressed through partnership with the Tasmanian Fire Service. A great result from this collaboration saw the Tasmanian Fire Service deliver five Bushfire Ready Neighbourhood events over the summer period to our community.

International relations stay firmly on the Council's agenda with the City receiving an historic visit from the President of China in November 2014. In March 2015 a delegation from the Council accompanied the Premier of Tasmania to China where the City of Hobart formalised a Sister City Relationship agreement with Xi'an. The Council also received delegations from the cities of Xi'an and Fuzhou.

In closing I wish to thank my aldermanic colleagues, including the contribution of Damon Thomas who served as Lord Mayor and recognise the service of former Aldermen Bill Harvey, Leo Foley and John Freeman. I wish to also commend the General Manager, Executive Leadership Team and Council staff for their collective dedication, professionalism and enthusiasm over the past twelve months



Alderman Sue Hickey  
**LORD MAYOR**



## GENERAL MANAGER'S MESSAGE

It is with pleasure that I reflect on the achievements of this organisation for the 2014–2015 financial year.

For the City of Hobart, this year has seen us maintain our focus on financial sustainability, work health and safety and play a lead role on the issues that are important to the community. As a capital city council responsible for making decisions about the things that affect the everyday lives of our community, it is essential that we focus on what matters most to the people local government represents.

The Council's strategic approach to financially sustainable and responsible budgetary management continues to place us in a strong financial position.

Our last three annual budgets, including the 2014–15 budget, have contained an active program of cost reduction and as a result the Council has strongly improved its operating result over recent years achieving modest underlying operating surpluses.

We are committed to keeping increases to rates to a minimum by being responsible and financially prudent with ratepayer money. The long-term financial sustainability of the City of Hobart will ensure that the Council is able to deliver services at their current levels into the future while sharing

the cost between current and future generations of ratepayers.

Operationally, we continued to place a strong emphasis on the work health and safety of our employees through the SafetyCircle® program. This program builds a positive work health and safety culture in organisations by empowering each employee and leader to make their workplace healthy and safe.

Already we have seen positive changes with staff focussed on managing risk, preventing incidents, and encouraging people to speak up when it comes to safety.

The Council has commenced a process to convert its 2014–2019 City of Hobart Strategic Plan to a 10-year Capital City Strategic Plan. This new 10 year plan will provide us with the blueprint to further develop Hobart into a strong, vibrant and sustainable city.

The organisation continues to progress the electronic capture of incoming and outgoing correspondence. Business mail is now digitally being received using the TRIM system, which will allow us to be more effective and remove the risk of loss of information. This move continues our journey towards a more electronic environment.

Following a process to select an electronic system to manage our development assessment process, applicants and third parties are now able to track the progress of an application and seek information on historical applications (up to four years previously). There is also capacity to provide some basic reporting (applications received by date, suburb, value etc) for internal statistical analysis.

It is anticipated that the software will, in the near future, provide capacity to electronically lodge a number of different applications, such as planning, scheme amendments and building.

Our Energy Savings Action Plan was endorsed by the Council in October 2014. This Plan details over sixty actions which, in the next three years, should see the City close to realising its 35 percent reduction in energy levels from 2010.

Energy consumption was reduced by over 10 percent during 2014–15 alone, with very significant savings in fuel use by plant and fleet and lower electricity use in the Council's larger buildings.

As a result the City's cost of energy has been reduced by about \$300,000 per annum, meaning that considerable financial as well as environmental benefits can be achieved by lowering energy use.

A new Hobart Interim Planning Scheme 2015 was declared on 20 May 2015 and placed on public exhibition.

The Hobart Interim Planning Scheme was prepared as part of the statewide planning reform process with the twelve southern Tasmanian councils working together to develop a regionally consistent approach.

The Interim Scheme replaces the City of Hobart Planning Scheme 1982 and the Battery Point Planning Scheme 1979. The Sullivans Cove Planning Scheme 1997 will remain as a separate planning scheme until the statewide planning scheme is developed by the Tasmanian Government, scheduled for 2016.

In conclusion, this organisation will continue to serve its community by providing services that are delivered in the most efficient and effective manner possible, focusing on achieving the best outcomes for the community. A workforce with a strong work ethic and positive work health and safety culture will ensure that we can deliver on the projects which will continue to make Hobart a great place to live, work and visit.

Finally, I extend my thanks to the Lord Mayor and Aldermen, my Executive Leadership Team colleagues and all employees for their excellent efforts,

commitment and dedication in meeting the challenges of the past year and making a vital contribution to the City of Hobart.



N.D. Heath  
**GENERAL MANAGER**

## COUNCIL IN FOCUS

### HISTORY OF THE COUNCIL

The 1850s saw the introduction of responsible government in Tasmania, and the establishment of municipal administration, in the form of general purpose locally elected institutions.

Municipal government was established by the *Hobart Town and Launceston Municipal Council Act 1852*. During this year the first elections for a seven member council were held. The new council took office from the beginning of 1853, with William Carter as Mayor. In 1857 the Municipal Council was incorporated (*Hobart Town Corporation Act 1857*), and its constitution and powers redefined.

Between 1853 and 1934 the Council was led by various mayors, elected annually. The title was raised to 'Lord Mayor' by Letters Patent issued by King George V in January 1934.

Further details of the history of Hobart, including its past

Aldermen, can be sourced from the Hobart City Council's historical reference *Growing with Strength – a History of the Hobart City Council 1846–2000*.

In the 1990s local government in Tasmania was subjected to significant change. A new Local Government Act was introduced and the Australian Government introduced the National Competition Policy. This legislation fundamentally changed the way councils would operate into the future. An emphasis was now being placed upon increased levels of consultation and accountability to the community, competencies, deregulation and commercial competition.

A special celebration for 2015 is the centenary of the City Hall, the construction of which was a major undertaking for the Council during the early years of the First World War.



### COUNCIL AND COMMITTEE MEETINGS

The Council operates a monthly meeting cycle, which generally involves two meetings of the full Council per month on Monday, commencing at 5pm in the Hobart Town Hall Council Chamber.

To assist the Council in effectively dealing with the range and volume of business which it conducts, a number of specialist committees with aldermanic representation consider matters prior to them going before the full Council.

Council and Committee meetings are open to the public who are welcome to sit in the public gallery.

### COUNCIL REPRESENTATIVES

There are 12 Aldermen who represent the businesses and residents of the City of Hobart. They have specific powers, responsibilities and duties as set out in the *Local Government Act 1993*.

### AUDIT PANEL

The Audit Panel was established on 15 December 2014 pursuant to Section 24 of the *Local Government Act 1993*. The Panel consists of an independent Chairman, two aldermanic representatives and two independent members, who collectively have a broad range of skills and experience relevant to the operations of the Council in line with the *Local Government Act* and *Local Government (Audit Panels) Order 2014*.

The Panel membership consists of Mr David Hudson appointed as the independent Chairman, Alderman Jeff Briscoe, Alderman Philip Cocker as the Council's aldermanic nominees along with Mr Joss Fenton and Ms Alison Flakemore as the independent Panel members.

The Committee provides advice, independent assurance and assistance to the Council on the City of Hobart's risk, control and compliance framework, and its external accountability responsibilities. Activities of the Panel include strategic risk management, internal and external audit, endorsement of the financial statements and organisational financial sustainability.

## COUNCIL ALDERMEN

At its meeting on 10 March 2015 the Council adopted a revised committee structure. The new committees are listed below with their former names. Committee Chairmen and members were transferred from the previous committees to the new committees.

- Finance Committee (formerly Finance and Corporate Services)
- City Planning Committee (formerly Development and Environmental Services)
- Parks and Recreation Committee (formerly Parks and Customer Services)
- City Infrastructure Committee (formerly Infrastructure Services)
- Community, Culture and Events Committee (formerly Community Development)
- Governance Committee (formerly Strategic Governance)
- Economic Development and Communications Committee (formerly Marketing and Events)

At its meeting on 15 December 2014 the Council formed the Audit Panel which was formerly known as the Audit Committee.



**LORD MAYOR**  
**ALDERMAN SUE HICKEY**  
 LORD MAYOR FROM 3/11/2014

**COMMITTEE MEMBERSHIP**

Council (*Chairman*) – from 3/11/2014  
 Community, Culture and Events Committee – until 10/11/2014  
 Economic Development and Communications Committee – until 10/11/2014  
 Governance Committee – until 10/11/2014  
 Audit Committee – until 15/12/2014  
 Creative Hobart Special Committee – disbanded 10/11/2014  
 Festivals and Tourism Special Committee – disbanded 10/3/2015

**REPRESENTATIONS**

- Cycling South Inc – from 24/11/2014
- Hobart City Council – Launceston City Council – Memorandum of Understanding – Joint Working Party – from 24/11/2014
- Hobart Emergency Management Committee (*Municipal Chairman*) – from 24/11/2014
- Mayors for Peace – from 24/11/2014
- Sister Cities Australia – from 24/11/2014
- Southern Tasmanian Councils Authority (*Think South*) *Chairman* – from 24/11/2014
- Tasmanian Water and Sewerage Corporation Owner’s Representative – from 24/11/2014
- Asia Pacific Advisory Forum – from 24/11/2014 until disbanded 10/3/2015
- Carols Organising Committee – disbanded 10/3/2015
- Greater Hobart Reference Group Committee – Destination Southern Tasmania– until 24/11/2014
- Hobart Christmas Pageant Organising Committee (*Chairman*) – disbanded 10/3/2015



**DEPUTY LORD MAYOR**  
**ALDERMAN RON CHRISTIE**

**COMMITTEE MEMBERSHIP**

Economic Development and Communications Committee (*Chairman*)  
 City Infrastructure Committee (*Chairman*) – until 10/11/2014  
 Finance Committee – from 10/11/2014  
 Governance Committee  
 Community, Culture and Events Committee – until 10/11/2014  
 Creative Hobart Special Committee – from 10/11/2014 until disbanded 10/3/2015  
 Festivals and Tourism Special Committee – disbanded 10/3/2015

**REPRESENTATIONS**

- City of Hobart Eisteddfod Society Inc.
- Hobart Emergency Management Committee (*proxy*)
- North Hobart to the Waterfront Transit Links Working Group (*Chairman*) – until 24/11/2014
- Salamanca Market Stallholders’ Association Meetings with Council (*Chairman*)
- Sister Cities Australia (*proxy*)
- Southern Tasmanian Councils Authority (*Think South*) (*Lord Mayor’s nominee*)
- Asia Pacific Advisory Forum – from 24/11/2014 until disbanded 10/3/2015
- Carols Organising Committee – from 24/11/2014 until disbanded 10/3/2015
- Hobart Christmas Pageant Organising Committee – disbanded 10/3/2015
- Sandy Bay Residents’ and Traders’ Traffic Committee – until 24/11/2014



**ALDERMAN MARTI ZUCCO**

**COMMITTEE MEMBERSHIP**

Economic Development and Communications Committee (*Chairman*) – until 10/11/2014  
 Community, Culture and Events Committee  
 Finance Committee – from 10/11/2014  
 Parks and Recreation Committee – until 10/11/2014  
 Audit Committee – until 15/12/2014  
 Festivals and Tourism Special Committee (*Joint Chairman*) – disbanded 10/3/2015

**REPRESENTATIONS**

- Glebe Residents’ Traffic Committee – from 24/11/2014
- Hobart City Council/Launceston City Council – Memorandum of Understanding Joint Working Party
- Lenah Valley Residents’ Traffic Committee – from 24/11/2014
- Mount Stuart Residents’ Traffic Committee – from 24/11/2014
- Sandy Bay Residents’ and Traders’ Traffic Committee
- Sister Cities Australia (*proxy*)
- South Hobart Residents’ Traffic Committee – from 24/11/2014
- West Hobart Residents’ Traffic Committee – from 24/11/2014
- Asia Pacific Advisory Forum – from 24/11/2014 until disbanded 10/3/2015
- City of Hobart Christmas Decorations Competition 2014 Judging Panel – disbanded 10/3/2015



**ALDERMAN JEFF BRISCOE**  
BSc (Hons), Dip Ed, TTC, MHum,  
LLB (Hons)

**COMMITTEE MEMBERSHIP**

City Planning Committee (*Chairman*) – from 10/11/2014  
Parks and Recreation Committee (*Chairman*) – until 10/11/2014  
Audit Panel – from 15/12/2014  
City Infrastructure Committee – until 10/11/2014  
Heritage Account Special Committee  
Creative Hobart Special Committee – from 10/11/2014 until disbanded 10/3/2015  
Festivals and Tourism Special Committee – disbanded 10/3/2015

**REPRESENTATIONS**

- Battery Point Advisory Committee (*Chairman*) – from 24/11/2014
- Battery Point Foreshore Accessway Working Group (*Chairman*)
- Hobart Bicycle Advisory Committee
- Superannuation Policy Group
- West Hobart Residents’ Traffic Committee
- Asia Pacific Advisory Forum – from 24/11/2014 until disbanded 10/3/2015
- Carols Organising Committee – disbanded 10/3/2015
- Friends of Soldiers Memorial Avenue – until 24/11/2014
- Glebe Residents’ Traffic Committee – until 24/11/2014
- Hobart Cenotaph Reference Group (*Chairman*) – until 24/11/2014
- Lenah Valley Residents’ Traffic Committee – until 24/11/2014
- Queens Domain Advisory Committee (*Chairman*) – until 24/11/2014
- Sister Cities Australia (*proxy*) – until 24/11/2014



**ALDERMAN EVA RUZICKA**

**COMMITTEE MEMBERSHIP**

Governance Committee (*Chairman*)  
City Planning Committee  
Economic Development and Communications Committee – from 13/4/2015  
Finance Committee  
Parks and Recreation Committee – from 10/11/2014  
City Infrastructure Committee – until 10/11/2014  
Heritage Account Special Committee (*Chairman*)

**REPRESENTATIONS**

- Coming Out Proud – Greater Hobart Community Liaison Committee (*proxy*)
- Friends of Soldiers Memorial Avenue (*proxy*) – from 24/11/2014
- Glebe Residents’ Traffic Committee
- Hobart Cenotaph Reference Group
- Hobart City Council/Launceston City Council – Memorandum of Understanding Joint Working Party
- Lenah Valley Residents’ Traffic Committee
- Maritime Museum of Tasmania – Management Committee – from 24/11/2014
- Mount Stuart Residents’ Traffic Committee
- Queens Domain Advisory Committee (*proxy*) – from 24/11/2014
- Sandy Bay Residents’ and Traders’ Traffic Committee
- South Hobart Residents’ Traffic Committee
- Southern Tasmanian Councils Authority (*Think South*) (*Lord Mayor’s nominee*)
- SV May Queen Preservation Project – Board of Directors – from 24/11/2014
- West Hobart Residents’ Traffic Committee
- Wellington Park Management Trust (*Deputy member*) – from 24/11/2014
- Asia Pacific Advisory Forum – from 24/11/2014 until disbanded 10/3/2015
- City of Hobart Eisteddfod Society Inc. (*proxy*) – until 24/11/2014
- Inner City Action Plan – Project AP01 First Phase – Liverpool Street Upgrade (between Elizabeth and Murray Streets) – Trader Advisory Group (*proxy*) – until 24/11/2014
- Tasmanian Polar Network – until 24/11/2014



**ALDERMAN DR PETER SEXTON**  
BSc (Hons.), BMedSci, MBBS, PhD,  
FAFPHM, FAICD

**COMMITTEE MEMBERSHIP**

Community, Culture and Events Committee (*Chairman*) – from 10/11/2014  
Finance Committee  
Parks and Recreation Committee  
Economic Development and Communications Committee – from 10/11/2014 until 31/3/2015  
Creative Hobart Special Committee (*Chairman*) until 10/11/2014 and member until disbanded 10/3/2015  
Festivals and Tourism Special Committee (*Joint Chairman*) – disbanded 10/3/2015  
Hobart City Council Public Art Special Committee – from 10/11/2014 until disbanded 10/3/2015

**REPRESENTATIONS**

- Sandy Bay Residents’ and Traders’ Traffic Committee – from 24/11/2014
- Asia Pacific Advisory Forum – from 24/11/2014 until disbanded 10/3/2015
- Trustees of the Tasmanian Museum and Art Gallery – until 24/11/2014





## ALDERMAN HELEN BURNET

### COMMITTEE MEMBERSHIP

City Infrastructure Committee (*Chairman*) – from 10/11/2014  
 City Planning Committee (*Chairman*) – until 10/11/2014  
 Parks and Recreation Committee – until 10/11/2014  
 Economic Development and Communications Committee – until 10/11/2014  
 Creative Hobart Special Committee – from 10/11/2014 until disbanded 10/3/2015  
 Festivals and Tourism Special Committee – disbanded 10/3/2015  
 Hobart City Council Public Art Special Committee – disbanded 10/3/2015

### REPRESENTATIONS

- Battery Point Foreshore Accessway Working Group
- City of Hobart Eisteddfod Society Inc. (*proxy*) – from 24/11/2014
- Cycling South Inc.
- Hobart Bicycle Advisory Committee
- Hobart City Council Access Advisory Committee (*Chairman*)
- Inner City Action Plan – Project AP01 First Phase – Liverpool Street Upgrade (between Elizabeth and Murray Streets) – Trader Advisory Group (*proxy*) – from 24/11/2014
- North Hobart to the Waterfront Transit Links – Working Group – (*Chairman*) – from 24/11/2014
- Southern Tasmanian Councils Authority (*Think South*) (*Lord Mayor's nominee*) – from 24/11/2014
- Trustees of the Tasmanian Museum and Art Gallery – from 24/11/2014
- Asia Pacific Advisory Forum – from 24/11/2014 until disbanded 10/3/2015
- Battery Point Advisory Committee (member and *Chairman*) – until 24/11/2014
- Coming Out Proud – Greater Hobart Community Liaison Committee – until 24/11/2014
- Maritime Museum of Tasmania – Management Committee – until 24/11/2014



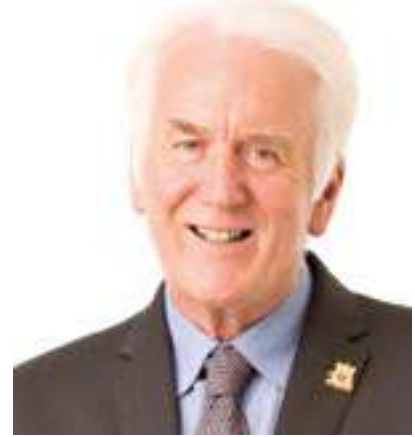
## ALDERMAN PHILIP COCKER

### COMMITTEE MEMBERSHIP

Finance Committee (*Chairman*)  
 Community, Culture and Events Committee – from 10/11/2014  
 Governance Committee  
 City Infrastructure Committee – until 10/11/2014  
 Audit Committee (*Chairman*) – until 15/12/2014  
 Creative Hobart Special Committee – until 10/11/2014  
 Hobart City Council Public Art Special Committee – until 10/11/2014

### REPRESENTATIONS

- Battery Point Foreshore Accessway Working Group
- Hobart Bicycle Advisory Committee (*Chairman*)
- Superannuation Policy Group (*Chairman*)
- Wellington Park Management Trust
- Asia Pacific Advisory Forum – from 24/11/2014 until disbanded 10/3/2015
- Cycling South Inc. – until 24/11/2014



## ALDERMAN DAMON THOMAS

BA LLB LLM

LORD MAYOR UNTIL 3/11/2014

### COMMITTEE MEMBERSHIP

Community, Culture and Events Committee – from 10/11/2014  
 Economic Development and Communications Committee – from 10/11/2014  
 Governance Committee – from 10/11/2014  
 Council (*Chairman*) – until 3/11/2014  
 Creative Hobart Special Committee – from 10/11/2014 until disbanded 10/3/2015  
 Hobart City Council Public Art Special Committee (*Chairman*) – from 10/11/2014 until disbanded 10/3/2015

### REPRESENTATIONS

- Cycling South Inc.
- Glebe Residents' Traffic Committee – from 24/11/2014
- Greater Hobart Reference Group Committee – Destination Southern Tasmania (*proxy*) – from 24/11/2014
- Hobart City Council/Launceston City Council – Memorandum of Understanding Joint Working Party
- Lenah Valley Residents' Traffic Committee – from 24/11/2014
- Mount Stuart Residents' Traffic Committee – from 24/11/2014
- Sandy Bay Residents' and Traders' Traffic Committee
- Sister Cities Australia (*proxy*)
- South Hobart Residents' Traffic Committee – from 24/11/2014
- Wellington Park Management Trust – from 24/11/2014
- West Hobart Residents' Traffic Committee – from 24/11/2014
- Asia Pacific Advisory Forum – disbanded 10/3/2015
- Carols Organising Committee – disbanded 10/3/2015
- Hobart Christmas Pageant Organising Committee – disbanded 10/3/2015
- Hobart Emergency Management Committee (*Municipal Chairman*) – until 24/11/2014
- Hobart City Council Access Advisory Committee – until 24/11/2014
- Mayors for Peace – until 24/11/2014
- Southern Tasmanian Councils Authority (*Think South*) (*Chairman*) – until 24/11/2014
- Tasmanian Water and Sewerage Corporation Owner's Representative – until 24/11/2014



**ALDERMAN SUZY COOPER**

BSc (Hons.)  
ELECTED 3/11/2014

**COMMITTEE MEMBERSHIP**

FROM 10/11/2014  
City Infrastructure Committee  
Community, Cultural and Events Committee  
Parks and Recreation Committee  
Heritage Account Special Committee  
Creative Hobart Special Committee  
(*Chairman*) – from 10/11/2014 until disbanded 10/3/2015  
Hobart City Council Public Art Special Committee – from 10/11/2014 until disbanded 10/3/2015

**REPRESENTATIONS**

FROM 24/11/2014

- Coming Out Proud – Greater Hobart Community Liaison Committee
- Cycling South Inc.
- Hobart Bicycle Advisory Committee
- Hobart City Council – Launceston City Council – Memorandum of Understanding Joint Working Party
- Inner City Action Plan – Project AP01 First Phase – Liverpool Street Upgrade (between Elizabeth and Murray Streets) – Trader Advisory Group
- Tasmanian Polar Network (*proxy*)
- Asia Pacific Advisory Forum – until disbanded 10/3/2015



**ALDERMAN ANNA REYNOLDS**

ELECTED 3/11/2014

**COMMITTEE MEMBERSHIP**

FROM 10/11/2014  
Parks and Recreation Committee  
(*Chairman*)  
City Infrastructure Committee  
Governance Committee

**REPRESENTATIONS**

FROM 24/11/2014

- Battery Point Foreshore Accessway Working Group
- Friends of Soldiers Memorial Avenue
- Hobart Bicycle Advisory Committee
- Hobart Cenotaph Reference Group (*proxy*)
- Hobart Emergency Management Committee –(*proxy*)
- Lenah Valley Residents' Traffic Committee
- Mount Stuart Residents' Traffic Committee
- Queens Domain Advisory Committee
- Sandy Bay Residents' and Traders Traffic Committee
- South Hobart Residents' Traffic Committee
- West Hobart Residents' Traffic Committee
- Tasmanian Polar Network
- Asia Pacific Advisory Forum – until disbanded 10/3/2015



**ALDERMAN TANYA DENISON**

ELECTED 3/11/2014

**COMMITTEE MEMBERSHIP**

FROM 10/11/2014  
City Infrastructure Committee  
City Planning Committee  
Economic Development and Communications Committee

**REPRESENTATIONS**

FROM 24/11/2014

- Greater Hobart Reference Group Committee – Destination Southern Tasmania
- Sandy Bay Residents' and Traders Traffic Committee
- Asia Pacific Advisory Forum – until disbanded 10/3/2015



**ALDERMAN BILL HARVEY**  
UNTIL 3/11/2014

**COMMITTEE MEMBERSHIP**

- Community Development Committee (*Chairman*)
- Development and Environmental Services Committee
- Parks and Customer Services Committee
- Festivals and Tourism Special Committee
- Hobart City Council Public Art Special Committee (*Chairman*)

**REPRESENTATIONS**

- Battery Point Foreshore Accessway Working Group
- Hobart Emergency Management Committee (*proxy*)
- Sandy Bay Residents' and Traders' Traffic Committee
- South Hobart Residents' Traffic Committee
- Southern Tasmanian Councils Authority (*Think South*) (*Lord Mayor's nominee*)
- Southern Waste Strategy Authority
- Tasmania Polar Network (*proxy*)
- Wellington Park Management Trust



**ALDERMAN LEO FOLEY**  
UNTIL 3/11/2014

**COMMITTEE MEMBERSHIP**

- Development and Environmental Services Committee
- Finance and Corporate Services Committee
- Strategic Governance Committee
- Heritage Account Special Committee (*Chairman*)
- Hobart City Council Public Art Special Committee

**REPRESENTATIONS**

- Battery Point Foreshore Accessway Working Group
- Friends of Soldiers Memorial Avenue (*proxy*)
- Glebe Residents' Traffic Committee
- Inner City Action Plan – Project AP01 First Phase – Liverpool Street Upgrade (between Elizabeth and Murray Streets) – Trader Advisory Group (*Chairman*)
- Lenah Valley Residents' Traffic Committee
- SV May Queen Preservation Project – Board of Directors
- Mount Stuart Residents' Traffic Committee
- Queens Domain Advisory Committee (*proxy*)
- Sandy Bay Residents' and Traders' Traffic Committee
- South Hobart Residents' Traffic Committee
- West Hobart Residents' Traffic Committee



**ALDERMAN DR JOHN W FREEMAN**  
MBBS, FRACP  
UNTIL 3/11/2014

**COMMITTEE MEMBERSHIP**

- Finance and Corporate Services Committee
- Infrastructure Services Committee
- Marketing and Events Committee
- Creative Hobart Special Committee

**REPRESENTATIONS**

- Battery Point Foreshore Accessway Working Group
- Carols Organising Committee (*Chairman*)
- Sandy Bay Walking and Cycling Project – Community Reference Group (*Chairman*)

## ORGANISATIONAL STRUCTURE



The Aldermen are the decision-making and policy-setting arm of the Council. In support of that role is the administration of the Council, overseen by the General Manager. In turn, the General Manager is supported by the Executive Leadership Team in the implementation of Council decisions and policies. The team comprises the Director of each of the six Divisions of Council.



