

ANNUAL REPORT

2016-17



City of **HOBART**



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Photo Acknowledgments

Alastair Bett, Rosie Hastie, Graziano Di Martino, Natalie Mendham



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.

OUR MISSION IS TO ENSURE GOOD GOVERNANCE OF OUR CAPITAL CITY

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 focused 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.

An aerial photograph of Hobart, Tasmania, showing the city built on a peninsula and along the waterfront. A large body of water, likely the Derwent River, is in the foreground, with a long, curved bridge spanning across it. The background features rolling hills and mountains under a clear blue sky. A semi-transparent blue banner is overlaid on the right side of the image, containing the text 'PART I ABOUT THE COUNCIL'.

PART I ABOUT THE COUNCIL



LORD MAYOR'S MESSAGE

It gives me great pleasure to report on the achievements of the Council in 2016–17.

The Council turned over in excess of \$133 million. We invested \$11.2 million in new assets and \$20.8 million in replacement assets. Taking into account the many competing demands of our community and the management of the city, we recorded a fifth consecutive underlying surplus of \$1.14 million.

This result demonstrates this Council's commitment to ensure its long-term financial sustainability. We delivered a conservative rate increase of 2.25 per cent to fund the increased cost of delivering services to meet community expectations.

The City rolled out the first year of the 10-year, \$300 million capital works program. The Transforming Hobart program will see new and improved roads; parks, sportsgrounds and playgrounds for healthier lifestyles; suburban retail precincts; leisure facilities; community buildings and other public infrastructure including toilets across the city.

Being a responsible Council, we are future-proofing our assets for coming generations so this program also fully funds all maintenance to our extensive stormwater system, 280 km of roads and 400 km of footpaths.

It also covers updating many of our public facilities including our City Hall, Doone Kennedy Hobart Aquatic Centre, 144 parks, gardens and open space areas, 4500 ha of bushland reserves, 94 toilet facilities and 26 sporting grounds.

During the past year, we have undertaken some significant projects, all designed to improve our public realm.

The Hobart Rivulet Park was upgraded with the sealing of a 250 m section of the pathway, a raised pedestrian crossing at the intersection of Gore and McKellar streets, low-level lighting to improve dark spots along the path and new park furniture.

There is also a new look and feel to Hobart's waterfront, courtesy of the streetscape upgrade and shared pedestrian and bike path linking Morrison Street to Castray Esplanade.

The Hobart waterfront renewal project has greatly improved amenity and has successfully transformed this precinct into a people place. The quality and comfort of the new public spaces and the prioritisation of pedestrian movement has reignited community pride in the waterfront area. The promenade welcomes visitors, encourages social interaction and supports local businesses, community events and festivals.

The project was recently recognised by the Australian Institute of Landscape Architects (Tasmania), taking out the Civic Landscape Award of Excellence. We are immensely proud of our officers, who not only designed the entire project but also manufactured and installed many of the elements in the space.

Works commenced on the refurbishment of Sandy Bay's retail precinct to deliver significant improvements to the appearance and amenity of the area and provide a fresh, contemporary look and feel to the street. While still under construction, we are already seeing that this upgrade has created a vibrant, social, main street and will enhance the quality meeting and

dining space that is currently available for the community.

A critical element of this project has been engaging with the businesses, traders and local community. It has been wonderful to have engaged people wanting to be part of delivering improvements to their local area.

As part of the City's *One Mountain, One Destination* (three new visitor experiences prospectus) we commenced the first of three planned projects on kunanyi/Mount Wellington, rejuvenating the great short walk. We are returning the iconic Organ Pipes and Pinnacle walking tracks to the condition and popularity of their 1930s heyday.

Other works on the mountain this year have included upgrading walking tracks, installing new tables and chairs at The Springs, as well as an upgrade to The Chalet day hut in readiness for summer.

A refurbishment of Ancanthe Park was also undertaken. We wanted to improve the amenity and visitor experience of the park, while maintaining and enhancing its cultural heritage and environmental values. The improvements included upgrading the entrance, a new bus shelter, enhancing landscaping to improve access and feature the Lady Franklin Museum, as well as the construction of a new public toilet.

Our capital works program also delivers improvements and enhancements across the whole city to ensure a well presented, clean and safe city for all. Ongoing maintenance of our city streets, resurfacing roads and footpaths, city cleaning and asset renewal continued at a high standard.

As part of the Public Toilet Strategy approved in early 2016, we continue to completely refurbish or replace our public conveniences. To date, we have completed 23 refurbishments and constructed four new or replacement facilities.

During the year, we called for tenders to replace our current on-street parking meters and voucher machines to make it easier for motorists to pay for parking. Our current equipment is due for replacement so we will be installing a new integrated-parking system comprising 370 multi-payment option parking meters and up to 2000 in-ground parking sensors capable of monitoring parking space usage in all meter and voucher parking spaces.

The new meters are customer-friendly and will take payment by a mobile app, credit card and cash. The mobile device app will allow for a reminder to be set to help avoid car parking fines when the meter expires. Installation of the equipment is expected to commence in early 2018.

We are the most environmentally conscious council in the state. We recently installed solar panels on nine of the City's buildings, with another two to be completed later in the year. The sites include offices, works depots, halls and sporting facilities and our multi-story carparks. The largest site is the Doone Kennedy Hobart Aquatic Centre which had a system of 100 kW but has now been expanded to a total of 402 kW with 1442 panels—the largest single installation in southern Tasmania.

The electricity expected to be generated across all of the sites is about 650 000 kWh per year or enough for about 85 houses and is equivalent to about six per cent of the City's electricity use. The cost savings are expected to be about \$90 000 per year.

We deliver the state's best waste and recycling services, and this year introduced a new kerbside green waste collection service. Over the year, we have emptied 170 637 bins for a total of 3036.4 tonnes of material diverted away from landfill and had an additional 1185 residents opt in to the service.

Our city cleansing program makes us a leader in local government for the state with two full-time crews that are out and about every

day looking for and removing graffiti.

In 2016, we commenced the development of a new Transport Strategy to enable us to identify and plan for Hobart's future transport demands. It will support growth in our population, our economy and improve social and environmental outcomes for the city.

We have published background papers covering four topics—freight, port and air; private transport; public transport; and local area traffic management—and consulted with the Hobart community and other stakeholders. The engagement process is about providing the opportunity for the community to help set the transport agenda in Hobart for the next 20 years.

Early in the year, the city experienced a significant disruption with the Myer construction site flooding. The Council strongly felt the need to support the city traders and, working closely with many of the small businesses, we created Super Sidewalk Saturday.

It was a fabulous event with tens of thousands of people descending on Hobart for the day to support our local businesses. There were bargains galore for shoppers and the city came alive with amazing entertainment for all ages. Families with young children were treated to Ben and Holly from ABC television, which was a massive hit!

Another highlight of the past year was the celebrations held for the 150th anniversary of the Hobart Town Hall.

In 1866, the Town Hall was opened by a grand ball attended by 1130 guests and it went from dusk to dawn, so it was only fitting that we celebrated the Town Hall's 150th birthday on the 25 September 2016 with a great celebration, which we did!

The community was invited to an open day. We opened the Town Hall to the public and around 5000 people attended a street party that saw a day of entertainment, food trucks and children's activities. We also brought out

the historical trams and, of course, no birthday celebration would have been complete without a huge cake.

During the year, we continued to deliver our important community and cultural programs. Our Youth Arts and Recreation Centre continued to focus on youth development programs to engage young people in community arts, cultural activities and events. Activating public spaces with performances and cultural events and activities for young people such as the highly-successful digital arts festival Light up the Lane was a highlight of the past year.

Our officers continued their valuable work to implement a range of initiatives and programs that support and encourage positive ageing with many activities taking place at Mathers House for older people to meet, eat, chat and participate in a wide variety of activities and events.

While the weather wasn't always on our side, we delivered another successful Taste of Tasmania that saw 207 000 visits with 42 per cent from interstate or international visitors.

Our Salamanca Market took out the Gold award in the Major Festivals and Events category at the 2016 Tasmania Tourism Awards. These awards represent the pinnacle in industry recognition for outstanding business practices in tourism and it is an achievement and due recognition for what is arguably one of Australia's most recognised and enduring markets. The creativity, passion and commitment that over 300 stallholders and hard-working City staff put in week after week has helped to make Salamanca Market the most visited tourism attraction in Tasmania.

We continued to build on our strong international relationships with the Chinese cities of Xi'an and Fuzhou. We welcomed a delegation of 28 government, cultural and business officials from the City of Fuzhou in late

2016 and signed a friendship city agreement with Fuzhou in January.

In the spirit of the friendship city agreement, we were delighted to host a Council officer, Zhu Dongmei, from Fuzhou for a six-month placement at the City of Hobart. The placement offered her the opportunity to expand her knowledge and cultural awareness of Hobart to take back to Fuzhou and provided our officers with a wealth of information about Fuzhou and Chinese culture.

This year also saw us celebrating some significant milestones with our sister cities of Yaizu and L'Aquila. 2017 marked 40 years of friendship with Yaizu and 20 years of friendship with L'Aquila.

The Council welcomed the Prime Minister's announcement in November 2016 that the Australian Government would be interested in considering a City Deal for Hobart.

The Council and the Southern Tasmanian Councils Authority have identified an area where it is believed the opportunities are the greatest and where significant benefits to not only Hobart but Tasmania will flow. The Council is a strong supporter of the University of Tasmania's STEM proposal being the centrepiece of a City Deal.

To progress this opportunity, there have been discussions with the federal Assistant Minister for Cities and Digital Transformation. The Council is also seeking state government support for this proposal and the opportunity to discuss other priority projects that could make a City Deal for Hobart, and deliver significant outcomes for the city.

During the latter part of the year, the Council was criticised for taking a stand on important social issues such as marriage equality and considering a change to the date of recognition of Australia Day. Many said these issues were outside of the remit of the Council and cited that 'roads, rates and rubbish' were the areas that the Council should focus on.

The three Rs and other services form a significant part of core business but the archaic view of local government being confined to the three Rs is long gone, in both practice and in terms of what communities expect.

The Council believes in social inclusion and equality for all. We are active in many social services to make our city more inclusive, including programs for youth, aged care, migrants, the LGBTIQ community, the homeless, disadvantaged, and people with disabilities. Our Council is a progressive one and I am very proud to be a part of it and surely the role of local government, being closest to the community, is to represent and support its community's aspirations.

The Hobart City Council will continue its efforts to build a socially inclusive city and defend our position to take a leadership role on these issues.

In closing, I wish to thank my aldermanic colleagues and commend the General Manager, Executive Leadership Team and City of Hobart staff for their collective dedication, professionalism and enthusiasm over the past 12 months.



Alderman Sue Hickey
LORD MAYOR



GENERAL MANAGER'S MESSAGE

This Annual Report highlights the vast array of services and activities which the City of Hobart provides for its community. As the level of government closest to the people, I am incredibly proud of what the City of Hobart has achieved.

It is with pleasure that I reflect on the achievements of this organisation for the 2016–17 financial year.

The City of Hobart's toolkit for managing graffiti now includes workshops for young people that aim to divert them from illegal activities to legal outlets for their creativity. During 2016 the City's Youth Arts and Recreation Centre held several workshops on street art and community murals. The youth team has also created a new outdoor art gallery in Victoria Street.

The City continues to promote its Home Energy Audit Toolkit which can be used to test appliances and help manage energy use. The program has now been adapted for use in schools.

A program to install 1400 solar panels on 11 buildings to generate five per cent of the City's power has commenced. The panels will save the City about \$80 000 in power costs every year, taking seven years to pay off the

installation costs. The panels have a lifetime of about 25 years. The solar switch will also cut the City's greenhouse gas emissions by 100 tonnes per year. The sites include the Town Hall, Centrepoint and Hobart Central car parks, City Hall, Mathers House and McRobies Gully Waste Management Centre.

The City undertook an extensive bushfire hazard reduction burn program. Last calendar year, the City burnt 270 hectares with the cooperation of the Tasmania Fire Service and Parks and Wildlife Service. This calendar year the City is aiming for 337 hectares (106 hectares on private or other types of land). The City is also upgrading reserve fire trails to improve access through Hobart's bushland.

The City of Hobart has released a research report showing that its Mathers House program is successfully helping older people stay connected within their community. The research recognised that Mathers House helps older people be less socially isolated by providing small group activities focusing on lifelong learning, art and creativity, health and wellbeing. As well as being a place to meet new friends and maintain those friendships, Mathers House provides opportunities to learn and engage with other people.

The first Healthy Hobart program finished in April after delivering 20 free activities for 440 people of all ages over eight weeks in City of Hobart parks and sporting venues. Activities ranged from group fitness and rugby, tennis, football and cricket clinics to orienteering and children's yoga. Healthy Tasmania and a range of sporting organisations partnered with the City for the program.

As part of the World Cities European Union Third Countries Cooperation on Urban and Regional Development, the City has been paired with Katowice, Poland. The two delegations are developing a pilot project across the themes of urban economy, mobility and green development including climate change. Representatives from Katowice visited

Hobart in May with the City hosting a two-day event on the topic of sustainable urban development.

The journey to delivering an integrated business system across the organisation continued to gain momentum. Open Office was selected as the new technical partner as its products provide a strong customer focus and will help to achieve the vision of 'making it easy to do business with us'. The project contains sub-projects each with a different timeframe and will take two years to implement. The first sub-project, a new City of Hobart website, was recently implemented. Ultimately, the finance and asset management systems will be replaced among others and a new customer request system introduced, allowing the delivery of enhanced customer services to the community.

The City also moved to an automated, integrated office productivity tool for the creation, publication and storage of Council and committee agendas and minutes.

The focus on work health and safety for employees continued, achieving significant improvement in safety performance. There is an increased emphasis on incident investigation and implementing corrective actions. The City is committed to the development of a workplace culture that features a high level of work health and safety awareness and embraces the 'no harm workplace' goal.

In late 2016, the City introduced a new alcohol and other drugs policy, incorporating a program of random testing for both alcohol and drugs. This brought the City into line with many other businesses, particularly the construction industry, mining and transport industries where alcohol and other drugs testing has been part of doing business for many years. City employees undertake many high risk tasks and this is another measure to ensure the safety of all employees at work.

The City commenced a review of its by-laws. By-laws regulate a range of areas of City activity not covered by legislation. This review will provide an opportunity to update the by-laws in line with changing community expectations and changes in the City's community objectives and outcomes as well as changes in the external environment such as new legislation.

A new Enterprise Agreement was successfully negotiated this year. One of the most pleasing outcomes was the three-year term of the agreement.

Employees participated in Ethics, Fraud and Code of Conduct training. At the training, a three-point tool was introduced to assist staff to make ethical decisions in line with the Code of Conduct.

A Travel Action Plan was developed to guide the City of Hobart's efforts to reduce the impact its employees' travel have on the overall vehicle transport network and provides a package of practical suggestions developed after extensive consultation and a full site audit.

This is only a snapshot of activities delivered this year. This Annual Report also outlines many other significant highlights for the reporting period.

I extend my thanks to the elected members, 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.

ND Heath
GENERAL MANAGER

COUNCIL IN FOCUS

HISTORY OF THE COUNCIL

The 1850s saw the establishment of municipal administration in Tasmania in the form of general purpose locally elected institutions.

Municipal government was established by the *Hobart Town and Launceston Municipal Council Act 1852*. During 1852, 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 a Letters Patent issued by King George V in January 1934.

Further details of the history of Hobart City Council, including its past aldermen, can be sourced from the City of Hobart's historical reference: *Growing with Strength—a History of the Hobart City Council 1846–2000*.

In 2016 the City of Hobart celebrated the 150th anniversary of the completion of the Hobart Town Hall. A commemorative history was commissioned for the anniversary: *Municipal Magnificence: The Hobart Town Hall 1866–2016*.

COUNCIL AND COMMITTEE MEETINGS

The Council meets twice a month on Mondays, commencing at 5 pm in the Council Chamber at the Hobart Town Hall (except for January when there is only one meeting).

To help the Council deal with the range and volume of business, seven regular specialist committees consider matters before they go before the full Council.

Council and committee meetings are open to the public who may sit in the public gallery in person or listen online through the City of Hobart website.

COUNCIL REPRESENTATIVES

There are 12 Aldermen who represent the residents and businesses of Hobart.

They have specific powers, responsibilities and duties as set out in the *Local Government Act 1993*.

RISK AND AUDIT PANEL

The Risk and Audit 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 1993 and Local Government (Audit Panels) Order 2014*.

The membership of the panel for 2016–17 included David Hudson as the independent Chairman, Joss Fenton and Alison Flakemore as the independent panel members, and Aldermen Jeff Briscoe and Damon Thomas as the Council's nominees.

The panel's objective is to provide assurance and advice to the Council about the assessment, management and review of risk across all City activities and services. The panel undertakes reviews of performance in areas including:

- the City's financial system, financial governance arrangements and financial management arrangements
- strategic planning arrangements, including strategic and annual plans, long-term financial management plan and asset management plans
- policies, systems and controls the City has in place to safeguard its long-term future.