**General Manager**  
Nick Heath



**Deputy General Manager/  
Corporate Services  
Division Director**  
Heather Salisbury



**Community Development  
Division Director**  
Philip Holliday



**City Infrastructure  
Division Director**  
Mark Painter



**City Planning  
Division Director**  
Neil Noye



**Financial Services  
Division Director**  
David Spinks



**Parks and City Amenity  
Division Director**  
Glenn Doyle



# PART II

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# REPORTING PERFORMANCE

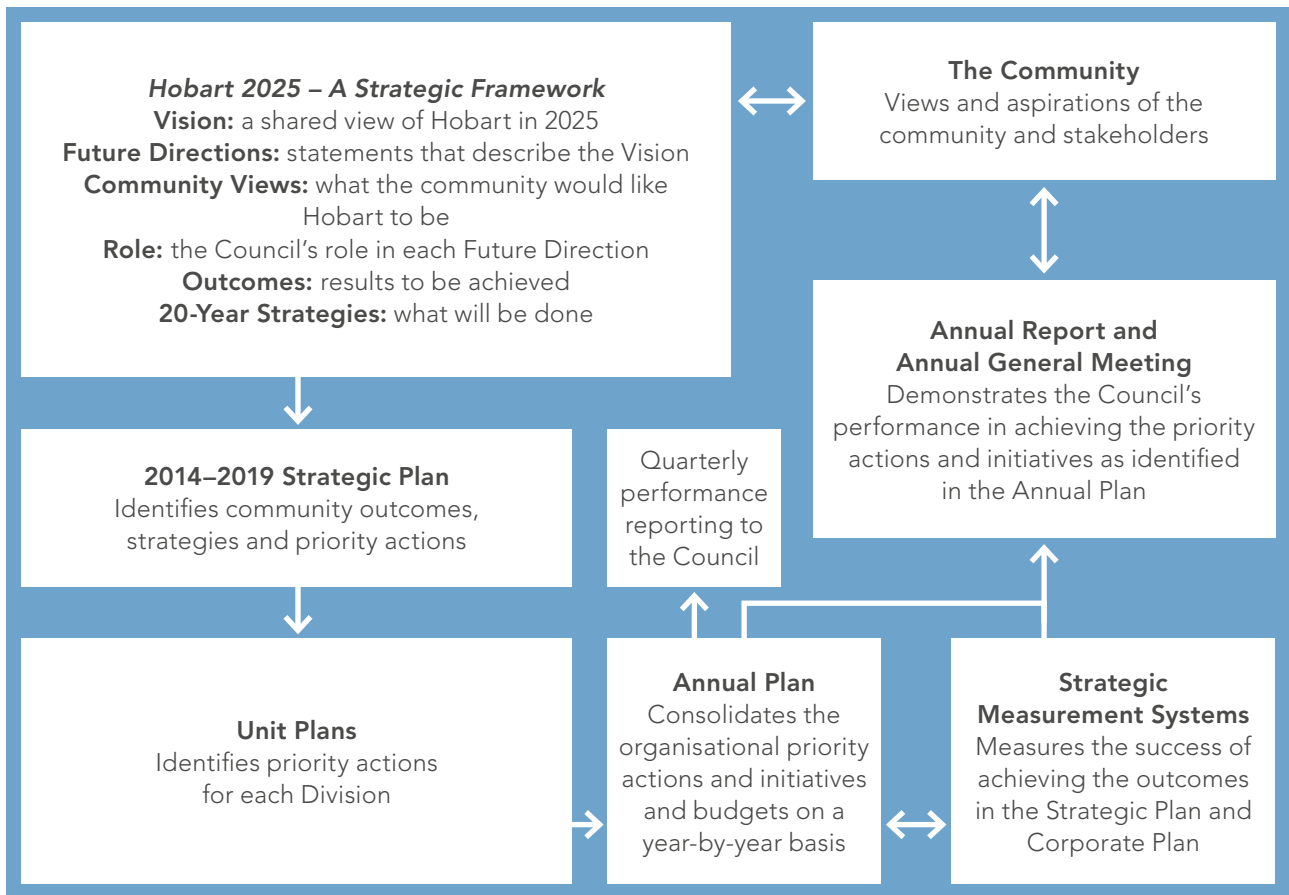
# PLANNING AND REPORTING FRAMEWORK

The Council’s planning activities incorporate the requirements of the *Local Government Act 1993* and the views and aspirations of the community.

The Council has a clearly defined Vision (*Hobart 2025 – A Strategic Framework*) which is

complemented by a five-year Strategic Plan and five-year Corporate Plan, and a suite of performance measures. Planning to achieve the strategic outcomes and reporting of progress is undertaken within the Annual and Unit plans and through regular

reporting to the Council and the community through the Annual Report. The Annual Plan sets out all function areas’ strategic priorities, as identified within the 2014–2019 Strategic Plan and outlines the operational priorities and major actions for the given year.



The Annual Plan is endorsed by the Council each year along with the budget estimates.

The Council’s Annual Report is designed to illustrate performance in achieving the objectives stated within the Annual Plan and is divided into seven sections

based on the Future Directions statements that make up the Vision for Hobart.

The effectiveness of the actions taken is monitored through the Strategic Measurement System and displayed in graphical form in the Annual Report. Annual

reporting effectively closes the loop from receiving stakeholder input, developing strategy, implementing and monitoring the required actions and reporting back progress and achievement of outcomes to the community.



## 2025 VISION: A STRATEGIC FRAMEWORK

The seven Future Direction statements that make up the 2025 Vision are made up of 22 outcomes. Within each of these outcomes, there are key strategies

that underpin the 2025 Vision and provide the basis for five-year strategic plans. Performance in achieving the Future Direction statements, outcomes and

key strategies is continually monitored through the strategic measurement system, with results documented in the Annual Report.

<b>FD1 – Offers opportunities for all ages and a city for life</b>	1.1 Opportunities for education, employment and fulfilling careers and retaining our young people	1.2 Lifestyle that will encourage all ages to see the city as a desirable location and lifelong home		
<b>FD2 – Is recognised for its natural beauty and quality of environment</b>	2.1 The natural beauty of Mount Wellington, the Derwent River and surrounds and foreshore locations is highly valued	2.2 Community connection to the natural environment through the protection of views, vistas, access and linkages is enhanced	2.3 The physical environment has been conserved in a way that ensures we have a healthy and attractive city	2.4 Climate change and its potential effect on the natural and built environment and strategies developed
<b>FD3 – Is well governed at a regional and community level</b>	3.1 An integrated local government approach to the planning and development of the wider metropolitan region	3.2 Partnerships with governments, the private sector and local communities in achieving significant regional, city and community goals	3.3 A responsive, capable and efficient organisation in ensuring relevant and quality services, facilities and activities are delivered to the Hobart Community	
<b>FD 4 – Achieves good quality development and urban management</b>	4.1 The city remains unique in its own right, protecting its built heritage and history	4.2 Quality development with the principles of sustainable cities and the reduction of ecological impacts pursued	4.3 Access to the waterfront, foreshores, public and open spaces is valued	
<b>FD5 – Is highly accessible through efficient transport systems</b>	5.1 Convenience and accessibility through the greater use of transport alternatives and an effective road and travel network	5.2 An integrated approach to transport planning within the city and across the wider metropolitan region		
<b>FD6 – Builds strong, safe and healthy communities through diversity, participation and empathy</b>	6.1 A spirit of community	6.2 Diversity is valued and there is participation by all in their community	6.3 A friendly and compassionate society	6.4 A safe and healthy city
<b>FD7 – Is dynamic, vibrant and culturally expressive</b>	7.1 A destination of choice and a place for business	7.2 Clever thinking and support for creativity will help build a strong economic foundation	7.3 Entertainment, arts and cultural activities promote the distinctive character of the city, and lifestyle opportunities and strong communities will ensure a vibrancy and way of life that is Hobart	

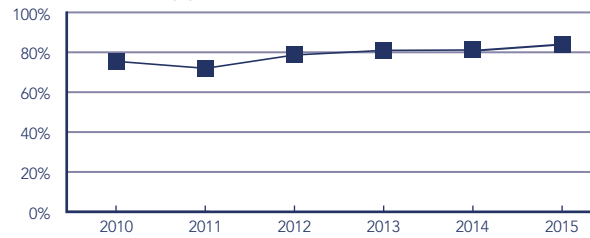
Future Directions	What the community would like Hobart to be in 2025
<p><i>Offers opportunities for all ages and a city for life</i></p> <p>In 2025, Hobart will be a city that provides opportunities for education, employment and fulfilling careers; a city that is able to retain its young people and provide a lifestyle that will encourage all ages to see the city as a desirable location and lifelong home.</p>	<p>Retaining young people; opportunities in education, work and life; University of Tasmania as a premier university in the southern hemisphere; greater education options and opportunities for young people, including housing and employment; recognised nationally and internationally as the gateway to the Antarctic.</p>
<p><i>Is recognised for its natural beauty and quality of environment</i></p> <p>In 2025 Hobart will be a city that respects the natural beauty of Mount Wellington, the River Derwent, bushland surrounds and foreshore locations. The community connection to the environment has been enhanced through the protection of views, vistas, access and linkages.</p>	<p>The physical environment has been conserved in a way that ensures we have a healthy and attractive city. An unspoilt mountain, waterfront and natural environment; a clean, green, healthy city with the natural environment protected; a clean, healthy river; more effective energy use, less pollution and greater use of alternative fuels.</p>
<p><i>Is well governed at a regional and community level</i></p> <p>In 2025 Hobart will be a city that works effectively to lead an integrated approach to the planning and development of the metropolitan region. Partnerships will be created with governments, the private sector and local communities to achieve significant regional, city and community goals.</p>	<p>Gives young people a voice and a forum, provides better regional planning and improved governance standards.</p>
<p><i>Achieves good quality development and urban management</i></p> <p>In 2025 Hobart will be a city that remains unique in its own right, protecting its built heritage and history while pursuing quality development, the principles of sustainable cities and the reduction of ecological impacts. It will value access to the waterfront, foreshores, public and open spaces and continue to enjoy the benefits of scale and proximity.</p>	<p>Is sustainable, energy efficient and a conserver of energy, balancing the past with the future, providing better development planning, heritage protection, public open spaces, greater user of, and access to, the foreshore and waterfront; quality development, views and sightlines are retained; our historic architecture has become more widely recognised and valued; support for retaining the city's uniqueness, not mimicking other cities.</p>

**Outcomes to be achieved**

**Progress in achieving our Future Direction Statement**

- Opportunities for education, employment and fulfilling careers and retaining our young people.
- A lifestyle that will encourage all ages to see the city as a desirable location and lifelong home.

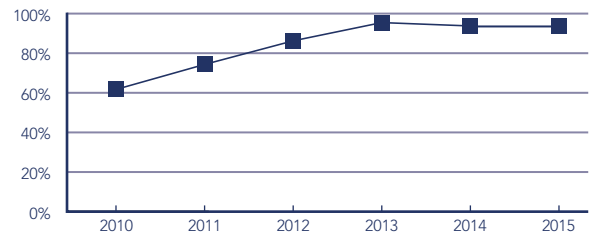
*FD1 – Offers opportunities for all ages and a city for life*



There has been an increase in level of community satisfaction with the City's image, community pride, events and vibrancy of the City as well as community activities, safety, accessibility to the City and public transport. Investment in cultural, sport and recreation activities increased. There was a slight decrease in community satisfaction with the Council's provision of education and employment programs.

- The natural beauty of kunanyi/Mt Wellington, the River Derwent, bushland surrounds and foreshore locations is highly valued.
- Community connection to the natural environment through the protection of views, vistas, access and linkages is essential.
- The physical environment has been conserved in a way that ensures we have a healthy and attractive city.
- Better understanding of climate change and its potential effect on the natural and built environment and strategies developed.

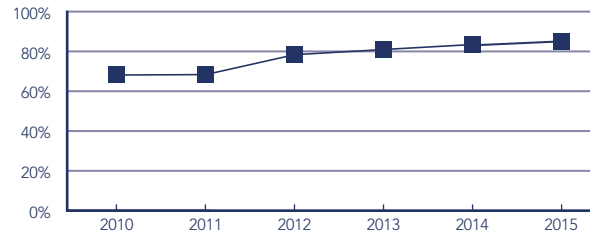
*FD2 – Is recognised for its natural beauty and quality of environment*



Increase in community satisfaction with quality of the environment, bushland and foreshores along with increased visitation to Mt Wellington. Increase in community satisfaction with parks, reserves and playgrounds, provision of city infrastructure, cleanliness of the City and overall service delivery by the Council.

- An integrated approach to the planning and development of the wider metropolitan region.
- Partnerships with governments, the private sector and local communities in achieving significant regional, city and community goals.
- Development of technologies that give young people opportunities to contribute to planning and development in the City.

*FD3 – Is well governed at a regional and community level*



Increased community satisfaction with the Council's leadership and advocacy roles. The Council continues to take a leader role in regional planning through Think South (formerly Southern Tasmanian Councils Authority).

- The City remains unique in its own right, protecting its built heritage and history.
- Quality development with the principles of sustainable cities and the reduction of ecological impacts pursued.
- Access to the waterfront, foreshores, public and open spaces is valued.
- The city continues to enjoy the benefits of scale and proximity.

*FD4 – Achieves good quality development and urban management*



There has been continued Community satisfaction with access to waterways, foreshore and usable public spaces, as well as parks reserves and playgrounds. There was also increased community satisfaction with infrastructure and services provided by the Council.

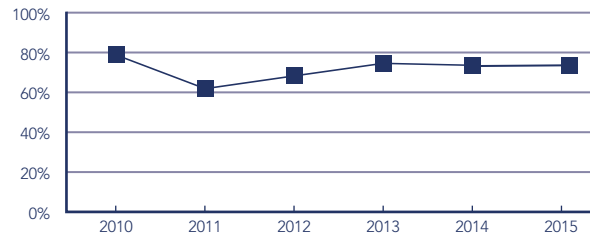
Future Directions	What the community would like Hobart to be in 2025
<p><i>Is highly accessible through efficient transport systems</i></p> <p>In 2025 Hobart will be a city that maintains its convenience and accessibility through the greater use of transport alternatives and an effective road and travel network. An integrated approach to transport planning within the city and across the wider metropolitan region will be the result of improved public transport options, cycleways and walking tracks linking open spaces for transport and recreation, the availability of adequate parking for commuters and shoppers, the take-up of sustainable transport options, the reduction of through traffic and the management of a safe and efficient road network.</p>	<p>Offers an increased range of transport options; an integrated multiform transport system between the City and suburbs; better public transport; more use of the river for access and transport; cycle infrastructure and pedestrian access providing linkages.</p>
<p><i>Builds strong, safe and healthy communities through diversity, participation and empathy</i></p> <p>In 2025 Hobart will be a city that reflects a spirit of community and tolerance. By valuing diversity and encouraging participation by all ages in the life of their community, a friendly and compassionate society will underpin a safe and healthy city.</p>	<p>Build on Hobart's friendliness, tolerance and diversity; greater community involvement; improved health system; a sense of community for young and old with no racism and sexism; no homeless people; more entertainment for young people; events and activities; a safe friendly, colourful and tolerant city.</p>
<p><i>Is dynamic, vibrant and culturally expressive</i></p> <p>In 2025 Hobart will be a city that is a destination of choice and a place for business. Clever thinking and support for creativity will help build a strong economic foundation, and entertainment, arts and cultural activities promote the distinctive character of the City. Lifestyle opportunities and strong communities will ensure a vibrancy and way of life that is Hobart.</p>	<p>A centre of excellence; a vibrant city; a smart city; harmonious people; supporting niche industries; offering a vibrant waterfront lifestyle and entertainment, together with public and community art; the safest tourist destination; a hotspot for cultural and artistic endeavours; recognition of its Aboriginal heritage.</p>

**Outcomes to be achieved**

**Progress in achieving our Future Direction Statement**

- Convenience and accessibility through the greater use of transport alternatives and an effective road and travel network.
- An integrated approach to transport planning within the City and across the wider metropolitan region.

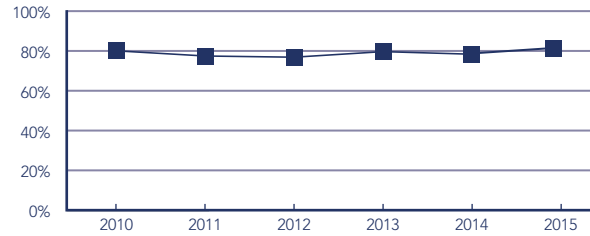
*FD5 – Is highly accessible through efficient transport systems*



There has been increased community satisfaction with bicycle facilities and traffic management across the City. The Council has continued construction of new bicycle paths and has continued to actively manage car parking supply to meet demand. There has also been an increase with community satisfaction in maintenance and safety of pedestrian areas.

- A spirit of community.
- Diversity is valued and there is participation by all in their community.
- A friendly and compassionate society.
- A safe and healthy city.

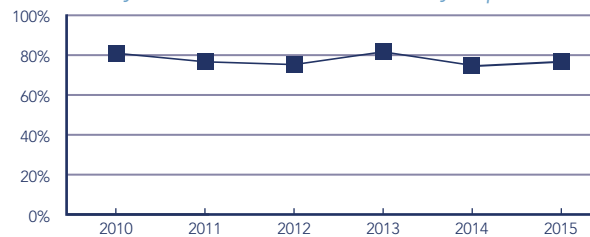
*FD6 – A spirit of Community*



There has been continued community satisfaction with Council support of community groups and community spaces, increased community satisfaction with community consultation and involvement in decision making. There has also been an increase in community and business satisfaction with safety in public and commercial areas. This is offset against a small decrease in visitation to sports grounds and recreation facilities.

- A destination of choice and a place for business.
- Clever thinking and support for creativity will help build a strong economic foundation.
- Entertainment, arts and cultural activities promote the distinctive character of the City and lifestyle.

*FD7 – Is dynamic, vibrant and culturally expressive*



There was continued growth in the value of planning permits and the number of building permits issued. There has been increased business satisfaction with economic development in the City and residents remain satisfied with Hobart as a place to live. There has also been an increase in satisfaction with the contribution that cultural activities, festivals, events and markets make to the overall vibrancy of the city.

# FUTURE DIRECTION 1

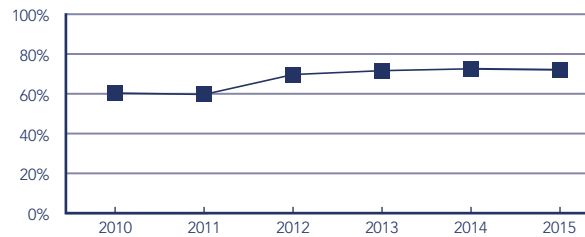
## OFFERS OPPORTUNITIES FOR ALL AGES AND A CITY FOR LIFE

In 2025, Hobart will be a city that provides opportunities for education, employment and fulfilling careers; a city that is able to retain its young people and provide a lifestyle that will encourage all ages to see the city as a desirable location and lifelong home.

### OUTCOME TO BE ACHIEVED

1.1 Opportunities for education, employment and fulfilling careers and retaining our young people

### OUTCOME 1.1



Results are stable due to the economic development strategy and the MoU with the University of Tasmania under review. Enrolments at UTAS and bursary programs remain stable and the alternative education programs for youth and older persons being at capacity. There was a slight decrease in community satisfaction with the Council's provision of education and employment programs.

2014–15 Actions/Initiatives	Performance
Work with relevant Council Business Units to develop an agreed approach and framework for business engagement.	➤
Develop and commence implementation of a priority action plan for delivery of the 2013–2018 Economic Development Strategy.	➤
Renegotiate the Memorandum of Understanding with the new Department of State Growth.	✘
Seek to re-establish a Memorandum of Understanding with the University of Tasmania.	✔
Establish the Council's new Asia Pacific Advisory Forum.	✘

Performance   ✔ Completed   ➤ Underway   ✘ No Action

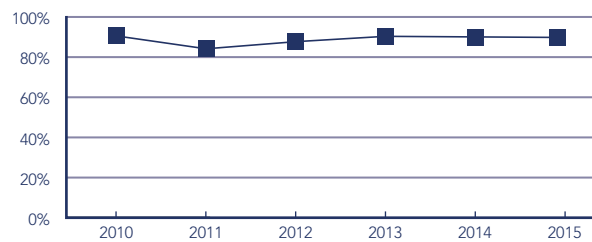




**OUTCOME TO BE ACHIEVED**

1.2 Lifestyle that will encourage all ages to see the city as a desirable location and lifelong home

**OUTCOME 1.2**



Increase in level of community satisfaction with the City's image, community pride, events and vibrancy of the City, community activities, safety and accessibility to the City and public transport which was offset by a slight reduction in the satisfaction of community programs offered. Funds for equal access initiatives remained stable with continued growth in car parking and participation in activities at the aquatic centre and playground usage offset by a slight reduction in participation in other sports by young people. Investment in cultural, sport and recreation activities increased.

2014–15 Actions/Initiatives	Performance
Develop a whole-of-organisational City Activation Framework.	➤

Performance   ✓ Completed   ➤ Underway   ✗ No Action

## FUTURE DIRECTION 2

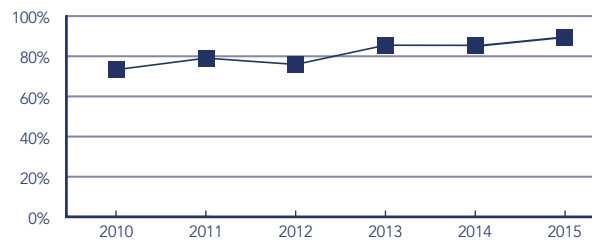
### IS RECOGNISED FOR ITS NATURAL BEAUTY AND QUALITY OF ENVIRONMENT

In 2025 Hobart will be a city that respects the natural beauty of Mount Wellington, the Derwent River, bushland surrounds and foreshore locations. The community connection to the environment has been enhanced through the protection of views, vistas, access and linkages. The physical environment has been conserved in a way that ensures we have a healthy and attractive city.

#### OUTCOME TO BE ACHIEVED

2.1 The natural beauty of kunanyi/Mount Wellington, the Derwent River, bushland surrounds and foreshore locations is highly valued

#### OUTCOME 2.1



Increase in community satisfaction with quality of the environment, bushland and foreshores along with increased visitation to Mt Wellington, compliance of water quality at beaches, master plans prepared for bushland areas (Ancanthe Park), offset by a reduction in visitation to bushland areas and participation in volunteer programs.

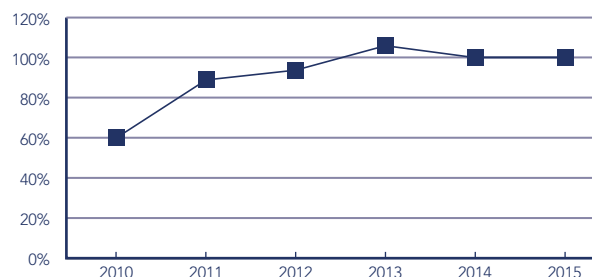
2014–15 Actions/Initiatives	Performance
Develop the "trackcare" pilot program.	✓
Commemorate the Bushcare Program's 21st anniversary.	✓
Develop the Minor Rivulets Catchment Management Plan.	➤
Complete the annual Bush Adventures Program.	✓
Complete the annual Bushcare Program.	✓

Performance ✓ Completed ➤ Underway ✗ No Action

#### OUTCOME TO BE ACHIEVED

2.2 Community connection to the natural environment through the protection of views, vistas, access and linkages is enhanced

#### OUTCOME 2.2



Results remain stable due to the completion of the Hobart Interim Planning Scheme, change in asset renewal allocations for open space connections.

2014–15 Actions/Initiatives	Performance
Replace the twin bridges on the Pipeline Track in Fern Tree.	✓
Conversion of the Old Farm Track to a downhill mountain bike only track.	✓

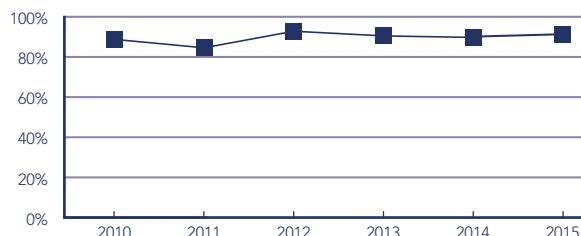
Performance ✓ Completed ➤ Underway ✗ No Action



## OUTCOME TO BE ACHIEVED

2.3 The physical environment has been conserved in a way that ensures we have a healthy and attractive city

## OUTCOME 2.3



Increase in community satisfaction with bushland, parks, reserves and playgrounds, provision of city infrastructure, cleanliness of the City, overall service delivery by the Council. There was reduction in visitation to bushland reserves, trees planted in the City, bushland volunteer participation and the standard of water quality in tributaries. Participation in waste management in the City increased along with an increase in the hectares of fire management burns undertaken. Minimisation of greenhouse gases, energy and fuel efficiencies continued to improve.

2014–15 Actions/Initiatives	Performance
Prepare a Management Plan for West Hobart Oval.	➤
Implement the priority actions of the Bicentennial Park – Porter Hill Fire Management Plan, including expanded fuel reduced buffer zones and fuel reduction burning.	✓
Implement the City of Hobart’s Fire Management Strategy.	✓
Develop and implement Flood Action Plans for the Sandy Bay Rivulet and Hobart Rivulet.	➤
Update New Town Rivulet flood model in consultation with the Glenorchy City Council.	➤
Construct a new sports pavilion at Soldiers Memorial Oval.	✓
Develop Wellesley Park Oval including construction of new social club facilities and upgrading the playing surface to a sand-based surface.	➤
Upgrade the irrigation and drainage at South Hobart Oval.	✓
Install a building management system at the Doone Kennedy Hobart Aquatic Centre.	✗
Implement stage three of the Cornelian Bay Master Plan including construction of further paved areas, installation of furniture, lighting and landscaping.	
Rebuild the George Miller Stand at North Hobart Oval.	✓
Refurbished 10 public toilets and commenced update of the Toilet Strategy.	✓

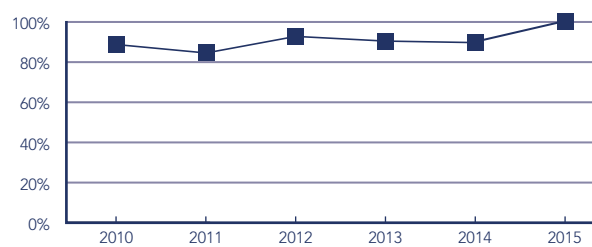
Performance   ✓ Completed   ➤ Underway   ✗ No Action



**OUTCOME TO BE ACHIEVED**

2.4 Climate change and its potential effect on the natural and built environment and strategies developed

**OUTCOME 2.4**



The implementation of the Climate Change Mitigation Plan has been completed. The Council continued to participate in the Think South (formerly STCA) Climate Change program.

2014–15 Actions/Initiatives	Performance
Review and update the Council’s Climate Change Policy to reflect climate change impacts and hazards to be used to assess risks across the Council.	➤
Develop Energy Savings Action Plans for the Council’s major facilities.	✓
Continue to implement the Council’s <i>Climate Change Adaptation Plan 2013 – 2016</i> across the Council.	✓
Support and coordinate through Think South (formerly Southern Tasmanian Councils Authority) the Regional Climate Change Initiative in the delivery of regional climate and resilience projects.	✓
Continue to implement the Council’s <i>Climate Change Adaptation Plan 2013 – 2016</i> across the community.	✓
Undertake the Tasmanian Coastal Adaptation Pathways – Nutgrove and Long Beach, in collaboration with the State Government.	➤
Develop a Climate Hazard and Impact Disclosure Plan.	➤

Performance   ✓ Completed   ➤ Underway   ✗ No Action

# FUTURE DIRECTION 3

## IS WELL GOVERNED AT A REGIONAL AND COMMUNITY LEVEL

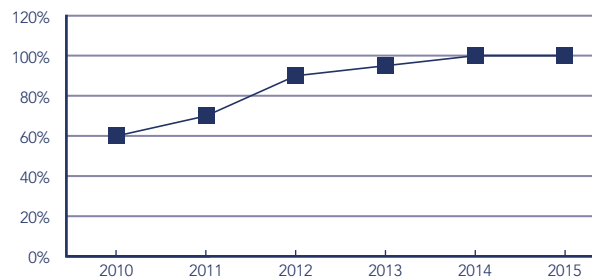
In 2025, Hobart will be a city that works effectively to lead an integrated approach to the planning and development of the metropolitan region.

Partnerships will be created with governments, the private sector and local communities to achieve significant regional, city and community goals.

### OUTCOME TO BE ACHIEVED

3.1 An integrated local government approach to the planning and development of the wider metropolitan region

### OUTCOME 3.1



The Council continued active involvement in the Regional Planning Initiative with Think South (formerly STCA).

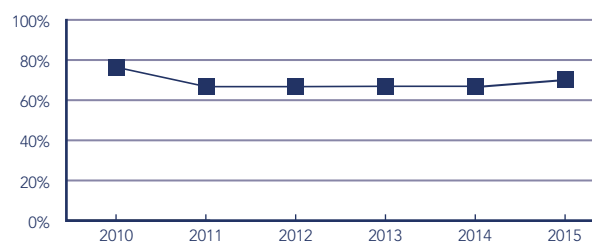
2014–15 Actions/Initiatives	Performance
Implement the City of Hobart Strategic Plan 2014–19.	✓

Performance ✓ Completed ➤ Underway ✗ No Action

### OUTCOME TO BE ACHIEVED

3.2 Partnerships with governments, the private sector and local communities in achieving significant regional, city and community goals

### OUTCOME 3.2



Increased community satisfaction with the Council's leadership and advocacy roles, including business satisfaction with overall performance and engagement activities.

2014–15 Actions/Initiatives	Performance
Host and evaluate two trial community engagement forums.	✓
Actively pursue shared services opportunities with other Councils, including specifically the Memorandum of Understanding with the Glenorchy City Council.	✓
Partner with the Tasmanian Fire Service (TFS) to deliver four Bushfire Ready Neighbourhood Programs.	✓

Performance ✓ Completed ➤ Underway ✗ No Action

## OUTCOME TO BE ACHIEVED

3.3 A responsive, capable and efficient organisation in ensuring relevant and quality services, facilities and activities are delivered to the Hobart Community

2014–15 Actions/Initiatives	Performance
Commence the capture of business records into an electronic environment through the implementation of the TRIM Incoming and Outgoing Correspondence Project.	✓
Implement the InfoCouncil system for Committee and Council agendas and minutes.	➤
Undertake a review of the implications of the amendments to the <i>Local Government Act 1993</i> in relation to the development of a 10 year Strategic Plan and Audit Panels.	✓
Establish a project management framework to enhance the delivery of projects across the Council.	➤
Undertake activities following 2014 Local Government elections, including the induction of new Council and review of Committees.	✓
Continue to progress the City of Hobart Branding Strategy.	✓
Update Council's Financial Model and Long Term Financial Management Plan (LTFMP).	✓
Continue to develop and evaluate procurement governance frameworks and common – use contracts.	✓
Continue to develop and deliver across Council a range of procurement best practice training modules and support materials for employees.	✓
Review the Council's Asset Management Policy and Asset Management Strategy to accord with the requirements of new State legislation.	➤
Investigate a service delivery framework.	✓
Evaluate a new committee structure for risk and workplace health and safety.	➤
Finalise and promote the new Safety Management System (SMS).	➤
Complete the implementation and evaluate the Safety Circle work health and safety culture change program across the Council.	✓
Implement a web based lodgement and application assessment system for the online submission of statutory applications.	➤

Performance   ✓ Completed   ➤ Underway   ✗ No Action

# FUTURE DIRECTION 4

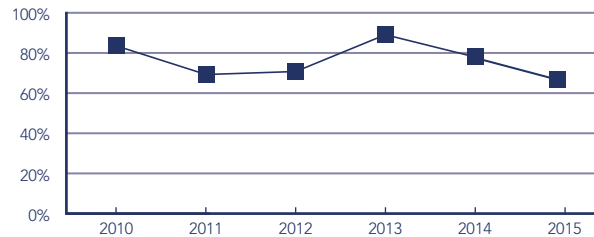
## ACHIEVES GOOD QUALITY DEVELOPMENT AND URBAN MANAGEMENT

In 2025, Hobart will be a city that remains unique in its own right, protecting its built heritage and history while pursuing quality development, the principles of sustainable cities and the reduction of ecological impacts. It will value access to the waterfront, foreshores.

### OUTCOME TO BE ACHIEVED

4.1 The city remains unique in its own right, protecting its built heritage and history

### OUTCOME 4.1



Continued community awareness of heritage protection, continued coverage and protection of heritage values through the planning scheme, offset by decreases in heritage funding.

2014–15 Actions/Initiatives	Performance
Review the City of Hobart Street Tree Strategy and a five year implementation plan.	>
Develop and implement a model to increase public use of the Dorney House, Porter Hill and adjoining precinct.	✓
Achieve declaration, notification exhibition and commencement of the <i>Hobart Draft Interim Planning Scheme 2014</i> .	✓
Complete the publication of celebrating brickwork in construction in Hobart.	>
Continue to assist Think South (Southern Tasmanian Councils Authority) in support of the Regional Planning Initiative.	✓
Construct the Flame of Remembrance at the Hobart Cenotaph.	✓

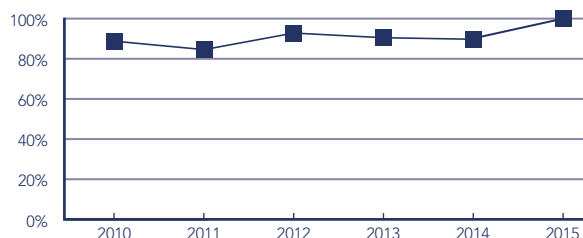
Performance   ✓ Completed   > Underway   ✗ No Action



**OUTCOME TO BE ACHIEVED**

4.2 Quality development with the principles of sustainable cities and the reduction of ecological impacts pursued

**OUTCOME 4.2**



There has been a decrease in the Council's net energy consumption. An increase in community satisfaction with infrastructure and services provided, an increase in facilitation public art projects with external organisations and public art funding remains steady.

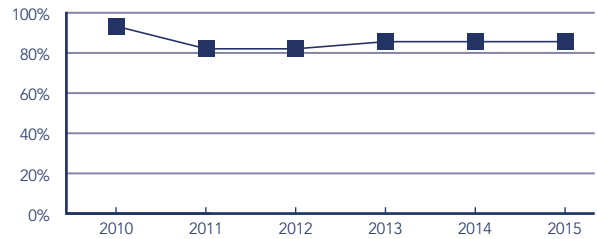
2014–15 Actions/Initiatives	Performance
Prepare the Fern Tree Node Master Plan in partnership with the Wellington Park Management Trust.	➤
Develop a new public toilet facility for Salamanca Square.	➤
Upgrade the stormwater infrastructure	
• Collins Street between Argyle Street and Dunn Place	➤
• Macquarie Street between Barrack Street and Harrington Street.	➤
Develop a plan for the future streetscape refurbishment of the Sandy Bay shopping precinct.	✔
Identify options for the future use of the Giblin Street quarry.	✔
Develop a plan to effectively identify, assess, regulate and monitor pollution generating activities.	➤
Complete the development of a revised rehabilitation plan for the McRobies Gully landfill and undertake the rehabilitation of 10,000m <sup>2</sup> of completed landfill.	✔
Complete preparation of a new Environmental Management Plan for McRobies Gully landfill.	✔
Obtain approval for the introduction of a fortnightly residential green kerbside waste collection.	✔

Performance   ✔ Completed   ➤ Underway   ✘ No Action

**OUTCOME TO BE ACHIEVED**

4.3 Access to the waterfront, foreshores, public and open space is valued

**OUTCOME 4.3**



Steady community satisfaction with access to waterways, foreshore and usable public spaces and continued public satisfaction with parks reserves and playgrounds.

2014–15 Actions/Initiatives	Performance
Implement the Hobart Rivulet Strategic Master Plan 2011 – Planning for Tara Street Landscape Plan, track sealing, formalising the Fruehauf climbing cliff, track alignment, and planning support for the Hobart Rivulet Vegetation Plan and Signage Plan.	✓
Prepare a Master Plan for Ancanthe Park.	✓

Performance   ✓ Completed   ➤ Underway   ✗ No Action



## FUTURE DIRECTION 5

### IS HIGHLY ACCESSIBLE THROUGH EFFICIENT TRANSPORT SYSTEMS

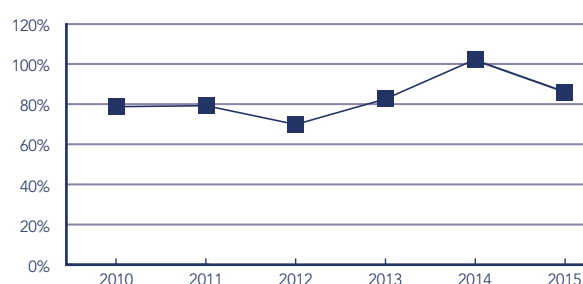
In 2025, Hobart will be a city that maintains its convenience and accessibility through greater use of transport alternatives and an effective road and travel network.

An integrated approach to transport planning within the city and across the wider metropolitan region will be the result of improved public transport options, cycleways and walking tracks linking open spaces for transport and recreation, the availability of adequate parking for commuters and shoppers, the take-up of sustainable transport options, the reduction of through traffic and the management of a safe and efficient road network.

#### OUTCOME TO BE ACHIEVED

5.1 Convenience and accessibility through the greater use of sustainable transport alternatives and an effective road and travel network

#### OUTCOME 5.1



There has been a slight increase in community satisfaction with maintenance and safety of pedestrian areas. Continued roll out of new bike paths and increased community satisfaction with bicycle facilities and traffic management across the City. The Council continued its delivery of the Sustainable Transport Strategy. Car parking supply continued to be managed to meet demand.

2014–15 Actions/Initiatives	Performance
Construct cycleways:	
• Morrison Street from Elizabeth Street to Brooke Street	✓
• Sandy Bay Road from Derwentwater Avenue to Marieville Esplanade	✓
• Castray Esplanade from Princes Wharf No.1 to CSIRO.	✓
Commence planning and design for future stages of the:	
• Morrison Street Cycleway to connect to Castray Esplanade	✓
• Sandy Bay Road Cycleway to the City's southern boundary.	✓
Complete the design and documentation of the shared access bridge to connect the Domain to the inner city.	✓
Complete the design and documentation for the upgrade of Collins Court and adjacent spaces and places.	✓
The reconstruction of Liverpool Street between Elizabeth Street and Murray Street.	>
Introduce a Licence Plate Recognition System (LPRS) into the Council's three multi-storey car parks.	>
Investigate and survey the potential for the installation of parking meters in the suburban shopping areas of North Hobart and Sandy Bay.	>
Review fees and time limits applying to on-street metered parking to ensure balance is maintained between demand and spaces available.	✓



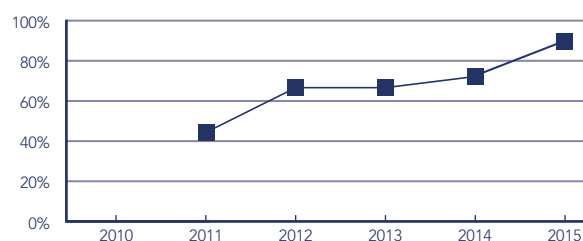
2014–15 Actions/Initiatives	Performance
Link the operation (monitoring and control) of the Council's three multi-storey car parks to one central location.	>
Renew road surfaces in:	
• Macquarie Street between Antill Street and Molle Street	✓
• Churchill Avenue between Derwentwater Avenue and Waimea Avenue	✓
• Sandy Bay Road between Queen Street and Quayle Street	✓

Performance ✓ Completed > Underway ✗ No Action

### OUTCOME TO BE ACHIEVED

5.2 An integrated approach to transport and planning within the city and across the wider metropolitan region

### OUTCOME 5.2



Increased support by the Council for regional integrated transport projects.

2014–15 Actions/Initiatives	Performance
Identify options to improve the amenity of the Elizabeth Street Bus Mall.	✓
Support the Department of Infrastructure, Energy and Resources (DIER) in implementing the next stage of speed limit reductions from 60km/h to 50km/h.	✓
Complete the detailed design of the City wayfinding system and commence preliminary implementation.	✓
Commence the development of the Network Operation Planning by reviewing the inner city pedestrian and vehicle network to identify efficiencies and improvements within the networks.	>

Performance ✓ Completed > Underway ✗ No Action

## FUTURE DIRECTION 6

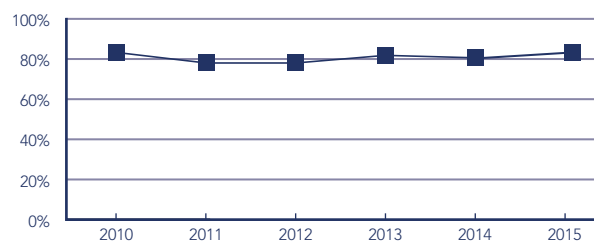
### BUILDS STRONG, SAFE AND HEALTHY COMMUNITIES THROUGH DIVERSITY, PARTICIPATION AND EMPATHY

In 2025, Hobart will be a city that reflects a spirit of community and tolerance. By valuing diversity and encouraging participation by all ages in the life of the community, a friendly and compassionate society will underpin a safe and healthy city.

#### OUTCOME TO BE ACHIEVED

6.1 A spirit of community

#### OUTCOME 6.1



Community satisfaction remains steady with Council support of community groups and residents feeling part of the Hobart community. Continued community satisfaction with community spaces provided by the Council.

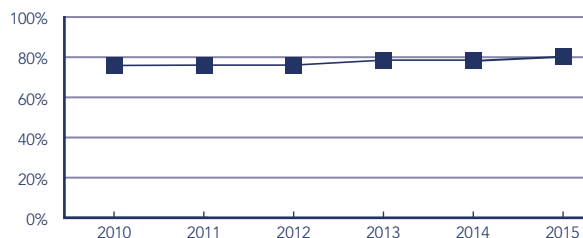
2014–15 Actions/Initiatives	Performance
Implement the Youth Strategy 2014–15 Action Plan including the development and delivery of a diverse range of recreation, arts and cultural activities, events and programs at the Youth Arts and Recreation Centre including activities for young people with a disability.	✓
Implement the Multicultural Strategy 2014–15 Action Plan including the hosting of four citizenship ceremonies each year and the implementation of international student ambassador program.	✓
Implement the Children & Families Strategy 2014–15 Action Plan including grade 6 Open Days at the Youth Arts and Recreation Centre and hosting a Children and Families Expo at Mathers House.	✓

Performance   ✓ Completed   ➤ Underway   ✗ No Action

**OUTCOME TO BE ACHIEVED**

6.2 Diversity is valued and there is participation by all in their community

**OUTCOME 6.2**



Steady community satisfaction with participation in Community programs. There was an increase in satisfaction with community consultation and involvement in decision making in the City.

2014–15 Actions/Initiatives	Performance
Expand and promote accessible and affordable lifelong learning opportunities for older people including support the School for Seniors Program, bookclub and computer lessons.	✓
Investigate and trial a community history education program at Mathers House with a range of opportunities provided including history walks and excursions.	✓
Identify opportunities to ensure the ongoing sustainability of the Still Gardening program and apply for ongoing funding.	✓
Undertake the Active Parks Program in St Davids Park.	✓
Undertake a mini sports program in St Davids Park and John Turnbull Oval, Lenah Valley.	✓
Create opportunities for young people to be involved in events and activities that give them an opportunity to showcase their skills and talents.	✓

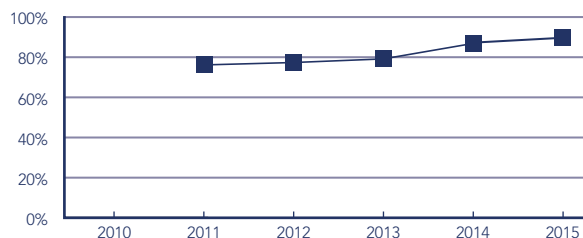
Performance   ✓ Completed   ➤ Underway   ✗ No Action



**OUTCOME TO BE ACHIEVED**

6.3 A friendly and compassionate society

**OUTCOME 6.3**



The Council has continued engagement with key stakeholder groups.

2014–15 Actions/Initiatives	Performance
Implement the Positive Ageing Strategy 2014–15 Action Plan including trialling a seasonal feast program focusing on the social aspects of eating with friends and developing an Information Strategy for Older People based on the outcomes of the COTA information research project.	✓
Implement the Equal Access Strategy 2014–15 Action Plan including partnering with Tascare for Children and other councils in delivering an event to celebrate International Day for People with a Disability and celebrating the work created through the Shared Ability Art Program at Mathers House with an exhibition launch and display. (from 6.2)	✓
Implement the Social Inclusion Strategy 2014 Action Plan in conjunction with the Community Sector Reference Group (CSRG).	✓
Develop and implement a range of homelessness initiatives in conjunction with the homelessness sector.	✓

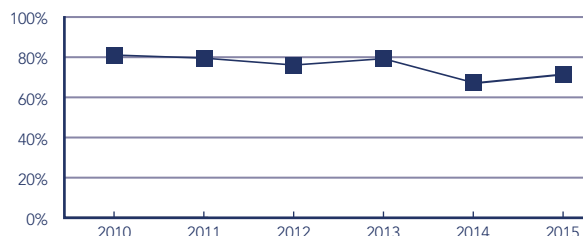
Performance   ✓ Completed   ➤ Underway   ✗ No Action



**OUTCOME TO BE ACHIEVED**

6.4 A safe and healthy city

**OUTCOME 6.4**



Community satisfaction remains steady with hygiene standards in food premises. There has been increased community and business satisfaction with safety in public and commercial areas. Decreased visitation to sports grounds and recreations facilities offset by an increase in visitation to bushland areas and the Aquatic Centre.

2014–15 Actions/Initiatives	Performance
Prepare and distribute community information brochure regarding household emergency preparedness.	✓
Trial a secure taxi rank and the development and implementation of the Youth Street Teams Project, in partnership with The Salvation Army and Tasmania Police.	✓
Develop a Public Health Emergency Management Plan.	✓
Develop a Municipal Health Plan to strengthen capacity in Council and the community in identifying public and environmental health issues and formulating responses.	➤
Upgrade lighting in Cascade Gardens.	➤
Engage with key stakeholders to progress implementation of the Doone Kennedy Hobart Aquatic Centre redevelopment plan.	➤
Upgrade Mt Nelson Oval playground.	✓

Performance   ✓ Completed   ➤ Underway   ✗ No Action



# FUTURE DIRECTION 7

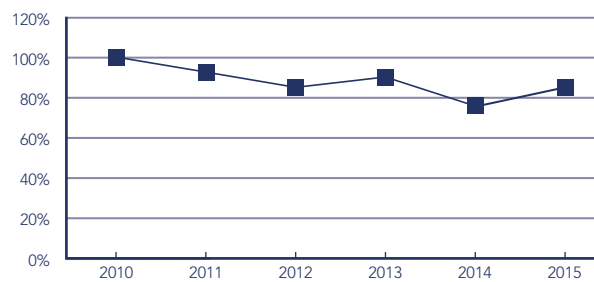
## IS DYNAMIC, VIBRANT AND CULTURALLY EXPRESSIVE

In 2025, Hobart will be a city that is a destination of choice and a place for business. Clever thinking and support for creativity will help build a strong economic foundation, and entertainment, arts and cultural activities promote the distinctive character of the city. Lifestyle opportunities and strong communities will ensure a vibrancy and way of life that is Hobart.

### OUTCOME TO BE ACHIEVED

7.1 A destination of choice and a place for business

### OUTCOME 7.1



There has been growth in the value of planning and number of building permits, continued business satisfaction with Hobart as a preferred location for business. Visitor numbers have increased as well as increased business satisfaction with economic development in and marketing of the City. Continued satisfaction with Hobart as a place to live.

2014–15 Actions/Initiatives	Performance
Develop a new developments assistance policy position that focuses on the Council’s role as facilitator.	➤
Finalise the design and manage the implementation of the City Guide website.	➤
Upgrade existing visitor facilities at the Springs on kunanyi/Mount Wellington.	✓
In conjunction with partners, conduct Tasmanian multi-day events championships at the Doone Kennedy Hobart Aquatic Centre.	✓
In conjunction with Royal Life Saving Society of Australia conduct the National Life Saving Championships.	✓
Continue to provide support for the development of the cruise ship industry.	✓

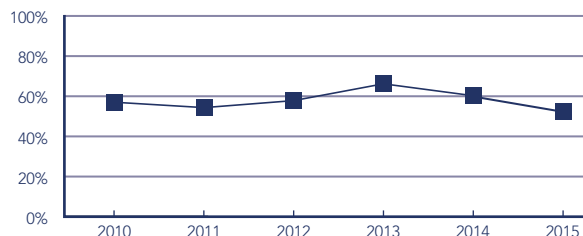
Performance   ✓ Completed   ➤ Underway   ✗ No Action



**OUTCOME TO BE ACHIEVED**

7.2 Clever thinking and support for creativity will help build a strong economic foundation

**OUTCOME 7.2**



Increased business satisfaction with economic development in and marketing of the City. Continued community satisfaction with promotion of Hobart. The decline in performance in this area is due to the ending of the MoU with UTAS and therefore minimal cooperative and innovative partnerships being recorded at a formal level. However general cooperation with the education sector remains steady.

2014–15 Actions/Initiatives	Performance
Implement and evaluate the 12 month trial Mobile Food Vendor Program.	➤
Continue to develop The Taste of Tasmania and increase participation by small and emerging Tasmanian producers.	✓
Implement a revised casual stallholder system for Salamanca Market.	✓
Provide support for one-off projects that align with Creative Hobart’s objectives, through the provision of space, advice, or seed funding.	✓
Support projects that increase opportunities for Hobart artists to showcase their work to a wider audience.	➤
Undertake a promotion campaign for the trial of the Interest Free Loans Program for Social Enterprises.	✓

Performance   ✓ Completed   ➤ Underway   ✗ No Action

**OUTCOME TO BE ACHIEVED**

7.3 Entertainment, arts and cultural activities promote the distinctive character of the city, and lifestyle opportunities and strong communities will ensure a vibrancy and way of life that is Hobart

**OUTCOME 7.3**



There is increased community satisfaction with the contribution that cultural activities, festivals, events and markets make to the overall vibrancy of the City, as well as continued satisfaction with condition of sports grounds, playgrounds, parks and open spaces.

2014–15 Actions/Initiatives	Performance
Support events, festival and activities that activate Hobart during the winter period.	✓
Provide new opportunities to promote and communicate creative activities in the City.	✓
Host the inaugural Annual Creative Hobart Forum.	✓

Performance   ✓ Completed   ➤ Underway   ✗ No Action





# PART III

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# LEGISLATIVE REQUIREMENTS

## STATEMENT OF ACTIVITIES

### SECTION 21

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

## PUBLIC HEALTH STATEMENT

### SECTION 72 (1)(AB)

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

The Council's Public Health Services and Environmental Monitoring Services programs are undertaken and managed by the Environmental Health Unit of the City Planning Division.

Priorities in the City of Hobart Strategic Plan 2014–19 include:

- Environment and Natural Resources
- Strong and Healthy Communities.

The Environmental Health Unit organisational structure comprises a Manager Environmental Health, Senior Environmental Health Officer, five full-time Environmental Health Officers, one part-time Environmental Health Officer and a part-time Immunisation Coordinator. The Unit employs a Nurse Immuniser and several Registered Nurses to undertake the public and school-based immunisation programs.

The Environmental Health Unit's programs identify a range of functions, programs and services that are resourced to meet the relevant statutory requirements of the *Local Government Act 1993*, *Public Health Act 1997*, *Food Act 2003*, *Burial & Cremation Act 2002* and *Environmental Management & Pollution Control Act 1994* (EMPCA).

These activities include:

- Food Safety
- Disease Prevention and Control
- Public Health Education and Promotion
- Places of Assembly
- Unhealthy Premises
- Cooling Towers and Warm Water Systems
- Public Health Risk Activities
- Immunisations
- Exhumations
- Onsite Waste Water Management
- Recreational and Bathing Water Quality
- Public and Environmental Health Complaints
- Air, Water and Solid Pollution
- Public Health Emergency Management
- Smoke Free Public Places

The following table provides operational statistics reflecting core public and environmental health activities undertaken during 2014–15:

Activity	Total
No. food business inspections/assessments completed – excludes market stalls and stalls at temporary public events	1563
No. formal notices issued to non-compliant food businesses	37
No. persons immunised at public & school immunisation clinics	3718
No. temporary places of assembly licensed	84
No. public/environmental health issues investigated & resolved	309
No. businesses registered/licensed annually	1265

The following specific actions were undertaken in accordance with the Council’s Strategic Plan and the Environmental Health Unit Business Plan:

2014–15 Actions/Initiatives	Performance
Develop a Public Health Emergency Management Plan incorporating a pandemic sub-plan.	✓
Inspect and register all food businesses for compliance with the Food Safety Standards.	✓
Undertake regular compliance monitoring of Council-declared smoke free public areas.	✓
Participate in the DHHS school immunisation workshops to improve procedures, documentation and record keeping.	✓
Conduct annual inspections and assessments of all public health risk activities.	✓
Liaise with the Environment Protection Authority to workshop the assessment process for Level 1 Activities as defined under EMPCA.	➤
Implement the domestic wood smoke emissions reduction program during the winter months.	✓

Performance   ✓ Completed   ➤ Underway   ✗ No Action

# SALAMANCA MARKET



[SALAMANCA.MARKET.COM.AU](http://SALAMANCA.MARKET.COM.AU)



#SALAMANCAMARKET



## INFORMATION BOOTH



#SALAMANCAMARKETPLACE

The Council is an active participant in the State Government's Derwent Estuary Program (DEP) and is committed to undertake weekly sampling of recreational water from the Derwent River beaches throughout the annual summer swimming season (December to March inclusive). The sampling program is aimed at assessing the water quality at selected beach sites (Nutgrove Beach, Little Sandy Bay Beach, Marieville Esplanade) whilst endeavouring to identify any point sources of pollution that may be entering the estuary and adversely impacting water quality. A total of 96 beach water samples were taken during the swimming season however there were no beach closures necessary due to poor water quality.