COUNCIL ALDERMEN



**LORD MAYOR
ALDERMAN
SUE HICKEY**

MBA, FAICD, FAMI CPM, GradCert Digital Marketing, Dame of the Order of Saint John of Jerusalem)

Committee Membership
Council (Chairman)

Representations

- Battery Point Advisory Committee (ex-officio)
- Cycling South Inc.
- Hobart City Council—Launceston City Council Memorandum of Understanding Joint Working Party
- Hobart Emergency Management Committee (Municipal Chairman)
- Mayors for Peace
- Sister Cities Australia
- Southern Tasmanian Councils Authority (*Think South*) (ex-officio and Chairman)
- Tasmanian Water and Sewerage Corporation (Owner's Representative)
- Taste of Tasmania Advisory Group (Chairman)



**DEPUTY LORD MAYOR
ALDERMAN
RON CHRISTIE**

Committee Membership

Economic Development and Communications Committee (Chairman)

City Infrastructure Committee
Finance Committee
Governance Committee

Representations

- Hobart Emergency Management Committee (proxy)
- North Hobart to the Waterfront Transit Links Working Group
- Salamanca Market Stallholders Association meetings with Council (Chairman)
- Sister Cities Australia (proxy)
- Southern Tasmanian Councils Authority (*Think South*) (Lord Mayor's nominee)



**ALDERMAN
MARTI ZUCCO**

Committee Membership

Economic Development and Communications Committee
Community, Culture and Events Committee
Finance Committee

Representations

- Glebe Residents Traffic Committee – until 6 February 2017
- Hobart City Council—Launceston City Council Memorandum of Understanding Joint Working Party
- Lenah Valley Residents Traffic Committee — until 6 February 2017
- Mount Stuart Residents Traffic Committee — until 6 February 2017
- Sandy Bay Residents and Traders Traffic Committee — until 6 February 2017
- Sister Cities Australia (proxy)
- South Hobart Residents Traffic Committee—until 6 February 2017
- West Hobart Residents Traffic Committee — until 6 February 2017



**ALDERMAN
JEFF BRISCOE**

BSc (Hons), Dip Ed, TTC, MHum, LLB (Hons)

Committee Membership

City Planning Committee (Chairman)
Parks and Recreation Committee
Risk and Audit Panel
Heritage Account Special Committee

Representations

- Battery Point Advisory Committee (Lord Mayor's nominee and Chairman)
- Battery Point Foreshore Access-way Working Group (Chairman)
- Hobart Bicycle Advisory Committee
- Superannuation Policy Group
- West Hobart Residents Traffic Committee



**ALDERMAN
DR EVA RUZICKA**

BA(Hons) Public Policy, PhD Government

Committee Membership

Governance Committee (Chairman)
City Planning Committee
Economic Development and Communications Committee
Finance Committee

Parks and Recreation Committee

Heritage Account Special Committee (Chairman)

Representations

- Coming Out Proud—Greater Hobart Community Liaison Committee (proxy)
- Friends of Soldiers Memorial Avenue (proxy)
- Hobart Cenotaph Reference Group
- Hobart City Council—Launceston City Council Memorandum of Understanding Joint Working Party
- Maritime Museum of Tasmania Management Committee
- Queens Domain Advisory Committee (proxy)
- Southern Tasmanian Councils Authority (*Think South*) (Lord Mayor's nominee)
- Wellington Park Management Trust (deputy member)



**ALDERMAN
DR PETER SEXTON**

BSc (Hons), BMedSci, MBBS, PhD, FAFPHM, FAICD

Committee Membership

Community, Culture and Events Committee (Chairman until 6 February 2017 and member from 6 February 2017)

Finance Committee

Parks and Recreation Committee

Representations

- Sandy Bay Residents and Traders Traffic Committee



**ALDERMAN
HELEN BURNET**

MAICD, Dip App Sc (Podiatry)

Committee Membership

City Infrastructure Committee (Chairman)
City Planning Committee

Representations

- Battery Point Foreshore Accessway Working Group
- City of Hobart Eisteddfod Society Inc. (proxy)
- Cycling South Inc.
- Hobart Bicycle Advisory Committee
- Hobart City Council Access Advisory Committee (Chairman)
- North Hobart to the Waterfront Transit Links Working Group (Chairman)
- Southern Tasmanian Councils Authority Waste Strategy South Group
- Southern Tasmanian Councils Authority (Think South) (Lord Mayor's nominee)
- Trustees of the Tasmanian Museum and Art Gallery
- Tasmanian Response to the Syrian Refugee Crisis Working Group
- Regional Waste Working Group



**ALDERMAN
PHILIP COCKER**

Committee Membership

Finance Committee (Chairman until 11 July 2016)
Community, Culture and Events Committee
Governance Committee
Risk and Audit Panel (member until 11 July 2016)

Representations

- Battery Point Foreshore Accessway Working Group
- Hobart Bicycle Advisory Committee (Chairman)
- Superannuation Policy Group (Chairman)
- Wellington Park Management Trust



**ALDERMAN
DAMON THOMAS**

BA, LLB, LLM

Committee Membership

Finance Committee (Chairman from 11 July 2016)
Community, Culture and Events Committee
Economic Development and Communications Committee
Governance Committee
Risk and Audit Panel (member from 11 July 2016)

Representations

- City of Hobart Eisteddfod Society Inc.
- Cycling South Inc.
- Glebe Residents Traffic Committee
- Glenorchy–Hobart City Council Rail Corridor Working Party
- Greater Hobart Reference Group Committee—Destination Southern Tasmania (proxy)
- Hobart City Council–Launceston City Council Memorandum of Understanding Joint Working Party
- Lenah Valley Residents Traffic Committee
- Lunar New Year Celebrations Working Group (Chairman)
- Mount Stuart Residents Traffic Committee



**ALDERMAN
ANNA REYNOLDS**

BA, MM

Committee Membership

Parks and Recreation Committee (Chairman)
City Infrastructure Committee
Governance Committee

Representations

- Battery Point Foreshore Accessway Working Group
- Friends of Soldiers Memorial Avenue
- Glenorchy–Hobart City Council Rail Corridor Working Party
- 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
- Tasmanian Polar Network
- West Hobart Residents Traffic Committee



**ALDERMAN
TANYA DENISON**

BEng(Hons), GAICD

Committee Membership

City Infrastructure Committee
City Planning Committee
Economic Development and Communications Committee

Representations

- Greater Hobart Reference Group Committee—Destination Southern Tasmania (until 6 February 2017)
- Regional Waste Working Group (proxy)
- Sandy Bay Residents and Traders Traffic Committee



**ALDERMAN
BILL HARVEY**

BA, GDipEd, GDipEnvMgt, GAICD

Committee Membership

- City Infrastructure Committee
- Community, Culture and Events Committee (Chairman from 6 February 2017)
- Parks and Recreation Committee
- Heritage Account Special Committee

Representations

- Carbon Disclosure Project (from 5 September 2016)
- 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
- Tasmania Polar Network (proxy)
- Wellington Park Management Trust (deputy member)

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 the City of Hobart.



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



VOLUNTEERING

The City of Hobart recognises the value of volunteering and sees it as an important element of a cohesive and harmonious community.

The City has developed a Volunteer Management System to ensure a high level of management of its volunteers. The system was reviewed and updated in 2016–17, in line with the National Standards for Volunteer Involvement.

City volunteers generously give their time, commitment and expertise to make a meaningful difference, supporting the delivery of important programs and services.

The City engages approximately 680 volunteers. In 2016–17, City volunteers contributed 14 060 hours through six different programs:

Still Gardening peer education and ‘garden mates’ who support older people with their home gardening.

Tasmanian Travel and Information Centre meet and greet conference delegates and tourists at Macquarie 2 Cruise Ship Terminal and Hobart International Airport.

Mathers House cooking, helping to lead and teach activities and welcome guests to the centre to support positive ageing.

Bushcare environmental weeding, planting, litter control, maintaining and developing tracks, and educating the community.

International Student Ambassadors involvement with citizenship ceremonies, Harmony Day and sister city events and other community activities.

Youth Arts and Recreation Centre youth participation and development programs and activities for people aged between 12 and 25.

A photograph of a garden with purple flowers and people sitting in the background. The image is split into two pages, 24 and 25, with a blue overlay containing the section header.

PART II REPORTING PERFORMANCE



PLANNING AND REPORTING FRAMEWORK

The City of Hobart’s planning activities incorporate the requirements of the *Local Government Act 1993* and are guided by the views and aspirations of the community, which are represented in the clearly defined vision: *Hobart 2025—A Strategic Framework*.

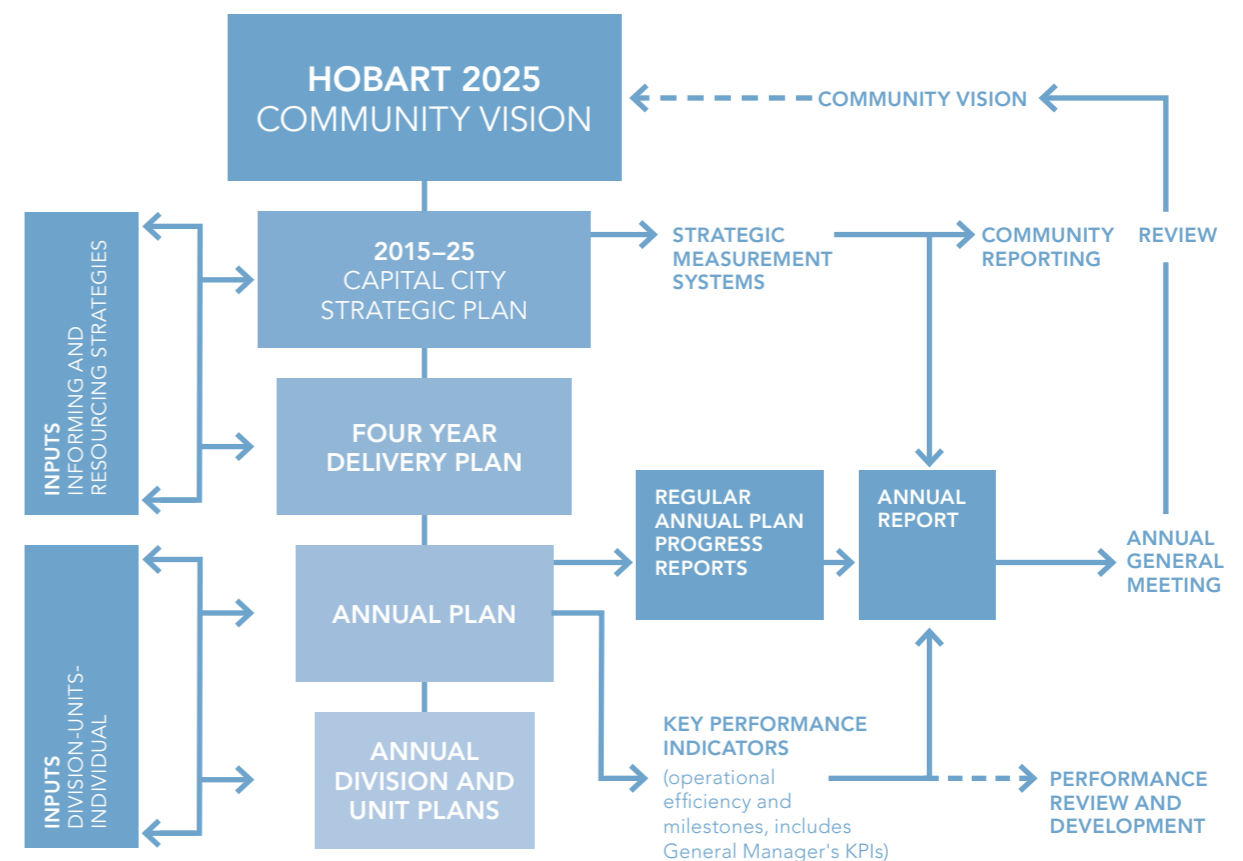
Previously, this community vision has been implemented through a series of five-year strategic plans. However, due to an amendment to the *Local Government Act 1993*, local government is now required to operate within a ten-year strategic planning timeframe. In late 2015, the Hobart City Council endorsed a new ten-year *Capital City Strategic Plan 2015–25*. Accordingly, this is the first Annual Report that is based on the new ten-year strategic plan.

Planning to achieve the strategic outcomes and reporting of progress is undertaken within the Council’s Annual Plan, through organisational

unit plans and through regular reporting to the Council and the community through the Annual Report. The Annual Plan sets out strategic goals and objectives for all function areas, as identified in the strategic plan, and outlines the operational priorities and major actions for the year.

The Annual Plan is endorsed by the Council each year along with the budget estimates. Annual reporting is a critical process in closing the loop and reflecting on the effectiveness of actions in preparation for future plans, actions and strategies.

The City of Hobart’s Annual Report illustrates performance in achieving the objectives stated within the Annual Plan and is divided into the five goals of the *Capital City Strategic Plan 2015–25*.



HOBART 2025 — A STRATEGIC FRAMEWORK

The vision for Hobart—*Hobart 2025 A Strategic Framework*—and seven 20-year future direction statements were developed through a series of community workshops in 2005. In 2013, the community and City of Hobart stakeholders were invited to provide feedback on whether the 2025 Vision was still relevant. This process identified that the community continued to support Hobart 2025 and the future directions.

The seven future direction statements that make up Hobart 2025 are divided into 21 outcomes. Within each of these outcomes there are key strategies that underpin the vision and provide the basis for ten-year strategic plans. Performance in achieving the future direction statements, outcomes and key strategies is continually monitored, with results documented in the Annual Report.



FD1 – Offers opportunities for all ages and a city for life	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		
FD2 – Is recognised for its natural beauty and quality of environment	2.1 The natural beauty of kunanyi/ Mount Wellington, the River Derwent 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
FD3 – Is well governed at a regional and community level	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	
FD4 – Achieves good quality development and urban management	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	
FD5 – Is highly accessible through efficient transport systems	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		
FD6 – Builds strong, safe and healthy communities through diversity, participation and empathy	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
FD7 – Is dynamic, vibrant and culturally expressive	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	

THE CAPITAL CITY STRATEGIC PLAN 2015–25

The journey towards Hobart 2025 through the *Capital City Strategic Plan 2015–25* is represented through the following diagram. Each of the future directions have been brought together to form the following goals for the City.

GOAL ONE Economic development, vibrancy and culture	FD1 — Offers opportunities for all ages and a city life.	FD7 — Is dynamic, vibrant and culturally expressive.
GOAL TWO Urban management	FD4 — Achieves good quality development and urban management.	FD5 — Is highly accessible through efficient transport systems.
GOAL THREE Environment and natural resources	FD2 — Is recognised for its natural beauty and quality of environment.	
GOAL FOUR Strong, safe and healthy communities	FD6 — Builds strong and healthy communities through diversity, participation and empathy.	
GOAL FIVE Governance	FD3 — Is well governed at a regional and community level.	

GOAL ONE

ECONOMIC DEVELOPMENT, VIBRANCY AND CULTURE

City growth, vibrancy and culture comes when everyone participates in city life.

FD1 — Offers opportunities for all ages and a city 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.

FD7 — 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.

STRATEGIC OBJECTIVES

- 1.1 Partnerships with government, the education sector and business create city growth.
- 1.2 Strong national and international relationships.
- 1.3 Vibrant city centre and suburban precincts.
- 1.4 An enriched visitor experience.
- 1.5 Cultural and creative activities build community wellbeing and economic viability.

2016–17 Actions and initiatives	Performance
Establish and implement a framework to engage with the business community.	➤
Consider the development of a business grants program.	✓
Continue to deliver a range of operational improvements for the Salamanca Market, including improved casual and licensed stallholder administrative systems, implement data collection on market activities, and the provision of improved patron amenities such as signage and seating.	✓
Implement actions arising from the Memorandum of Understanding between the University of Tasmania and the City of Hobart.	✓
Support the University of Tasmania in the Australian Research Council funded Antarctic Gateways research project.	✓
Incorporate the City of Hobart Gaps and Opportunities Study into the mid-term review of the Economic Development Strategy.	➤

Performance: Completed ✓, Underway ➤, No Action ✕



2016–17 Actions and initiatives	Performance
Partner with the University of Tasmania's Plimsoll Gallery to deliver a <i>Hobart Town Hall 150th Year Anniversary Design Award</i> to be exhibited in December 2016 and January 2017.	✓
Strengthen the relationship with schools through the Youth Arts and Recreation Centre delivering a range of workshops in the community.	✓
Continue to partner with stakeholders in the Racism Stops With Me campaign.	✓
Commence implementation of the International Relations Action Plan.	✓
Celebrate the City of Hobart's 40 year anniversary of the sister city relationship with Yaizu through hosting a delegation in Hobart in February 2017 and arranging a delegation to Yaizu in August 2017.	✓
Deliver the Student Ambassador Program in partnership with the University of Tasmania.	✓
Deliver the 2016–17 The Taste of Tasmania and commission a three-year business plan.	✓
Implement a cashless income generation model, subject to Council approval, for The Taste of Tasmania.	✓
Review and renew the Salamanca Market Stallholder Licence in consultation with individual stallholders and the Salamanca Market Stallholders Association.	➤
Deliver Carols by Candlelight and Christmas pageant events for Hobart.	✓
Provide opportunity for the support of events, festivals and activities that activate Hobart during winter, through the Community Development Grants Program.	✓
Continue to work in partnership with key event partners in delivering major events and festivals.	✓
Development of a Waste Management Strategy for Salamanca Market.	✓
Commence master planning for the Battery Point Slipyards site.	➤
Finalise and implement actions arising from the Civic Square Master Plan.	➤
Refurbish the existing Elizabeth Mall Information Booth to provide visitor information and booking services in the city centre by the Tasmanian Travel and Information Centre. This will accommodate an expected increase in demand for visitor services, and support the major retail and hospitality precincts.	➤
Implement a new city centre marketing strategy.	➤

Performance: Completed ✓, Underway ➤, No Action ✕

2016–17 Actions and initiatives	Performance
Assist the tourism industry and local economy through support of the cruise ship industry in Hobart and Tasmania and through relationships with key stakeholders (Tasports, Destination Southern Tasmania and Tourism Tasmania).	✓
Local Retail Precincts Plan: <ul style="list-style-type: none"> • Develop implementation strategy. • Undertake community engagement and develop designs for the Lenah Valley retail precinct. • Undertake community engagement and develop designs for the pedestrian crossing points in Macquarie Street, South Hobart retail precinct. 	➤
Develop and implement an innovative whole-of-City activation framework.	➤
Review and implement outcomes of the City of Hobart Mobile Food Vendor Program trial.	✓
Implementation of initiatives to ensure the city's streets are cleaned and public toilets are maintained to a high standard.	✓
Evaluate findings and resolve actions relating to the acoustics audit of the Town Hall.	➤
Install external facade lighting to the Town Hall.	➤
Redesign booking and information provision infrastructure at the Tasmanian Travel and Information Centre to ensure employee safety and improved accessibility for the public.	✓
Develop a business plan for the Tasmanian Travel and Information Centre.	✗
Implement the Creative Hobart Strategy.	✓
Host a curated series of Creative Hobart forums that engage the community and cultural sector.	✓
Undertake a review of the City of Hobart Art Prize to ensure alignment with the Creative Hobart Strategy.	✓
Investigate and implement a broad range of public art projects, in particular complete the installation of the Franklin Square Public Art Project.	➤
Implement the ongoing Soapbox program in Mathers Place.	✓

Performance: Completed ✓, Underway ➤, No Action ✗

GOAL TWO URBAN MANAGEMENT

City Planning promotes our city's uniqueness, is people focused and provides connectedness and accessibility.

FD4 — 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, public and open spaces and continue to enjoy the benefits of scale and proximity.

FD5 — Is highly accessible through efficient transport systems.

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.

STRATEGIC OBJECTIVES

- 2.1 A fully accessible and connected city environment.
- 2.2 A people-focused city with well-designed and managed urban and recreation spaces.
- 2.3 City and regional planning ensures quality design, meets community needs, and maintains residential amenity.
- 2.4 Unique heritage assets are protected and celebrated.

2016–17 Actions and initiatives	Performance
Commence development of the Transport Strategy: <ul style="list-style-type: none"> • Undertake community engagement to identify transport issues. • Draft strategy in response to the issues identified. 	➤
Commence West Hobart pedestrian amenity improvements in Hill Street: <ul style="list-style-type: none"> • conduct community engagement • complete median treatment design • complete construction. 	➤

Performance: Completed ✓, Underway ➤, No Action ✗

2016–17 Actions and initiatives	Performance
Extend the Licence Plate Recognition system into all three multistorey car parks and link them to one operating system.	✓
Investigate the allocation of parking spaces in the short-term and monthly lease car parks to promote the use of fuel-efficient and environmentally friendly vehicles.	✓
Review the parking strategy: Parking—A Plan for the Future 2013.	➤
Install and implement the integrated parking system.	➤
Review the residential parking schemes, including zones, operational costs, fees and eligibility criteria and identify actions.	➤
Upgrade the bus mall in Elizabeth Street and consider inclusion of Collins Street as part of the bus interchange facilities: <ul style="list-style-type: none"> • undertake community engagement • complete design • commence construction. 	✘
Complete construction of the Intercity Cycleway—Morrison Street section, connecting Brooke Street and Castray Esplanade, including Brooke Street upgrade.	✓
Commence planning and design for the Intercity Cycleway—shared path on Castray Esplanade from the Institute of Marine and Antarctic Studies to the Commonwealth Scientific and Industrial Research Organisation.	✓
Complete construction of Sandy Bay Road walking and cycling project from Beach Road to the boundary with Kingborough Council.	✓
Investigate options to improve traffic network capacity within the city centre.	✓
Complete stage two of the Collins Court revitalisation, including improving the linkages through to Macquarie Street.	➤
Develop a business plan for the City Hall.	➤
Complete construction of the Sandy Bay Retail Precinct Revitalisation project.	➤
Rebuild Carlton Street: <ul style="list-style-type: none"> • complete design • commence construction. 	➤
Construct a new footpath at Cornelian Bay from Queens Walk to Stainforth Court.	➤
Implement the Public Toilet Strategy.	✓

2016–17 Actions and initiatives	Performance
Complete the fabrication and installation of toilet facilities in Sullivans Cove to service Salamanca Market and the late-night economy.	➤
Complete the development of the City's new Street Tree Strategy.	✓
Develop procedures to guide the management and booking of inner-city spaces including Collins Court, Mathers Place, Elizabeth Mall, Wellington Court and Salamanca Square.	➤
Upgrade the Mawson Place cardinal lights to energy-efficient colour-adjustable lighting.	➤
Substantial completion of the Brooker Avenue shared bridge.	➤
Completion of the City to Cove improved pedestrian connectivity options analysis.	✓
Preparation of a design for the Tasman Highway shared bridge.	✓
Implementation of the City's Graffiti Management Plan.	✓
Work collaboratively with business and community to implement a range of graffiti prevention measures including the development of community art walls.	✓
Develop a new interpretation strategy for Sullivans Cove.	➤
Translate the Hobart Interim Planning Scheme and the Sullivans Cove Planning Scheme into the Tasmanian Planning Scheme.	➤
Celebration of the sesqui-centenary of the Town Hall in September 2016: <ul style="list-style-type: none"> • implementation of projects identified by the working group • input into the publication of a book on the history of the Town Hall. 	✓

Performance: Completed ✓, Underway ➤, No Action ✘



GOAL THREE ENVIRONMENT AND NATURAL RESOURCES

An ecologically sustainable city maintains its unique character and values our natural resources.