The Council embarked on a program to review the management and operation of Level 1 Activities throughout the City. Level 1 Activities include those businesses, or any other activity, that may cause environmental harm by their operation or emissions and that

are not managed by the State Government. The identification and categorising of Level 1 Activities has been completed. The Council is now working closely with the Environment Protection Authority (EPA) to organise and conduct workshops on the Level 1 Activities assessment process. This process will enable Council officers to become effectively trained and skilled to improve the risk assessment and management of these activities.

The Council participated in the Tasmanian Food Safety Surveillance Program throughout the year. This Program is a joint initiative between a number of local government councils and the Department Health and Human Services. The objectives of the Program are to monitor food businesses for compliance against the *Food Act 2003* and to raise awareness of food safety issues amongst environmental health professionals, food business operators and the community. Information gathered through the Program is intended to be used by local and state governments

to inform food safety policy and procedures and to assist in the development of educational materials. A summary of the samples and business surveys undertaken throughout the year are provided below:

#### *Samples:*

- Pre-packed sandwiches for microbiological safety and quality.
- Protein residue testing of food contact surfaces, utensils and equipment.

#### *Business Surveys:*

- Skills and knowledge of food handlers and supervisors.
- Food allergens and labelling of products.
- Public events hand washing facilities.
- Food recall systems at wholesalers, manufacturers and importers.

# MEETING ATTENDANCE

## SECTION 72 (1) (CC)

Total allowances paid to the Lord Mayor, Deputy Lord Mayor and Aldermen: \$493,063

Total expenses paid to all Aldermen (including telecommunications, fuel and travel expenses): \$79,049

Total Meetings Held	Council	Community Culture and Events Committee		Economic Development & Communications Committee		Finance Committee		City Infrastructure Committee		Parks & Recreation Committee		Governance Committee		City Planning	
	22	17		19		22		16		17		19		31	
	Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member
Alderman Hickey	22	2*	6	8*	6 (2^)		16	1*	5		7	7*	11		8
Alderman Christie	22	4*	5	17		14*	4 (1^)	14			10	17			6
Alderman Zucco	19	7*		14		4	9		4	4*	2		9		6
Alderman Briscoe	21		6		9		13	6*	1	12			8	30	
Alderman Ruzicka	22		5	3*	8	22		4*	5	11*	2	19		29	
Alderman Sexton	16	14		1*	4	13			1	10			7		3
Alderman Burnet	17		6	8*	3		16	8*	5	5*	6		14	27	
Alderman Cocker	22	12*	1		5	21		6*	3		5	16			9
Alderman Thomas	22	8*	1	8*	6		9		3		4	9*	5		7
Alderman Cooper	14*	12*			7		5	7*		11*			5		12
Alderman Reynolds	13*		5		4		7	9*		11*		11*			11
Alderman Denison	13*		3	8*			4	8*			2		4	19*	
Alderman Harvey	8*	5*			6		8		4	6*			6	10*	
Alderman Foley	8*		1		7	8*			4		4	7*		10*	
Alderman Freeman	8*			7*		6*		6			2		2		3

Meetings include Special Meetings and Special Joint Meetings

### Note

Where an Alderman may have been noted as not having been in attendance at a particular meeting, leave of absence for a specific purpose would generally have been requested by the Alderman and granted by the Council pursuant to Section 39 of the Local Government (Meeting Procedures) Regulations 2015.

### Legend

^ Present as an ex-officio member  
\* Refer to table on next page

# MEETING ATTENDANCE

## SECTION 72 (1) (CC) (CONTINUED)

Committee Membership Details		
Alderman Hickey	Governance Committee	Member until 10/11/2014 only (maximum of 7 meetings)
	Economic Development & Communications Committee	Member until 10/11/2014 only (maximum of 9 meetings)
	Community, Culture & Events Committee Meetings	Member until 10/11/2014 only (maximum of 5 meetings)
Alderman Christie	Finance Committee	Member since 10/11/2014 only (maximum 14 meetings)
	Community, Culture & Events Committee Meetings	Member until 10/11/2014 only (maximum of 5 meetings)
Alderman Zucco	Parks & Recreation Committee	Member until 10/11/2014 only (maximum of 6 meetings)
	Finance Committee	Member since 10/11/2014 only (maximum 14 meetings)
Alderman Briscoe	City Infrastructure Committee	Member until 10/11/2014 only (maximum 6 meetings)
Alderman Ruzicka	Parks & Recreation Committee	Member since 10/11/2014 only (maximum of 11 meetings)
	Economic Development & Communications Committee	Member since 13/04/2015 only (maximum of 4 meetings)
	City Infrastructure Committee	Member until 10/11/2014 only (maximum 6 meetings)
Alderman Sexton	Economic Development & Communications Committee	Member from 10/11/2014 until 31/03/2015 only (maximum of 6 meetings)
Alderman Burnet	Parks & Recreation Committee	Member until 10/11/2014 only (maximum of 6 meetings)
	Economic Development & Communications Committee	Member until 10/11/2014 only (maximum of 9 meetings)
	City Infrastructure Committee	Member since 10/11/2014 only (maximum of 10 meetings)
Alderman Cocker	Community, Culture & Events Committee Meetings	Member since 10/11/2014 only (maximum of 12 meetings)
	City Infrastructure Committee	Member until 10/11/2014 only (maximum 6 meetings)
Alderman Thomas	Governance Committee	Member since 10/11/2014 only (maximum of 12 meetings)
	Economic Development & Communications Committee	Member since 10/11/2014 only (maximum of 10 meetings)
	Community, Culture & Events Committee Meetings	Member since 10/11/2014 only (maximum of 12 meetings)
Alderman Cooper (Elected to Council 3/11/2014)	Council	Member since 10/11/2014 only (maximum of 14 meetings)
	Parks & Recreation Committee	Member since 10/11/2014 only (maximum of 11 meetings)
	Community, Culture & Events Committee Meetings	Member since 10/11/2014 only (maximum of 12 meetings)
	City Infrastructure Committee	Member since 10/11/2014 only (maximum of 10 meetings)
Alderman Reynolds (Elected to Council 3/11/2014)	Council	Member since 10/11/2014 only (maximum of 14 meetings)
	Parks & Recreation Committee	Member since 10/11/2014 only (maximum of 11 meetings)
	Governance Committee	Member since 10/11/2014 only (maximum of 12 meetings)
	City Infrastructure Committee	Member since 10/11/2014 only (maximum of 10 meetings)

Committee Membership Details		
Alderman Denison (Elected To Council 3/11/2014)	Council	Member since 10/11/2014 only (maximum of 14 meetings)
	Economic Development & Communications Committee	Member since 10/11/2014 only (maximum of 10 meetings)
	City Planning Committee	Member since 10/11/2014 only (maximum of 21 meetings)
	City Infrastructure Committee	Member since 10/11/2014 only (maximum of 10 meetings)
Alderman Harvey (Alderman until 3/11/2014)	Council	Member until 03/11/2014 only (maximum of 8 meetings)
	Parks & Recreation Committee	Member until 03/11/2014 only (maximum of 6 meetings)
	Community, Culture & Events Committee Meetings	Member until 03/11/2014 only (maximum of 5 meetings)
	City Planning Committee	Member until 03/11/2014 only (maximum of 10 meetings)
Alderman Foley (Alderman until 3/11/2014)	Council	Member until 03/11/2014 only (maximum of 8 meetings)
	Governance Committee	Member until 03/11/2014 only (maximum of 7 meetings)
	Finance Committee	Member until 03/11/2014 only (maximum 8 meetings)
	City Planning Committee	Member until 03/11/2014 only (maximum of 10 meetings)
Alderman Freeman (Alderman until 3/11/2014)	Council	Member until 03/11/2014 only (maximum of 8 meetings)
	Economic Development & Communications Committee	Member until 03/11/2014 only (maximum of 9 meetings)
	Finance Committee	Member until 03/11/2014 only (maximum 8 meetings)
	City Infrastructure Committee	Member until 03/11/2014 only (maximum 6 meetings)





# REMUNERATION OF SENIOR EMPLOYEES

## SECTION 72 (1) (CD)

Total Remuneration Package	Number of Employees
\$200,000 to 219,999	5
\$220,000 to 239,999	1
\$240,000 to \$319,999	0
\$320,000 to 339,999	1

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.

# GRANTS, ASSISTANCE AND BENEFITS PROVIDED

## SECTION 77 (1)

Detail	Inclusive Amount \$
<b>Reduced Fees or Charges</b>	
Cancer Council – Relay for Life – Remission of Hire Charges – Domain Athletics Centre	2,100
E Kalis Properties Pty Ltd – ICON Complex Development – Remission of Fees and Charges	114,987
Football Federation Tasmania – Remission of Hire Charge – North Hobart Oval and In-kind	13,500
Hobart Athletic Club – New Town Bikes & Spikes – Reduced Fees and Charges	760
Relive the Rivalry – Remission of Hire Charge – North Hobart Oval	2,164
Tasmanian Sports and Events – Remission of Hire Charge – Domain Athletics Centre	2,512
Roar Films – Remission of Hire Charge – Alexandra Battery	2,419
Remission of hire charges for Council halls, sports fields and parks	1,802
<b>In-kind Assistance</b>	
Bike 4 Ebola – Remission of Bean Bag Hire	240
Cruising Yacht Club of Australia	7,050
Defence Community Centre – Welcome to Tasmania Event – Remission of Bean Bag Hire	180
Hobart City Farm – Remission of Bean Bag Hire	426
International Cricket Council – Cricket World Cup 2015	1,600
Theatre Council of Tasmania – Remission of Bean Bag Hire	1,150
Tropfest, Salamanca Square Inc – Remission of Bean Bag Hire	1,800
<b>Reduced Rates</b>	
E Kalis Properties Pty Ltd – Development Assistance – Rate Remission	1,659
Sultan Holdings Pty Ltd – Development Assistance – Rate Remission	304,822
Native Vegetation Protection Rebate	200
Natural Gas Rebate	12,000

Detail	Inclusive Amount \$
Stormwater Removal Service Rate Remission	53,610
240L Wheelie Bin Rebate	3,500
Rate Remissions – Pensioners Net Expenditure	28,441
<b>Charitable Donations and Gifts</b>	
Australian Red Cross – Donation to Nepal Earthquake Appeal	12,500
Global Learning Research Library – Auslan Interpreters for The Vagina Monologues – Donation	500
Hobart City Mission – Landfill Disposal Reimbursement	1,000
Lifeline – Landfill Disposal Reimbursement	1,000
Oxfam Australia – Donation to Nepal Earthquake Appeal	12,500
RSL (Tasmania) – Hobart ANZAC Day Commemorative Committee – Funding	21,693
Salvation Army – Landfill Disposal Reimbursement	1,000
Southern Cross Care – Landfill Disposal Reimbursement	1,000
St Vincent de Paul – Landfill Disposal Reimbursement	1,000
The Black Scorpions Club – Cash Donation for Refugees and Migrants Soccer Tournament	200
University of Tasmania – Save the Tasmanian Devil Appeal	2,633
Free Entry Weekends at the McRobies Waste Management Centre – Residents	71,372
Ex-Aldermen Fuel Expense	5,103
<b>Sponsorship/Investment – Economic, Cultural, Festivals and Events</b>	
Australian Institute of Architects – Sponsorship Open House Hobart	3,300
Australian Wooden Boat Festival – Sponsorship of 2015 Australian Wooden Boat Festival – Cash and In-kind	48,079
Business Events Tasmania – Annual Grant	101,750
Chinese Community Association of Tasmania Inc – Festivals and Events Grant – 2015 Lunar New Year Festival	8,200
Contemporary Art Services Tasmania – Cultural Grant	1,650
Cycling Australia – Tour of Tasmania – Festivals and Events Grant	3,300
Cycling South – Contribution to Ride to Work Day	1,100
Cycling South – Funding Contribution	12,100
Domain Tennis Centre Inc – Annual Maintenance Contribution	44,000
Electrona 7054 – Festivals and Events Grant	525
Festa Italia – Festivals and Events Grant – Cash and In-kind	9,696
Festival of Voices Inc – Festivals and Events Grant	37,400
Global Learning Research Library – Human Library Workshops – Cultural Grant	1,485
Hobart Playback Theatre – Cultural Grant	3,000
Hockey Tasmania Inc – Funding Contribution	69,611
Human Rights Week Organising Committee – Sponsorship – Human Rights Week	1,000

Detail	Inclusive Amount \$
Iranian Australian Community Association of Southern Tasmania Inc – Festivals and Events Grant	200
Little Athletics Tasmania – Funding of Uniforms	2,475
Malaysian Student Council of Australia – Festivals and Events Grant	300
MONA – Dark Mofo Winter Feast – Grant and In-kind	148,709
North Hobart Football Club Inc. – Annual Grant	3,810
Resource Work Cooperative – Art from Trash Sponsorship 2015	1,155
Royal Hobart Regatta – Cultural Grant – In-kind	28,395
Royal Tasmanian Botanical Gardens – Annual Grant	12,000
Salamanca Arts Centre – Annual Grant – Cultural Grant	66,132
Sandy Bay Regatta Association – Grant and In-kind	5,018
South Hobart Progress Association – South Hobart History Book Project	29,733
State Emergency Service – Southern Regional Volunteer SES Unit – Annual Contribution	20,779
Sustainable Living Tasmania Inc. – Festivals and Events Grant	3,427
Tasmanian Canine Defence League – Funding Contribution	81,907
Tasmanian Theatre Company Inc – Triennial Funding	22,000
Tasmanian Museum and Art Gallery – Annual Grant – Cultural Grant – Cash and In-kind	19,219
Tasmanian Symphony Orchestra – Annual Grant – Cultural Grant	11,766
Ten Days on the Island – Festivals and Events Grant	32,765
The City of Hobart Eisteddfod Society Inc – Sponsorship for 2015 Eisteddfod – Cultural Grant and In-kind	6,168
Theatre Royal Management Board – Annual Grant – Cultural Grant	9,375
University of Tasmania – 7th Polar Law Symposium – Grant	3,300
University of Tasmania – Financial Research Support – Grant	22,000
Wellington Park Management Trust – 2014–15 Contribution	30,677
Wellington Park Management Trust – Contribution to Cultural Heritage Coordination	17,013
Wellington Park Management Trust – Contribution to Fern Tree Entry Node Master Plan	13,200
Windeward Bound Trust – Hobart Refugee Youth Development Project – Grant	660
YMCA of Hobart Inc – Tasmanian Youth Parliament Sponsorship	300
<b>Community</b>	
Budget Fun Run and Walk – Community Grant	650
Department of Education – Community Grant	1,835
Derwent Sailing Squadron Inc. – Annual Grant	7,908
Emergency Services It Stops Racism Event – Community Grant	510
Housing Choices Tasmania Ltd – Sharing Healthy Eating Ideas Program – Community Grant	2,970
New Town High School – Presentation Evening – Grant	50
Second Echo Ensemble – Community and Cultural Grant	3,000

Detail	Inclusive Amount \$
The Royal Yacht Club of Tasmania – Trophy Donation for Sydney to Hobart Yacht Race – Community Grant	875
<b>Environmental and Climate Change</b>	
Australian Youth Climate Coalition – Hobart Schools Sustainability Workshop – Environmental and Climate Change Grant	3,080
Belinda Browning – Environmental and Climate Change Grant	150
Goulburn Street Primary School Parent Association Inc. – Environmental and Climate Change Grant	4,000
Landcare Tasmania Inc – Environmental and Climate Change Grant – National Landcare Conference	5,335
Lenah Valley Primary School – Environmental and Climate Change Grant	2,875
St Johns Community Garden Inc – Environmental and Climate Change Grant	3,880
St Marys College – Environmental and Climate Change Grant	2,500
Sustainable Living Tasmania Inc – Environmental and Climate Change Grant – Sustainable Living Festival 2014	4,747
University of Tasmania – Environmental and Climate Change Grant	3,053
Yin Leng Chan – Environmental and Climate Change Grant	150
<b>Heritage and Conservation</b>	
Adam James – Heritage and Conservation Grant	2,000
A W Birchall & Sons Pty Ltd – Heritage and Conservation Grant	10,000
Genevieve Lilley – Heritage and Conservation Grant	5,000
Hobart Real Tennis Club – Heritage and Conservation Grant	1,000
Narryna Heritage Museum Inc – Heritage and Conservation Grant	3,000
Paula and Alan Leishman – Heritage and Conservation Grant	2,000
Peter Kilcullen – Heritage and Conservation Grant	4,000
Samuel Thiessen & Georgia Fountain – Heritage and Conservation Grant	4,000
Soluna Properties – Heritage and Conservation Grant	5,000
Tasmanian Museum and Art Gallery – Heritage and Conservation Grant	26,400
<b>TOTAL</b>	<b>1,737,066</b>

## REDUCED RENTALS

The City of Hobart owns numerous properties within its municipal area, some of which are leased to third parties. Many of these properties are leased on terms that include a discount in the rent payable by the lessee, in accordance with policies of the City of Hobart. In many instances the lessee provides all or some of the following: capital improvements, maintenance, day to day management, access to the public, and contribution back to the community. For the purposes of being open and transparent the City of Hobart discloses these as grants. The value of these grants is not currently available for all properties but valuations will be undertaken as leases are renewed.

Details		Estimated Value of Grant \$
<b>Commercial</b>		
Aurora Energy	Substation, Lansdowne Crescent, West Hobart	
DH Powell Pty Ltd	Slipyards, 18–44 Napoleon Street	5,100
Max Creese Pty Ltd	Slipyards, 18–44 Napoleon Street	3,660
Muir Engineering Pty Ltd	Slipyards, 18–44 Napoleon Street	3,000
Muir's Boatyard Pty Ltd	Slipyards, 18–44 Napoleon Street	5,400
Resource Work Cooperative	Resource Recovery Centre, McRobies Waste Management Centre	85,000
Taylor Brothers Holdings Pty Ltd	Slipyards, 18–44 Napoleon Street	6,300
<b>Residential</b>		
Residential/caretaker	24 Gardenia Grove, Sandy Bay	
Residential/caretaker	89 Doyle Avenue, Lenah Valley	
Residential/caretaker	Curators Cottage, TCA Ground, Queens Domain	
Residential/caretaker	Regatta Grounds, McVilly Drive	
<b>Community Development</b>		
Lenah Valley Community Hall Trustee	22 Creek Road, New Town	
Lenah Valley RSL and Community Club	188 Lenah Valley Road (Haldane Reserve), Lenah Valley	
Maritime Museum of Tasmania	Carnegie Building, Argyle Street, Hobart	
Mount Stuart Progress Association	Raymont Terrace, Mount Stuart	
New Town Senior Citizens Club Inc	18 Creek Road, New Town	
Mt Nelson Community Hall	555 Nelson Road, Mt Nelson	
Sandy Bay Senior Citizens Club	23 Lambert Avenue, Sandy Bay	37,500
South Hobart Progress Association Inc	42 Darcy Street, South Hobart	
Tasmanians With Disabilities Inc	20 Creek Road, New Town	12,360
The Catholic Women's League	108–110 Bathurst Street, Hobart	
The Flower Room	108–110 Bathurst Street, Hobart	

Details

**Parks, Recreation, Bushland and Reserves**

Art Society of Tasmania	268 Lenah Valley Road, Lenah Valley	
Athletics Association of Tasmania	Athletic Centre, Queens Domain	
Australian Sea Cadets Corp	Foreshore, Queens Domain	
Buckingham Bowls Club	4 St Johns Avenue, New Town	
Conservation Volunteers Trust	1 Domain Road	
Department of Education	West Hobart Recreation Ground	
Derwent Bowls Club	Letitia Street, North Hobart	
Domain Tennis Centre Incorporated	Davies Avenue, Queens Domain	
Hobart Canine Obedience Club	Soldiers Memorial Oval, Queens Domain	
Hobart Cat Centre Inc	10 Sells Point Road, New Town	
Hobart City Band Inc	TCA, Davies Avenue, Queens Domain	
Hobart Districts Little Athletics Club	John Turnbull Park, New Town	
Hobart Football Club Inc	TCA, Davies Avenue, Queens Domain	
National Trust of Australia	Mariners Cottage, Napoleon Street, Battery Point	
New Town Bay Rowing Centre Inc	Marine Esplanade, New Town	
New Town Cricket Club	4 St Johns Avenue, New Town	
New Town Croquet Club	4 St Johns Avenue, New Town	
North Hobart Cricket Club	TCA, Davies Avenue, Queens Domain	
North Hobart Football Club	Gorringe Stand, North Hobart Oval	8,800
Pakana Services	Shed and Crib Room, Waterworks Reserve	
Polish Association in Hobart	22–24 New Town Road, New Town	
Royal Hobart Bowls Club	1 Ellerslie Road, Battery Point	
Royal Hobart Regatta Association	John Colvin Stand, McVilly Drive	
Sandy Bay Croquet Club	Sandown Park, Long Point Road, Sandy Bay	
Sandy Bay Regatta Association	Long Point Road, Sandy Bay	
Sandy Bay Rowing Club	Marievillle Esplanade, Sandy Bay	
Sandy Bay Sailing Club	Long Point Road, Sandy Bay	
South Hobart Badminton Association	101 Cascade Road, South Hobart	
South Hobart Soccer Club Inc	Wellesley Park, South Hobart	
Southern Tasmania Netball Association	Main Road, New Town	
Tasmanian Air Rescue Trust	Queens Domain	
Tasmanian Bridge Association	Marine Esplanade, New Town	

Details		Estimated Value of Grant \$
Tasmanian Fire Service	Kalang Avenue, Lenah Valley	
Tasmanian Hockey Centre	Tasmanian Hockey Centre	
Tasmanian Riding for the Disabled Association	500 Kalang Avenue, Glenorchy	
Tasmanian Rugby Union Inc	Rugby Park	
The Board of Management of the Hutchins School	Marievile Esplanade, Sandy Bay	
The Christ College Trust	Ham Common, Old Proctors Road	
The Hobart Cat Centre Inc	10 Sells Point Road, New Town	
The Scout Association of Australia	Marievile Esplanade, Sandy Bay	
The Scout Association of Australia (Tasmania)	617 Sandy Bay Road, Sandy Bay	
Wireless Institute (REAST)	Upper Queens Domain	
Yvonne Rees-Pagh	Cottage, Princes Park, Battery Point	



# CONTRACTS FOR THE SUPPLY OF GOODS AND SERVICES

## REGULATION 29 (1)

In accordance with Section 29 (1) of the Local Government (General) Regulations 2015, the following contracts to the value of \$100,000 or above, excluding GST, were entered into during the 2014–15 financial year.

Contract	Contract Period	Extension Option	Contract Sum (for term of contract incl extension options)	Contractor	Contractors Business Address
5771: Electricity Supply	01/01/2015 until 31/12/2016	1 x 6 month	\$3,240,000.00 (estimated)	ERM Power Retail Pty Ltd	PO Box 7152 Riverside Centre Brisbane QLD 4001
5781: Stationery & Office Supplies	01/07/2014 until 30/06/2017	Not applicable	\$420,000.00 (estimated)	Office Max Pty Ltd	188 Wellington Street South Launceston TAS 7249
5782(B): Taste of Tasmania Infrastructure	03/12/2014 until 08/01/2015	Not applicable	\$88,857.45	Salters Hire Service Pty Ltd	24 Tasma Street North Hobart TAS 7000
5782(C): Taste of Tasmania Infrastructure	12/12/2014 until 08/01/2015	Not applicable	\$31,844.50	Weeding Party Hire Pty Ltd	295 Invermay Road Launceston TAS 7250
5786: Taste of Tasmania Packaging	17/11/2014 until 30/06/2015	Not applicable	Unable to estimate	Complete Office Supplies Pty Ltd	25 Nyrang Street Lidcombe NSW 2141
5787: Town Hall Entry Landing Upgrade	Practical completion date 16/03/15	Not applicable	\$118,180.00	J Hutchinson Pty Ltd	PO Box 3190 West Hobart TAS 7000
5794: Urban Firebreak Maintenance Program	15/10/2014 until 30/06/2015	2 x 1 year	\$272,522.25	State-wide Earthworks Pty Ltd	52 Atkins Road Granton TAS 7030
5796: Soldiers Memorial Oval Construction of Sports Pavilion	Practical completion date 20/03/2015	Not applicable	\$911,000.00	Maveric Builders Pty Ltd as trustee for the Maveric Builders Unit Trust	14 Mertonvale Circuit Kingston TAS 7050
5801: Spraying of Weeds along and adjacent to roads	01/11/2014 until 31/10/2016	1 x 2 years	\$524,000.00 (estimated)	Statewide Enviro-Weed Control Pty Ltd	318 Molesworth Road Molesworth TAS 7140
5802: Panel of Providers for Civil Construction Services	10/12/2014 until 30/06/2016	Not applicable	Unable to estimate	Panel of multiple suppliers	Various
5803: DKHAC Heating System Replacement	Practical completion due 31/08/2015	Not applicable	\$463,190.00	TCM Pty Ltd	PO Box 410 Moonah TAS 7009
5806: Provision of Laboratory Services	05/11/2014 until 06/11/2016	1 x 2 years	Unable to estimate	Ecowise Australia Pty Ltd	22 Dalmore Drive Scoresby VIC 3179



Contract	Contract Period	Extension Option	Contract Sum (for term of contract incl extension options)	Contractor	Contractors Business Address
5807: New Town Flood Study (incorporating Maypole & Brushy Creek) 2015	01/06/2015 until 01/03/2016	Not applicable	\$110,000.00	Hydro Electric Corporation	89 Cambridge Park Drive Cambridge TAS 7170
5808(A): Panel of Providers for the Provision of Stormwater CCTV Inspection	06/05/2015 until 01/12/2017	Not applicable	Unable to estimate	Machos Pty Ltd trading as NU-JET	2 Knoll Street Glenorchy TAS 7010
5808: Panel of Providers for the Provision of Stormwater CCTV Inspection	22/07/2015 until 01/12/2017	Not applicable	Unable to estimate	Veolia Environmental Services (Australia) Pty Ltd	PO Box 431 Rosny TAS 7018
5811: Soldiers Memorial Oval Playing Surface, Turf Wicket & Irrigation Upgrade	Practical completion due 31/03/2015	Not applicable	\$324,362.50	Carteman Pty Ltd	32 Harvest Lane Old Beach TAS 7017
5812: ICAP Project AP01 – Liverpool Street Reconstruction	Practical completion due 30/10/2015	Not applicable	\$1,470,485.00	J Hutchinson Pty Ltd	PO Box 3190 West Hobart TAS 7000
5816: Maintenance & Responsive Services – Electrical & Fire	01/07/2015 until 30/06/2017	1 x 2 years	\$3,980,000.00 (estimated)	White & McAllister (Contractors) Pty Ltd	46–48 Letitia Street North Hobart TAS 7000
5817: Inspection Services – Prescribed Features & Measures	01/07/2015 until 30/06/2017	1 x 2 years	\$98,200.00 (estimated)	Johnstone McGee & Gandy Pty Ltd as trustee for the Johnstone McGee & Gandy Unit trust trading as JMG	117 Harrington Street Hobart TAS 7000
5818: Heating, Ventilation & Air Conditioning Maintenance Services	01/07/2015 until 30/06/2017	1 x 2 years	\$310,000.00 (estimated)	Klimate Solutions Pty Ltd as trustee for the Coregem Trust	Unit 8, 14A Main Road Moonah TAS 7009
5819: Maintenance & Responsive Services – Plumbing	01/07/2015 until 30/06/2017	1 x 2 years	\$1,264,000.00 (estimated)	Howrah Plumbing Pty Ltd	3/10 Electra Place Morningson TAS 7018

Contract	Contract Period	Extension Option	Contract Sum (for term of contract incl extension options)	Contractor	Contractors Business Address
5821: Collins Street Stormwater Replacement, Road Reseal & Kerb Relocation	Practical completion due 20/07/2015	Not applicable	\$427,094.29	Vernachie Contracting Pty Ltd	11 Cavalry Road Mowbray Heights TAS 7250
5824: Petroleum Products (P450)	01/05/2015 until 30/11/2017	1 x 3 years	\$3,868,000.00 (estimated)	Caltex Australia Petroleum Pty Ltd	GPO Box 3916 Sydney NSW 2001
5825: Cascade Gardens Installation of Lighting and Power supply and removal of old lighting	Practical completion due 24/08/2015	Not applicable	\$152,056.00	Integrated Facility Solutions (IFS) Pty Ltd	3 Burnett Street North Hobart TAS 7000
5828: Sandown Park 1 Drainage & Irrigation Upgrade	Practical completion due 30/10/2015	Not applicable	\$211,703.00	Carteman Pty Ltd	32 Harvest Lane Old Beach TAS 7017
5829: Queenborough Oval Subsoil Drainage Upgrade	Practical completion due 09/10/2015	Not applicable	\$231,620.00	Carteman Pty Ltd	32 Harvest Lane Old Beach TAS 7017

In accordance with the Section 23 (4) (b) there were three instances of extending a contract (entered into by Tender, where the Contract does not specify extensions) by an absolute majority.

Contract	Contract Period	Extension Option	Contract Sum (for term of contract extension)	Contractor
5554: Maintenance of Essential Health & Safety Features for Council Buildings	01/01/2015 until 30/06/2015	Not applicable	\$9,000.00 (estimated)	Johnstone McGee & Gandy Pty Ltd as trustee for the Johnstone McGee & Gandy Unit trust trading as JMG
5751: Provision of Responsive Maintenance Services – Identification, Testing and Safe Removal of Asbestos	01/04/2015 until 30/06/2015	Not applicable	\$9,000.00 (estimated)	White & McAllister (Contractors) Pty Ltd
5638: Salamanca Square Public Convenience Cleaning & Security	28/07/2014 until 30/06/15	Not applicable	\$134,722.68 (estimated)	Tedmanson Investments Pty Ltd

In accordance with Section 27 (2) there was one instance of "non-application of public tender process". The following Contract was entered into pursuant to section 27(1)(h)(iii):

Contract	Reason for not inviting public tenders	Description of the services acquired	Value of the services acquired	Contractor
5827: Advertising Expenditure Agreement	The Council's legal requirements to advertise in a daily newspaper circulating in the municipal area, precludes the likelihood of a satisfactory result due to the absence of competitive tenderers.	Statutory and general advertising services	\$250,000.00 (estimated)	Davies Brothers Pty Limited

## STATEMENT OF LAND DONATED SECTION 177

The Council has not resolved to donate any lands in accordance with Section 177 of the *Local Government Act 1993*.

## PUBLIC INTEREST DISCLOSURE ACT 2002

The Council's Guidelines for dealing with matters under the *Public Interest Disclosure Act 2002* are available for viewing on the Council's homepage at [www.hobartcity.com.au](http://www.hobartcity.com.au) or a copy can be made available by contacting the Deputy General Manager, Heather Salisbury on 6238 2155.



# PART IV

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# FINANCIAL REPORTS

# **HOBART CITY COUNCIL GENERAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015**



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## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015

	Note	2014-15 \$'000	2013-14 \$'000
<b>Current Assets</b>			
Cash and Cash Equivalents	15	40,709	33,108
Inventories	16	342	310
Receivables	18	6,750	5,217
Assets classified as Held for Sale	19	-	2,150
Prepayments		141	210
<b>Total Current Assets</b>		<b>47,942</b>	40,995
<b>Non-Current Assets</b>			
Receivables	18	196	225
Investment Property	20	-	25,038
Investment in TasWater	11	160,874	159,591
Property, Plant and Equipment	21-30	730,673	698,244
<b>Total Non-Current Assets</b>		<b>891,743</b>	883,098
<b>Total Assets</b>		<b>939,685</b>	924,093
<b>Current Liabilities</b>			
Payables	31	8,559	6,343
Trust, Deposits, Retention	32	2,601	2,583
Employee Benefits	33	10,884	10,588
Unearned Revenue	34	538	490
Loans	35	1,331	1,733
<b>Total Current Liabilities</b>		<b>23,913</b>	21,737
<b>Non-Current Liabilities</b>			
Employee Benefits	33	4,310	5,827
Loans	35	13,097	14,429
Provisions	36	8,802	7,410
<b>Total Non-Current Liabilities</b>		<b>26,209</b>	27,666
<b>Total Liabilities</b>		<b>50,122</b>	49,403
<b>Net Assets</b>		<b>889,563</b>	874,690
<b>Equity</b>			
Reserves	37	477,876	475,402
Retained Earnings		411,687	399,288
<b>Total Equity</b>		<b>889,563</b>	874,690

This statement should be read in conjunction with the accompanying notes.



## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

	Note	2014-15 ACTUAL \$'000	2014-15 BUDGET \$'000	2013-14 ACTUAL \$'000
<b>Recurrent Expenses</b>				
Employee Costs	4	(51,018)	(52,168)	(51,187)
Materials and Services		(31,671)	(28,328)	(27,035)
Depreciation and Amortisation	5	(17,450)	(17,718)	(17,877)
Finance Costs	6	(1,077)	(1,035)	(1,171)
State Fire Commission Levies		(8,800)	(8,800)	(8,240)
Other	7	(5,279)	(5,560)	(4,333)
		<b>(115,295)</b>	<b>(113,609)</b>	<b>(109,843)</b>
<b>Capital Expenses</b>				
Net Loss on Disposal of Property, Plant and Equipment	10	-	-	(447)
		-	-	(447)
<b>Total Expenses</b>		<b>(115,295)</b>	<b>(113,609)</b>	<b>(110,290)</b>
<b>Recurrent Income</b>				
Rates and Charges		73,929	73,435	70,885
Grants and Donations	9(a)	4,719	3,130	2,138
Fines		5,704	6,216	5,923
Rendering of Services		26,465	26,144	24,920
Distributions from TasWater	11	3,468	3,258	2,930
Interest		1,435	1,041	1,350
Rents		3,281	2,866	3,354
Adjustment to Allowance for Impaired Fines		-	-	2,267
		<b>119,001</b>	<b>116,090</b>	<b>113,767</b>
<b>Capital Income</b>				
Capital Grants Received Specifically for New or Upgraded Assets	9(b)	3,409	-	2,054
Net Gain on Disposal of Property, Plant and Equipment	10	1,477	1,769	-
Capital Insurance Receipts		529	-	-
Property Settlement		1,630	-	-
Contributed Property, Plant and Equipment		4,477	-	1,102
		<b>11,522</b>	<b>1,769</b>	<b>3,156</b>
<b>Total Income</b>		<b>130,523</b>	<b>117,859</b>	<b>116,923</b>
<b>Surplus / (Deficit)</b>	8	<b>15,228</b>	<b>4,250</b>	<b>6,633</b>
<b>Other Comprehensive Income</b>				
<i>Items that may be reclassified subsequently to surplus or deficit:</i>				
- Adjustment to Fair Value of Investment in TasWater	11	1,283	-	(38,661)
<i>Items that will not be reclassified to surplus or deficit:</i>				
- Net PP&E Revaluation Increments / (Decrements)	12	(3,570)	-	(47,027)
- Defined-benefit Superannuation Plan Actuarial Gains (Losses)	33	1,932	-	4,649
<b>Total Other Comprehensive Income</b>		<b>(355)</b>	<b>-</b>	<b>(81,039)</b>
<b>Comprehensive Income for the period</b>		<b>14,873</b>	<b>4,250</b>	<b>(74,406)</b>

This statement should be read in conjunction with the accompanying notes.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	Total		Retained Earnings		Reserves	
		2014-15 \$'000	2013-14 \$'000	2014-15 \$'000	2013-14 \$'000	2014-15 \$'000	2013-14 \$'000
Balance at Beginning of Period		874,690	949,096	399,288	390,185	475,402	558,911
Comprehensive Income for the period		14,873	(74,406)	17,160	11,282	(2,287)	(85,688)
Transfers to Reserves	37	-	-	(28,711)	(23,857)	28,711	23,857
Transfers from Reserves	37	-	-	23,950	21,678	(23,950)	(21,678)
Balance at End of Period		<b>889,563</b>	874,690	<b>411,687</b>	399,288	<b>477,876</b>	475,402

This statement should be read in conjunction with the accompanying notes.

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2015

	Note	2014-15 ACTUAL \$'000	2014-15 BUDGET \$'000	2013-14 ACTUAL \$'000
<b>Cash Flows from Operating Activities</b>				
<i>Receipts</i>				
Rates		73,904	73,383	71,124
Rendering of Services (inclusive of GST)		29,509	28,577	27,479
Interest		1,462	1,041	1,408
Grants (inclusive of GST)		4,743	3,133	2,196
Rents (inclusive of GST)		3,281	3,159	3,646
Fines		5,493	6,009	5,585
Distributions from TasWater		3,258	3,258	2,949
Net GST Refund (payment)		2,342	1,756	2,332
Other Receipts (inclusive of GST)		(377)	840	(78)
		<b>123,615</b>	121,156	116,641
<i>Payments</i>				
Employee Costs		(50,602)	(51,920)	(52,285)
Payments to Suppliers (inclusive of GST)		(34,824)	(34,268)	(32,313)
Interest		(1,107)	(870)	(547)
Other Payments (inclusive of GST)		(11,113)	(11,190)	(10,601)
		<b>(97,646)</b>	(98,248)	(95,746)
<b>Net Cash Flow from Operating Activities</b>	38	<b>25,969</b>	22,908	20,895
<b>Cash Flows from Investing Activities</b>				
<i>Proceeds</i>				
Grants		3,409	-	2,054
Sales of Property		5,359	4,879	1,700
Sales of Plant and Equipment		380	-	1,284
		<b>9,148</b>	4,879	5,038
<i>Payments</i>				
Infrastructure – Employee Costs		(2,619)	(3,036)	(2,530)
Infrastructure and Facilities – Other		(20,458)	(16,712)	(18,152)
Plant and Equipment		(2,705)	(5,435)	(4,515)
		<b>(25,782)</b>	(25,183)	(25,197)
<b>Net Cash Flow from/(used in) Investing Activities</b>	38	<b>(16,634)</b>	(20,304)	(20,159)
<b>Cash Flows from Financing Activities</b>				
Proceeds from Borrowings	35	-	-	2,375
Repayment of Borrowings	35	(1,734)	(1,265)	(542)
<b>Net Cash Flow from/(used in) Financing Activities</b>		<b>(1,734)</b>	(1,265)	1,833
<b>Net Increase (Decrease) in Cash Held</b>		<b>7,601</b>	1,339	2,569
<b>Cash Held at the Beginning of the Year</b>		<b>33,108</b>	33,108	30,539
<b>Cash held at the End of the Year</b>	15	<b>40,709</b>	34,447	33,108

This statement should be read in conjunction with the accompanying notes.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A) LOCAL GOVERNMENT REPORTING ENTITY

All funds through which the Council controls resources to carry out its functions have been included in the financial statements of the Council. This includes Controlling Authorities which the Council has established pursuant to s.29 of the *Local Government Act 1993*, namely Doone Kennedy Hobart Aquatic Centre.

The financial report of the Council incorporates only those items over which the Council has control.

Amounts received as tender deposit and retention amounts controlled by the Council are disclosed separately within current liabilities.

#### B) BASIS OF PREPARATION

This financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board such as Interpretations, and the *Local Government Act 1993*.

The Council has determined that it does not have profit generation as a prime objective. Consequently, where appropriate, the Council has elected to apply options and exemptions within accounting standards that are applicable to not-for-profit entities. As a result, the financial report does not comply with International Financial Reporting Standards.

The financial report has been prepared on the accrual basis under the convention of historical cost accounting and does not take into account changing money values, except in relation to some non-current assets which are stated at current valuations.

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.

Judgements made by management that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements. Significant assumptions and judgements were made in determining the values of employee provisions and superannuation liabilities (detailed in note 1(g)) and the

fair value of property, plant and equipment, including useful lives and depreciation (detailed in note 1(k)).

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

#### C) REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Council, and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

##### *Rates, Grants, Donations and Other Contributions*

Rates, grants, donations and other contributions are recognised as revenues when the Council obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates. Control over granted assets is normally obtained upon their receipt or upon prior notification that a grant has been secured, and the timing of commencement of control depends upon the arrangements that exist between the grantor and the Council.

##### *Rendering of Services*

Where a contract has been completed, all related revenue is recognised when the Council controls a right to be compensated for the services provided. Where a contract has not been completed, revenue is recognised only to the extent of costs incurred. Contracts generally arise as a result of requests for work to be carried out at a property-owner's expense, or from compulsory works carried out by the Council pursuant to legislation.

##### *Sale of Assets*

Revenue is recognised when control of the assets has passed to the buyer.

##### *Fines*

Revenue is recognised when the Council controls a right to receive consideration for the enforcement of legislation and Council by-laws.

### *Rents, Interest and Dividends*

Revenue is recognised when the Council has attained control of a right to receive consideration for the provision of, or investment in, assets.

### **D) CASH AND CASH EQUIVALENTS (NOTE 15)**

For the purposes of the Cash Flow Statement, cash includes cash on hand, cash at bank, deposits at call and highly liquid investments with short periods to maturity, net of outstanding bank overdrafts.

### **E) INVENTORIES (NOTE 16)**

Stock is valued at historical cost using the weighted average cost method. Stock is reviewed annually and an appropriate provision for obsolete stock is made.

### **F) FINANCIAL ASSETS (NOTES 11 AND 18)**

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs.

Investments in subsidiaries are measured at cost. Investments in associates are accounted for under the equity method.

The Council has classified its ownership interest in TasWater as an "available-for-sale financial asset" recorded at fair value. All other financial assets are classified as "loans and receivables" and are recorded at amortised cost less impairment. The collectibility of debts is assessed at year-end and an allowance is made for impairment.

Penalty and interest are charged on outstanding rates in accordance with s.128(c) of the *Local Government Act 1993*.

### **G) EMPLOYEE BENEFITS (NOTE 33)**

#### *Wages and Salaries, Annual Leave, Long Service Leave and Sick Leave*

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave when it is probable that settlement will be required and they are capable of being measured reliably. Provision is also made for related superannuation contributions.

Provisions made in respect of employee benefits which fall due wholly within 12 months after the end

of the period in which the employees rendered the related service, are measured at their nominal values using remuneration rates expected to apply at the time of settlement. Other provisions are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date.

Discount rates used are those attaching to national government guaranteed securities at balance date which most closely match the terms to maturity of the related liabilities.

In determining "pre-conditional" long service leave entitlements, the amount of cash outflows required to be made by the Council in the future have been estimated on a group basis after taking into consideration the Council's experience with staff departures.

The liability for employee entitlements to sick leave is equivalent to 17.5% of total accumulated sick leave entitlements at the reporting date because this amount is payable to employees on retirement or resignation.

#### *Superannuation*

The Council contributes to two superannuation plans in respect of its employees – a defined contribution plan and a defined-benefit plan.

Superannuation expense for the reporting period in respect of the defined contribution plan is the amount paid and payable to members' accounts in respect of services provided by employees up to the reporting date.

For the defined-benefit plan, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each reporting date. Actuarial gains and losses are recognised in full in the period in which they occur, and are included in "other comprehensive income".

Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The defined-benefit obligation recognised in the statement of financial position represents the present value of the defined-benefit obligation, adjusted for unrecognised past service cost, net of the fair value of plan assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

## H) PROVISIONS

Provisions are recognised when the Council has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

## I) INVESTMENT PROPERTY (NOTE 20)

Investment property, which is property predominantly held to earn rentals and/or for capital appreciation, is measured at its fair value at the reporting date.

Gains or losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise.

## J) NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE (NOTE 19)

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. The sale of the asset (or disposal group) is expected to be completed within one year from the date of classification.

## K) PROPERTY, PLANT AND EQUIPMENT (NOTES 21–30)

### Acquisition

Purchases of property, plant and equipment are initially recorded at cost. Cost is defined as the purchase consideration plus any costs incidental to the acquisition.

The cost of property, plant and equipment constructed by the Council includes the cost of all materials, direct labour and related labour overheads consumed in the construction.

### Revaluations

Plant and equipment, and the valuation roll, are recorded at cost. All other property, plant and equipment is revalued with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.

When the carrying amount of a class of assets is increased as a result of a revaluation, the net revaluation increase is recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. However, the net revaluation increase is recognised in profit or loss to the extent that it reverses a net revaluation decrease of the same class of assets previously recognised in surplus or deficit.

When the carrying amount of a class of assets is decreased as a result of a revaluation, the net revaluation decrease is recognised in profit or loss. However, the net revaluation decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that same class of assets.

Revaluation increases and decreases relating to individual assets within a class of property, plant and equipment are offset against one another within that class but are not offset in respect of assets in different classes.

Where indexation adjustments have been applied to land values, these have been calculated by reference to "Land Value Adjustment Factors" published annually by the Tasmanian Department of Treasury and Finance in accordance with the *Valuation of Land Act 2001*.

Where indexation adjustments have been applied to other asset values, these have been calculated by reference to the "council cost index" published annually by the Local Government Association of Tasmania (LGAT).

Unless otherwise specified, valuations have been carried-out by Council officers. Where progressive revaluations have been employed for items of property, plant and equipment, revaluation of the particular asset class is completed within a three-year period. Earthworks are not included in the valuation of road assets.

Current cost in relation to an asset means the lowest cost at which the gross service potential of that asset could be obtained in the normal course of operations.

The carrying amount of each asset whose service potential is related to its ability to generate net cash inflows is reviewed at balance date to determine whether such carrying amount is in excess of its recoverable amount. If the carrying amount of an

asset of the type mentioned exceeds the recoverable amount, the asset is written-down to the lower amount. In assessing recoverable amounts, the relevant cash flows have not been discounted to their present value.

No provision is made for capital gains tax liability in respect of revalued assets because the Council is not subject to this tax.

### Depreciation

All items of property, plant and equipment having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets. Land is considered to have an unlimited useful life and therefore is not depreciated. Residual values are assumed to be zero except for some plant and equipment assets.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the beginning of the first reporting period following completion.

Useful lives are estimated on a time basis and are reviewed periodically. The straight-line method is employed for all assets. Ranges of useful lives for major asset classes are:

Asset	Years
Buildings – Halls	50–150
Buildings – Car Parks	50–150
Buildings – G'stands & Change Rms	50–150
Buildings – Public Conveniences	50–150
Buildings – Depot Buildings	50–150
Buildings – Administrative Offices	50–500
Buildings – Commercial	50–150
Buildings – Other	10–150
Infrastructure Plant	3–100
Land Improvements – Landscaping	10–65
Land Improvements – External Playing Surfaces	10–100
Land Improvements – Other	3–100
Other Structures – Furniture & Signs	1–100
Other Structures – Drainage Structures	10–100
Other Structures – Monuments	1–200
Other Structures – Playground Equipment	5–50
Other Structures – Fountains	10–80
Other Structures – Other	1–500
Pipes, Drains & Rivulets – Water	25–126
Pipes, Drains & Rivulets – Irrigation	10–120

Asset	Years
Pipes, Drains & Rivulets – Sewer	20–80
Pipes, Drains & Rivulets – Stormwater	10–134
Pipes, Drains & Rivulets – Rivulets	15–120
Plant & Equipment – Mobile Plant & Equip	5–65
Plant & Equipment – Fleet Vehicles	3–65
Plant & Equipment – Minor Plant	3–65
Plant & Equipment – Furniture & Office Equip	2–65
Roads & Bridges – Sealed Roads	17–1000
Roads & Bridges – Bridges	25–100
Roads & Bridges – Footpaths, Kerbs & Guttering	10–75
Roads & Bridges – Cycleways & Tracks	12–85
Valuables	1–65

### Monuments

The Council controls a number of monuments but has elected not to recognise these on the basis that they cannot be reliably measured.

### Land under Roads

The Council has elected to continue to not recognise land under roads acquired before 1 July 2008 as an asset. Land under roads acquired after that date is accounted for in accordance with AASB 116 *Property, Plant and Equipment*.

## L) LEASES (NOTE 41)

### Finance Leases as Lessee

Leases under which the Council assumes substantially all the risks and rewards of ownership are classified as finance leases and are capitalised. A lease asset and a liability equal to the present value of the minimum lease payments are recorded at the inception of the lease. Contingent rentals are written off as an expense in the period in which they are incurred. Capitalised lease assets are amortised on a straight-line basis over the term of the relevant lease, or where it is likely that the Council will obtain ownership of the asset, the life of the asset. Lease liabilities are reduced by repayments of principal. The interest components of lease payments are charged as an expense of the period.

### Operating Leases as Lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Council as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

The Council leases several parcels of Crown land under lease agreements with the State Government. Generally, these leases do not reflect commercial arrangements, are long-term and have minimal lease payments. Crown land is recognised as an asset in the Statement of Financial Position and carried at fair value when Council establishes that it has control over the land, and will derive economic benefits from it.

#### *Operating Leases as Lessor*

The Council owns a range of facilities that are available for lease by not-for-profit sport, recreational and community organisations. Generally, leases to not-for-profit organisations do not reflect commercial arrangements and have minimal lease payments. Land and buildings which are leased under these arrangements are recognised within property, plant and equipment in the Statement of Financial Position, and associated rental income is recognised in accordance with the Council's revenue recognition policy.

Furthermore, the Council leases some of its land and buildings on commercial terms which may include incentives for the lessee to enter into the agreement, for example a rent-free period or discounted rent. The Council does not account for the cost of incentives because the amounts are unlikely to be material and/or cannot be reliably measured. Rental income is recognised in accordance with the Council's revenue recognition policy.

Where leasing of a property is incidental to the Council's use of it, the associated land and buildings are recognised within property, plant and equipment in the Statement of Financial Position, and valued in accordance with the Council's valuation policy. Properties which are held mainly to earn rental income or for capital appreciation or both, are recognised as investment properties in the Statement of Financial Position. Investment properties are carried at fair value and are not depreciated in accordance with AASB 140 *Investment Property*.

#### **M) FINANCIAL LIABILITIES (NOTES 31 AND 35)**

Financial liabilities are measured initially at fair value plus any transaction costs that are directly attributable to the issue of the financial liability. After initial recognition, all financial liabilities are measured at amortised cost using the effective interest method.

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether billed or not. The amounts are unsecured and are usually paid within 30 days of recognition.

The Council has issued a number of debt instruments which are secured by revenues of the Council. Repayments are made semi-annually in arrears, and interest expense is accrued at the contracted rate and included in payables.

#### **N) HERITAGE ACCOUNT (NOTES 14 AND 15)**

On 16 July 1999, the *National Trust Preservation Fund (Winding-up) Act 1999* (the Act) commenced. The purpose of the Act is to provide for the winding-up of the National Trust Preservation Fund (Preservation Fund) and the distribution of the monies held in that fund. The Act requires the Hobart City Council to establish a Heritage Account, into which the Minister is to transfer one-half of the monies contained in the Preservation Fund.

On 15 December 1999, the Council established the required Heritage Account with Perpetual Trustees Tasmania Limited, and the Minister transferred an amount of \$1,216,205 to that account.

The Act requires that funds transferred into the Heritage Account be applied for the provision of financial or other assistance in relation to an entry in either the National Trust register kept by the National Trust of Australia (Tasmania), or the Tasmanian Heritage Register.

In order to satisfy its responsibilities under the Act, the Council has established a Heritage Account Special Committee as a Special Committee of the Council pursuant to section 24 of the *Local Government Act 1993*.



#### **O) GOODS AND SERVICES TAX (GST)**

Revenues, expenses and assets have been recognised net of GST where that GST is recoverable from the ATO. Where an amount of GST is not recoverable from the ATO, it has been recognised as part of the cost of acquisition of an asset or part of an item of expense to which it relates. Receivables and payables have been stated with the amount of GST included. The net amount of GST recoverable from the ATO has been included as part of receivables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO is classified as operating cash flows.

#### **P) BUDGET**

Estimated revenues and expenses in the Statement of Comprehensive Income, and estimated receipts and payments in the Statement of Cash Flows, represent original budget amounts, and are not audited.

#### **Q) ROUNDING**

Amounts shown in the financial statements are rounded to the nearest thousand dollars. This may result in minor variations between schedules.

## 2. CHANGES IN ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

### A) NEW AND REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED IN THE CURRENT PERIOD

The Council has adopted the following new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board which are relevant to its operations and effective for the current reporting period:

*AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities.* This standard applies to annual reporting periods beginning on or after 1 January 2014. The standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of “currently has a legally enforceable right of set-off” and that some gross settlement systems may be considered equivalent to net settlement. It has not had a financial impact.