FD2 — Is recognised for its natural beauty and quality of environment.

In 2025 Hobart will be a city that respects the natural beauty of kunanyi/Mount Wellington, the River Derwent, the 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 manner that will ensure a healthy and attractive city.

STRATEGIC OBJECTIVES

- 3.1 Increased resilience to climate change.
- 3.2 Strong environmental stewardship.
- 3.3 A highly valued natural and cultural open-space network.
- 3.4 Leadership in environmental performance with the efficient use of natural resources.

2016–17 Actions and initiatives	Performance
Develop and implement a climate communication plan as part of a review of the Hobart Climate Change Strategy.	➤
Develop and implement a coastal hazard strategy.	➤
Review the City's fire management plans for Knocklofty and Ridgeway Reserves.	➤
Finalise the New Town Rivulet flood model and analyse results.	➤
Conduct rivulet and waterways restoration, including willow tree removal and revegetation works.	✓
Implement the Waste Management Strategy 2015–30.	✓
Undertake stage one of the joggers loop redevelopment contained within the Queens Domain Management Plan.	✓
Implement the Ancanthe Park Master Plan.	✓

Performance: Completed ✓, Underway ➤, No Action ✕

GOAL FOUR STRONG, SAFE AND HEALTHY COMMUNITIES

Our communities are resilient, safe and enjoy healthy lifestyles.

FD6 — Builds strong 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 their community, a friendly and compassionate society will underpin a safe and healthy city.

STRATEGIC OBJECTIVES

- 4.1 Community connectedness and participation realises the cultural and social potential of the community.
- 4.2 City facilities, infrastructure and open spaces support healthy lifestyles.
- 4.3 Build community resilience, public health and safety.
- 4.4 Community diversity is encouraged and celebrated.

2016–17 Actions and initiatives	Performance
Implement the Social Inclusion Strategy 2016–17 Action Plan in conjunction with the Community Sector Reference Group.	✓
Implement the 2016–17 action plans for the Equal Access, Positive Ageing, Youth, Multicultural and Children and Families strategies.	✓
Investigate social prescribing to address social isolation for older people.	➤
Investigate the potential for Hobart to become an age-friendly city.	➤
Deliver the Still Gardening program in accordance with funding agreement with the Department of Social Services.	✓
Work with Relationships Australia to develop a suicide prevention action plan to be utilised in the Youth Arts and Recreation Centre.	✓
Work in partnership with key stakeholders to deliver the Ability to Create exhibition at the Waterside Pavilion, Mawson Place.	✓
Participate in the Disability Action Local Government Working Group with the Department of Premier and Cabinet, Tasmanian Government.	✓
Partner with the Glenorchy City Council, Clarence City Council and Tascare Society for Children to deliver the Access All Areas event to celebrate International Day of People with a Disability.	✓

Performance: Completed ✓, Underway ➤, No Action ✕

2016–17 Actions and initiatives	Performance
Deliver the 2016–17 Community Development Grants program and undertake a review.	✓
Strengthen and develop the Positive Ageing volunteer program.	✓
Support the provision of accessible information and lifelong learning through the delivery of an expo for Adult Learners Week.	✓
Complete development of the Doone Kennedy Hobart Aquatic Centre Redevelopment Master Plan.	✓
Implement the Doone Kennedy Hobart Aquatic Centre Marketing Strategy.	✓
Undertake renewal works to the Organ Pipes Track (Great Short Walk).	✓
Undertake planning for the design of the City to Gardens Way connecting the city centre to the Royal Tasmanian Botanical Gardens.	➤
Commence implementation of the West Hobart Oval Management Plan.	✓
Design and implementation of the Soldiers Memorial Oval Community Hub.	➤
Deliver new programs to encourage healthy eating choices at the Youth Arts and Recreation Centre.	✓
Investigate opportunities to enhance the Light up the Lane, National Youth Week event.	✓
Officers in City Planning, Community Development and Corporate Services to investigate and implement Creative Hobart residency opportunities using City-owned space as short-term studios.	➤
Investigate the opportunity to coordinate a large-scale skate event in partnership with other local councils.	✓
Complete Marieville Esplanade Coastal Adaptation Pathway Project.	✓
Engage with businesses undertaking high-risk Level 1 activities to discuss the regulation and monitoring of environmental relevant activities.	✓
Deliver the secure taxi rank as part of the Street Teams Project in partnership with The Salvation Army and Tasmania Police.	✓
Develop a Community Safety Strategy.	➤
Support the delivery and promotion of 2017 Lunar New Year events.	✓



GOAL FIVE GOVERNANCE

Leadership provides for informed decision-making for our capital city.

FD3 — 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 with governments, the private sector and local communities in achieving significant regional, city and community goals will be created.

STRATEGIC OBJECTIVES

- 5.1 The organisation is relevant to the community, and provides good governance and transparent decision-making.
- 5.2 Opportunities are embraced and risks are recognised and managed.
- 5.3 Quality services are delivered in the most safe, cost-effective and efficient way.
- 5.4 An engaged civic culture where people feel part of decision-making.
- 5.5 Capital city leadership is provided.

2016–17 Actions and initiatives	Performance
Purchase and commence implementation of new integrated business systems.	➤
Review the structure and resourcing of information and communication technology services to support the new business systems environment.	➤
Implement the InfoCouncil system as a holistic tool to accommodate the preparation of Council and committee business papers and the management of Council and committee outcomes.	✓
Continue to refine and enhance the use of The Hub software, as the means of presenting Council business documents to Aldermen.	✓
Undertake the 12-month audit of the implementation of Council's policy in respect to Aldermanic Development and Support.	✓
Review and update the Long-Term Financial Management Plan 2017–37.	✓
Review and update the City of Hobart Rates and Charges Policy.	✓
Implement property value adjustment factors (indexation) for 2017–18 Council rates.	✓
Investigate methods for the efficient and sustainable distribution of rate notices.	✓

Performance: Completed ✓, Underway ➤, No Action ✕

2016–17 Actions and initiatives	Performance
Develop a City of Hobart Procurement Strategy to complement the existing Code for Tenders and Contracts and Purchasing Policy.	✓
Implement improvements to inventory and stock management.	➤
Continue to develop and deliver a range of procurement best-practice training modules, resources and support materials for employees.	✓
Continued implementation of the City's Fire Management Plan.	✓
Implement a new contracted tenancy management system.	✓
Undertake penetration testing to assess the City's cyber protection.	✓
Undertake actions to further enhance resiliency of digital information.	✓
Continue implementation of electronic record keeping and information distribution, including replacement of hard copy function files.	✓
Ongoing digitisation of historical records.	✓
Implement a web-based lodgement and application assessment system for the online submission of statutory applications.	✓
Develop and implement a project management toolkit.	✓
Revise the City's Asset Management Strategy to accord with state legislative requirements.	➤
Undertake negotiations and finalise the City's Enterprise Agreement with employees.	✓
Implement Fitness for Work policy and procedures.	✓
Implement the Alcohol and Other Drug Policy, including workplace testing.	✓
Review the City's recruitment policy and processes.	✗
Implement actions arising from the 2015 employee culture survey.	➤
Deliver a code of conduct and ethical decision-making training program to all employees.	✓
Introduce the interactive voice response (menu based) system to the City's switchboard to enhance customer services.	✓
Undertake the relevant preparatory work for the expansion of the City's online services, following implementation of the new enterprise business systems.	➤

2016–17 Actions and initiatives	Performance
Deliver an upgraded, contemporary corporate website and update associated procedures and guidelines.	➤
Update communications policy and develop procedures and relevant guidelines.	➤
Optimise shared service opportunities for the metropolitan area.	➤
Actively participate in Council of Capital City Lord Mayors activities and support projects that will benefit the city.	✓

Performance: Completed ✓, Underway ➤, No Action ✗





PART III LEGISLATIVE REQUIREMENTS

STATEMENT OF ACTIVITIES

LOCAL GOVERNMENT ACT 1993 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*.

STATEMENT OF LAND DONATED

LOCAL GOVERNMENT ACT 1993 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 City of Hobart's guidelines for dealing with matters under the *Public Interest Disclosure Act 2002* are available for viewing on the webpage www.hobartcity.com.au or by requesting a copy from the Deputy General Manager, Heather Salisbury on (03) 6238 2711.

PUBLIC INTEREST DISCLOSURES 2016–17

- The number and types of disclosures made to the City of Hobart during the year. 0
- The number of those disclosures determined to be public interest disclosures. 0
- The number of disclosures determined by the City of Hobart to be public interest disclosures that it investigated during the year. 0
- The number and types of disclosed matters referred to the City of Hobart during the year by the Ombudsman. 0
- The number and types of disclosures referred by the City of Hobart to the Ombudsman to investigate. 0
- The number and types of investigations taken over by the Ombudsman from the City of Hobart during the year. 0
- The number and types of disclosed matters that the City of Hobart has decided not to investigate during the year. 0
- The number and types of disclosed matters that were substantiated upon investigation and the action taken on completion of the investigation. 0
- Any recommendations made by the Ombudsman that relate to the City of Hobart. 0

PUBLIC HEALTH STATEMENT

Section 72(1)(ab) of the *Local Government Act 1993* requires the City of Hobart to include a statement of its goals and objectives for public health for the preceding financial year in its Annual Report.

The statement is to detail the extent to which the City has carried out its functions under the *Public Health Act 1997* and *Food Act 2003*, the resources allocated to public health, the extent to which its goals and objectives, policies and programs for public health met the needs of people within its municipal area, and the completion of any strategies.

The City of Hobart's commitment to maintaining high levels of public health protection is identified under Goal 4 of the *Capital City Strategic Plan 2015–2025*.

Goal 4—Strong, safe and healthy communities

Strategic objective 4.3—Build community resilience, public health and safety

Strategic objective 4.3.5—Protect and improve public and environmental health outcomes

The broad strategic goals and objectives above arise from the City's obligations to carry out legislative functions designed to protect and improve public health. Responsibility for this lies with the Environmental Health Unit, which is comprised of the Manager Environmental Health, Senior Environmental Health Officer, five full-time equivalent and one part-time environmental health officers, one part-time Immunisation Coordinator and two contract nurse immunisers. The budget expenditure for the financial year was \$874 404 and the unit-generated income was \$284 367.

The Environmental Health Unit prepares an annual business plan which sets out strategic and operational priorities to achieve strong, safe and healthy communities. The following key initiatives were actioned in the 2016–17 year:

- Develop appropriate documentation to support officer implementation of the Public Health Emergency Management Plan.
- Review existing food safety compliance enforcement policies to ensure consistency in interpretation and implementation.
- Undertake assessments of households causing excessive domestic wood smoke emissions during winter.

FUNCTIONS CARRIED OUT UNDER THE PUBLIC HEALTH ACT 1997

ACTIVITY	DETAIL	TOTAL NUMBER
Immunisation program	vaccinations delivered at public clinics	500 vaccinations
	vaccinations delivered at school-based clinics	October 2016—825 March & April 2017—1579 May 2017—732
Public health risk activities	tattoo, ear and body piercing premises inspected	16 premises
Smoke-free public places	routine monitoring undertaken	N/A
Regulated systems	premises operating cooling towers and warm water systems assessed and renewed	11 locations
Unhealthy premises	closure orders issued with respect to human habitation	1 order
Recreational water quality	beach samples	93 samples
	swimming and spa pool samples	72 samples
Places of assembly	public events meeting the 'mass gathering' criteria	32 licences issued
Notifiable disease notifications	individual investigations	14 cases

FUNCTIONS CARRIED OUT UNDER THE FOOD ACT 2003

ACTIVITY	DETAIL	TOTAL NUMBER
Permanent food businesses registered with the City	849 businesses	1392 inspections
Mobile food businesses	44 businesses registered with the City 209 out-of-area traders	458 inspections
Formal enforcement actions	improvement notices	14
	infringement notices	11
Food business plans assessments and occupancy (Building Act)	form 49 reports issued	48
	form 50 reports issued	25
Food handler training	various institutional settings	200 students
Tasmanian Food Sampling and Surveillance Program—6 topics	labelling compliance	99
	temperature control	14
	bread fortification	11
	chicken origin	2
	listeria—smoked salmon	3
Food recall	enforcement actions	56
	hot smoked salmon	7

MEETING THE NEEDS OF OUR PEOPLE

In addition to the above, the environmental health officers spend significant time and resources investigating matters of public, environmental health and general nuisance concern to members of the community. To address these needs, environmental health officers are also authorised officers under the *Environmental Management Pollution Control Act 1994*, the *Local Government Act 1993*, and Council by-laws. Concerns about noise pollution, air quality from particles or odour, asbestos exposure, contaminated land, failing septic systems, light pollution, the keeping of animals, and water pollution are key areas of work which may be responsive or proactive actions.

Education is a key part of the enforcement toolkit and environmental health officers are trained to provide clear information and guidance as they regulate across the compliance continuum. Smoke from wood heaters and backyard burning, and noise from heat pumps remain common areas of concern between neighbours.

COMPLETED STRATEGIES AND PROJECTS

BABY EXPO 2017

The City's immunisation team was invited to participate in the Hobart Baby Expo held over a weekend in late April 2017 at the Derwent Entertainment Centre. The focus of the City booth was promotion of infant vaccinations, as well as whooping cough vaccinations and shingles and flu for the elderly.

The team spoke to around 290 people over the course of the weekend and distributed show bags containing public health information, as well as detail about the City's clinic services. Many people were unaware that the City provides free clinics and the team was proud to represent local government in this forum. Attendee numbers at subsequent clinics have increased, as have phone calls generally about the City's immunisation program.

MOBILE DEVICES

The Mobile Health App for environmental health officers went live on mobile devices late in 2016, implementing the final phase of a transition to a

new health data management product known as Health Manager. The usage of a fully integrated in-field application for inspection recording, scheduling and reporting is a first for Tasmanian environmental health officers. The change from clipboards and carbon copies to a technological solution has been an initiative which has generated significant efficiencies in day-to-day processes, saving time, promoting greater consistency between officers and allowing for real-time reporting.

Proprietors are able to view their inspection results at the time by scrolling through the report on the device with the environmental health officer, they also receive a copy of the report directly to their email address at the completion of the inspection. The application automatically updates the in-house database capturing the inspection details, the report, any associated notices or letters, and setting the new scheduled inspection date.

WASTEWATER AUDIT

In November 2016, environmental health officers undertook an audit of all aerated wastewater treatment systems within the municipal area to identify public and environmental health risks, cross-check servicing records and update records. The onsite wastewater disposal systems are used to manage wastewater from households on individual rural lots. They are required to be serviced regularly under permit conditions issued by the City of Hobart.

Of the 60 units installed, 14 units were deemed to be failing at the time of inspection. The majority of the failures were linked to the irrigation areas where the treated effluent is applied to land. This can pose an immediate health risk to occupiers, their families and pets, and if discharging offsite it can also start to impact neighbours. Home owners have responded positively to the communications issued by officers explaining the non-compliances and seeking that matters be addressed. This has been an excellent short-term project, which has further improved local amenity and demonstrates how a targeted education and compliance project can generate small improvements which combine to create a wider overall community benefit.



STATEMENT OF ALLOWANCES AND EXPENSES PAID TO ELECTED MEMBERS

LOCAL GOVERNMENT ACT 1993 SECTION 72(1)(CB)

Total allowances paid to the Lord Mayor, Deputy Lord Mayor and Aldermen: \$521 950

Total expenses paid to all Aldermen (including telecommunications, fuel and travel expenses): \$217 114

MEETING ATTENDANCE

SECTION 72 (1) (CC)

Total Meetings Held	Council	Community, Culture and Events Committee		Economic Development and Communications Committee		Finance Committee		City Infrastructure Committee		Parks and Recreation Committee		Governance Committee		City Planning Committee	
	25	14		11		12		14		13		17		25	
	Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member
Alderman Hickey	21		7		8		5		3		2		11		8
Alderman Christie	22	2^	8		9		11		13		2^		14	1^	3
Alderman Zucco	22	10			9		9		4		1		8		3
Alderman Briscoe	23		4		1				1	10			5	28	
Alderman Ruzicka	25		6		11		11		7	12			17		29
Alderman Sexton	23	10			2		11		2	6			4		2
Alderman Burnet	20		7		3		3	12			1		8	26	
Alderman Cocker	22	10			2		4		7		1		15	3^	6
Alderman Thomas	21	11			10		10		2				13		4
Alderman Reynolds	22		5		2		2	12		12			15		15
Alderman Denison	18		4		10			9			1		5	23	
Alderman Harvey	23	10			5		7	13		9			12	1^	18

The committee attendance figures include special meetings conducted for those individual committees. Special joint committee meeting figures are shown separately.

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 of the committee.

SPECIAL JOINT COMMITTEE MEETINGS

Meetings dates	Special Joint Committee Meeting		Special Joint Committee Meeting		Special Joint Committee Meeting		Special Joint Committee Meeting		Special Joint Committee Meeting		Special Joint Committee Meeting	
	8 August 2016		21 November 2016		5 December 2016		23 January 2017		20 February 2017		11 April 2017	
	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member
Alderman Hickey		1		1		1		1				1
Alderman Christie	1		1		1		1		1		1	
Alderman Zucco	1		1			1			1		1	
Alderman Briscoe		1			1			1	1			
Alderman Ruzicka	1		1		1		1		1			
Alderman Sexton			1		1		1		1		1	
Alderman Burnet	1				1		1		1		1	
Alderman Cocker		1						1	1		1	
Alderman Thomas	1						1		1		1	
Alderman Reynolds	1		1		1				1		1	
Alderman Denison			1		1						1	
Alderman Harvey	1		1		1		1		1		1	

Attendance at the Risk and Audit Panel meetings is recorded in the Annual Report in accordance with the Terms of Reference of the Risk and Audit Panel 6.1.4(g).