*AASB 1031 Materiality.* This standard applies to annual reporting periods beginning on or after 1 January 2014. The objective of the standard is to make cross-references to other standards and the Framework for the Preparation and Presentation of Financial Statements (as identified in AASB 1048 *Interpretation of Standards*) that contain guidance on materiality.

*AASB 2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets.* This standard applies to annual reporting periods beginning on or after 1 January 2014. The standard amends the disclosure requirements of AASB 136. The amendments include the requirement to disclose additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal. The adoption of this standard has not impacted the Council's accounting policies nor its disclosures in the current period.

*AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments.* Part A of the standard is effective from 20 December 2013 and updates references to the Framework for the Preparation and Presentation of Financial Statements in other standards as a consequence of the issue of AASB CF 2013-1 in December 2013. Part B of the standard is effective from 1 January 2014 and deletes references to AASB 1031 *Materiality* in various other standards. Once all references to AASB 1031 have been deleted from all Australian Accounting Standards, AASB 1031 will be withdrawn. Part C of the standard is effective from 1 January 2015 and amends AASB 9 *Financial Instruments* to add chapter 6 Hedge Accounting, and

makes consequential amendments to AASB 9 and numerous other standards. Part C also amends the effective date of AASB 9 to annual reporting periods beginning on or after 1 January 2017, instead of 1 January 2015. The adoption of this standard has not impacted the Council's accounting policies.

Interpretation 21 *Levies.* This interpretation provides clarity that a liability to pay government imposed levies, other than income taxes, is deferred until thresholds are exceeded. The adoption of this interpretation has not impacted the Council's accounting policies.

### B) NEW AND REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

The Council has not yet applied the following Australian Accounting Standards and Interpretations which have been issued and are relevant to its operations, but are not yet effective. These will be applied from their application dates.

*AASB 9 Financial Instruments* and the relevant amending standards. This standard applies to annual reporting periods beginning on or after 1 January 2017. The standard is one of a series of amendments that are expected to replace AASB 139 *Financial Instruments: Recognition and Measurement.* The main impact of the standard is to change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements the four categories of financial assets in AASB 139 will be replaced with two measurement categories: fair value and amortised cost. Amortised cost is to be used for assets with contractual terms giving rise to principal and interest payments. Fair value is to be used for all other financial assets. Gains or losses on financial assets at fair value are to be recognised in profit and loss unless the asset is part of a hedging relationship or an irrevocable election has been made to present in other comprehensive income changes in the fair value of an equity instrument not held for trading.

When adopted, the standard will affect, in particular, the Council's accounting for its available-for-sale financial assets. Currently, the Council recognises changes in the fair value of its available-for-sale financial assets through other comprehensive income. Under AASB 9, fair value gains and losses on available-for-sale financial assets will have to be recognised directly in profit or loss. Had this requirement been adopted at 30 June 2015, the fair value gain on the Council's investment in TasWater of \$1.283 million would have reduced the Council's surplus accordingly.

There will be no impact on the Council's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss, and the Council has no such liabilities. The derecognition rules have been transferred from AASB 139 *Financial Instruments: Recognition and Measurement* and these will not change.

*AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation (effective from 1 January 2016)*

This amendment introduces a rebuttable presumption that the use of revenue-based amortisation methods for intangible assets is inappropriate. In addition to this, there is limited opportunity for presumption to be overcome and clarifies that revenue-based depreciation for property, plant and equipment cannot be used.

*AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 (effective from 1 January 2016)*

The amendments to AASB 101 do not require any significant change to current practice, but should facilitate improved reporting, including emphasis on only including material disclosures, clarity on the aggregation and disaggregation of line items, the presentation of subtotals, the ordering of notes and the identification of significant accounting policies.

*AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Sector Entities (effective from 1 January 2016)*

The amendments extend the scope of AASB 124 *Related Party Disclosures* to include not-for-profit sector entities. It is expected this will increase Councils disclosures.

*AASB 15 Revenue from Contracts with Customers and AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15 (effective from 1 January 2017)*

Under the new standard, a single model that applies to contracts with customers and two approaches to recognising revenue at a point in time or over time is proposed. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised.

The new standard will apply to contracts of not-for-profit entities that are exchange contracts. AASB 1004 *Contributions* will continue to apply to non-exchange transactions until the Income from Transactions of Not-for-Profit Entities project is completed.

## **C) VOLUNTARY CHANGES IN ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**

Accounting policies adopted for the current reporting period are consistent with those of the previous reporting period.

The following change to an accounting estimate has been made in the current reporting period.

The Council has revised the value of the McRobies Gully tip site rehabilitation provision as a result of changes in accounting estimates. Advice has been received indicating the cost of rehabilitating the site will be \$1.74m greater than previous estimates. In addition, the life of the tip site has been estimated to extend to 2030, an increase of 12 years from 2018, through increasing the height of the landfill profile.

The financial impact of these revised estimates in the current period has been an increase in the Provision for Rehabilitation of Landfill Site (refer note 36) reflected as a Materials and Services expense in the Statement of Other Comprehensive Income.

### 3. FUNCTIONS/ACTIVITIES OF THE COUNCIL

		Expenses		Revenues		Assets
		\$'000	Grants \$'000	Other \$'000	Total \$'000	\$'000
Public Order and Safety	<b>2014–15</b>	<b>8,903</b>	<b>0</b>	<b>8,469</b>	<b>8,469</b>	<b>0</b>
	2013–14	8,446	0	7,931	7,931	1
Health	<b>2014–15</b>	<b>1,664</b>	<b>0</b>	<b>780</b>	<b>780</b>	<b>113</b>
	2013–14	1,689	0	760	760	39
Welfare	<b>2014–15</b>	<b>2,963</b>	<b>115</b>	<b>171</b>	<b>286</b>	<b>3,011</b>
	2013–14	2,909	139	190	329	5,332
Community Amenities	<b>2014–15</b>	<b>24,036</b>	<b>71</b>	<b>14,821</b>	<b>14,892</b>	<b>144,164</b>
	2013–14	22,659	43	14,018	14,061	187,074
Recreation and Culture	<b>2014–15</b>	<b>29,514</b>	<b>8</b>	<b>8,311</b>	<b>8,319</b>	<b>247,120</b>
	2013–14	28,202	23	7,429	7,452	218,155
Parking	<b>2014–15</b>	<b>11,067</b>	<b>0</b>	<b>19,110</b>	<b>19,110</b>	<b>89,975</b>
	2013–14	10,952	0	18,459	18,459	81,454
Transport	<b>2014–15</b>	<b>14,234</b>	<b>2,530</b>	<b>386</b>	<b>2,916</b>	<b>219,272</b>
	2013–14	13,706	861	392	1,253	209,287
Economic Services	<b>2014–15</b>	<b>5,160</b>	<b>151</b>	<b>1,962</b>	<b>2,113</b>	<b>1,588</b>
	2013–14	4,443	162	1,763	1,925	1,489
Other (Not Attributed)*	<b>2014–15</b>	<b>17,754</b>	<b>1,844</b>	<b>60,272</b>	<b>62,116</b>	<b>234,442</b>
	2013–14	16,837	910	60,687	61,597	221,262
Total	<b>2014–15</b>	<b>115,295</b>	<b>4,719</b>	<b>114,282</b>	<b>119,001</b>	<b>939,685</b>
	2013–14	109,843	2,138	111,629	113,767	924,093

Note – capital expenses and capital income are not included.

\* Rates and charges for Stormwater, Solid Waste Management and Fire have been attributed to functions, but general rates have not.

The activities relating to the Council's functions are classified as follows:

PUBLIC ORDER AND SAFETY: fire prevention and emergency management.

HEALTH: food control, immunisation services and animal control.

WELFARE: youth services and aged care services.

COMMUNITY AMENITIES: solid waste management, stormwater drainage, public conveniences, street lighting, Council-owned properties and administration of planning schemes.

RECREATION AND CULTURE: public halls, the Aquatic Centre, recreation centres, parks and reserves, the nursery, and festivals.

PARKING: car parks and on-street parking.

TRANSPORT: roads, footpaths, bridges, and traffic signs.

ECONOMIC SERVICES: Salamanca Market and tourism promotion.

#### 4. EMPLOYEE COSTS

	Note	2014–15 \$'000	2013–14 \$'000
Gross Wages and Salaries		43,239	42,602
Less: Amounts Capitalised		(1,733)	(1,663)
Leave Payments		(3,772)	(3,514)
		(5,505)	(5,177)
Wages and Salaries Expensed		37,734	37,425
Leave Entitlements		3,480	3,431
Defined-benefit Superannuation Plan	33	1,725	1,870
Other Superannuation		3,880	3,716
Workers Compensation Insurance		851	1,166
Payroll Tax		3,048	2,978
Aldermanic Allowances		499	487
Employee Separation payments		687	981
Labour Overheads Capitalised		(886)	(867)
		<b>51,018</b>	51,187
Number of Employees (Full-time Equivalent)		584	614

#### 5. DEPRECIATION AND AMORTISATION

	2014–15 \$'000	2013–14 \$'000
Land Improvements	996	977
Buildings	1,940	2,254
Infrastructure Plant	361	328
Plant and Equipment	2,276	2,402
Pipes, Drains and Rivulets	2,123	2,061
Roads and Bridges	6,823	7,025
Other Structures	2,864	2,763
Other	67	67
	<b>17,450</b>	17,877

#### 6. FINANCE COSTS

	Note	2014–15 \$'000	2013–14 \$'000
Interest on Loans		851	803
Landfill Restoration Provision	36	188	215
Defined-benefit Superannuation Scheme	33	38	153
		<b>1,077</b>	1,171

## 7. OTHER EXPENSES

	Note	2014–15 \$'000	2013–14 \$'000
Pensioner Rate Remissions		1,083	1,050
Less: Reimbursements from Government	9	(1,055)	(1,010)
		28	40
Other Rate Remissions		22	36
Grants and Specific Purpose Benefits		1,250	1,208
Directors Fees		12	12
Auditor's Remuneration – Audit of the Financial Report		49	47
Other Audit Fees		162	85
Bad and Doubtful Debts		164	226
Assets Written-off		2,596	1,721
Obsolete Stock		8	(2)
Fringe Benefits Tax		350	366
Land Tax		638	594
		<b>5,279</b>	<b>4,333</b>

## 8. UNDERLYING RESULT

The Council's underlying result for the period is calculated by excluding those items included in surplus or deficit which are either capital in nature, non-recurring or the result of contributions received in advance.

	Note	2014–15 \$'000	2013–14 \$'000
Surplus / (Deficit)		<b>15,228</b>	6,633
<i>exclude</i>			
Employee Separation payments	4	687	981
Adjustment to Allowance for Impaired Fines		-	(2,267)
Capital Insurance Receipt		(529)	-
Capital Grants	9	(3,409)	(2,054)
(Gain)/ Loss on Disposal	10	(1,477)	-
Contributed Property, Plant and Equipment		(4,477)	(1,102)
Property Settlement		(1,630)	-
<i>adjust Financial Assistance Grants received in advance</i>	9		
2015–16 Allocation Received in 2014–15		(1,349)	-
2013–14 Allocation Received in 2012/13		-	1,362
<i>adjust Rates received in advance</i>	13		
2013–14 Rates Received in 2012/13		-	405
2014–15 Rates Received in 2013–14		500	(500)
2015–16 Rates Received in 2014–15		(496)	-
Underlying Surplus / (Deficit)		<b>3,048</b>	<b>3,458</b>

## 9. GRANTS AND DONATIONS

	Note	2014–15 \$'000	2013–14 \$'000
<b>a) Operating Grants</b>			
<i>provided by Government</i>			
Commonwealth Financial Assistance Grants		4,076	1,358
Pensioner Rate Remission Grants	7	1,055	1,010
Battery Point Foreshore Public Access-way		-	15
Hobart Central Bus Interchange Planning Project		-	25
Employment Creation Initiatives		18	20
Fuel Tax Credit Scheme		108	104
Infill Development within Greater Hobart		50	-
Local Government Energy Efficiency Program (LGEEP)		-	55
South Hobart Community Centre		73	-
Still Gardening Program		112	137
Tasmanian Travel and Information Centre		150	150
Taxi Security Scheme		-	64
Miscellaneous		33	60
		<b>5,675</b>	<b>2,998</b>
<i>other</i>			
Provision of Public Open Space		99	145
Provision of Parking Facilities		-	-
Miscellaneous		-	5
		<b>99</b>	<b>150</b>
		<b>5,774</b>	<b>3,148</b>
less : Pensioner Rate Remission Grants netted against Remissions	7	(1,055)	(1,010)
		<b>4,719</b>	<b>2,138</b>

The Australian Commonwealth Government provides Financial Assistance Grants to the Council for general purpose use and the provision of local roads. In accordance with AASB 1004 *Contributions*, the Council recognises these grants as revenue when it receives the funds and obtains control.

Since 2009–10 the Commonwealth has been making early payment of the first quarterly instalment for the following year. In 2012 this was increased to early payment of first two instalments for 2012/13, in June 2012. In the 2014–15 Budget however, the Commonwealth announced it would not bring forward any instalments of the 2014–15 grant pool. In the 2015–16 budget the early payment of two instalments of the 2015–16 was once again brought forward and received in June 2015.

The early receipt of Commonwealth Government Financial Assistance Grant instalments has resulted in six instalments in 2014–15 and only two instalments in 2015–16. In preparing its annual normal budget, the Council assumes that the Commonwealth Government continues its policy of distributing payments in the year to which they relate.

Future payments of Financial Assistance Grants remain at the Commonwealth's discretion.

## 9. GRANTS AND DONATIONS (CONT.)

	Note	2014–15 \$'000	2013–14 \$'000
<b>b) Capital Grants</b>			
<i>provided by Government</i>			
Roads to Recovery Program		570	1,472
Blackspot Program		35	69
Flame of Remembrance		100	200
Improving Public Spaces		250	-
Macquarie Street Renewal Works		55	-
Maritime Museum Lift Installation		120	-
Safer Roads program		48	66
Soldiers Memorial Avenue Upgrade		2,171	-
Trails and Bikeways		-	100
Miscellaneous		-	7
		3,349	1,914
<i>other</i>			
Flame of Remembrance		-	18
Pipeline Track – Twin Bridges upgrade		-	104
Wellesley Park Pavillion		52	-
Miscellaneous		8	18
		60	140
		<b>3,409</b>	2,054
<b>Total Grants and Donations</b>		<b>8,128</b>	4,192
<b>c) Conditions</b>			
Grants and donations which were recognised as revenues during the reporting period and which were obtained on the condition that they be expended in a particular manner, but had yet to be applied in that manner as at the reporting date:		733	826
Grants and donations which were recognised as revenues in a previous reporting period and were expended during the current reporting period in the manner specified by the contributor :		(3,088)	(3,766)
Net increase/(decrease) in assets subject to conditions		(2,355)	(2,940)
Assets subject to conditions at the beginning of the period		3,630	6,570
<b>Assets subject to conditions at the end of the period</b>	14	<b>1,275</b>	3,630

With the exception of assets subject to conditions at the end of the period, all funds granted have been expended for the purpose for which they were provided.



## 10. ASSET SALES

	2014–15 \$'000	2013–14 \$'000
Plant & Equipment		
Proceeds from Sales	380	1,284
Less Carrying Amount of Assets Sold	(553)	(1,731)
Gain / (Loss) on Disposal	<b>(173)</b>	(447)
Land and Buildings		
Proceeds from Sales	3,800	-
Less Carrying Amount of Assets Sold	(2,150)	-
Gain / (Loss) on Disposal	1,650	-
<b>Total Gain / (Loss) on disposal of assets</b>	<b>1,477</b>	(447)

## 11. INVESTMENT IN TASWATER

On 1 July 2013, a new statewide water and sewerage corporation trading as "TasWater" commenced in accordance with the *Water and Sewerage Corporation Act 2012*. TasWater took over the water and sewerage services and assets previously operated by Ben Lomond Water, Cradle Mountain Water and Southern Water. It also manages the billing, IT and payroll functions previously managed by the industry's service firm, Onstream. The Council holds an equal representation with all other councils.

There has been no change to the previous investment treatment, with the Council receiving a proportional share in the new corporation. The Council continues to derive returns in the form of dividends, guarantee fees and tax equivalents, and continues to account for its ownership interest in accordance with AASB 139 *Financial Instruments: Recognition and Measurement*. The investment has been classified as an "available-for-sale financial asset".

At 30 June 2015, the fair value of the asset was measured by applying Council's equity voting proportion (10.39%) to TasWater's net asset value at that date. TasWater advised that this net asset value was \$1,538 million.

The following table summarises the movements in the value of the Council's investment in TasWater:

	2014–15 \$'000	2013–14 \$'000
Opening Balance	159,591	198,252
Fair Value Adjustment	1,283	(38,661)
<b>Closing Balance</b>	<b>160,874</b>	159,591

Fair value adjustments have been recognised in other comprehensive income.

## 12. ASSET REVALUATIONS

	Note	2014-15 \$'000	2013-14 \$'000
<b>PP&amp;E Revaluations Recognised in Other Comprehensive Income</b>			
Land		16,836	-
Buildings		8,798	(32,739)
Land Improvements		444	(3,932)
Infrastructure Plant		8	9
Pipes, Drains and Rivulets		(35,442)	3,377
Roads and Bridges		4,273	(15,279)
Other Structures		1,422	1,537
Other		91	-
<b>Net PP&amp;E Revaluation Increments/(Decrements)</b>	21, 37	<b>(3,570)</b>	<b>(47,027)</b>

## 13. RATES RECEIVED IN ADVANCE

	2014-15 \$'000	2013-14 \$'000
Rates recognised as revenues during the reporting period which were obtained in respect of future rating periods	496	500
Rates recognised as revenues in a previous reporting period which were obtained in respect of the current reporting period.	(500)	(405)
<b>Net Increase (Decrease) in Prepaid Rates</b>	<b>(4)</b>	<b>95</b>

## 14. RESTRICTED ASSETS

	Note	2014-15 \$'000	2013-14 \$'000
<b>a) Grants and Donations subject to Conditions</b>			
Assets derived from grants and donations which were obtained on the condition that they be expended in a particular manner but had yet to be applied in that manner as at the reporting date were in respect of :			
- Accelerated Energy Efficient Street Light Roll Out		11	1,258
- Battery Point Foreshore Public Accessway		-	75
- Contributions in lieu of Parking		135	135
- Contributions in lieu of Public Open Space		239	239
- Flame of Remembrance		-	216
- Pipeline Track – Twin Bridges upgrade		-	102
- Roadworks		585	84
- Trails and Bikeways		42	100
- Wellesley Park Pavillion Refurbishment		79	88
- Wellesley Park – Sport & Recreation Facilities		67	1,133
- Miscellaneous		117	199
	9	1,275	3,629
<b>b) Heritage Account</b>			
Assets acquired as a result of the winding-up of the National Trust Preservation Fund which are required by section 5(3) of the <i>National Trust Preservation Fund (Winding-up) Act 1999</i> to be applied for the provision of financial or other assistance in relation to an entry in either the National Trust Register or the Tasmanian Heritage Register	1(n)	1,380	1,361
<b>Total Restricted Assets</b>	15(b)	<b>2,655</b>	<b>4,990</b>

## 15. CASH

	Note	2014-15 \$'000	2013-14 \$'000
<b>a) Definition of Cash</b>			
For the purpose of the Statement of Cash Flows, the following items comprise the cash balance at the end of the period:			
Term Deposits		30,834	20,334
At Call		5,656	9,990
		36,490	30,324
Cash Advances		63	61
Cash at Bank		4,156	2,723
		<b>40,709</b>	<b>33,108</b>
<b>b) Composition of Cash</b>			
The following restrictions apply to the closing cash balance :			
- Accelerated Energy Efficient Street Light Roll Out		11	1,258
- Battery Point Foreshore Public Accessway		-	75
- Provision of Public Open Space		239	239
- Provision of Parking Facilities		135	135
- Flame of Remembrance		-	216
- Pipeline Track – Twin Bridges upgrade		-	102
- Roadworks		585	84
- Trails and Bikeways		42	100
- Wellesley Park Pavillion Refurbishment		79	88
- Wellesley Park – Sport and Recreation Facilities		67	1,133
- Heritage Funding		1,380	1,361
- Other		117	200
	14	2,655	4,991
The remainder of the Cash balance has been ear-marked for :			
- Asset Replacement		16,492	17,791
- Other Capital Works		144	166
- Provision of Public Open Space		16	16
- Loan Redemption		1,331	-
- Bushland Acquisition		308	395
- Public Infrastructure Fund		9,286	3,263
- McRobies Gully Landfill Rehabilitation		2,568	2,185
- Asphalt Plant decommissioning and site rehabilitation		761	800
- Queens Domain Facility upgrades		276	16
- Refundable Deposits		1,897	1,838
- Unallocated		4,975	1,647
		38,054	28,117
		<b>40,709</b>	<b>33,108</b>

## 16. INVENTORIES

	2014–15 \$'000	2013–14 \$'000
Doone Kennedy Hobart Aquatic Centre	48	45
Domain Quarry	42	71
Tasmanian Travel & Information Centre	23	19
Other	229	175
<b>Total</b>	<b>342</b>	<b>310</b>

## 17. FINANCIAL INSTRUMENTS

The Council's principal financial instruments comprise receivables, payables, loans, cash and short-term deposits. The main risks arising from these financial instruments are credit risk, interest rate risk and liquidity risk.

The Council uses a variety of methods to measure and manage the various types of risk to which it is exposed, and these are outlined below.

### A) CREDIT RISK

Credit risk arises from the Council's financial assets, which comprise cash and cash equivalents, and trade and other receivables. The 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 note.

The Council does not hold any credit derivatives to offset its credit risk exposure.

The Council generally trades with recognised, creditworthy third parties, and as such collateral is generally not requested, nor is it the Council's policy to securitise its trade and other receivables.

It is the 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. These procedures are currently limited to customers of the McRobies Gully Waste Management Centre. Credit risk limits are set for each individual customer and these limits are regularly monitored.

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

There are no significant concentrations of credit risk and financial instruments are spread amongst a number of financial institutions to minimise the risk of default of counterparties.

In relation to amounts owed to the Council in respect of unpaid rates, there is generally no credit risk as section 137 of the *Local Government Act 1993* empowers councils to sell properties as a means of recovering rates outstanding.

### B) INTEREST RATE RISK

Exposure to interest rate risk arises predominantly from assets and liabilities bearing variable interest rates, as the Council intends to hold fixed rate assets and liabilities to maturity. The Council monitors both its level of exposure to interest rate risk, and assessments of market forecasts for future interest rates.

The Council's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out below.

2014-15		Fixed Interest Maturing in :						
	Floating Interest Rate	1 year or less	Over 1 to 5 years	More than 5 years	Non-Interest Bearing	Total	Weight Average Interest Rate	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
<b>Financial Assets</b>								
Cash and Cash Equivalents	9,812	30,834	-	-	63	40,709	2.85%	
Receivables	1,039	26	-	-	5,881	6,946	0.91%	
	10,851	30,860	-	-	5,944	47,655		
Weighted Average Interest Rate	3.42%	2.90%	0.00%	0.00%				
<b>Financial Liabilities</b>								
Bank Overdraft	-	-	-	-	-	-	8.88%	
Payables	-	-	-	-	8,559	8,559	n/a	
Loans	-	1,331	6,095	7,002	-	14,428	5.54%	
	-	1,331	6,095	7,002	8,559	22,987		
Weighted Average Interest Rate	0.00%	5.38%	5.40%	5.70%				
<b>Net Financial Assets / (Liabilities)</b>								
	<b>10,851</b>	<b>29,529</b>	<b>(6,095)</b>	<b>(7,002)</b>	<b>(2,615)</b>	<b>24,668</b>		

2013-14		Fixed Interest Maturing in :						
	Floating Interest Rate	1 year or less	Over 1 to 5 years	More than 5 years	Non-Interest Bearing	Total	Weight Average Interest Rate	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
<b>Financial Assets</b>								
Cash and Cash Equivalents	12,713	20,334	-	-	61	33,108	3.46%	
Receivables	985	26	-	-	4,431	5,442	0.97%	
	13,698	20,360	-	-	4,492	38,550		
Weighted Average Interest Rate	3.53%	3.74%	0.00%	0.00%				
<b>Financial Liabilities</b>								
Bank Overdraft	-	-	-	-	-	-	8.45%	
Payables	-	-	-	-	6,343	6,343	n/a	
Loans	-	1,733	5,781	8,648	-	16,162	5.52%	
	-	1,733	5,781	8,648	6,343	22,505		
Weighted Average Interest Rate	0.00%	5.39%	5.39%	5.64%				
<b>Net Financial Assets / (Liabilities)</b>								
	<b>13,698</b>	<b>18,627</b>	<b>(5,781)</b>	<b>(8,648)</b>	<b>(1,851)</b>	<b>16,045</b>		

Changes in variable rates of 100 basis points at the reporting date would have the following effect on the Council's profit or loss and equity:

	30 June 2015		30 June 2014	
	100 basis points	100 basis points	100 basis points	100 basis points
	increase \$'000	decrease \$'000	increase \$'000	decrease \$'000
<b>Financial Assets</b>				
Cash Advances	n/a	n/a	n/a	n/a
Other Cash and Cash Equivalents	84	(84)	128	(128)
Receivables	10	(10)	10	(10)
	<b>94</b>	<b>(94)</b>	138	(138)
<b>Financial Liabilities</b>				
Payables	n/a	n/a	n/a	n/a
Loans	n/a	n/a	n/a	n/a
	-	-	-	-

This analysis assumes all other variables remain constant. The analysis was performed on the same basis for 30 June 2014.

### C) LIQUIDITY RISK

Liquidity risk is monitored through the development of rolling cash flow forecasts. The Council's objective is to maintain a balance between continuity of funding and flexibility through the use of short-term investments, bank overdrafts and loans.

The Council monitors rolling forecasts of liquidity reserves on the basis of expected cash flow. Forecast liquidity reserves at the reporting date are as follows:

	2015-16 \$'000	2017-20 \$'000
Opening Balance for the Period	40,709	33,191
Operating Inflows	116,316	502,135
Operating Outflows	(96,522)	(412,619)
Investing Inflows	6,591	28,331
Investing Outflows	(32,569)	(121,668)
Financing Inflows	-	-
Financing Outflows	(1,334)	(6,096)
Closing Balance for the Period	33,191	23,274

#### D) NET FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximates their carrying value.

The net fair value of other monetary financial assets and financial liabilities is based on market prices where a market exists or by discounting expected future cash flows by the current interest rates for assets and liabilities with similar risk properties.

The carrying amounts and net fair values of financial assets and liabilities at the reporting date are as follows:

	2014-15		2013-14	
	Carrying Amount \$'000	Net Fair Value \$'000	Carrying Amount \$'000	Net Fair Value \$'000
<b>Financial Assets</b>				
Cash Advances	63	63	61	61
Cash at Bank and Investments	40,646	40,646	33,047	33,047
Investment in TasWater	160,874	160,874	159,591	159,591
Receivables	6,946	6,946	5,442	5,442
	<b>208,529</b>	<b>208,529</b>	198,141	198,141
<b>Financial Liabilities</b>				
Bank Overdraft	-	-	-	-
Payables	8,559	8,559	6,343	6,343
Loans	14,428	15,319	16,162	17,429
	<b>22,987</b>	<b>23,878</b>	22,505	23,772

None of the above assets and liabilities are readily traded on organised markets in standardised form.



## E) FAIR VALUE HIERARCHY

The table below analyses financial instruments carried at fair value by valuation method.

The different levels have been defined as follows:

- Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 Inputs for the asset or liability that are not based on observable market data.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>2014–15</b>				
Available For Sale Financial Assets	-	-	160,874	160,874
Financial Assets at Fair Value Through Profit or Loss	-	273	-	273
Financial Assets Held for Trading	-	-	-	-
Derivative Financial Assets	-	-	-	-
	<b>-</b>	<b>273</b>	<b>160,874</b>	<b>161,147</b>
<b>2013–14</b>				
Available For Sale Financial Assets	-	-	159,591	159,591
Financial Assets at Fair Value Through Profit or Loss	-	254	-	254
Financial Assets Held for Trading	-	-	-	-
Derivative Financial Assets	-	-	-	-
	<b>-</b>	<b>254</b>	<b>159,591</b>	<b>159,845</b>

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

Reconciliation of level 3 fair value movements

	2014–15 \$'000	2013–14 \$'000
Opening Balance	159,591	198,252
Gains / (Losses) Recognised in Profit or Loss	-	-
Gains / (Losses) recognised in Other Comprehensive Income	1,283	(38,661)
Transfer Into / (Out Of) Level 3	-	-
<b>Closing Balance</b>	<b>160,874</b>	<b>159,591</b>

## 18. RECEIVABLES

	Note	2014-15 \$'000	2013-14 \$'000
Rates		1,099	1,074
Parking Fines		7,448	7,567
Trade Receivables		800	1,087
Accrued Interest on Investments		289	316
Wages and Salaries Paid in Advance		112	126
TasWater Distribution		210	-
Other Debtors		1,802	257
		11,760	10,427
Less Allowance for Impairment	2(c)	(4,814)	(4,985)
		<b>6,949</b>	5,442
Current		6,750	5,217
Non-Current		196	225
		<b>6,946</b>	5,442

At 30 June the ageing analysis of receivables is as follows:

### Trade Receivables

	Total \$'000	0-29 days \$'000	0-29 days \$'000 CI*	30-59 days \$'000 PDNI*	30-59 days \$'000 CI*	60-89 days \$'000 PDNI*	60-89 days \$'000 CI*	90+ days \$'000 PDNI*	90+ days \$'000 CI*
2015	800	642	-	50	-	11	-	68	29
2014	1,087	717	-	185	1	50	-	100	34

### Parking Fines

	Total \$'000	Parking Meter and Voucher			Traffic Infringements		
		0-14days \$'000	14+ days \$'000 PDNI*	14+ days \$'000 CI*	0-28 days \$'000	28+days \$'000 PDNI*	28+days \$'000 CI*
2015	7,448	95	2,165	3,579	66	583	960
2014	7,567	86	2,113	3,689	74	578	1,027

### Rates

	Total \$'000	90+ days \$'000 PDNI*
2015	1,099	1,099
2014	1,074	1,074

\*PDNI – past due not impaired

\*CI – considered impaired

## 19. ASSETS CLASSIFIED AS HELD FOR SALE

The following assets were classified as 'held for sale' at the reporting date:

	2014-15 \$'000	2013-14 \$'000
Land	-	2,150
	-	2,150

## 20. INVESTMENT PROPERTY

	2014-15 \$'000	2013-14 \$'000
At Cost	-	631
At Valuer-General's 2009 Valuation of Market Value	-	24,407
	-	25,038

The classification of assets as Investment Properties has been reviewed during the year. Council has determined that land and buildings previously classified as Investment Properties are held either for strategic purposes or to provide a social service. As a result these assets have been reclassified as land and buildings in the current year.

## 21. PROPERTY, PLANT AND EQUIPMENT

	Note	Carrying Amount 30/6/2014 \$'000	Additions \$'000	Disposals \$'000	Net Revaluation Adjustments \$'000	Depreciation \$'000	Other Movements \$'000	Carrying Amount 30/6/2015 \$'000
Plant and Equipment	22	16,272	3,275	(576)	-	(2,276)	(1)	16,694
Land	23	137,426	3,385	-	16,836	-	22,102	179,749
Buildings	23	127,918	1,204	(544)	8,798	(1,940)	2,939	138,375
Land Improvements	24	19,407	982	(415)	444	(996)	(2)	19,420
Infrastructure Plant	25	3,279	164	(333)	8	(361)	-	2,757
Pipes, Drains and Rivulets	26	137,625	1,283	(115)	(35,442)	(2,123)	1,262	102,490
Roads and Bridges	27	179,284	1,353	(386)	4,273	(6,823)	-	177,701
Other Structures	28	64,680	1,415	(165)	1,422	(2,864)	(2)	64,486
Capital Work in Progress	29	11,515	18,410	(526)	-	-	(1,262)	28,137
Other	30	838	-	-	91	(67)	2	864
		<b>698,244</b>	<b>31,471</b>	<b>(3,060)</b>	<b>(3,570)</b>	<b>(17,450)</b>	<b>25,038</b>	<b>730,673</b>

Other Movements predominantly represents the transfer of Investment Property assets to Land and Building asset classes.

	Note	Carrying Amount 30/6/2013 \$'000	Additions \$'000	Disposals \$'000	Net Revaluation Adjustments \$'000	Impairment Losses \$'000	Depreciation \$'000	Other Movements \$'000	Carrying Amount 30/6/2014 \$'000
Plant and Equipment	22	15,770	4,692	(1,788)	-	-	(2,402)	-	16,272
Land	23	137,426	-	-	-	-	-	-	137,426
Buildings	23	154,638	8,415	(142)	(32,739)	-	(2,254)	-	127,918
Land Improvements	24	20,248	4,389	(321)	(3,932)	-	(977)	-	19,407
Infrastructure Plant	25	2,214	1,395	(11)	9	-	(328)	-	3,279
Pipes, Drains and Rivulets	26	133,571	2,975	(237)	3,377	-	(2,061)	-	137,625
Roads and Bridges	27	186,525	15,791	(728)	(15,279)	-	(7,025)	-	179,284
Other Structures	28	63,242	2,889	(225)	1,537	-	(2,763)	-	64,680
Capital Work in Progress	29	28,005	(16,490)	-	-	-	-	-	11,515
Other	30	875	30	-	-	-	(67)	-	838
		<b>742,514</b>	<b>24,086</b>	<b>(3,452)</b>	<b>(47,027)</b>	<b>-</b>	<b>(17,877)</b>	<b>-</b>	<b>698,244</b>

## 22. PLANT AND EQUIPMENT

	2014–15 \$'000	2013–14 \$'000
At Cost	31,174	29,871
less : Impairment Losses	(1)	(1)
less : Accumulated Depreciation	(14,479)	(13,598)
	<b>16,694</b>	<b>16,272</b>

## 23. LAND AND BUILDINGS

	2014–15 \$'000	2013–14 \$'000
<b>Land</b>		
At Market Value – 2014	-	1,553
At Valuer-General's Valuation of Market Value – 2009	-	135,873
At Valuer-General's Valuation of Market Value – 2015	179,749	-
	<b>179,749</b>	<b>137,426</b>
<b>Building</b>		
At Replacement Cost – 2015	1,836	-
At Replacement Cost – 2014 Indexed to 31 March 2015	211,418	-
At Replacement Cost – 2014	-	197,558
	213,254	197,558
less : Impairment Losses	(23)	(23)
less : Accumulated Depreciation	(74,856)	(69,617)
	<b>138,375</b>	<b>127,918</b>
	<b>318,124</b>	<b>265,344</b>

## 24. LAND IMPROVEMENTS

	2014–15 \$'000	2013–14 \$'000
At Replacement Cost – 2015	981	-
At Replacement Cost – 2014 Indexed to 31 March 2015	42,652	-
At Replacement Cost – 2014	-	43,422
	43,633	43,422
less : Accumulated Depreciation	(24,213)	(24,015)
	<b>19,420</b>	<b>19,407</b>

## 25. INFRASTRUCTURE PLANT

	2014–15 \$'000	2013–14 \$'000
At Replacement Cost	4,702	4,648
At Replacement Cost – 2009 Indexed to 31 March	580	566
At Replacement Cost – 2008 Indexed to 31 March	508	3,251
	5,790	8,465
less : Impairment Losses	(773)	(773)
less : Accumulated Depreciation	(2,260)	(4,413)
	<b>2,757</b>	<b>3,279</b>

## 26. PIPES, DRAINS AND RIVULETS

	2014–15 \$'000	2013–14 \$'000
At Replacement Cost	179,140	5,952
At Replacement Cost – 2012 Indexed to 31 March 2014	-	231,031
	179,140	236,983
less : Accumulated Depreciation	(76,650)	(99,358)
	<b>102,490</b>	137,625

## 27. ROADS AND BRIDGES

	2014–15 \$'000	2013–14 \$'000
At Replacement Cost – 2014 Indexed to 31 March 2015	377,989	-
At Replacement Cost – 2014	-	369,467
	377,989	369,467
less : Accumulated Depreciation	(200,288)	(190,183)
	<b>177,701</b>	179,284

## 28. OTHER STRUCTURES

	2014–15 \$'000	2013–14 \$'000
At Replacement Cost	6,366	5,012
At Replacement Cost – 2014 indexed to 31 March 2015	120,027	-
At Replacement Cost – 2013 indexed to 31 March 2014	-	117,565
	126,393	122,577
less : Accumulated Depreciation	(61,907)	(57,897)
	<b>64,486</b>	64,680

The Council also controls a number of monuments. These assets have not been included in the Statement of Financial Position on the basis that they cannot be reliably measured.

## 29. CAPITAL WORK IN PROGRESS

	2014-15 \$'000	2013-14 \$'000
Road and Bridge Works	5,304	634
CBD Energy Efficient Lighting Upgrades	1,715	475
Footpath, Kerb and Gutter works	3,283	1,033
Traffic Management Works	876	466
Mathers Place Redevelopment	-	206
Stormwater Mains	1,075	638
Railway Fountain Restoration	446	446
Parks and Gardens Works	1,733	878
Soldiers Memorial Oval Building Reconstruction	1,196	-
Soldiers Memorial Oval Irrigation / Drainage	369	-
George Miller Stand Repair	547	-
New Town Bay Boatshed Construction	2,706	2,637
Sporting Facility Works	1,028	538
Town Hall Macquarie Wing – Heating Upgrade	462	-
Doone Kennedy Hobart Aquatic Centre upgrades	1,272	522
Car Parks – Energy Efficient Lighting	537	-
Cornelian Bay Management Plan	102	-
Huon Road Depot Redevelopment Shed Renewals	1,666	-
Twin Bridges Replacement – MWSS Pipeline Track	203	-
Bushland and Reserves Works	462	-
Resource Recovery Centre Upgrade	-	1,637
Upgrade of Liverpool and Collins Streets	359	-
City Wayfinding System	114	-
McRobies Gully Waste Management Centre	340	292
Other	2,342	1,113
	<b>28,137</b>	<b>11,515</b>

## 30. OTHER PROPERTY, PLANT AND EQUIPMENT

	2014-15 \$'000	2013-14 \$'000
<b>Valuation Roll</b>		
At Cost	605	469
less : Accumulated Depreciation	(407)	(340)
	198	129
<b>Valuables</b>		
At Market Value – 2014	-	141
At Independent Valuation of Market Value – 2005	666	568
	666	709
	<b>864</b>	<b>838</b>

### 31. PAYABLES

	2014-15 \$'000	2013-14 \$'000
Trade Creditors	1,384	1,242
Accrued Plant and Equipment Purchases	779	210
Accrued Capital Expenditure	1,021	249
GST Payable	535	324
Accrued Interest Expense	-	256
Additional Superannuation Contributions Resulting from Actuarial Review	-	-
Energy Costs	318	508
Payroll Tax	1,179	1,099
Workers Compensation Insurance	413	750
Fringe Benefits Tax	93	93
Other Accrued Expenses	2,837	1,612
	<b>8,559</b>	<b>6,343</b>

### 32. TRUST, DEPOSITS AND RETENTION

	2014-15 \$'000	2013-14 \$'000
Refundable Infrastructure Bonds	1,796	1,378
Deposits held for Travel Operators	697	715
Deposits held in Respect of Property Sales	-	380
Contract Retention Monies	-	-
Other	108	110
	<b>2,601</b>	<b>2,583</b>



### 33. EMPLOYEE BENEFITS

	2014–15 \$'000	2013–14 \$'000
Wages and Salaries	1,311	935
Annual Leave (including Loading)	3,313	3,453
Long Service Leave	5,447	5,551
Sick Leave	2,420	2,468
Superannuation Contributions	1,306	1,288
Defined-benefit Superannuation Plan	1,397	2,720
	<b>15,194</b>	16,415
Current	10,884	10,588
Non-Current	4,310	5,827
	<b>15,194</b>	16,415

#### SUPERANNUATION

The Council makes the following defined-contributions to superannuation:

- 10.5% of wages and salaries for casual employees
- 12.5% of wages and salaries for full-time and part-time employees who commenced after 11 March 2003
- 4.5% of wages and salaries for full-time and part-time employees who commenced prior to 11 March 2003.

In respect of those full-time and part-time employees who commenced employment with Council prior to 11 March 2003, the Council also contributes to a defined-benefit superannuation plan. Based on actuarial advice the Council increased its level of contributions from 10.5% of wages and salaries to 13% from 1 July 2010 and made additional annual lump sum contributions to the plan. The final of these payments was \$0.75 million in the 2013–14 financial year. From 1 July 2014, the level of contribution was reduced to 9.5%. Employee contributions are 6% of wages and salaries. Employees are entitled to benefits on resignation, retirement, disability or death. The fund provides a defined-benefit based on years of service and final average salary.

An actuarial assessment of the fund was carried out by Mr. David Quinn-Watson, FIAA of DeeDeeRa Actuaries Pty Ltd on 30 July 2015 for the purpose of providing figures in accordance with AASB 119 *Employee Benefits*. This assessment revealed the following:

Key assumptions	30 June 2015	30 June 2014
Discount Rate – Gross of Tax	2.6%	3.3%
Discount Rate – Net of Tax	2.2%	2.8%
Expected Rate of Salary Increase in 2015–16	0.9%	2.5%
Expected Rate of Salary Increase Thereafter	2.5%	-

The amount included in expenses is as follows:

	2014–15 \$'000	2013–14 \$'000
Employee Costs		
- Current Service Cost	1,725	1,870
Finance Costs		
- Interest Cost	1,139	1,266
- Expected Return on Plan Assets	(1,101)	(1,113)
	38	153
	<b>1,763</b>	<b>2,023</b>

Actuarial gains and losses recognised in respect of the defined-benefit plan were as follows:

	2014–15 \$'000	2013–14 \$'000
Actuarial (Gains) / Losses Incurred During the Period and Recognised in Other Comprehensive Income	(1,932)	(4,649)
	(1,932)	(4,649)
Cumulative Actuarial (Gains) / Losses Recognised in Other Comprehensive Income	7,925	9,857

The amount included in the Statement of Financial Position arising from Council's obligation in respect of its defined-benefit plan is as follows:

	2014–15 \$'000	2013–14 \$'000
Present Value of Defined-benefit Obligation	42,363	43,051
Fair Value of Plan Assets	(40,966)	(40,331)
Net Liability (Asset) Arising from Defined-benefit Plan	<b>1,397</b>	<b>2,720</b>

Movements in the net liability were as follows:

	2014–15 \$'000	2013–14 \$'000
Opening Liability	2,720	8,083
Expense Recognised in Surplus/(Deficit)	1,763	2,023
Actuarial (Gains)/Losses	(1,932)	(4,649)
Employer Contributions	(1,154)	(2,737)
Closing Liability	<b>1,397</b>	<b>2,720</b>

Movements in the present value of the defined-benefit obligation were as follows:

	2014–15 \$'000	2013–14 \$'000
Opening Defined-benefit Obligation	43,051	45,560
Current Service Cost	1,725	1,870
Interest Cost	1,139	1,266
Member Contributions and Transfers from Other Funds	729	793
Actuarial (Gains)/Losses	(361)	(2,188)
Benefits and Tax Paid	(3,920)	(4,250)
Closing Defined-benefit Obligation	<b>42,363</b>	<b>43,051</b>

Movements in the fair value of the plan assets were as follows:

	2014–15 \$'000	2013–14 \$'000
Opening Fair Value of Plan Assets	40,331	37,477
Expected Return on Plan Assets	1,101	1,113
Actuarial Gains / (Losses)	1,571	2,461
Employer Contributions	1,154	2,737
Member Contributions and Transfers from Other Funds	729	793
Benefits Paid	(3,920)	(4,250)
Closing Fair Value of Plan Assets	<b>40,966</b>	40,331

Changes in the key actuarial assumptions at the reporting date would have the following effect on the net liability arising from the defined-benefit plan:

	0.25% increase \$'000	0.25% decrease \$'000
Discount Rate	(735)	772
Inflation Rate	616	(593)

	2.50% increase \$'000	2.50% decrease \$'000
Asset Value	(1,205)	1,205

Plan assets are invested in a “balanced” strategy with about three-quarters in “growth” asset classes (e.g. shares and property) and about one-quarter in “defensive” asset classes (e.g. fixed interest and cash). The table below shows the current benchmark (target) and actual asset allocations of fund assets (as advised by the Scheme administrators):

	Benchmark Allocation %	as at 30 June 2015 %	as at 30 June 2014 %
Australian Shares	30.9	32.5	31.5
International Shares	34.9	32.6	32.7
Property	10.5	10.0	9.0
Fixed interest	12.9	13.0	14.8
Private Equity	0.5	0.6	0.7
Infrastructure	5.0	4.8	7.4
Cash	5.3	6.5	3.9
Total	100	100	100

### 34. UNEARNED REVENUE

	2014–15 \$'000	2013–14 \$'000
Doone Kennedy Hobart Aquatic Centre Memberships Paid in Advance	123	136
Salamanca Market Rentals Paid in Advance	109	114
Animal Licences Paid in Advance	3	1
Food Premises Registration Fees Paid in Advance	217	131
Other	86	108
	<b>538</b>	490

### 35. LOANS

	2014–15 \$'000	2013–14 \$'000
Loans Outstanding at Beginning of Year	16,162	14,329
New Borrowings	-	2,375
	16,162	16,704
Redemptions	(1,734)	(542)
Loans Outstanding at End of Year	<b>14,428</b>	16,162
Current	1,331	1,733
Non-Current	13,097	14,429
	<b>14,428</b>	16,162

All loans are secured by the Council revenues. Repayments are made semi-annually in arrears, and interest expense is accrued at the contracted rate and included in payables.

### 36. PROVISIONS

	2014–15 \$'000	2013–14 \$'000
<b>Rehabilitation of Landfill Site</b>		
Balance at Beginning of Year	6,610	7,085
Additional Provisions Recognised	2,100	(130)
Expenditure Incurred	(857)	(560)
Unwinding of Discount and Effect of Changes in the Discount Rate	188	215
Balance at End of Year	<b>8,041</b>	6,610
<b>Rehabilitation Of Asphalt Plant Site</b>		
Balance at Beginning of Year	800	800
Additional Provisions Recognised	-	-
Expenditure Incurred	(39)	-
Unwinding of Discount and Effect of Changes in the Discount Rate	-	-
Balance at End of Year	761	800
<b>Total Provisions</b>	<b>8,802</b>	7,410

## 37. RESERVES

		Balance 30/6/14	Transfers to Reserves	Transfers from Reserves	Balance 30/6/15
	Note	\$'000	\$'000	\$'000	\$'000
Asset Replacement		17,791	22,212	(23,509)	16,494
Bushland Fund		395	59	(146)	308
Public Infrastructure Fund		3,263	6,282	(259)	9,286
Contributions in lieu of Parking		135	-	-	135
Contributions in lieu of Public Open Space		259	103	-	362
Heritage Account		1,361	55	(36)	1,380
Fair Value Reserve	11	(37,130)	1,283	-	(35,847)
Asset Revaluation	12	489,328	31,886	(35,456)	485,758
		475,402	61,880	(59,406)	<b>477,876</b>

### *Asset Replacement Reserve*

The Council maintains a reserve for the replacement of its assets. Revenue and loans raised for this purpose are transferred to the reserve, whilst expenditure incurred on replacing existing assets is transferred from the reserve. The balance of the reserve represents expenditure which the Council expects to incur in future reporting periods on replacing its assets.

### *Bushland Fund*

The Council has established a Bushland Fund and allocated funds from revenue to the reserve. The reserve was established for the purpose of purchasing strategic areas of bushland and open space.

### *Public Infrastructure Fund*

The Council has established a Public Infrastructure Fund to provide funding for the 15 priority projects identified in the Inner City Action Plan (ICAP).

### *Contributions in lieu of Parking*

The Council maintains a reserve to separately account for funds provided to the Council for the express purpose of providing parking facilities throughout the City.

### *Contributions in lieu of Public Open Space*

The Council maintains a reserve to separately account for funds provided to the Council for the express purpose of providing areas of public open space throughout the City.

### *Heritage Account*

The Council has established a Heritage Account as required by the *National Trust Preservation Fund (Winding-up) Act 1999*. Amounts transferred to the account include the initial distribution from the National Trust Preservation Fund, together with interest accruing on the balance of the account.

The Act requires that funds transferred into the Heritage Account be applied for the provision of financial or other assistance in relation to an entry in either the National Trust Register kept by the National Trust of Australia (Tasmania), or the Tasmanian Heritage Register.

### *Fair Value Reserve*

The Council maintains a fair value reserve in order to account for gains and losses on available-for-sale financial assets as required by *AASB 139 Financial Instruments: Recognition and Measurement*.

### *Asset Revaluation Reserve*

The Council maintains an asset revaluation reserve in order to account for asset revaluation increments and decrements in accordance with *AASB 116 Property, Plant and Equipment*.

### 38. RECONCILIATION OF ACCRUAL-BASED RESULTS WITH CASH FLOWS

	2014-15 (\$'000)			2013-14 (\$'000)		
	Operating Activities	Investing Activities	Total	Operating Activities	Investing Activities	Total
Revenues	130,523			116,923		
Expenses / Expenditure	(115,295)	(27,123)		(110,290)	(22,984)	
<b>Surplus/(Deficit)</b>	<b>15,228</b>			<b>6,633</b>		
<b>Items not involving Cash:</b>						
Depreciation and Amortisation	17,450			17,877		
Carrying Value of Assets Sold	2,703			1,731		
Asset Write-downs	2,636			1,721		
Assets Received for No Consideration	(4,477)			(1,102)		
<b>Re-classification of Revenues</b>						
Capital Grants	(3,409)	3,409	-	(2,054)	2,054	-
Sales of Assets	(5,739)	5,739	-	(1,284)	1,284	-
<b>Changes in Operating Assets &amp; Liabilities:</b>						
(Increase) / Decrease in Receivables	(1,504)	-	<b>(1,504)</b>	(1,873)	1,700	(173)
(Increase) / Decrease in Stock	(32)	-	<b>(32)</b>	4	-	4
(Increase) / Decrease in Prepayments	69	-	<b>69</b>	(140)	-	(140)
Increase / (Decrease) in Payables	875	1,341	<b>2,216</b>	727	(2,213)	(1,486)
Increase / (Decrease) in Employee Entitlements	711	-	<b>711</b>	(759)	-	(759)
Increase / (Decrease) in Unearned Revenue	48	-	<b>48</b>	(87)	-	(87)
Increase / (Decrease) in Provisions	1,392	-	<b>1,392</b>	(475)	-	(475)
Increase / (Decrease) in Other Liabilities	18	-	<b>18</b>	(24)	-	(24)
<b>Net Cash Inflow / (Outflow)</b>	<b>25,969</b>	<b>(16,634)</b>		<b>20,895</b>	<b>(20,159)</b>	

### 39. FINANCING FACILITIES

	2014–15 \$'000	2013–14 \$'000
Un-used Credit Card Facilities	347	347
	<b>347</b>	347

### 40. COMMITMENTS

	2014–15 \$'000	2013–14 \$'000
<i>Capital Expenditure contracted for at the reporting date but not recognised in liabilities:</i>		
Anglesea Street Bridge Demolition and Replacement	-	117
Town Hall – Heating Upgrade	59	301
Hobart Council Centre Upgrades	146	279
DKHAC Lighting Upgrade	-	180
New Town Bay Rowing Club Redevelopment	68	167
Energy Efficient Lighting Upgrades	188	139
Admin Buildings – General Compliance Works	45	125
Inner City Action Plan Programs	1,418	-
Flame of Remembrance	122	-
Public Space Upgrade	544	-
Road Infrastructure Works	526	-
Plant And Equipment Purchases	382	491
Other	1,291	816
	<b>4,789</b>	2,615
Expected timing of these commitments is as follows:		
Not longer than one year	4,789	2,615
Longer than one year and not longer than two years	-	-
Longer than two years and not longer than five years	-	-
Longer than five years	-	-
	<b>4,789</b>	2,615

## 41. OPERATING LEASES

	2014-15 \$'000	2013-14 \$'000
<b>a) Operating lease commitments at the reporting date not recognised in liabilities:</b>		
Not longer than one year	1,377	1,376
Longer than one year and not longer than two years	1,346	1,344
Longer than two years and not longer than five years	3,795	3,838
Longer than five years	17,094	17,132
	<b>23,612</b>	23,690
<i>The Council's operating lease commitments mainly relate to Trafalgar Car Park.</i>		
<b>b) Operating Lease receivables at the reporting date not recognised in assets:</b>		
Not longer than one year	829	994
Longer than one year and not longer than two years	495	513
Longer than two years and not longer than five years	1,251	989
Longer than five years	391	255
	<b>2,966</b>	2,751
<i>The Council's operating lease receivables mainly result from property leases.</i>		

## 42. CONTINGENT LIABILITIES

	2014-15 \$'000	2013-14 \$'000
The Council is currently acting as guarantor for the following loans:		
New Town Cricket Club	50	50
Buckingham Bowls Club	50	50
Hockey Tasmania Inc.	1,500	1,500
Southern Tasmanian Netball Association	631	631
	<b>2,231</b>	2,231

The Council currently has a number of legal claims outstanding, but expects that these will all be covered by insurance should the Council be deemed liable.