Total meetings held	
Total meetings held	6
David Hudson (Chairman)	5
Alderman Briscoe	3
Alderman Thomas	5
Alison Flakemore	6
Joss Fenton	6

COMMITTEE MEMBERSHIP DETAILS

Alderman	Committee membership and details
Alderman Hickey	Council (Chairman, ex officio, Lord Mayor)
Alderman Christie	Economic Development and Communications Committee (Chairman) City Infrastructure Committee Finance Committee Governance Committee
Alderman Zucco	Community Culture and Events Committee Economic Development and Communications Committee Finance Committee
Alderman Briscoe	City Planning Committee (Chairman) Parks and Recreation Committee Risk and Audit Panel Heritage Account Special Committee
Alderman Ruzicka	Governance Committee (Chairman) Economic Development and Communications Committee City Planning Committee Parks and Recreation Committee Finance Committee Heritage Account Special Committee (Chairman)
Alderman Sexton	Community Culture and Events Committee (Chairman until 6 February 2017) Community Culture and Events Committee Parks and Recreation Committee Finance Committee
Alderman Burnet	City Infrastructure Committee (Chairman) City Planning Committee
Alderman Cocker	Community Culture and Events Committee Governance Committee Finance Committee (Chairman until 11 July 2016) Risk and Audit Panel (11 July 2016)
Alderman Thomas	Finance Committee (Chairman from 11 July 2016) Community Culture and Events Committee Economic Development and Communications Committee Governance Committee Risk and Audit Panel (from 11 July 2016)
Alderman Reynolds	Parks and Recreation Committee (Chairman) City Infrastructure Committee Governance Committee
Alderman Denison	City Infrastructure Committee Economic Development and Communications Committee City Planning Committee
Alderman Harvey	Community Culture and Events Committee (Chairman from 7 February 2016) City Infrastructure Committee Parks and Recreation Committee Heritage Account Special Committee

REMUNERATION OF SENIOR EMPLOYEES

LOCAL GOVERNMENT ACT 1993 SECTION 72(1)(CD)

Remuneration bands	Number of employees 2015-16	Number of employees 2016-17
\$200 000 to 219 999	5	5
\$220 000 to 239 999	1	1
\$240 000 to \$319 999	0	0
\$320 000 to 339 999	0	0
\$340 000 to \$359 999	1	0
\$360 000 to \$379 999	0	1

Total annual remuneration is defined as the total of the:

- base salary payable to the employee
- amount of employer superannuation contributions
- 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

LOCAL GOVERNMENT ACT 1993 SECTION 77(1)

Detail	Strategic Plan reference	GST inclusive amount \$
Reduced fees or charges		
65th Multi-District Lions Convention 2017 — installation of convention civic banners — reduced fees and charges	1.3	1 100
Australian Antarctic Festival — parking meter hoods — reduced fees and charges	1.3	644
Australian Antarctic Festival — Mawson Place Waterside Pavilion — remission of hire charges	1.3	115
Cambridge Primary School — reduced fees and charges	4.1	170
E Kalis Properties Pty Ltd — ICON Complex Development — remission of fees and charges	1.3	383 731
Festival of Voices Inc. — Hobart Town Hall — remission of hire charges	4.1	1 176
Hobart City Mission — Great Southern Pram Push — reduced fees and charges	4.1	500
Hobart Comedy Tours — Franklin Square — remission of hire charges	1.3	738
Hobart Hurricanes Big Bash League Cricket Club — reduced fees and charges	4.4	14 832
Hockey Tasmania Inc. — reduced fees and charges and in kind	4.1	450
International Day Against Homophobia, Transphobia and Biphobia — Railway Roundabout fountain lighting — reduced fees and charges	4.4	25
Island Brass — hall, piano and organ hire — remission of hire charges	1.3	768
Lansdowne Crescent Primary School — donation of plants — reduced fees and charges	4.1	210

Detail	Strategic Plan reference	GST inclusive amount \$
Masters Swimming Tasmania — remission of hire charges	1.3	2 168
Migrant Resource Centre — reduced fees and charges	4.4	725
Mother's Day Classic Foundation — Mother's Day Classic — Domain Athletics Centre — remission of hire charges	4.1	810
National Breast Cancer Foundation — Railway Roundabout fountain lighting — reduced fees and charges	4.1	25
North Hobart Football Club Limited — Hobart City Demons — Gorringer rental rebate	1.3	9 275
North Hobart Football Club Limited — trial National Rugby League match — North Hobart Oval — remission of hire charges	1.3	12 433
North Melbourne Football Club — Hobart Regatta Grounds — remission of hire charge	1.3	900
North Melbourne Football Club — Railway Roundabout fountain lighting — reduced fees and charges	1.3	100
Road Safety Week — Railway Roundabout fountain lighting — reduced fees and charges	1.3	25
Robert Grant — vehicle access to secure parks and bushland reserves — reduced fees and charges	4.1	805
Salamanca Moves — parking permits — reduced fees and charges	1.5	644
Source Community Wholefoods — reduced fees and charges	1.5	290
State Cinema — Hobart Town Hall — remission of hire charges	1.3	1 455
St John's Community Care — compost — reduced fees and charges	4.1	300
Table Cape Events Relive the Rivalry — North Hobart Oval and Doug Plaister Stand — remission of hire charges	1.3	984
Tasmanian Football Umpires Association — North Hobart Oval Doug Plaister Stand — remission of hire charges	4.1	1 855
Tasmanian Health and Fitness Expo — reduced fees and charges	1.3	619
Tasmanian Underwater Hockey Association — Doone Kennedy Hobart Aquatic Centre — remission of hire charges	4.1	12 900
University of Tasmania Athletics Club — Mother's Day Classic — reduced fees and charges	1.3	578
University of Tasmania — Waterside Pavilion — remission of hire charges	1.3	1 000
Vibrance Festival — remission of hire charges	1.3	341
Water Basketball Tasmania 'come and try night' — Doone Kennedy Hobart Aquatic Centre — remission of hire charges	4.1	377
Water Polo Tasmania — Under 16 Girls National State Club Water Polo Championships — reduced and remission of hire charges	4.1	26 670
Other remission of hire charges for City halls, sports fields and parks — to eligible recipients	4.1	6 700
Reduced rates		
E Kalis Properties Pty Ltd — development assistance — rate remission	1.1	9 385

GRANTS, ASSISTANCE AND BENEFITS PROVIDED SECTION 77 (1) (CONTINUED)

Detail	Strategic Plan reference	GST inclusive amount \$
Native Vegetation Protection Rebate — to eligible ratepayers	5.1	194
Natural Gas Rebate — to eligible ratepayers	5.1	2 000
Stormwater Removal Service Rate Remission — to eligible ratepayers	5.1	51 133
Sultan Holdings Pty Ltd — development assistance — rate remission	1.1	360 667
240 Litre Wheelie Bin Rebate — to eligible ratepayers	5.1	4 050
Rate remissions — pensioners net expenditure — to eligible ratepayers	5.1	33 131
Charitable donations and gifts		
CO.AS.IT. Amatrice earthquake appeal — donation	1.2	20 000
Fern Tree Community Association — donation for 1967 bushfire commemoration	3.2	1 050
Free entry days to the Doone Kennedy Hobart Aquatic Centre for residents	4.2	6 500
Free entry weekends at the McRobies Gully Waste Management Centre for residents	3.2	90 772
Sponsorship and investment — economic, cultural, festivals and events		
A.I.C. Inc. — Festa Italia — Event Grant and in-kind support	1.3	10 250
Alirenste Pty Ltd — development assistance — grant	1.1	135 422
Anglicare Tasmania Inc. — St David's Cathedral Floral Festival 2017 Blooming Church — grant	1.3	3 850
Australian Institute of Architects — Open House Hobart sponsorship — cash and in-kind support	1.5	8 699
Australian Wooden Boat Festival Inc. — Australian Wooden Boat Festival 2017 — cash and in-kind support	1.3	79 445
Bicycle Network Inc. — Ride2Work 2016 coffee van	1.3	1 000
BOFA Ltd — Innovative Tasmania Awards 2016 BOFA in Action — grant	1.5	5 500
Business Events Tasmania — annual grant	1.4	110 000
Charles Touber Productions Pty Ltd — Australia Day Concert in St David's Park — Event Grant	1.3	16 500
Chinese Community Association of Tasmania Inc. — 2017 Lunar New Year Festival — Event Grant, cash and in-kind support	4.4	15 874
Clemente Tasmania — sponsorship	1.3	3 000
Colony 47 — Mara House Aboriginal Mural — Quick Response Creative Hobart Grant	1.5	1 100
Council on the Ageing Tasmania Inc. — Medium Creative Hobart Grant	1.5	16 500
Cycling South — funding contribution	1.3	12 100
Derwent Estuary Program Ltd — funding contribution	3.2	113 168
Domain Tennis Centre Inc. — annual maintenance contribution	1.1	44 000
Estia Greek Festival — Event Grant and in-kind support	1.3	2 204

GRANTS, ASSISTANCE AND BENEFITS PROVIDED SECTION 77 (1) (CONTINUED)

Detail	Strategic Plan reference	GST inclusive amount \$
Festival of Bright Ideas — Event Grant	1.3	625
Festival of Voices Inc. — Event Partnership Grant	1.3	110 000
Folk Federation of Tasmania Inc. — Hobart songwriting spring school — Quick Response Creative Hobart Grant	1.5	1 000
Fullers Bookshop — Quick Response Community Grant	1.3	1 100
Hobart Legacy Inc. — Quick Response Community Grant	1.5	550
Hobart Jazz Club Inc. — Hot August Jazz Festival — Event Grant	1.3	3 000
Hobart Photographic Society — annual exhibition — Quick Response Creative Hobart Grant	1.3	500
Hockey Tasmania Inc. — annual subsidy	1.3	71 161
Inflight ARI Inc. — Quick Response Creative Hobart Grant	1.5	1 000
Italian Festival North Hobart — Event Grant and in-kind support	1.3	2 200
Kickstart Arts Inc. — Creative Hobart Medium Grant	1.5	8 771
Malaysian Student Council of Australia — Event Grant	4.4	3 100
Moorilla Estate Pty Ltd — Dark Mofo 2017 — Event Partnership	1.3	82 500
Moorilla Estate Pty Ltd trading as MONA — contribution to Itchy O workshop	1.3	2 200
Multicultural Council of Tasmania Inc. — Quick Response Community Grant	4.4	550
Multicultural Council of Tasmania Inc. — Diwali, Refugee Week and Hobart Language Day — grants	4.4	9 810
Performing Lines Ltd — Auspice for Leigh Tesch: The Lunch Break — grant	1.3	3 300
Performing Lines Ltd — Lipstick — Quick Response Grant	1.3	1 100
Performing Lines Ltd — The Love Project — grant	1.3	1 100
Resource Work Cooperative — Arts Parts — Waste Education Grant	3.2	5 500
Rotary Club of Hobart — Quick Response Community Grant	1.3	500
Royal Hobart Regatta Association Inc. — Moscow Circus — in-kind support	1.3	5 534
Royal Tasmania Botanical Gardens — grant	1.5	36 300
Salamanca Arts Centre — Creative Hobart Major Cultural Organisations Grant	1.5	27 500
Salamanca Arts Centre — Salamanca Moves 2016 — Event Grant	1.5	8 525
Salamanca Arts Centre — dance festival — grant	1.5	1 700
Sandy Bay Regatta Association — sponsorship and in-kind support	1.5	20 240
Second Echo Ensemble — The Right of Spring — Grant	1.3	7 500
South Hobart Living Arts Centre — upgrade— Commonwealth funded grant	1.5	801 838
Southern Tasmanian Netball Association — stadium maintenance and repairs — grant	1.5	33 000
State Emergency Service — Southern Regional Volunteer SES Unit — annual contribution	1.5	21 155
Tasmania University Union Inc. — AICon — Event Grant	4.4	10 000



GRANTS, ASSISTANCE AND BENEFITS PROVIDED SECTION 77 (1) (CONTINUED)

Detail	Strategic Plan reference	GST inclusive amount \$
Tasmanian Canine Defence League — funding contribution	1.1	88 744
Tasmanian Council on AIDS and Related Diseases Inc. — Rainbow Gala Charity Ball — Quick Response Community Grant	4.4	550
Tasmanian Museum and Art Gallery — Creative Hobart Major Cultural Organisations Grant	1.5	38 500
Tasmanian Museum and Art Gallery — Children's Festival 2017 — Event Grant	1.3	11 000
Tasmanian Symphony Orchestra — Creative Hobart Major Cultural Organisations Grant	1.5	27 500
Tasmanian Symphony Orchestra — Concert in Fuzhou, China — support of China tour	4.4	22 000
Tasmanian Writers Centre — Tasmanian Writers and Readers Festival 2017 — Event Grant	1.3	11 000
Tasmanian Eco Film Festival — Event Grant	1.3	5 170
Ten Days on the Island Ltd — Event Partnership Grant, cash and in-kind support	1.3	83 100
Theatre Council of Tasmania — Tasmanian Theatre Awards — Quick Response Creative Hobart Grant	1.5	1 000
Theatre Royal — Creative Hobart Major Cultural Organisations Grant	1.5	16 500
The Little Help Project Tasmania — Quick Response Community Grant	1.5	500
University of Tasmania — Festival of Bright Ideas 2016 — grant and in-kind support	1.1	11 446
Volunteer Marine Rescue — Kingborough Inc. 'Safety on the Water' — grant	1.5	3 025
Working It Out Inc. — Standing Stronger Together — Medium Creative Hobart Grant	1.5	6 930
Wellington Park Management Trust — 2016–17 contribution	1.1	31 353
Wellington Park Management Trust — 2016–17 administrative and technical support	1.1	31 413
Wellways Australia Limited trading as MI Fellowship — Quick Response Community Grant	1.5	550
Western Sydney University — Research Project Antarctic Cities and the Global Commons: Rethinking the Gateways — funding contribution	1.5	22 000
YMCA of Hobart Inc. — Youth Parliament — sponsorship	1.5	550
Community		
Australian Italian Club Inc. — Italian Earthquake Appeal lunch — Quick Response Community Grant	4.1	550
Blue Cow Theatre Inc. — Community Grant	4.1	16 500
Bravehearts Foundation Tasmania — Dittos Keep Safe Adventure Program — Community Grant	4.1	3 300
Celebration of African Australians Inc. — Community Grant	4.1	3 000
Child Health Association Inc. — Kids Yoga @ The Haven — Community Grant	4.1	1 163
Council on the Ageing Tasmania Inc. — Quick Response Community Grant	4.1	550

GRANTS, ASSISTANCE AND BENEFITS PROVIDED SECTION 77 (1) (CONTINUED)

Detail	Strategic Plan reference	GST inclusive amount \$
Derwent Sailing Squadron Inc. — annual grant	4.1	5 475
Fahan School — Community Grant	4.1	250
Family Planning Tasmania Inc. — Respectful Healthy Relationships on Campus — Community Grant	4.1	1 320
Goodstart Early Learning Ltd — Community Grant	4.1	550
Hobart Out Tennis Inc. — Quick Response Community Grant	4.1	500
Hobart Playback Theatre — Stories of Dignity in Diversity — Community Grant	4.1	3 000
Inflight ARI Inc. — Community Grant	4.1	4 430
Iranian Australian Community Association of Southern Tasmania — Community Grant	4.4	500
Lenah Valley Garden Club Inc. — Community Grant	4.1	500
Mosaic Support Services — Healing the Ceiling Pilot — Community Grant	4.1	3 300
Mosaic Support Services — Outnumbered — Community Grant	4.1	1 716
Mount Stuart Hall Inc. — Quick Response Community Grant	4.1	500
Multicultural Council of Tasmania Inc. — Latin American Film Festival — Community Grant	4.4	3 288
Music Tasmania — Community Grant	4.1	2 000
Music Tasmania — Game Changers, Women in Music Fest — Community Grant	4.1	13 020
North Hobart Football Club Limited — Quick Response Community Grant	4.1	550
Optia Ltd — Taste of Possibility — Quick Response Community Grant	4.1	550
Returned and Services League of Australia (Tasmania Branch) Inc. — ANZAC Day — Community Grant and in-kind support	4.1	5 200
Salamanca Arts Centre — The People's Library — Community Grant	4.1	16 500
Scouts Association of Australia Tasmanian Branch — Community Grant	4.1	1 436
Source Community Wholefoods — Community Compost Hub — Community Grant	4.1	5 000
South Hobart Primary School — Community Grant	4.1	250
St David's Cathedral Foundation Ltd — St David's Cathedral Sanctuary Project — Community Grant	4.1	2 200
Surf Life Saving Tasmania Inc. — grant	4.1	1 100
Sustainable Living Tasmania Inc. — Sustainable Living Festival 2016 — Community Grant, cash and in-kind support	4.1	11 561
Tasmania Chinese Art and Communication Society — Quick Response Community Grant	4.4	500
Tasmanian Centre for Global Learning Inc. — Community Grant	4.1	14 861
The Salvation Army — Community Grant	4.1	1 650
The Uniting Church in Australia Presbytery of Tasmania — Community Christmas Garden — Quick Response Community Grant	4.1	550
UN Youth Australia Ltd — Community Grant	4.1	550

GRANTS, ASSISTANCE AND BENEFITS PROVIDED SECTION 77 (1) (CONTINUED)

Detail	Strategic Plan reference	GST inclusive amount \$
West Moonah Community House — 2017 Wellness Expo — Community Grant	4.1	3 300
Working It Out Inc. — Standing Stronger Together — Community Grant	4.1	3 300
Zephyr Education Inc. — Standing Tall — Community Grant	4.1	2 750
Environmental and Climate Change		
Department of Education — Albuera Street Primary — Dr Edward Hall Environment Grant	3.1	1 780
Greening Australia (Tas) Ltd — Dr Edward Hall Environment Grant	3.1	5 500
Greening Australia (Tas) Ltd — Waste Reduction Grant	3.1	5 455
Pennicott Foundation — Coast Watchers Hobart — Grant	3.1	5 000
St Mary's College — Waste Reduction Grant	3.1	5 000
Tasmanian Aboriginal Centre Inc. — funding for Caring for Country — Waste Reduction Grant	3.1	5 492
Heritage and Conservation		
Tasmanian Headstone Project	2.4	10 000
Wellington Park Management Trust — 2016–17 contribution to cultural heritage coordination	2.4	17 389
TOTAL		3 532 459

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 the City of Hobart's policy for leases to non-profit organisations. 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.

Detail	
Commercial	
Aurora Energy	Substation, Lansdowne Crescent, West Hobart
Hobart Town (1804) First Settlers Association Inc.	Fourth floor, Hobart Council Centre, Hobart
Resource Work Cooperative	Resource Recovery Centre, McRobies Gully Waste Management Centre, South Hobart
Tasmanian Sail Training Association Ltd	Fourth floor, Hobart Council Centre, Hobart
Residential	
Residential/caretaker	24 Gardenia Grove, Sandy Bay
Residential/caretaker*	89 Doyle Avenue, Lenah Valley
Residential/caretaker	Curators Cottage, Tasmanian Cricket Association Ground, Queens Domain
Residential/caretaker	Regatta Grounds, McVilly Drive, Queens Domain
Community Development	
Dr Christina Henri	Fourth floor, Hobart Council Centre, Hobart
Lenah Valley Community Hall Trustee	22 Creek Road, Lenah Valley
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, Lenah Valley
Sandy Bay Senior Citizens Club	23 Lambert Avenue, Sandy Bay
South Hobart Progress Association Inc.	42 Darcy Street, South Hobart
Tasmanians With Disabilities Inc.	20 Creek Road, Lenah Valley
The Catholic Women's League	108–110 Bathurst Street, Hobart
The Flower Room	108–110 Bathurst Street, Hobart
Parks, Recreation, Bushland and Reserves	
Art Society of Tasmania	268 Lenah Valley Road, Lenah Valley

Detail	
Athletics Association of Tasmania	Domain Athletic Centre, Queens Domain
Australian Sea Cadets Corp	Foreshore, Queens Domain
Board of Management of the Hutchins School	Marievile Esplanade, Sandy Bay
Buckingham Bowls Club	4 St Johns Avenue, New Town
Christ College Trust	Ham Common, Old Proctors Road, Tolmans Hill
Conservation Volunteers Trust	1 Domain Road, Queens Domain
Department of Education	West Hobart Recreation Ground, West Hobart
Derwent Bowls Club	Letitia Street, North Hobart
Domain Tennis Centre Inc.	Davies Avenue, Queens Domain
Hobart Canine Obedience Club	Soldiers Memorial Oval, Queens Domain
Hobart Cat Centre Inc.	10 Selfs Point Road, New Town
Hobart City Band Inc.	Tasmanian Cricket Association Ground, Davies Avenue, Queens Domain
Hobart Districts Little Athletics Club	John Turnbull Park, Lenah Valley
Hobart Football Club Inc.	Tasmanian Cricket Association Ground, Davies Avenue, Queens Domain
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	Tasmanian Cricket Association Ground, Davies Avenue, Queens Domain
North Hobart Football Club	Gorringe Stand, North Hobart Oval, North Hobart
Pakana Services	Shed and crib room, Waterworks Reserve, Ridgeway
Polish Association in Hobart	22–24 New Town Road, New Town
Riding for the Disabled	Kalang Avenue, Lenah Valley
Royal Hobart Bowls Club	1 Ellerslie Road, Battery Point
Royal Hobart Regatta Association	John Colvin Stand, McVilly Drive, Queens Domain
Sandy Bay Croquet Club	Sandown Park, Long Point Road, Sandy Bay
Sandy Bay Regatta Association	Long Point Road, Sandy Bay
Sandy Bay Rowing Club	Marievile Esplanade, Sandy Bay
Sandy Bay Sailing Club	Long Point Road, Sandy Bay
Scout Association of Australia	Marievile Esplanade, Sandy Bay
Scout Association of Australia (Tasmania)	617 Sandy Bay 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

REDUCED RENTALS (CONTINUED)

Detail	
Tasmanian Bridge Association	Marine Esplanade, New Town
Tasmanian Fire Service	Kalang Avenue, Lenah Valley
Tasmanian Hockey Centre	Tasmanian Hockey Centre, New Town
Tasmanian Land Conservancy	Tudor Court Building, 827 Sandy Bay Road, Sandy Bay
Tasmanian Riding for the Disabled Assoc.	500 Kalang Avenue, Glenorchy
Tasmanian Rugby Union Inc.	Rugby Park, New Town
Wireless Institute	Upper Queens Domain
Wooden Boat Guild of Tasmania Inc.*	Mariners Cottage, Napoleon Street, Battery Point
Yvonne Rees-Pagh	Cottage, Princes Park, Battery Point

* Part of the year only.



CONTRACTS FOR THE SUPPLY OF GOODS AND SERVICES

LOCAL GOVERNMENT (GENERAL) REGULATIONS REGULATION 29(1)

In accordance with regulation 29(1) of the Local Government (General) Regulations 2015, the following contracts to the value of \$250 000 or above, excluding GST, were entered into during the 2016–17 financial year.

Contract	Contract Period	Extension Option	Contract Sum (for term of contract incl extension options) GST excluded	Contractor	Contractor's Business Address
P16/21 — Supply of integrated business systems	21/11/2016 until 30/09/2021	1 x 5 years	\$3 818 208 (estimated)	Open Office Pty Ltd as trustee for the Simone Family Trust	Level 1, 41–51 Scoresby Road, Bayswater VIC 3153
P16/27 — Standing contract for consultancy services — architectural	1/7/2016 until 30/6/2019	Nil	\$1 346 427 (estimated)	Panel of providers	Various
P16/29 — Standing contract for consultancy services — civil and structural engineering	1/7/2016 until 30/6/2019	Nil	\$3 397 268.45 (estimated)	Panel of providers	Various
P16/30 — Standing contract for consultancy services — electrical engineering	1/7/2016 until 30/6/2019	Nil	\$501 530.78 (estimated)	Panel of providers	Various
P16/33 — Standing contract for consultancy services — landscaping design	1/7/2016 until 30/6/2019	Nil	\$381 668.86 (estimated)	Panel of providers	Various
P16/34 — Standing contract for consultancy services — geotechnical engineering	1/7/2016 until 30/6/2019	Nil	\$960 370.25 (estimated)	Panel of providers	Various
P16/38 — Standing contract for consultancy services — traffic engineering	1/7/2016 until 30/6/2019	Nil	\$821 711.18 (estimated)	Panel of providers	Various

CONTRACTS FOR THE SUPPLY OF GOODS AND SERVICES REGULATION 29(1) (CONTINUED)

Contract	Contract Period	Extension Option	Contract Sum (for term of contract incl extension options) GST excluded	Contractor	Contractor's Business Address
P16/47 — West Hobart Oval drainage and irrigation upgrade	6/09/2016 until 30/01/2017	Nil	\$308 478.00	Carteman Pty Ltd trading as Total Turf Care	32 Harvey Lane, Old Beach, TAS 7017
P16/49 — Solar systems supply and installation on City buildings	7/10/2016 until 30/06/2017	Nil	\$460 200.73	Powercom Group Pty Ltd	72 Browns Road, Kingston TAS 7050
P16/59 — Supply and delivery of two-side loading waste compaction trucks	16/08/2016 until 9/12/2016	Nil	\$703 636.38	Bucher Municipal Pty Ltd	65–73 Nantilla Road, Clayton North VIC 3168
P16/60 — Supply and delivery of one street sweeper	29/07/2016 until 24/05/2017	Nil	\$323 782.02	Bucher Municipal Pty Ltd	65–73 Nantilla Road, Clayton North VIC 3168
P16/61 — New Town Road retaining wall	6/12/2016 until 30/09/2017	Nil	\$270 000	Spectran Contracting Pty Ltd	6 Birdwood Avenue, Moonah TAS 7009
P16/62 — Standing contract for the manufacture and supply of ready mix concrete	21/11/2016 until 20/11/2018	1 x 2 years	\$460 000 (estimated)	Hanson Construction Materials Pty Ltd	124 Gormanston Road, Moonah TAS 7009
P16/63 — Standing contract for temporary recruitment	1/01/2017 until 31/12/2019	Nil	\$1 544 180.44 (estimated)	Panel of providers	Various
P16/73 — HC Smith Stand — building works	1/03/2017 until 15/06/2017	Nil	\$574 655	Tascon Constructions Pty Ltd	59 Albert Road, Moonah TAS 7009
P16/75 — Microsoft Enterprise Agreement	1/10/2016 until 30/09/2019	Nil	\$746 482.22	Tasmanian Government (Data3)	16 Collins Street, Hobart TAS 7000
P16/83 — Sandy Bay retaining wall construction	20/09/2016 until 10/03/2017	Nil	\$326 000	Spectran Contracting Pty Ltd	6 Birdwood Avenue, Moonah TAS 7009
P16/86 — Electricity supply of contestable sites	1/01/2017 until 31/12/2019	90 days by request	\$3 600 000	ERM Power Retail Pty Ltd	Level 52, 111 Eagle Street, Brisbane QLD 4000
P16/91 — Doone Kennedy Hobart Aquatic Centre project manager	3/11/2016 until 2/11/2017	1 x 1 year	\$270 000	Resonance Consulting Pty Ltd	Suite 1, The Moonah Centre, 113–115 Main Road, Moonah TAS 7009

CONTRACTS FOR THE SUPPLY OF GOODS AND SERVICES REGULATION 29(1) (CONTINUED)

Contract	Contract Period	Extension Option	Contract Sum (for term of contract incl extension options) GST excluded	Contractor	Contractor's Business Address
P16/95 — Fire trail maintenance — civil works 2016–17	9/02/2017 until 4/05/2017	Nil	\$314 073	Downer EDI Works Pty Ltd	3 Whitestone Drive, Granton TAS 7030
P16/105 — Standing offer for civil construction works	2/03/2017 until 1/03/2020	Nil	\$12 000 000 (estimated)	Panel of providers	Various
P16/107 — Bridge No BD037 Lenah Valley Road — deck replacement and refurbishment	23/01/2017 until 26/05/2017	Nil	\$536 752	VEC Civil Engineering Pty Ltd	116 Bathurst Street, Hobart TAS 7000
P17/8 — Regent Street civil works — Fitzroy (upper) to Fitzroy (lower) pedestrian access improvements	13/04/2017 until 6/07/2017	Nil	\$494 657.80	Downer EDI Works Pty Ltd	3 Whitestone Drive, Granton TAS 7030
P17/44 — Soldiers Memorial Oval community hub	27/06/2017 until 14/11/2017	Nil	\$737 613	Tascon Constructions Pty Ltd	59 Albert Road, Moonah TAS 7009
P17/71 — Stationery—cut sheet paper—IT consumables and peripherals and office machines	30/06/2017 until 31/10/2017	2 x 1 year	\$450 000 (estimated)	OfficeMax Australia Ltd	76 Sunderland Street, Hobart TAS 7000

In accordance with section 29(2) of the Local Government (General) Regulations 2015 there were **NIL** instance(s) of 'non-application of public tender process'.

In accordance with regulation 29(3) of the Local Government (General) Regulations 2015, the following contracts valued at or exceeding \$100 000 (excluding GST) and less than \$250 000 (excluding GST), were entered into during the 2016–17 financial year.

Contract	Contract Period	Extension Option	Contract Sum (for term of contract incl extension options) GST excluded	Contractor	Contractor's Business Address
5827 — Advertising expenditure agreement	1/12/2016 until 30/11/2017	Nil	\$245 000	Davies Brothers Pty Ltd	91 Macquarie Street, Hobart TAS 7000
5890 — Sandy Bay Woolworths toilet alterations	27/03/2017 until 15/05/2017	Nil	\$204 051.73	J Hutchinson Pty Ltd trading as Hutchinson Builders	235 Murray Street, Hobart TAS 7000

CONTRACTS FOR THE SUPPLY OF GOODS AND SERVICES REGULATION 29(3) (CONTINUED)

Contract	Contract Period	Extension Option	Contract Sum (for term of contract incl extension options) GST excluded	Contractor	Contractor's Business Address
5896 — Comprehensive maintenance of lift services	1/07/2016 until 30/06/2019	Nil	\$188 960	OTIS Elevator Company Pty Ltd	66 Letitia Street, North Hobart TAS 7002
P16/26 — Alcohol and other drug testing	17/08/2016 until 31/07/2018	1 x 1 year	\$116 020	Diagnostic Services Pty Ltd	GPO Box 1535, Hobart TAS 7001
P16/28 — Standing contract for consultancy services — building services	1/07/2016 until 30/06/2019	Nil	\$118 532.20 (estimated)	Panel of providers	Various
P16/31 — Standing contract for consultancy services — environmental engineering	1/07/2016 until 30/06/2019	Nil	\$174 083.18 (estimated)	Panel of providers	Various
P16/32 — Standing contract for consultancy services — hydraulics engineering	1/07/2016 until 30/06/2019	Nil	\$116 426.56 (estimated)	Panel of providers	Various
P16/35 — Standing contract for consultancy services — mechanical engineering	1/07/2016 until 30/06/2019	Nil	\$100 000 (estimated)	Panel of providers	Various
P16/36 — Standing contract for consultancy services — planning consultancy	1/07/2016 until 30/06/2019	Nil	\$100 000 (estimated)	Panel of providers	Various
P16/37 — Standing contract for consultancy services — quantity surveying	1/07/2016 until 30/06/2019	Nil	\$100 000 (estimated)	Panel of providers	Various
P16/46 — Standing offer for supply of personal protective clothing	1/12/2016 until 30/11/2019	1 x 2 years	\$242 489.40 (estimated)	Tasmanian Welding Supplies Pty Ltd	Corner Sunderland and Hale Street, Derwent Park, TAS 7009
P16/48 — West Hobart Oval lighting upgrade	28/11/2016 until 20/02/2017	Nil	\$122 672	Contact Electrical Pty Ltd	48 New Town Road, New Town TAS 7008

CONTRACTS FOR THE SUPPLY OF GOODS AND SERVICES REGULATION 29(3) (CONTINUED)

Contract	Contract Period	Extension Option	Contract Sum (for term of contract incl extension options) GST excluded	Contractor	Contractor's Business Address
P16/58 — Standing contract for supply of signs and associated items	1/11/2016 until 30/10/2019	Nil	\$100 060.95 (estimated)	Panel of providers	Various
P16/65 — City to Cove pedestrian access	15/08/2016 until 4/11/2016	Nil	\$140 000	Terroir Pty Ltd	181 Elizabeth Street, Hobart TAS 7000
P16/68 — Project consultant	1/02/2017 until 1/02/2018	2 x 1 years	\$180 000	Flussig Spatial	776 Van Morey Road, Margate TAS 7054
P16/74 — Tasmanian Travel and Information Centre fitout	7/10/2016 until 15/11/2017	Nil	\$143 930	Tascon Constructions Pty Ltd	59 Albert Road, Moonah TAS 7009
P16/77 — Cleaning of the Doone Kennedy Hobart Aquatic Centre	22/02/2017 until 21/02/2020	1 x 2 years	\$138 108.24	TJS Services Group Pty Ltd	Sydney Corporate Park Building 1, Level 3, Suite E3A2 75–85 O'Riordan Street, Alexandria NSW 2015
P16/78 — Civic banner installation	9/09/2016 until 9/09/2019	1 x 1 year	\$165 000	David Dyer trading as Hire Up	40 Lansdowne Crescent, West Hobart TAS 7000
P16/79 — Project consultant — design services	12/09/2016 until 11/09/2017	Nil	\$166 400	Falco Civil Pty Ltd	7 Radiata Drive, Lindisfarne TAS 7015
P16/87 — Traffic engineering consultant	12/01/2017 until 11/01/2017	Nil	\$103 680	Pitt and Sherry (Operations) Pty Ltd	199 Macquarie Street, Hobart TAS 7000
P16/90 — Franklin Square fountain floor replacement	13/04/2017 until 29/06/2017	Nil	\$207 772.25	Hazell Bros Group Pty Ltd	14 Farley Street, Derwent Park TAS 7009
P16/100 — Tasmanian Cricket Association visitor change room refurbishment	30/01/2017 until 6/04/2017	Nil	\$124 720	Tascon Constructions Pty Ltd	59 Albert Road, Moonah TAS 7009
P16/104 — Sandy Bay retail precinct paving labour	22/12/2016 until 22/12/2017	Nil	\$228 000	DC and SM Tapping Family Trust trading as Webb Bros Paving	78 Yellow Brick Road, Old Beach TAS 7017
P17/01 — Cleaning, janitorial and chemical products	11/05/2017 until 30/04/2020	Nil	\$218 622.30 (estimated)	Panel of providers	Various

CONTRACTS FOR THE SUPPLY OF GOODS AND SERVICES REGULATION 29(3) (CONTINUED)

Contract	Contract Period	Extension Option	Contract Sum (for term of contract incl extension options) GST excluded	Contractor	Contractor's Business Address
P17/2 — Hobart Council Centre — office accommodation fit out	10/04/2017 until 29/05/2017	Nil	\$135 490	Tascon Constructions Pty Ltd	59 Albert Road, Moonah TAS 7009
P17/9 — Queens Domain joggers loop upgrade — stage one civil works	12/05/2017 until 21/07/2017	Nil	\$226 172.41	Hazell Bros Group Pty Ltd	14 Farley Street, Derwent Park TAS 7009
P17/13 — Asset Protection Zone works	29/03/2017 until 9/06/2017	Nil	\$121 000	CTS Pty Ltd trading as Charlie's Tree Service	731 Leslie Road, Leslie Vale TAS 7054
P17/17 — Experienced track construction crew	1/03/2017 until 30/06/2017	Nil	\$176 398.75 (estimated)	Panel of providers	Various
P17/18 — Mawson Place cardinal lights lighting project	3/05/2017 until 30/09/2017	Nil	\$140 000	Contact Electrical Pty Ltd	48 New Town Road, New Town TAS 7008
P17/19 — Consultancy services for detailed design and associated tasks	12/03/2017 until 30/06/2017 7/03/2017 until 30/03/2017	Nil	\$24 506 \$142 927.50	GHD Pty Ltd Pitt and Sherry	2 Salamanca Square, Hobart TAS 7000 GF Surrey House, 199 Macquarie Street, Hobart TAS 7000
P17/21 — 1 x 7.5 tonne truck	14/03/2017 until 30/06/2017	Nil	\$118 344.68	Webster Trucks	8C Lampton Avenue, Derwent Park TAS 7009
P17/22 — South Hobart Oval change room refurbishment	20/01/2017 until 30/05/2017	Nil	\$122 500	Construction 3 Pty Ltd	20 Watchorn Street, Hobart TAS 7000
P17/25 — City Hall toilet refurbishment and curtain rail	30/01/2017 until 6/03/2017	Nil	\$124 720	Tascon Constructions Pty Ltd	59 Albert Road, Moonah TAS 7009
P17/36 — Security services — Argyle Street Car Park, Wellington Court, Soundys Lane and Mathers Lane	1/06/2017 until 31/05/2020	Nil	\$181 075.50	188 Security Pty Ltd	10 Lewis Court, Old Beach TAS 7017
P17/38 — Salamanca Place upgrade — footpath widening paving	22/12/2016 until 22/12/2017	Nil	\$228 000	DC and SM Tapping Family Trust trading as Webb Bros Paving	78 Yellow Brick Road, Old Beach TAS 7017

CONTRACTS FOR THE SUPPLY OF GOODS AND SERVICES REGULATION 29(3) (CONTINUED)

Contract	Contract Period	Extension Option	Contract Sum (for term of contract incl extension options) GST excluded	Contractor	Contractor's Business Address
PA1805/0835 — Multi-functional devices and related products	4/04/2017 until 31/03/2018	Nil	\$228 707.76 (estimated)	Panel of providers	Various
P17/47 — City Hall — internal painting	31/03/2017 until 15/05/2017	Nil	\$110 880	Programmed Property Services	8 Pearl Street, Moonah TAS 7009
P17/50 — Security services — public facilities	14/06/2017 until 30/06/2020	Nil	\$185 996.25	Kevlar Security Services Pty Ltd	80 Charles Street, Moonah TAS 7009
P17/54 — The Springs infrastructure upgrade — stage one	9/06/2017 until 20/07/2017	Nil	\$113 570	Construction 3 Pty Ltd	20 Watchorn Street, Hobart TAS 7000
L7607 — Open Cities software as a service for the City's website publishing and hosting	1/01/2017 until 31/12/2019	1 x 1 year	\$195 000	SeamlessCMS Pty Ltd	Level 8, 50 Market Street, Melbourne VIC 3000

In accordance with section 23(5)(b) there were four 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
5621 — Supply and delivery of aggregate	24/07/2017 until 23/07/2018	Nil	\$300 000 (estimated)	Hazell Bros Group Pty Ltd, 14 Farley Street, Derwent Park TAS 7009
5683 — The Doone Kennedy Hobart Aquatic Centre plant and control equipment	1/02/2017 until 30/06/2017	Nil	\$132 986.50	TCM Pty Ltd, 90 Charles Street, Moonah TAS 7009
5707 — Panel of providers for the supply of general hardware and associated items	1/05/2017 until 31/05/2017	Nil	\$30 442	Panel of providers, Various
5880 — Rates notice print and distribution	2/05/2017 until 1/05/2018	Nil	\$11 608.36 (estimated)	Print Mail Logistics Limited, 33 Innovation Drive, Dowsing Point TAS 7010



PART IV FINANCIAL REPORTS





HOBART CITY COUNCIL GENERAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017**