### 43. MAJOR DEVELOPMENT ASSISTANCE POLICY COMMITMENTS

The Council has entered into Development Assistance Deeds for the following Major Development Projects.

#### THE WELLINGTON CENTRE DEVELOPMENT

The development agreement with Sultan Holdings Pty Ltd provided for the following:

- The Council contributed certain land to the development, and the developer also contributed land.
- The developer agreed to construct on the aggregated land amongst other things a car park, supermarket, office accommodation and retail shops.
- The development, on completion, was stratum titled to meet the ownership rights of the parties to the development.
- The Council received the stratum title to the car park.
- During the construction period, based on suitable evidence of completion of progress work in relation to the car park, the Council made progress payments for the car park.
- On completion and issue of stratum titles, the Council received the stratum title for the car park. This occurred in October 2013.

On an ongoing basis:

- The Council has fixed the rates applicable to the development at that which applied on the date of the agreement plus CPI (all groups Hobart) for a 10 year period. The benefit is only applicable to the developer while it owns the particular stratum property.
- The value of this benefit can only be calculated as it occurs and will be disclosed in the Council's financial statements as they occur in accordance with the *Local Government Act 1993*.
- The value of the benefit for the current period is \$304,822 (prior year: \$351,294).

#### THE VODAFONE DEVELOPMENT

The Council is in the process of negotiating a development assistance deed with Alirenste Pty Ltd that is likely to provide for the following:

- From when the development land is revalued on completion of construction by the Valuer-General for rating purposes, and while Vodafone meets target employee occupancy numbers for the building, the Council on receipt of a suitable certificate will provide a grant to the developer for an amount equal to general rates and stormwater removal service rates that relate to the Vodafone tenancy area for that year. There are pro-rata conditions where partial certification occurs.
- This agreement continues until 30 June 2025 unless an event occurs which gives the Council the right to terminate the agreement.
- The value of this benefit can only be calculated as it occurs and will be disclosed in the Council's financial statements as they occur in accordance with the *Local Government Act 1993*.
- The value of the benefit for the year is Nil (prior year: nil)

#### THE MYER DEVELOPMENT

With respect to this development there are deeds with both the developer (E. Kalis Properties Pty Ltd) and the major tenant (Myer Pty Ltd).

The Council has entered into conditional agreements to provide the following grants and benefits to the developer to assist with the redevelopment of the Myer site, located at 98-110 Liverpool Street and 55 Murray Street, Hobart, namely:

1. Consistent with the Council's Major Development Assistance Policy
  - a. A cap on rates for a defined period based on the value of the property as at 18 January 2012, limited to CPI increases.
  - b. The waiving of fees and charges, including tip fees, hoarding fees, parking fees and associated statutory fees.
2. The air rights over the relevant portion of the Hobart Rivulet for a nominal consideration.

The final value of these benefits is not quantifiable until the development is completed and other conditions are determined.

The value of the benefit provided in the current period pursuant to 1.a. above is \$1,659 (prior year: nil) and pursuant to 1.b. \$114,987 (prior year: nil). It is not possible to reliably estimate the value of future assistance.

#### **MYER DEED**

The deed with Myer Pty Ltd (Myer) provides for the following:

- The Council will, in exercise of its power under section 77(1A)(b) of the *Local Government Act 1993*, pay to Myer the following amounts at the following times:
  - o \$1.75 million when Myer commences trading to the public from the Myer Store following full occupation by Myer in the Liverpool Street stage of the development.
  - o \$1.75 million in the month of July after full occupation of the Liverpool Street store, unless full occupation occurs between 1 April and 30 June and construction of the Murray Street stage has not substantially commenced, in which case that amount will be paid on 31 July in the calendar year after the occupation of the Liverpool Street Myer Store.
  - o \$0.875 million in each of the first four years starting 1 August after occupation of the Liverpool Street Myer Store in which gross sales for that year are less than an agreed threshold. Any amount is to be paid 28 days after receipt of the Auditor's Report for the relevant year.
- Under certain circumstances, if Myer ceases to occupy the development then a proportion of total grants paid will be refundable to the Council under an agreed formula taking into account the number of years the development has been occupied.

No grant moneys under this deed have been incurred or paid in the current period, and no grant moneys will be incurred or paid until Myer meets its obligations under the deed.

#### **44. SUBSEQUENT EVENTS**

The Council signed an agreement to act as guarantor for the Derwent Sailing Squadron in July 2015. The maximum amount of the guarantee is \$4 million and will be disclosed as a contingent liability in future years.

No other matters or circumstances have arisen since the end of the financial year which require disclosure in the financial report.

#### **45. PECUNIARY INTERESTS**

In accordance with s.84(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.

## 46. MANAGEMENT INDICATORS

### (A) UNDERLYING SURPLUS OR DEFICIT

		Benchmark	2014-15 \$'000	2013-14 \$'000
	Underlying Revenue *		117,656	112,767
less	Recurrent expenses		(114,608)	(109,309)
equals	Underlying Surplus / (Deficit)	> Breakeven	3,048	3,458

\* Underlying revenue excludes all capital income (grants received specifically for new or upgraded assets and physical resources received free of charge) and non-recurring income, and includes adjustments for revenue received in advance.

This indicator measures the extent to which expenses are covered by revenues. The benchmark was comfortably achieved in the current period.

### (B) UNDERLYING SURPLUS RATIO

		Benchmark	2014-15 \$'000	2013-14 \$'000
	Underlying Surplus / (Deficit)		3,048	3,458
divided by	Underlying Revenue		117,656	112,767
equals	Underlying Surplus Ratio	0%–2%	2.6%	3.1%

This indicator also measures the extent to which expenses are covered by revenues, by comparing the underlying surplus (or deficit) to total revenue. Again, the benchmark was achieved in the current period.

### (C) NET FINANCIAL LIABILITIES

		Benchmark	2014-15 \$'000	2013-14 \$'000
	Cash and Cash Equivalents		40,709	33,108
plus	Current Receivables		6,750	5,217
less	Total Liabilities		(50,122)	(49,403)
equals	Net Financial Liabilities	> (\$116M)	(2,663)	(11,078)

This indicator measures the Council's net indebtedness (the extent to which the Council's liabilities could be met if all liabilities fell due at once). The above results are well within the benchmark range, and improving.

### (D) NET FINANCIAL LIABILITIES RATIO

		Benchmark	2014-15 \$'000	2013-14 \$'000
	Net Financial Liabilities		(2,663)	(11,078)
divided by	Underlying Revenue		117,656	112,767
equals	Underlying Surplus Ratio	> -100%	-2.3%	-9.8%

This indicator also measures the Council's net indebtedness by comparing net financial liabilities to total revenue. Again, results are well within the benchmark range, and improving.

#### (E) ASSET SUSTAINABILITY RATIO

	Benchmark	2014-15 \$'000	2013-14 \$'000
	Asset Renewal Capital Expenditure	23,391	21,156
divided by	Depreciation Expense	17,450	17,877
equals	Asset Sustainability Ratio	100%	134.0%
			118.3%

This indicator measures the extent to which assets are being renewed as they wear out. For a relatively young asset portfolio the benchmark may be quite low, whereas for an older asset portfolio the benchmark may be greater than 100%. The above results indicate that the Council is sufficiently reinvesting in its assets.

#### (F) ASSET CONSUMPTION RATIO

	Benchmark	2014-15 \$'000	2013-14 \$'000
	Depreciated Replacement Cost	550,258	560,109
divided by	Current Replacement Cost	1,006,115	1,020,327
equals	Asset Consumption Ratio	40%–80%	54.7%
			54.9%

This indicator measures the service potential remaining in Council's existing assets. Results are well within the benchmark range, and are expected to remain around the current level.

#### (G) ASSET RENEWAL FUNDING RATIO

	Benchmark	2014-15 \$'000	2013-14 \$'000
	Planned Capital Renewals	606,800	477,828
divided by	Required Capital Renewals	606,800	533,964
equals	Asset Renewal Funding Ratio	90%–100%	100.0%
			89.5%

This indicator measures the Council's capacity to fund asset renewal requirements by comparing planned funding for asset renewal (as per the Council's Long Term Financial Management Plan) with required funding for asset renewal (as per the Council's Asset Management Plans).

The above results indicate that the Council is presently planning to fund all required asset renewal over the next 20 year period.

## 47. FAIR VALUE MEASUREMENTS

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

Investment in TasWater

Investment

Property and infrastructure

- land
- buildings
- roads, Footpaths and Drainage
- bridges
- other infrastructure

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

The Council also has assets measured at fair value on a non-recurring basis as a result of being reclassified as assets held for sale. These comprise land as disclosed in note 21. A description of the valuation techniques and the inputs used to determine the fair value of this land is included below under the heading "Land held for sale".

### (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.

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 the Council's infrastructure assets, which are of a specialist nature for which there is no active market for identical or similar assets. These assets are valued using a combination of observable and unobservable inputs.

		2014–15			
	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Level 4 \$'000
<b>Recurring fair value measurements</b>					
Investment TasWater	11	-	-	160,874	160,874
Investment Property	20	-	-	-	-
Land	23	-	179,749	-	179,749
Buildings	23	-	-	138,375	138,375
Land Improvements	24	-	-	19,420	19,420
Infrastructure Plant	25	-	-	2,757	2,757
Pipes, Drains and Rivulets	26	-	-	102,490	102,490
Roads and Bridges	27	-	-	177,701	177,701
Other Structures	28	-	-	64,486	64,486
Capital Work in Progress	29	-	-	28,137	28,137
Other	30	-	-	666	666
		-	<b>179,749</b>	<b>694,906</b>	<b>874,655</b>

		2013–14			
	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Level 4 \$'000
<b>Recurring fair value measurements</b>					
Investment in TasWater	11	-	-	159,591	159,591
Investment Property	20	-	25,038	-	25,038
Land	23	-	137,426	-	137,426
Buildings	23	-	-	127,918	127,918
Land Improvements	24	-	-	19,407	19,407
Infrastructure Plant	25	-	-	3,279	3,279
Pipes, Drains and Rivulets	26	-	-	137,625	137,625
Roads and Bridges	27	-	-	179,284	179,284
Other Structures	28	-	-	64,680	64,680
Capital Work in Progress	29	-	-	11,515	11,515
Other	30	-	-	709	709
		-	<b>162,464</b>	<b>704,008</b>	<b>866,472</b>
<b>Non-recurring fair value measurements</b>					
Assets Held for Sale	19	-	2,150	-	2,150
		-	<b>2,150</b>	-	<b>2,150</b>

#### *Transfers between levels of the hierarchy*

The Council's policy is to recognise transfers in and out of the fair value hierarchy levels as at the date of the event or change in circumstances that caused the transfer.

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

## **(B) HIGHEST AND BEST USE**

All assets valued at fair value in this note are being used for their highest and best use.

## **(C) VALUATION TECHNIQUES AND SIGNIFICANT INPUTS USED TO DERIVE FAIR VALUES**

### *Investment in TasWater and Investment Property*

Refer to notes 11 and 20 respectively for details of valuation techniques used to derive fair values.

### *Land*

Fair values for land were determined by the Valuer-General effective 1 July 2015.

### *Land Held for Sale*

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

### *Buildings*

The Council derives fair value for buildings based on advice received from qualified independent valuers in the form of:

- unit replacement cost (rate / m<sup>2</sup>) for comparable modern equivalent building types applied to the dimensions of the current asset
- where there is a market for selected buildings, market value taking into account any heritage listings
- quantity Surveyor estimates of replacement value of selected buildings which have unique characteristics.

The Council has received advice from the following licensed Property Valuers and Quantity Surveyors:

- Opteon – (Richard Steedman API 40071 and William Reynolds API 40064)
- WT Partnership
- Exsto Management

Based on the values received against the range of buildings and buildings types under the Council's control, the lowest value was used in each case to establish fair value.

The level of accumulated depreciation has been established based on the age of the building in relation to the expected useful life of the structure component of each building. Residual values are not applied to buildings.

### *Infrastructure Assets*

All infrastructure assets have been 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. The 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 Council distinguishes significant asset types within its asset register for detailed review and consideration by its Financial Asset Information Review Panel. Significant asset types account for more than 80% of the total value of the asset register, and these are aligned with approximately 60 of the 2,000 asset types identified. The remaining non-significant asset types are either indexed or adjusted separately where evidence is available to support alternative levels of adjustment.

The unit rates (labour and materials) and quantities applied to determine the CRC of a significant asset type were based on a "Brownfield" assumption meaning that the CRC was determined as the full cost of replacement with a modern equivalent asset type considering typical site conditions, restrictions and extent of works. Residual values are not applied to infrastructure assets.

The level of accumulated depreciation for infrastructure assets is determined based (as the default) on the age of the asset and the standard life aligned with the corresponding asset type. A program to adjust the default expiry date when the assets are listed for renewal on the current works program is gradually being implemented.

The calculation of depreciated replacement cost (DRC) 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 & Bridges

### Sealed Road, Gravel Roads, Footpaths, Kerb & Gutter

The Council categorises its road infrastructure by an urban hierarchy classification. Roads are managed in segments which generally extend from intersection to intersection. All road segments are then divided into formation, pavement, sub-pavement and seal, kerb and channel and footpath (where applicable). The Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment.

CRC is based on the component dimension multiplied by a unit price; the unit price being an estimate of labour and material inputs, services costs and overhead allocations etc. Against each road hierarchy a standard cross-section exists for the modern equivalent asset which details pavement depths, typical widths and other relevant component information to enable pricing, such as typical location and extent of works.

Prices are obtained against the modern equivalent asset specification from both internal and external sources (Adrian Grainger and Julian Hickey – Quantity Surveyors) to determine the lowest cost at which the gross future economic benefits of the asset could currently be obtained in the normal course of business.

The Council has commenced benchmarking unit prices for significant asset types with like service providers as an additional source of information to establish local market expectations to determine the lowest cost.

### Bridges

The Council does not have a large number of bridges and does not undertake replacement works frequently enough to provide reliable data for estimating actual costs.

A full valuation of bridge assets was undertaken in 2010 using input from independent consultants Pitt & Sherry, and unit prices have been indexed since that time.

Each bridge structure is aligned with a modern equivalent asset type which defines the replacement structure and associated bridge components. CRC is calculated as the unit price multiplied by the deck area of each existing bridge.

## Cycleways & Tracks

The Council has one cycleway and one hundred and fifty kilometres of walking tracks. The cycleway is sufficiently similar to a concrete footpath to be able to determine a CRC on that basis. Sufficient work is carried out internally on the walking tracks to be able to determine a CRC based on recent actual projects and future project estimates.

### Pipes Drains & Rivulets

Pipes, drains and rivulets are grouped by stormwater catchment areas. This includes all of those pipes, pits, manholes, inlets, outlets and constructed rivulets managing Hobart's stormwater along with the irrigation systems serving the city parks and the few remaining water and sewer assets relating solely to the Council operations.

For stormwater pipes and built rivulets the Current Replacement Cost is based on the asset dimension multiplied by a unit price; the unit price is an estimate of labour and material inputs, services costs, and overhead allocations etc. For each pipe size and for standard rivulet lining a modern equivalent definition exists for which prices are obtained from both internal and external sources to determine the lowest cost at which the gross future economic benefits of the asset could currently be obtained in the normal course of business. For the irrigation systems and the sewer and water mains the Current Replacement Cost is based on the asset dimension multiplied by a unit price; the unit price being an estimate of labour and material inputs, services costs, and overhead allocations etc determined by the Asset Manager.

### Other Infrastructure

A diverse range of asset types comprise "other infrastructure" including land improvements, infrastructure plan and other structures. Assets are revalued on a cyclic basis with a frequency of between three and five years. Unit rates are reviewed internally with a range of criteria (including recent costs, local knowledge, indexing rates, etc) used as the basis for updating. The CRC for these assets is then calculated as the unit rate multiplied by the asset quantity.

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



#### (D) UNOBSERVABLE INPUTS AND SENSITIVITIES

Asset / Liability Category	Carrying Amount (at Fair Value)	Key Unobservable Inputs	Input Value	Description of How Changes in Inputs will Affect the Fair Value
Car Parks	\$68.863 million	Useful life	150 years	The higher the useful life, the higher the fair value
Car Parks	\$68.863 million	Unit price per car space	\$28,800	The higher the unit price, the higher the fair value
Concrete Kerb and Channel	\$39.598 million	Useful life	75 years	The higher the useful life, the higher the fair value
Concrete Kerb and Channel	\$39.598 million	Unit price per metre	\$140.54	The higher the unit price, the higher the fair value
Retaining Wall – 2 metres High	\$22.954 million	Useful life	100 years	The higher the useful life, the higher the fair value
Retaining Wall – 2 metres High	\$22.954 million	Unit price per square metre	\$2,330.91	The higher the unit price, the higher the fair value
Aquatic Centre	\$21.899 million	Useful life	50 years	The higher the useful life, the higher the fair value
Aquatic Centre	\$21.899 million	Unit price per square metre	\$4,417.50	The higher the unit price, the higher the fair value
Hotmix Footpaths	\$15.343 million	Useful life	35 years	The higher the useful life, the higher the fair value
Hotmix Footpaths	\$15.343 million	Unit price per square metre	\$73.80	The higher the unit price, the higher the fair value
300mm Road Formation	\$15.687 million	Unit price per square metre	\$9.45	The higher the unit price, the higher the fair value
Office Buildings	\$10.839 million	Useful life	150 years	The higher the useful life, the higher the fair value
Office Buildings	\$10.839 million	Unit price per square metre	\$2,750.00	The higher the unit price, the higher the fair value
Small Grandstands	\$11.263 million	Useful life	120 years	The higher the useful life, the higher the fair value
Small Grandstands	\$11.263 million	Unit price per seat	\$2,500.00	The higher the unit price, the higher the fair value
Concrete Footpaths	\$10.584 million	Useful life	75 years	The higher the useful life, the higher the fair value
Concrete Footpaths	\$10.584 million	Unit price per square metre	\$99.18	The higher the unit price, the higher the fair value

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

#### (E) CHANGES IN RECURRING LEVEL 3 FAIR VALUE MEASUREMENTS

The changes in level 3 assets with recurring fair value measurements are detailed in note 21 (Property, Plant and Equipment). There have been no transfers between level 1, 2 or 3 measurements during the year.

#### (F) VALUATION PROCESSES

The Council's current policy for the valuation of property, plant and equipment, investment in TasWater and investment property (recurring fair value measurements) is set out in notes 1(k), 13 and 1(i) 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

The Council has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in other notes (refer to note 17).

Council loans are measured at amortised cost with interest recognised in profit or loss when incurred. The fair value of loans disclosed in note 17 is provided by each lender (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).

## 48. SIGNIFICANT BUSINESS ACTIVITIES

Pursuant to Section 84(2)(da) of the *Local Government Act 1993*, the Council identified "Water Supply" and "Sewerage" as significant business activities. As a result of statewide water and sewerage reforms taking effect on 1 July 2009, the Council ceased providing these services on that date.

Council has also identified Off-street Parking, On-street Parking, Doone Kennedy Hobart Aquatic Centre and the Tasmanian Travel and Information

Centre (TTIC) as commercial-like undertakings. Details of each of these are set out below.

Competitive neutrality costs are costs which would have applied to the activity had it not been conducted within the umbrella of government. Therefore, from the local government perspective, such "costs" are notional only and are disclosed for information.

### OFF-STREET PARKING

	2014–15 Actual \$'000	2014–15 Budget \$'000	2013–14 Actual \$'000
<b>Revenues</b>			
User Fees and Charges	7,866	7,413	7,173
Rental Income	407	407	396
	<b>8,273</b>	7,820	7,569
<b>Expenses</b>			
Employee Costs	(946)	(988)	(821)
Energy Costs	(219)	(230)	(258)
Materials and Contracts	(2,679)	(2,727)	(2,527)
Depreciation	(664)	(664)	(792)
Bad Debts	1	-	(3)
Land Tax	(282)	(269)	(240)
Engineering and Administrative Overheads	(813)	(813)	(813)
Other	-	-	(6)
	<b>(5,602)</b>	(5,691)	(5,460)
<b>Gains / (Losses)</b>			
Property Sales	1,382	-	-
	<b>1,382</b>	-	-
	<b>4,053</b>	2,129	2,109
<b>OPERATING PROFIT / (LOSS)</b>			
<b>COMPETITIVE NEUTRALITY COSTS</b>			
Opportunity Cost of Capital	(4,984)	(4,984)	(5,077)
Income Tax	(1,352)	(731)	(730)
Council Rates	(455)	(307)	(324)
	<b>(6,791)</b>	(6,022)	(6,131)

## ON-STREET PARKING

	2014-15 Actual \$'000	2014-15 Budget \$'000	2013-14 Actual \$'000
<b>Revenues</b>			
User Fees and Charges	5,166	5,172	5,002
Fines	5,671	6,208	5,888
	<b>10,837</b>	11,380	10,890
<b>Expenses</b>			
Employee Costs	(3,146)	(3,590)	(3,308)
Materials and Contracts	(990)	(1,110)	(1,076)
Depreciation	(206)	(206)	(198)
Bad Debts	(152)	(600)	(200)
Engineering and Administrative Overheads	(703)	(703)	(703)
Other	-	-	(7)
	<b>(5,197)</b>	(6,209)	(5,492)
<b>OPERATING PROFIT / (LOSS)</b>	<b>5,640</b>	5,171	5,398
<b>COMPETITIVE NEUTRALITY COSTS</b>			
Opportunity Cost of Capital	(53)	(53)	(62)
Income Tax	(1,692)	(1,551)	(1,619)
	<b>(1,745)</b>	(1,604)	(1,681)

## DOONE KENNEDY HOBART AQUATIC CENTRE

	2014-15 Actual \$'000	2014-15 Budget \$'000	2013-14 Actual \$'000
<b>Revenues</b>			
User Fees and Charges	4,637	5,041	4,479
Rental Income	18	18	18
Other Income	265	-	277
	<b>4,920</b>	<b>5,059</b>	<b>4,774</b>
<b>Expenses</b>			
Employee Costs	(2,825)	(2,852)	(2,849)
Energy Costs	(575)	(626)	(657)
Materials and Contracts	(1,691)	(2,191)	(1,435)
Insurance	(35)	-	(35)
Administration	-	-	(61)
Land Tax	-	-	(32)
Other	(19)	(16)	(21)
	<b>(5,145)</b>	<b>(5,685)</b>	<b>(5,090)</b>
<b>OPERATING PROFIT / (LOSS) BEFORE DEPRECIATION</b>	<b>(225)</b>	<b>(626)</b>	<b>(316)</b>
Depreciation	(735)	(735)	(856)
<b>OPERATING PROFIT / (LOSS)</b>	<b>(960)</b>	<b>(1,361)</b>	<b>(1,172)</b>
<b>COMPETITIVE NEUTRALITY COSTS</b>			
Opportunity Cost of Capital	(1,797)	(1,797)	(1,893)
Council Rates	(76)	(76)	(63)
	<b>(1,873)</b>	<b>(1,873)</b>	<b>(1,956)</b>

## TASMANIAN TRAVEL AND INFORMATION CENTRE

	2014-15 Actual \$'000	2014-15 Budget \$'000	2013-14 Actual \$'000
<b>Revenues</b>			
User Fees and Charges	817	772	712
Grants and Donations	150	150	150
Other Income	35	38	44
	<b>1,002</b>	<b>960</b>	<b>906</b>
<b>Expenses</b>			
Employee Costs	(745)	(743)	(734)
Materials and Contracts	(252)	(216)	(201)
Depreciation	(1)	(1)	(2)
	<b>(998)</b>	<b>(960)</b>	<b>(937)</b>
<b>OPERATING PROFIT / (LOSS)</b>	<b>4</b>	<b>-</b>	<b>(31)</b>
<b>COMPETITIVE NEUTRALITY COSTS</b>			
Opportunity Cost of Capital	(2)	(2)	(2)
Council Rates	(8)	(8)	(8)
	<b>(10)</b>	<b>(10)</b>	<b>(10)</b>

HOBART CITY COUNCIL

GENERAL PURPOSE FINANCIAL STATEMENTS


FOR THE YEAR ENDED 30 JUNE 2015

CERTIFICATION BY GENERAL MANAGER

In my opinion:

1. The Complete Set of Financial Statements, consisting of a Statement of Financial Position, a Statement of Comprehensive Income, a Statement of Changes in Equity, a Statement of Cash Flows, and notes to the Financial Statements numbered 1 to 48, fairly represent the financial position of the Hobart City Council as at 30 June 2015 and the results of its operations and cash flows for the year then ended in accordance with applicable Australian Accounting Standards (including Australian Interpretations) and;
2. The Financial Statements have been prepared in accordance with the requirements of Section 84 of the *Local Government Act 1993*.

Signed at Hobart this seventh day of August 2015.



(Nick Heath)

General Manager



## Independent Auditor's Report

To the Aldermen of Hobart City Council

Financial Report for the Year Ended 30 June 2015

### Report on the Financial Report

I have audited the accompanying financial report of Hobart City Council (Council), which comprises the statement of financial position as at 30 June 2015 and the statements of comprehensive income, changes in equity and cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the General Manager's statement.

### Auditor's Opinion

In my opinion Council's financial report:

- (a) presents fairly, in all material respects, its financial position as at 30 June 2015 and financial performance, cash flows and changes in equity for the year then ended
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards

### The Responsibility 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 Section 84 of the *Local Government Act 1993*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

My responsibility is to express an opinion on the financial report based upon my audit. My audit was conducted in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on my judgement, including the assessment of risks of material misstatement of the financial report, whether due to fraud or error. In making those

1 of 2

To provide independent assurance to the Parliament and Community on the performance and accountability of the Tasmanian Public Sector.  
Public Inquiry | Respect | Camaraderie | Continuous Improvement | Customer Focus

*Strive | Lead | Excel | To Make a Difference*

risk assessments, I considered internal control relevant to the General Manager's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the General Manager, as well as evaluating the overall presentation of the financial report.

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

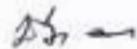
My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information or the asset renewal funding ratio in Council's financial report.

### Independence

In conducting this audit, I have complied with the independence requirements of Australian Auditing Standards and other relevant ethical requirements. The Audit Act 2008 further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of State Entities but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Tasmanian Audit Office are not compromised in their role by the possibility of losing clients or income.

Tasmanian Audit Office



H M Blake  
Auditor-General

Hobart  
25 September 2015

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To provide independent assurance to the Parliament and Community on the performance and accountability of the Tasmanian Public Sector  
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