	Note	2016-17 \$'000	2015-16 \$'000
Current Assets			
Cash and Cash Equivalents	16	33,051	36,305
Inventories	17	387	347
Receivables	19	5,834	5,885
Assets classified as Held for Sale	20	930	775
Prepayments		555	144
Total Current Assets		40,757	43,456
Non-Current Assets			
Receivables	19	190	186
Investment in TasWater	12	164,686	163,612
Property, Plant and Equipment	21-30	1,487,857	1,434,219
Employee Benefits	33	545	-
Total Non-Current Assets		1,653,278	1,598,017
Total Assets		1,694,035	1,641,473
Current Liabilities			
Payables	31	8,922	9,232
Trust, Deposits, Retention	32	3,215	3,099
Employee Benefits	33	11,769	11,142
Unearned Revenue	34	607	502
Loans	35	1,482	1,405
Total Current Liabilities		25,995	25,380
Non-Current Liabilities			
Employee Benefits	33	2,624	6,273
Loans	35	10,211	11,692
Provisions	36	5,401	5,498
Total Non-Current Liabilities		18,236	23,463
Total Liabilities		44,231	48,843
Net Assets		1,649,804	1,592,630
Equity			
Reserves	37	525,126	479,883
Retained Earnings		1,124,678	1,112,747
Total Equity		1,649,804	1,592,630

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

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2016-17 Actual \$'000	2016-17 Budget \$'000	2015-16 Actual \$'000
Recurrent Expenses				
Employee Costs	5	(52,753)	(53,935)	(51,589)
Materials and Services		(34,427)	(32,100)	(28,978)
Depreciation and Amortisation	6	(19,228)	(17,347)	(18,444)
Finance Costs	7	(873)	(915)	(990)
State Fire Commission Levies		(9,716)	(9,715)	(9,315)
Other	8	(7,211)	(7,792)	(9,678)
		(124,208)	(121,804)	(118,994)
Capital Expenses				
Net Loss on Disposal of Property, Plant and Equipment	11	(661)	(29)	(253)
		(661)	(29)	(253)
Total Expenses		(124,869)	(121,833)	(119,247)
Recurrent Income				
Rates and Charges		78,495	77,623	75,191
Grants and Donations	10(a)	5,363	4,091	2,994
Fines		7,396	7,287	7,106
Rendering of Services		29,277	28,038	27,636
Distributions from TasWater		3,201	3,258	3,105
Interest		882	886	1,084
Rents		2,964	3,101	3,229
		127,578	124,284	120,345
Capital Income				
Capital grants received specifically for new or upgraded assets	10(b)	4,016	4,191	4,706
Contributed property, plant and equipment		1,793	-	1,345
Contributed land under roads		-	-	684,821
		5,809	4,191	690,872
Total Income		133,387	128,475	811,217
Surplus	9	8,518	6,642	691,970
Other Comprehensive Income				
<i>Items that may be reclassified subsequently to surplus or deficit:</i>				
- Adjustment to Fair Value of Investment in TasWater	12	1,074	-	2,738
<i>Items that will not be reclassified to surplus or deficit:</i>				
- Net PP&E revaluation increments/(decrements)	13	42,821	-	9,972
- Defined-benefit superannuation plan actuarial gains/(losses)	33	4,761	-	(1,613)
Total Other Comprehensive Income		48,656	-	11,097
Comprehensive Income for the period		57,174	6,642	703,067

This statement should be read in conjunction with the accompanying notes. Budget numbers are not audited.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017**

	Note	Total		Retained Earnings		Reserves	
		2016-17 \$'000	2015-16 \$'000	2016-17 \$'000	2015-16 \$'000	2016-17 \$'000	2015-16 \$'000
Balance at beginning of period		1,592,630	889,563	1,112,747	411,687	479,883	477,876
Comprehensive Income for the period		57,174	703,067	13,279	690,357	43,895	12,710
Transfers to reserves	37	–	–	(22,993)	(25,023)	22,993	25,023
Transfers from reserves	37	–	–	21,645	35,726	(21,645)	(35,726)
Balance at end of period		1,649,804	1,592,630	1,124,678	1,112,747	525,126	479,883

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2016-17 Actual \$'000	2016-17 Budget \$'000	2015-16 Actual \$'000
Cash Flows from Operating Activities				
<i>Receipts</i>				
Rates		78,383	77,505	75,301
Rendering of services (inclusive of GST)		32,168	30,768	31,050
Interest		830	886	1,352
Grants (inclusive of GST)		5,709	4,052	2,994
Rents (inclusive of GST)		3,237	3,418	3,229
Fines		7,168	7,287	6,628
Distributions from TasWater		3,258	3,258	3,258
Net GST refund		3,115	3,715	3,180
Other receipts (inclusive of GST)		78	96	166
		133,946	130,985	127,158
<i>Payments</i>				
Employee costs		(52,010)	(52,551)	(50,725)
Payments to suppliers (inclusive of GST)		(41,013)	(39,977)	(36,943)
Interest		(709)	(726)	(782)
Other payments (inclusive of GST)		(15,488)	(14,691)	(17,288)
		(109,220)	(107,945)	(105,738)
Net Cash Flow from Operating Activities	38	24,726	23,040	21,420
Cash Flows from Investing Activities				
<i>Proceeds</i>				
Grants		4,016	4,191	4,706
Sales of Property		68	–	–
Sales of Plant and Equipment		609	959	984
		4,693	5,150	5,690
<i>Payments</i>				
Infrastructure — Employee Costs		(3,774)	(3,442)	(2,846)
Infrastructure and Facilities — Other		(21,641)	(31,769)	(21,544)
Property		(330)	–	–
Plant and Equipment		(5,524)	(4,362)	(5,793)
		(31,269)	(39,573)	(30,183)
Net Cash Flow from/(used in) Investing Activities	38	(26,576)	(34,423)	(24,493)
Cash Flows from Financing Activities				
Repayment of Borrowings	35	(1,404)	(1,406)	(1,331)
Net Cash Flow from/(used in) Financing Activities		(1,404)	(1,406)	(1,331)
Net Increase (Decrease) in Cash Held		(3,254)	(12,789)	(4,404)
Cash Held at the Beginning of the Year		36,305	36,305	40,709
Cash held at the End of the Year	16	33,051	23,516	36,305

This statement should be read in conjunction with the accompanying notes. Budget numbers are not audited.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) LOCAL GOVERNMENT REPORTING ENTITY

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

Council has determined that it does not have profit generation as a prime objective. Consequently, where appropriate, Council has elected to apply options and exemptions within accounting standards that are applicable to not-for-profit entities. 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(j)).

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 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 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 Council.

Rendering of Services

Where a contract has been completed, all related revenue is recognised when 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 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 Council controls a right to receive consideration for the enforcement of legislation and Council by-laws.

Rents, Interest and Dividends

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

D) CASH AND CASH EQUIVALENTS (NOTE 16)

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 17)

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 12 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.

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 section 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 Council in

the future have been estimated on a group basis after taking into consideration 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

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 (NOTE 36)

Provisions are recognised when 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) NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE (NOTE 20)

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.

J) 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 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 asset revaluation reserve. 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 asset revaluation reserve 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 asset values, these have been calculated by reference to the 'council cost index' published annually by the Local Government Association of Tasmania (LGAT).

Note 47 details Council's approach to revaluing each class of property, plant and equipment. 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 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 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 Class	Range
Buildings	
Halls	125–150
Car Parks	150
Grandstands and Change Rooms	60–150
Public Conveniences	100
Depot Buildings	10–150
Administrative Offices	10–500
Other	5–150
Land Improvements	
Landscaping	50
External Playing Surfaces	10–100
Other	3–100
Other Structures	
Furniture & Signs	1–100
Drainage Structures	10–100
Playground Equipment	5–30
Fountains	10–80

Asset Class	Range
Other	1–500
Pipes, Drains & Rivulets	
Water Mains	25–126
Irrigation	10–120
Sewer Mains	20–80
Stormwater Mains	10–134
Rivulets	15–120
Plant & Equipment	
Heavy Plant and Equipment	5–20
Fleet Vehicles	3–5
Minor Plant	3–25
Furniture and Office Equipment	2–30
Roads & Bridges	
Sealed Roads	17–150
Bridges	20–100
Footpaths, Kerbs and Gutters	15–75
Cycleways & Tracks	12–85
Other	
Valuation Roll	6
Infrastructure Plant	3–100

Monuments

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

Land under roads is accounted for in accordance with AASB 116 *Property, Plant and Equipment*.

K) LEASES (NOTE 41)

Finance Leases as lessee

Leases under which 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 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 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.

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

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 Council's revenue recognition policy.

Furthermore, 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. 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 Council's revenue recognition policy.

Where leasing of a property is incidental to 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 Council's valuation policy.

L) FINANCIAL LIABILITIES (NOTES 31, 32 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.

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.

M) HERITAGE ACCOUNT (NOTES 15 AND 16)

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, 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, Council has established a Heritage Account Special Committee as a Special Committee of Council pursuant to section 24 of the *Local Government Act 1993*.

N) GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets have been recognised net of GST where that GST is recoverable from the Australian Taxation Office (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.

O) 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.

P) 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

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 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Sector Entities

The amendments extend the scope of AASB 124 *Related Party Disclosures* to include not-for-profit sector entities. This has resulted in increased disclosures at note 45.

AASB 2015-7 Amendments to Australian Accounting Standards – Fair Value Disclosures for Not-for-Profit Public Sector Entities

The amendment provides relief to not-for-profit public sector entities from certain disclosures about the fair value measurement of property, plant and equipment which are primarily held for their current service potential rather than to generate future net cash inflows, and which are categorised within Level 3 of the fair value hierarchy.

This has resulted in reduced disclosures at note 47(d).

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

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 (applies from 2018–19).

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, Council's accounting for its available-for-sale financial assets. Currently, 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 need to be recognised directly in profit or loss. Had this requirement been adopted at 30 June 2017, the fair value gain on Council's investment in TasWater of \$1.074 million would have increased Council's surplus by that amount.

There will be no impact on 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 Council has no such liabilities. The derecognition rules have been transferred from AASB 139 *Financial Instruments: Recognition and Measurement* and have not been changed.

AASB 1058 Income of Not-for-Profit Entities, *AASB 15 Revenue from Contracts with Customers*, and *AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities*. *AASB 2015-8 Amendments to*

Australian Accounting Standards arising from AASB 15 requires application from 2019-20.

AASB 15 will replace AASB 118 *Revenue*, AASB 111 *Construction Contracts* and a number of interpretations. AASB 2016-8 provides Australian requirements and guidance for not-for-profit entities in applying AASB 9 and AASB 15, and AASB 1058 will replace AASB 1004 *Contributions*. Together they contain a comprehensive and robust framework for the recognition, measurement and disclosure of income including revenue from contracts with customers.

Council has commenced analysing the new revenue recognition requirements under these standards and is yet to form conclusions about significant impacts. Potential future impacts identifiable at the date of this report include:

- Grants received to construct non-financial assets controlled by Council will be recognised as a liability, and subsequently recognised progressively as revenue as Council satisfies its performance obligations under the grant. At present, such grants are recognised as revenue upfront.
- Under the new standards, other grants presently recognised as revenue upfront may be eligible to be recognised as revenue progressively as the associated performance obligations are satisfied, but only if the associated performance obligations are enforceable and sufficiently specific. At present, such grants are recognised as revenue upfront. When the new standard becomes effective, Council will evaluate all grant agreements in place at that time to determine whether revenue from those grants could be deferred under the new requirements.
- Grants that are not enforceable and/or not sufficiently specific will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled. Council receives several grants for which there are no sufficiently specific performance obligations, such as Commonwealth Financial Assistance Grants. These grants are expected to continue to be recognised as

revenue upfront assuming no change to the current grant arrangements.

- Rates received in advance, which are currently required to be recognised as revenue when received, will be deferred under the new requirements until the commencement of the rating period to which they relate.
- Volunteer services and transactions where the consideration is significantly less than the fair value of the asset acquired, or no consideration is provided (for example below market leases) will be required to be recognised when certain recognition criteria are met. Council has not yet fully determined the impact of these requirements on its financial statements.
- Depending on the respective contractual terms, the new requirements of AASB 15 may potentially result in a change to the timing of revenue from sales of goods and services such that some revenue may need to be deferred to a later reporting period to the extent that Council has received cash, but has not met its associated performance obligations (such amounts would be reported as a liability in the meantime). Council is yet to fully complete its analysis of existing arrangements for sale of its goods and services and the impact on revenue recognition has not yet been fully determined.

AASB 16 Leases (applies from 2019-20)

AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments.

AASB 16 will result in most of Council's operating leases being brought onto the statement of financial position. There are limited exceptions relating to short-term leases and low-value assets which may remain off the balance sheet. Council's

existing lease commitments are disclosed in Note 41.

The calculation of the lease liability will take into account appropriate discount rates, assumptions about the lease term, and increases in lease payments. A corresponding right to use asset will be recognised, which will be amortised over the term of the lease.

Rent expense will no longer be shown. The profit and loss impact of the leases will be through amortisation and interest charges. Council's current operating lease expenses form part of the 'materials and services' line item. In the Statement of Cash Flows, lease payments will be shown as cash flows from financing activities rather than operating activities.

Lessor accounting under AASB 16 remains largely unchanged. For finance leases, the lessor recognises a receivable equal to the

net investment in the lease. Lease receipts from operating leases are recognised as income either on a straight-line basis or another systematic basis where appropriate.

AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107 (applies from 2017–18)

Amendments to AASB 107 will require additional disclosures to enable the reader to evaluate changes in liabilities arising from financing activities. These disclosures will include both cash flows and non-cash changes between the opening and closing balance of the relevant liabilities and be disclosed by way of a reconciliation in the notes to the Statement of Cash Flows.

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

to 1 July 2008 on the same valuation basis. The value recognised in 2015–16 for land under roads acquired prior to 1 July 2008 was \$684.821 million.

In both of these years, recognition of the value attributed to land under roads has resulted in increases in the value of the land class of assets, and corresponding increases in capital revenue.

3. SIGNIFICANT REVENUES AND EXPENSES

During the 2014–15 financial year, Council recognised land under roads acquired after 30 June 2008 at a value of \$3.385 million. This value was determined on an individual road basis by applying the Valuer-General's rate for the property class surrounding the road.

During the 2015–16 financial year, Council recognised land under roads acquired prior

4. FUNCTIONS/ACTIVITIES OF THE COUNCIL

		Expenses		Revenues		Assets
		\$'000	Grants \$'000	Other \$'000	Total \$'000	\$'000
Public Order and Safety	2016–17	9,812	0	9,345	9,345	14
	2015–16	9,429	0	8,970	8,970	15
Health	2016–17	2,253	0	358	358	146
	2015–16	2,054	0	936	936	172
Welfare	2016–17	3,645	149	206	355	3,104
	2015–16	3,122	148	224	372	3,065
Community Amenities	2016–17	23,247	15	16,199	16,214	154,558
	2015–16	18,800	0	13,870	13,870	149,823
Recreation and Culture	2016–17	33,214	105	8,172	8,277	271,371
	2015–16	31,730	0	7,999	7,999	256,377
Parking	2016–17	11,893	0	21,945	21,945	92,494
	2015–16	11,060	0	20,991	20,991	91,469
Transport	2016–17	16,168	2,357	543	2,900	938,289
	2015–16	15,102	774	351	1,125	904,877
Economic Services	2016–17	5,643	150	1,997	2,147	2,768
	2015–16	8,277	160	2,060	2,220	2,628
Other (Not Attributed)*	2016–17	18,333	2,587	63,450	66,037	231,291
	2015–16	19,420	1,912	61,950	63,862	233,047
Total	2016–17	124,208	5,363	122,215	127,578	1,694,035
	2015–16	118,994	2,994	117,351	120,345	1,641,473

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 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.

5. EMPLOYEE COSTS

	Note	2016-17 \$'000	2015-16 \$'000
Gross Wages and Salaries		45,958	43,361
Less: Amounts Capitalised		(2,630)	(1,930)
Leave Payments		(3,567)	(3,565)
		(6,197)	(5,495)
Wages and Salaries expensed		39,761	37,866
Leave Entitlements		3,713	3,450
Defined-benefit superannuation plan	33	1,546	1,567
Other superannuation		4,464	4,018
Workers Compensation Insurance		624	1,639
Payroll Tax		3,245	2,961
Aldermanic Allowances		523	512
Employee Separation payments		21	492
Labour Overheads Capitalised		(1,144)	(916)
		52,753	51,589
Number of Employees (Full-time Equivalent)		595	571

6. DEPRECIATION AND AMORTISATION

	2016-17 \$'000	2015-16 \$'000
Land Improvements	1,015	1,030
Buildings	2,250	2,302
Infrastructure Plant	311	310
Plant and Equipment	2,927	2,791
Pipes, Drains and Rivulets	1,674	1,636
Roads and Bridges	7,656	7,300
Other Structures	3,383	3,062
Other	12	13
	19,228	18,444

7. FINANCE COSTS

	Note	2016-17 \$'000	2015-16 \$'000
Interest on Loans		709	782
Landfill Restoration Provision	36	122	202
Defined-benefit superannuation scheme	33	42	6
		873	990

8. OTHER EXPENSES

	Note	2016-17 \$'000	2015-16 \$'000
Pensioner Rate Remissions		1,157	1,097
Less: Reimbursements from Government	10	(1,124)	(1,065)
		33	32
Other Rate Remissions		12	15
Grants and Specific Purpose Benefits		2,977	6,118
Directors Fees		–	12
Auditor General's Fee — Audit of the Financial Report		50	49
Other Audit Fees		64	217
Bad and Doubtful Debts		598	299
Assets Written-off		2,315	2,215
Obsolete Stock		1	19
Asphalt Plant Rehabilitation Write-off		–	(392)
Fringe Benefits Tax		410	412
Land Tax		751	682
		7,211	9,678

9. UNDERLYING RESULT

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	2016-17 \$'000	2015-16 \$'000
Surplus		8,518	691,970
<i>exclude</i>			
Capital Grants	10	(4,016)	(4,706)
Contributed Property, Plant and Equipment		(1,793)	(1,345)
Contributed Land under Roads		–	(684,821)
<i>adjust Financial Assistance Grants received in advance</i>	10		
2017-18 allocation received in 2016-17		(1,318)	–
2015-16 allocation received in 2014-15		–	1,349
<i>adjust Rates received in advance</i>	14		
2015-16 rates received in 2014-15		–	496
2016-17 rates received in 2015-16		609	(609)
2017-18 rates received in 2016-17		(863)	–
Underlying Surplus		1,137	2,334

10. GRANTS AND DONATIONS

	Note	2016-17 \$'000	2015-16 \$'000
a) Operating Grants			
<i>provided by Government</i>			
Commonwealth Financial Assistance Grants		3,881	1,292
Pensioner Rate Remission Grants	8	1,124	1,065
Employment Creation Initiatives		10	6
Fuel Tax Credit Scheme		123	117
South Hobart Living Arts Centre		928	1,150
Still Gardening Program		142	145
Tasmanian Bushfire Mitigation Program		40	–
Tasmanian Travel and Information Centre		150	150
Miscellaneous		29	13
		6,427	3,938
<i>other</i>			
Provision of Public Open Space		60	121
		60	121
		6,487	4,059
Less: Pensioner Rate Remission Grants netted against Remissions	8	(1,124)	(1,065)
		5,363	2,994

The Australian Commonwealth Government provides Financial Assistance Grants to Council for general purpose use and the provision of local roads. In accordance with AASB1004 *Contributions*, Council recognises these grants as revenue when it receives the funds and obtains control.

Since 2009–10 the Commonwealth has been making early payments of financial assistance grants in some years but not in others. Two instalments (50%) of the 2015–16 grants were brought-forward and received in June 2015. There were no early payments of the 2016–17 grants. Two instalments (50%) of the 2017–18 grants were again brought-forward and

received in June 2017. Council has reflected these latest early payments in its 2017–18 budget, but has assumed that future grants will be received in the year to which they relate.

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

	Note	2016-17 \$'000	2015-16 \$'000
b) Capital Grants			
<i>Provided by Government</i>			
Roads to Recovery Program		1,194	1,466
Augusta Road pedestrian and bike facilities		–	38
Blackspot Program		95	990
Centenary of ANZAC walkway		2,727	1,818
Improving Public Spaces		–	250
Macquarie Street Renewal Works		–	39
Brooker Avenue — Macquarie Street — Liverpool Street renewal works		–	102
		4,016	4,703
<i>Other</i>			
Miscellaneous		–	3
		–	3
		4,016	4,706
Total Grants and Donations		9,379	7,700
c) Conditions			
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:			
		3,468	3,806
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:			
		(1,861)	(853)
Net increase/(decrease) in assets subject to conditions		1,607	2,953
Assets subject to conditions at the beginning of the period		5,320	2,367
Assets subject to conditions at the end of the period	15	6,927	5,320

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.

11. ASSET SALES

	2016-17 \$'000	2015-16 \$'000
Plant & Equipment		
Proceeds from sales	609	984
Less carrying amount of assets sold	(1,283)	(1,237)
Gain / (Loss) on disposal	(674)	(253)
Land and Buildings		
Proceeds from sales	68	-
Less carrying amount of assets sold	(55)	-
Gain / (Loss) on disposal	13	-
Total Gain / (Loss) on disposal of assets	(661)	(253)

12. INVESTMENT IN TASWATER

Council accounts for its ownership interest in the Tasmanian Water and Sewerage Corporation Pty Ltd (TasWater) in accordance with AASB 139 *Financial Instruments: Recognition and Measurement*. The investment has been classified as an 'available-for-sale financial asset'. Council derives investment returns in the form of dividends, guarantee fees and tax equivalents.

At 30 June 2017, 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 \$1,585 million.

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

	2016-17 \$'000	2015-16 \$'000
Opening Balance	163,612	160,874
Fair value adjustment	1,074	2,738
Closing Balance	164,686	163,612

Fair value adjustments have been recognised in other comprehensive income.

On 7 March 2017 the State Government announced its intention to take ownership of TasWater from July 2018. The State Government intends to introduce a suite of legislation in the Spring Session of Parliament that will transfer all of TasWater's assets, rights, obligations and liabilities, including employees under their current terms and conditions, to

a newly created government business, which will commence operations by 1 July 2018. At the reporting date, there is no indication as to whether the legislation will be passed, so no change has been made to the basis on which Council's investment in TasWater has been recognised for the year ended 30 June 2017.

13. ASSET REVALUATIONS

	Note	2016-17 \$'000	2015-16 \$'000
PP&E Revaluations Recognised in Other Comprehensive Income			
Buildings		2,517	2,513
Land Improvements		6,673	323
Infrastructure Plant		27	(399)
Pipes, Drains and Rivulets		1,511	1,884
Roads and Bridges		31,150	3,141
Other Structures		943	2,510
Net PP&E Revaluation increments	21, 37	42,821	9,972

14. RATES RECEIVED IN ADVANCE

	2016-17 \$'000	2015-16 \$'000
Rates recognised as revenues during the reporting period which were obtained in respect of future rating periods.	863	609
Rates recognised as revenues in a previous reporting period which were obtained in respect of the current reporting period.	(609)	(496)
Net increase (decrease) in prepaid rates	254	113

15. RESTRICTED ASSETS

	Note	2016-17 \$'000	2015-16 \$'000
a) Grants and Donations subject to Conditions			
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 :			
- Contributions in lieu of Parking		135	135
- Contributions in lieu of Public Open Space		235	495
- Roadworks		913	1,505
- South Hobart Community Hub		-	61
- Centenary of ANZAC walkway		5,636	2,909
- Miscellaneous		8	215
	10(c)	6,927	5,320
b) Heritage Account			
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(m)	1,500	1,428
Total Restricted Assets	16(b)	8,427	6,748

16. CASH

	Note	2016-17 \$'000	2015-16 \$'000
a) Definition of Cash			
For the purpose of the Statement of Cash Flows, the following items comprise the cash balance at the end of the period:			
Term Deposits		21,300	7,300
At Call		7,838	24,690
		29,138	31,990
Cash Advances		63	63
Cash at Bank		3,850	4,252
		33,051	36,305
b) Composition of Cash			
The following restrictions apply to the closing cash balance :			
– Provision of Public Open Space		235	495
– Provision of Parking Facilities		135	135
– Roadworks		913	1,505
– South Hobart Community Hub		–	61
– Centenary of ANZAC walkway		5,636	2,909
– Heritage Funding		1,500	1,428
– Other		8	215
	15	8,427	6,748
The remainder of the Cash balance has been ear-marked for:			
– Asset Replacement		3,198	19,458
– Other Capital Works		11,416	231
– Provision of Public Open Space		16	16
– Bushland Acquisition		398	339
– Public Infrastructure Fund		3,619	3,800
– McRobies Gully Landfill Rehabilitation		3,063	3,016
– Queens Domain Facility upgrades		633	380
– Refundable Deposits		2,281	2,317
		24,624	29,557
		33,051	36,305

17. INVENTORIES

	2016-17 \$'000	2015-16 \$'000
The Doone Kennedy Hobart Aquatic Centre	44	49
McRobies Gully – construction materials	33	26
Salamanca Market	100	92
Tasmanian Travel & Information Centre	54	39
Other	156	141
	387	347

18. FINANCIAL INSTRUMENTS

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.

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 Council's financial assets, which comprise cash and cash equivalents, and trade and other receivables. Council's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable note.

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

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

It is Council's policy that some customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their credit rating, financial position, past experience and industry reputation. 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 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 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 Council intends to hold fixed rate assets and liabilities to maturity. Council monitors both its level of exposure to interest rate risk, and assessments of market forecasts for future interest rates.

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 on the following page.

2016-17	Floating Interest Rate \$'000	Fixed Interest 1 year or less \$'000	Interest Maturing in: Over 1 to 5 years \$'000	More than 5 years \$'000	Non-Interest Bearing \$'000	Total \$'000	Weighted Average Interest Rate
Financial Assets							
Cash and cash equivalents	11,688	21,300	-	-	63	33,051	2.29%
Investment in TasWater	-	-	-	-	164,686	164,686	
Receivables	1,046	26	-	-	4,952	6,024	0.86%
	12,734	21,326	-	-	169,701	203,761	
Weighted Average Interest Rate	2.51%	2.49%	0.00%	0.00%			
Financial Liabilities							
Payables	-	-	-	-	8,922	8,922	
Trust, Deposits, Retention	-	-	-	-	3,215	3,215	
Loans	-	1,482	6,020	4,191	-	11,693	5.58%
	-	1,482	6,020	4,191	12,137	23,830	
Weighted Average Interest Rate	0.00%	5.39%	5.28%	6.07%			
Net Financial Assets/ (Liabilities)	12,734	19,844	(6,020)	(4,191)	157,564	179,931	

2015-16	Floating Interest Rate \$'000	Fixed Interest 1 year or less \$'000	Interest Maturing in: Over 1 to 5 years \$'000	More than 5 years \$'000	Non-Interest Bearing \$'000	Total \$'000	Weighted Average Interest Rate
Financial Assets							
Cash and Cash Equivalents	28,942	7,300	-	-	63	36,305	2.11%
Investment in TasWater	-	-	-	-	163,612	163,612	
Receivables	938	26	-	-	5,107	6,071	0.75%
	29,880	7,326	-	-	168,782	205,988	
Weighted Average Interest Rate	2.22%	2.54%	0.00%	0.00%			
Financial Liabilities							
Payables	-	-	-	-	9,232	9,232	
Trust, Deposits, Retention	-	-	-	-	3,099	3,099	
Loans	-	1,405	6,184	5,508	-	13,097	5.69%
	-	1,405	6,184	5,508	12,331	25,428	
Weighted Average Interest Rate	0.00%	5.41%	5.41%	6.09%			
Net Financial Assets/ (Liabilities)	29,880	5,921	(6,184)	(5,508)	156,451	180,560	

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

	30 June 2017		30 June 2016	
	100 basis points increase \$'000	100 basis points decrease \$'000	100 basis points increase \$'000	100 basis points decrease \$'000
Financial Assets				
Cash Advances	na	na	na	na
Other Cash and Cash Equivalents	58	(58)	225	(225)
Investment in TasWater	na	na	na	na
Receivables	10	(10)	9	(9)
	68	(68)	234	(234)
Financial Liabilities				
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 2016.

C) LIQUIDITY RISK

Liquidity risk is monitored through the development of rolling cash flow forecasts. 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.

Council monitors rolling forecasts of liquidity reserves on the basis of expected cash flow. The table below shows the contractual maturities for financial liabilities.

2016-17	6 mths or less \$'000	6 to 12 mths \$'000	1 to 2 years \$'000	2 to 5 years \$'000	Over 5 years \$'000	Total \$'000	Carrying Amount \$'000
Trade and other payables	8,922	-	-	-	-	8,922	8,922
Trust funds and deposits	1,263	295	437	219	1,001	3,215	3,215
Interest-bearing loans and borrowings	731	751	1,563	4,457	4,191	11,693	11,693
Total financial liabilities	10,916	1,046	2,000	4,676	5,192	23,830	23,830

2015-16	6 mths or less \$'000	6 to 12 mths \$'000	1 to 2 years \$'000	2 to 5 years \$'000	Over 5 years \$'000	Total \$'000	Carrying Amount \$'000
Trade and other payables	9,232	-	-	-	-	9,232	9,232
Trust funds and deposits	502	402	666	655	874	3,099	3,099
Interest-bearing loans and borrowings	693	712	1,482	6,020	4,190	13,097	13,097
Total financial liabilities	10,427	1,114	2,148	6,675	5,064	25,428	25,428

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:

	2016-17		2015-16	
	Carrying Amount \$'000	Net Fair Value \$'000	Carrying Amount \$'000	Net Fair Value \$'000
Financial Assets				
Cash Advances	63	63	63	63
Cash at Bank and Investments	32,988	32,988	36,242	36,242
Investment in TasWater	164,686	164,686	163,612	163,612
Receivables	6,024	6,024	6,071	6,071
	203,761	203,761	205,988	205,988
Financial Liabilities				
Payables	8,922	8,922	9,232	9,232
Loans	11,693	13,334	13,097	15,383
	20,615	22,256	22,329	24,615

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
2016-17				
Available for sale financial assets	-	-	164,686	164,686
Financial assets at fair value through profit or loss	-	236	-	236
	-	236	164,686	164,922
2015-16				
Available for sale financial assets	-	-	163,612	163,612
Financial assets at fair value through profit or loss	-	284	-	284
	-	284	163,612	163,896

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

	2016-17 \$'000	2015-16 \$'000
Opening Balance	163,612	160,874
Gains / (Losses) recognised in other comprehensive income	1,074	2,738
Closing Balance	164,686	163,612

19. RECEIVABLES

	2016-17 \$'000	2015-16 \$'000
Rates	1,101	989
Parking Fines	7,776	7,926
Trade Receivables	737	1,423
Accrued interest on investments	73	21
Wages and salaries paid in advance	93	101
GST Receivable	822	322
Tas Water Distributions	-	57
Other Debtors	305	71
	10,907	10,910
Less Allowance for Impairment	(4,883)	(4,839)
	6,024	6,071
Current	5,834	5,885
Non-Current	190	186
	6,024	6,071

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

Trade Receivables

	Total \$'000	0-29 days \$'000	0-29 days \$'000	30-59 days \$'000	30-59 days \$'000	60-89 days \$'000	60-89 days \$'000	90+ days \$'000	90+ days \$'000
			CI*	PDNI*	CI*	PDNI*	CI*	PDNI*	CI*
2017	737	535	-	66	-	54	-	66	16
2016	1,423	1,068	-	184	-	26	-	123	22

Parking Fines

	Total \$'000	Parking Meter and Voucher			Traffic Infringements		
		0-14 days \$'000	14+ days \$'000	14+ days \$'000	0-28 days \$'000	28+ days \$'000	28+ days \$'000
			PDNI*	CI*	PDNI*	CI*	
2017	7,776	102	2,381	3,564	81	679	969
2016	7,926	104	2,476	3,604	94	686	962

Rates

	Total \$'000	90+ days \$'000
		PDNI*
2017	1,101	1,101
2016	989	989

*PDNI – past due not impaired

*CI – considered impaired

20. ASSETS CLASSIFIED AS HELD FOR SALE

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

	2016-17 \$'000	2015-16 \$'000
Land	930	775
	930	775

21. PROPERTY, PLANT AND EQUIPMENT

	Note	Carrying Amount 30/6/2016 \$'000	Additions \$'000	Transfer to Non- current Assets \$'000	Disposals \$'000	Net Revaluation Adjustments \$'000	Depreciation \$'000	Other Movements \$'000	Carrying Amount 30/6/2017 \$'000
Plant and Equipment	22	18,463	4,928	-	(1,372)	-	(2,927)	-	19,092
Land	23	863,718	1,037	-	(55)	-	-	335	865,035
Buildings	23	146,248	107	381	-	2,517	(2,250)	71	147,074
Land Improvements	24	18,672	-	350	(818)	6,673	(1,015)	-	23,862
Infrastructure Plant	25	2,116	78	136	(29)	27	(311)	-	2,017
Pipes, Drains and Rivulets	26	103,731	458	1,174	(48)	1,511	(1,674)	(653)	104,499
Roads and Bridges	27	178,274	530	10,766	(960)	31,150	(7,656)	(363)	211,741
Other Structures	28	66,121	711	3,953	(372)	943	(3,383)	455	68,428
Capital Work in Progress	29	35,964	25,985	(16,760)	-	-	-	-	45,189
Other	30	912	20	-	-	-	(12)	-	920
		1,434,219	33,854	-	(3,654)	42,821	(19,228)	(155)	1,487,857

Other movements predominantly represents the transfer of Land assets to Assets Held for Sale.

	Note	Carrying Amount 30/6/2015 \$'000	Additions \$'000	Transfer to Non- current Assets \$'000	Disposals \$'000	Net Revaluation Adjustments \$'000	Depreciation \$'000	Other Movements \$'000	Carrying Amount 30/6/2016 \$'000
Plant and Equipment	22	16,694	5,529	411	(1,378)	–	(2,791)	(2)	18,463
Land	23	179,749	685,271	–	(37)	–	–	(1,265)	863,718
Buildings	23	138,375	26	7,637	–	2,513	(2,302)	(1)	146,248
Land Improvements	24	19,420	–	240	(99)	323	(1,030)	(182)	18,672
Infrastructure Plant	25	2,757	60	9	(3)	(399)	(310)	2	2,116
Pipes, Drains and Rivulets	26	102,490	433	209	(119)	1,884	(1,636)	470	103,731
Roads and Bridges	27	177,701	439	5,504	(913)	3,141	(7,300)	(298)	178,274
Other Structures	28	64,486	459	2,121	(181)	2,510	(3,062)	(212)	66,121
Capital Work in Progress	29	28,137	23,957	(16,131)	–	–	–	1	35,964
Other	30	864	63	–	–	–	(13)	(2)	912
		730,673	716,237	–	(2,730)	9,972	(18,444)	(1,489)	1,434,219

Other Movements predominantly represents the transfer of Land assets to Assets Held for Sale, and replacement of assets associated with the Liverpool Street and Franklin Square refurbishments.

22. PLANT AND EQUIPMENT

	2016–17 \$'000	2015–16 \$'000
At Cost	35,545	34,092
Less: Impairment Losses	(1)	(1)
Less: Accumulated Depreciation	(16,452)	(15,628)
	19,092	18,463

23. LAND AND BUILDINGS

	2016–17 \$'000	2015–16 \$'000
Land		
At Cost	689,694	688,206
At Valuer-General's valuation of market value — 2015	175,341	175,512
	865,035	863,718
Buildings		
At replacement cost — 2015 indexed to 31 March 2016	–	9,498
At replacement cost — 2014 indexed to 31 March 2016	–	215,371
At replacement cost — 2017	40,070	–
At replacement cost — 2015 indexed to 31 March 2017	7,936	–
At replacement cost — 2014 indexed to 31 March 2017	180,830	–
	228,836	224,869
Less: Accumulated Depreciation	(81,762)	(78,621)
	147,074	146,248
	1,012,109	1,009,966

Buildings are being revalued over a two-year period. All public conveniences, grandstands and changerooms have been revalued in the current period. All remaining buildings will be revalued in the next period.

24. LAND IMPROVEMENTS

	2016–17 \$'000	2015–16 \$'000
At replacement cost — 2015 indexed to 31 March 2016	–	1,221
At replacement cost — 2014 indexed to 31 March 2016	–	42,716
At replacement cost — 2017	48,896	–
	48,896	43,937
Less: Accumulated Depreciation	(25,034)	(25,265)
	23,862	18,672

25. INFRASTRUCTURE PLANT

	2016–17 \$'000	2015–16 \$'000
At replacement cost — 2016	–	5,570
At replacement cost — 2016 indexed to 31 March 2017	5,810	–
	5,810	5,570
Less: Accumulated Depreciation	(3,793)	(3,454)
	2,017	2,116

26. PIPES, DRAINS AND RIVULETS

	2016-17 \$'000	2015-16 \$'000
At replacement cost – 2015 indexed to 31 March 2016	–	183,386
At replacement cost – 2017	2,274	–
At replacement cost – 2015 indexed to 31 March 2017	184,610	–
	186,884	183,386
Less: Accumulated Depreciation	(82,385)	(79,655)
	104,499	103,731

27. ROADS AND BRIDGES

	2016-17 \$'000	2015-16 \$'000
At replacement cost – 2014 indexed to 31 March 2016	–	386,627
At replacement cost – 2017	465,511	–
	465,511	386,627
Less: Accumulated Depreciation	(253,770)	(208,353)
	211,741	178,274

28. OTHER STRUCTURES

	2016-17 \$'000	2015-16 \$'000
At replacement cost – 2017	4,907	–
At replacement cost – 2016 indexed to 31 March 2017	131,190	–
At replacement cost – 2016	–	130,499
	136,097	130,499
Less: Accumulated Depreciation	(67,669)	(64,378)
	68,428	66,121

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

	2016-17 \$'000	2015-16 \$'000
Road and Bridge works	8,385	7,245
Sandy Bay Road Cycleway	1,223	–
CBD Energy Efficient Lighting Upgrades	–	1,836
Footpath, Kerb and Gutter works	1,465	3,958
Traffic Management works	3,221	2,485
Sandy Bay Retail Precinct upgrade	1,850	–
Stormwater Mains	1,462	1,079
Railway Fountain restoration	446	446
Parks and Gardens works	5,057	2,850
Franklin Square pavement	2,203	1,917
Salamanca Public Conveniences	649	–
Soldiers Memorial Oval Irrigation / Drainage	–	427
Solar Array Installations on Council Buildings	433	–
City Hall Refurbishment	429	–
Sporting Facility works	3,524	2,819
Domain Athletics Centre track replacement	611	–
The Doone Kennedy Hobart Aquatic Centre upgrades	1,568	813
Car Parks — Energy Efficient Lighting	471	444
Core Business Systems upgrade	1,126	–
Valuation Roll	548	–
Twin Bridges Replacement — MWSS Pipeline Track	–	203
Ancanthe Park Master Plan	577	–
Bushland and Reserves works	2,503	468
Upgrade of Liverpool and Collins Streets	–	2,655
City Wayfinding System	514	468
Franklin Square Bus Shelter Renewal	329	–
McRobies Gully Waste Management Centre	393	–
Collins Court Revitalisation	–	697
Morrison Street Cycleway	–	909
Pedestrian and Cyclist High Level Crossing Over Brooker Avenue	347	166
Centenary of ANZAC walkway	414	–
Carnegie Gallery	361	361
Litter Bin and Wheelie Bin Renewals	362	182
Other	4,718	3,536
	45,189	35,964

30. OTHER PROPERTY, PLANT AND EQUIPMENT

	2016-17 \$'000	2015-16 \$'000
Valuation Roll		
At Cost	469	469
Less: Accumulated Depreciation	(432)	(420)
	37	49
Valuables		
At Cost	218	198
At independent valuation of market value — 2014	665	665
	883	863
	920	912

31. PAYABLES

	2016-17 \$'000	2015-16 \$'000
Trade Creditors	2,098	1,049
Accrued plant and equipment purchases	330	925
Accrued property purchases	100	–
Accrued capital expenditure	2,057	771
GST payable	466	–
Energy Costs	216	96
Payroll Tax	1,235	1,003
Workers Compensation Insurance	210	851
Fringe Benefits Tax	79	93
Other Accrued Expenses	2,131	4,444
	8,922	9,232

32. TRUST, DEPOSITS AND RETENTION

	2016-17 \$'000	2015-16 \$'000
Refundable Infrastructure Bonds	2,179	2,216
Deposits held for Travel Operators	706	652
Contract Retention monies	180	–
Other	150	231
	3,215	3,099

33. EMPLOYEE BENEFITS

	2016-17 \$'000	2015-16 \$'000
Assets		
Defined-benefit superannuation plan	545	–
	545	–
Current	–	–
Non-Current	545	–
	545	–
Liabilities		
Wages and salaries	1,797	1,492
Annual leave (including loading)	3,489	3,255
Long service leave	5,366	5,427
Sick leave	2,356	2,383
Superannuation contributions	1,385	1,318
Defined-benefit superannuation plan	–	3,540
	14,393	17,415
Current	11,769	11,142
Non-Current	2,624	6,273
	14,393	17,415

SUPERANNUATION

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, Council also contributes to a defined-benefit superannuation plan. Based on actuarial advice 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 9 August 2017 for the purpose of providing figures in accordance with AASB 119 *Employee Benefits*. This assessment revealed the following:

Key assumptions	30 June 2017	30 June 2016
Discount Rate — gross of tax	2.30%	1.78%
Discount Rate — net of tax	n/a	n/a
Expected rates of salary increase:		
2016–17 to 2018–19	2.4%	2.4%
thereafter	2.4%	2.5%

The amount included in expenses is as follows:

	2016-17 \$'000	2015-16 \$'000
Employee Costs		
- Current Service Cost	1,546	1,567
Finance Costs		
- Interest Cost	706	887
- Expected return on plan assets	(664)	(881)
	42	6
	1,588	1,573

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

	2016-17 \$'000	2015-16 \$'000
Actuarial (gains) / losses incurred during the period and recognised in other comprehensive income	(4,761)	1,613
Cumulative actuarial (gains) / losses recognised in other comprehensive income	4,777	9,538

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

	2016-17 \$'000	2015-16 \$'000
Present value of defined-benefit obligation	39,991	42,272
Fair value of plan assets	(40,536)	(38,732)
Net liability/(asset) arising from defined-benefit plan	(545)	3,540

Movements in the net liability were as follows:

	2016-17 \$'000	2015-16 \$'000
Opening liability	3,540	1,397
Expense recognised in surplus/(deficit)	1,588	1,573
Actuarial (gains)/losses	(4,761)	1,613
Employer contributions	(912)	(1,043)
Closing liability	(545)	3,540

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

	2016-17 \$'000	2015-16 \$'000
Opening defined-benefit obligation	42,272	42,363
Current Service Cost	1,546	1,567
Interest Cost	706	887
Member contributions and transfers from other funds	638	730
Actuarial (gains) / losses	(764)	425
Benefits and tax paid	(4,407)	(3,700)
Closing defined-benefit obligation	39,991	42,272

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

	2016-17 \$'000	2015-16 \$'000
Opening fair value of plan assets	38,732	40,966
Expected return on plan assets	664	881
Actuarial gains / (losses)	3,997	(1,188)
Employer contributions	912	1,043
Member contributions and transfers from other funds	638	730
Benefits paid	(4,407)	(3,700)
Closing fair value of plan assets	40,536	38,732

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	563	(748)
Inflation Rate	(542)	666

	2.50% increase \$'000	2.50% decrease \$'000
Asset Value	1,013	(1,013)

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):

	Strategic Allocation %	as at 30 June 2017 %	as at 30 June 2016 %
Australian shares	32.5	30.5	29.9
International shares	31.0	27.2	32.7
Property	8.5	11.0	9.2
Fixed interest	13.6	6.7	11.4
Private Equity	1.0	0.8	0.5
Infrastructure	7.5	10.1	5.1
Alternative Assets	2.4	6.6	5.0
Cash	3.5	7.1	6.2
Total	100	100	100

34. UNEARNED REVENUE

	2016-17 \$'000	2015-16 \$'000
Doone Kennedy Hobart Aquatic Centre memberships paid in advance	182	228
Salamanca Market rentals paid in advance	52	149
Animal Licences paid in advance	85	1
Food Premises registration fees paid in advance	205	-
Metered Space Permits	20	33
Other	63	91
	607	502

35. LOANS

	2016-17 \$'000	2015-16 \$'000
Loans Outstanding at beginning of year	13,097	14,428
Redemptions	(1,404)	(1,331)
Loans Outstanding at end of year	11,693	13,097
Current	1,482	1,405
Non-Current	10,211	11,692
	11,693	13,097

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

36. PROVISIONS

	2016-17 \$'000	2015-16 \$'000
Rehabilitation of Landfill Site		
Balance at beginning of year	5,498	8,041
Additional provisions recognised	986	(2,326)
Expenditure incurred	(1,205)	(419)
Unwinding of discount and effect of changes in the discount rate	122	202
Balance at end of year	5,401	5,498
Rehabilitation of Asphalt Plant Site		
Balance at beginning of year	-	761
Additional provisions recognised	-	-
Expenditure incurred	-	(370)
Unwinding of provision no longer required	-	(391)
Balance at end of year	-	-
Total Provisions	5,401	5,498

37. RESERVES

		Balance 30/6/16 \$'000	Transfers to Reserves \$'000	Transfers from Reserves \$'000	Balance 30/6/17 \$'000
Asset Replacement		14,865	22,792	(21,315)	16,342
Bushland Fund		339	59	-	398
Contributions in Lieu of Parking		135	-	-	135
Contributions in Lieu of Public Open Space		495	70	(330)	235
Heritage Account		1,428	72	-	1,500
		17,262	22,993	(21,645)	18,610
Fair Value Reserve	12	(33,109)	1,074	-	(32,035)
Asset Revaluation	13	495,730	42,821	-	538,551
		479,883	66,888	(21,645)	525,126

Asset Replacement Reserve

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 Council expects to incur in future reporting periods on replacing its assets.

Bushland Fund

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.

Contributions in Lieu of Parking

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

Contributions in Lieu of Public Open Space

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

Heritage Account

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

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

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

	2016-17 (\$'000)			2015-16 (\$'000)		
	Operating Activities	Investing Activities	Total	Operating Activities	Investing Activities	Total
Revenues	133,387			811,217		
Expenses/Expenditure	(124,869)	(32,060)		(119,247)	(30,080)	
Surplus	8,518			691,970		
Items not involving Cash:						
Depreciation and Amortisation	19,228			18,444		
Carrying Value of Assets Sold	1,338			1,237		
Asset Write-offs	2,315			2,215		
Assets Received for No Consideration	(1,793)			(686,166)		
Re-classification of Revenues						
Capital Grants	(4,016)	4,016	–	(4,706)	4,706	–
Sales of Assets	(677)	677	–	(984)	984	–
Changes in Operating Assets & Liabilities:						
(Increase)/Decrease in Receivables	47	–	47	875	–	875
(Increase)/Decrease in Stock	(40)	–	(40)	(5)	–	(5)
(Increase)/Decrease in Prepayments	(411)	–	(411)	(3)	–	(3)
Increase /(Decrease) in Payables	(1,101)	791	(310)	777	(103)	674
Increase /(Decrease) in Employee Benefits	1,194	–	1,194	608	–	608
Increase /(Decrease) in Unearned Revenue	105	–	105	(36)	–	(36)
Increase /(Decrease) in Provisions	(97)	–	(97)	(3,304)	–	(3,304)
Increase /(Decrease) in Other Liabilities	116	–	116	498	–	498
Net Cash Inflow/(Outflow)	24,726	(26,576)		21,420	(24,493)	

39. FINANCING FACILITIES

	2016-17 \$'000	2015-16 \$'000
Facility Limit	380	380
Less: Used/committed	(58)	(59)
Un-used credit card facilities	322	321

40. COMMITMENTS

	2016-17 \$'000	2015-16 \$'000
<i>Capital Expenditure contracted for at the reporting date but not recognised in liabilities:</i>		
Regent Street — Fitzroy (upper) to Fitzroy (lower) — Pedestrian Access	506	–
Buckingham Bowls Club wall replacement	302	–
Lord Street — Grosvenor to Regent — partial reconstruction	230	–
TCA HC Smith Stand — toilet renewal	224	–
Centenary of ANZAC walkway	217	–
Great Short Walks — Organ Pipes Track — Chalet to Sawmill	155	–
Mawson Place cardinal lights — renewal and upgrade	140	–
Queens Domain Joggers Loop upgrade	139	–
Christmas decorations	128	–
The Springs infrastructure upgrade	123	–
Sandy Bay Retail Precinct Upgrade project	113	–
Doone Kennedy Hobart Aquatic Centre major refurbishment & upgrade works	105	–
Multi-storey car parks emergency management system renewal	105	–
Salamanca pedestrian works	103	–
City Hall renewal — major refurbishment	64	–
Carnegie Gallery lift installation	–	58
Clearys Gates fire services upgrade	53	112
Domain Athletic Centre — replace synthetic track	–	193
Licence plate recognition system install	–	188
Path and lighting upgrade Hobart Rivulet	–	92
Plant and equipment purchases	350	405
Soldiers Memorial Oval community hub — design services	7	89
Other	1,201	1,095
	4,265	2,232
Expected timing of these commitments is as follows:		
Not longer than one year	4,265	2,232
Longer than one year and not longer than two years	–	–
Longer than two years and not longer than five years	–	–
Longer than five years	–	–
	4,265	2,232

41. OPERATING LEASES

	2016-17 \$'000	2015-16 \$'000
a) Operating lease commitments at the reporting date not recognised in liabilities:		
Not longer than one year	988	1,303
Longer than one year and not longer than two years	892	1,246
Longer than two years and not longer than five years	2,611	3,638
Longer than five years	15,512	15,326
	20,003	21,513
<i>Council's operating lease commitments mainly relate to Trafalgar Car Park.</i>		
b) Operating lease receivables at the reporting date not recognised in assets:		
Not longer than one year	650	705
Longer than one year and not longer than two years	547	489
Longer than two years and not longer than five years	1,251	1,164
Longer than five years	394	377
	2,842	2,735
<i>Council's operating lease receivables mainly result from property leases.</i>		

42. CONTINGENT LIABILITIES

	2016-17 \$'000	2015-16 \$'000
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
Derwent Sailing Squadron	4,100	4,100
	6,331	6,331

Estimates of Council's maximum obligations for payments pursuant to Development Assistance Deeds are as follows:

	Note	2016-17 \$'000	2015-16 \$'000
Vodafone development	43	1,279	1,414
Myer development	43	3,500	3,500
		4,779	4,914

Payments relating to the Vodafone development are contingent upon the achievement of employee occupancy targets. Payments relating to the Myer development are contingent upon annual gross sales from the Liverpool Street Myer Store reaching agreed thresholds.

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

43. MAJOR DEVELOPMENT ASSISTANCE POLICY COMMITMENTS

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 provides for the following: -

- 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.
 - 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, Council made progress payments for the car park.
 - On completion and issue of stratum titles, Council received the stratum title for the car park. This occurred in October 2013.
- On an ongoing basis:
- 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 the benefit for the current period is \$360,667 (prior year: \$351,735).

THE VODAFONE DEVELOPMENT

Council has negotiated a development assistance deed with Alirenste Pty Ltd that provides for the following:

- That 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, 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 Council the right to terminate the agreement.
- The value of the benefit for the current period is \$135,442 (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).

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 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, and
 - 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 \$9,385 (prior year: \$8,519) and pursuant to 1.b. \$383,731 (prior year: \$21,082). 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: -

- \$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.
- \$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.
- \$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 Council under an agreed formula taking into account the number of years the development has been occupied.

The first \$1.75 million instalment was paid to Myer during the previous period upon commencing trading to the public in November 2015. The second \$1.75 million instalment was paid to Myer in July 2016 and accrued into the previous period. No further amounts have been paid or accrued into the current period.

44. SUBSEQUENT EVENTS

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

45. RELATED PARTY TRANSACTIONS

(A) KEY MANAGEMENT PERSONNEL COMPENSATION

	2016-17 \$'000
Short-term employee benefits	2,013
Post-employment benefits	194
	2,207

Key management personnel comprises elected members (Aldermen) and senior executives.

The Lord Mayor, Deputy Lord Mayor and Aldermen of the City of Hobart are entitled to receive allowances as provided under section 340A of the *Local Government Act 1993*. The quantum of the allowances is set in accordance with regulation 42 of the Local Government (General) Regulations 2015 and adjusted by the CPI as at 1 November each year.

Employment terms and conditions for senior executives are contained in individual employment contracts and prescribe total remuneration, superannuation, annual and long service leave, vehicle and salary sacrifice provisions. Council also provides non-cash benefits and contributes to post-employment superannuation plans on their behalf.

(B) TRANSACTIONS WITH OTHER RELATED PARTIES

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

	2016-17 \$'000
Nature of transactions	
Metal Fabrication	3
Painting Services	109
Promotional Products	14
	126
Related payables balances at year-end	-
Related receivables balances at year-end	-
Related impairment provisions at year-end	-
Related bad and doubtful debts expense for the period	-
Contributions to superannuation funds on behalf of employees	5,309

In accordance with section 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.

(C) LOANS AND GUARANTEES TO/FROM RELATED PARTIES

Council has not entered into any loans or guarantees with related parties.

(D) COMMITMENTS TO/FROM RELATED PARTIES

Council has not entered into any commitments with related parties.

(E) TRANSACTIONS WITH RELATED PARTIES

THAT HAVE NOT BEEN DISCLOSED

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

- payment of rates and charges
- dog registrations
- attending Council events
- use of Council facilities
- parking fees and fines.

Council has not included these types of transactions in its disclosure where they occur on the same terms and conditions as those available to the general public.

46. MANAGEMENT INDICATORS

A) UNDERLYING SURPLUS OR DEFICIT

	Benchmark	2016-17 \$'000	2015-16 \$'000
		126,006	121,581
less		(124,869)	(119,247)
equals	> 0	1,137	2,334

* Underlying revenue excludes all capital income (grants received specifically for 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 achieved in the current period.

B) UNDERLYING SURPLUS RATIO

	Benchmark	2016-17 \$'000	2015-16 \$'000
		1,137	2,334
divided by		126,006	121,581
equals	0%-2%	0.9%	1.9%

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	2016-17 \$'000	2015-16 \$'000
		33,051	36,305
plus		5,834	5,885
less		(44,231)	(48,843)
equals	Net Financial Liabilities > (\$63M)	(5,346)	(6,653)

This indicator measures Council's net indebtedness (the extent to which Council's liabilities could be met if all liabilities fell due at once). The above result is well within the benchmark range (being 50% of underlying revenue).

D) NET FINANCIAL LIABILITIES RATIO

	Benchmark	2016-17 \$'000	2015-16 \$'000
		(5,346)	(6,653)
divided by		126,006	121,581
equals	Net Financial Liabilities ratio > -50%	-4.2%	-5.5%

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

E) ASSET SUSTAINABILITY RATIO

	Benchmark	2016-17 \$'000	2015-16 \$'000
		20,534	23,778
divided by		19,228	18,444
equals	Asset Sustainability Ratio 100%	106.8%	128.9%

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 Council is sufficiently reinvesting in its assets.

F) ASSET CONSUMPTION RATIO

	Benchmark	2016-17 \$'000	2015-16 \$'000
Plant & Equipment			
		19,092	18,463
divided by		35,545	34,092
equals	Asset Consumption Ratio 40%-80%	53.7%	54.2%
Buildings			
		147,074	146,248
divided by		228,836	224,869
equals	Asset Consumption Ratio 40%-80%	64.3%	65.0%
Land Improvements			
		23,862	18,672
divided by		48,896	43,937
equals	Asset Consumption Ratio 40%-80%	48.8%	42.5%
Infrastructure Plant			
		2,017	2,116
divided by		5,810	5,570
equals	Asset Consumption Ratio 40%-80%	34.7%	38.0%
Pipes, Drains & Rivulets			
		104,499	103,731
divided by		186,884	183,386
equals	Asset Consumption Ratio 40%-80%	55.9%	56.6%
Roads & Bridges			
		211,741	178,274
divided by		465,511	386,627
equals	Asset Consumption Ratio 40%-80%	45.5%	46.1%
Other Structures			
		68,428	66,121
divided by		136,097	130,499
equals	Asset Consumption Ratio 40%-80%	50.3%	50.7%

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

G) ASSET RENEWAL FUNDING RATIO

	Benchmark	2016-17 \$'000	2015-16 \$'000
		617,188	574,630
divided by		617,188	574,630
equals	Asset renewal funding ratio 100%	100.0%	100.0%

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

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

47. FAIR VALUE MEASUREMENTS

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

Property and infrastructure

- Land
- Buildings
- Roads, Footpaths and Drainage
- Bridges
- Other infrastructure

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

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 20. A description of the valuation techniques and the inputs used to determine the fair value of this land is included in 47C 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 on the following page 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 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.

		2016-17			
	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Recurring fair value measurements					
Land	23	-	865,035	-	865,035
Buildings	23	-	-	147,074	147,074
Land Improvements	24	-	-	23,862	23,862
Infrastructure Plant	25	-	-	2,017	2,017
Pipes, Drains and Rivulets	26	-	-	104,499	104,499
Roads and Bridges	27	-	-	211,741	211,741
Other Structures	28	-	-	68,428	68,428
Capital Work in Progress	29	-	-	45,189	45,189
Other	30	-	-	665	665
		-	865,035	603,475	1,468,510
Non-recurring fair value measurements					
Assets Held for Sale	20	-	930	-	930
		-	930	-	930

		2015-16			
	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Recurring fair value measurements					
Land	23	-	863,718	-	863,718
Buildings	23	-	-	146,248	146,248
Land Improvements	24	-	-	18,672	18,672
Infrastructure Plant	25	-	-	2,116	2,116
Pipes, Drains & Rivulets	26	-	-	103,731	103,731
Roads & Bridges	27	-	-	178,274	178,274
Other Structures	28	-	-	66,121	66,121
Capital Work in Progress	29	-	-	35,964	35,964
Other	30	-	-	665	665
		-	863,718	551,791	1,415,509
Non-recurring fair value measurements					
Assets Held for Sale	20	-	775	-	775
		-	775	-	775

Transfers between levels of the hierarchy

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

Land

Fair values for land were determined by the Valuer-General effective 1 July 2014.

Land under roads is valued by individual roads using the Valuer-General's rate for the property class surrounding the road provided to the Local Government Association of Tasmania in July 2014.

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

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

- Unit replacement cost (rate/m²) 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, and
- Quantity Surveyor estimates of replacement value of selected buildings which have unique characteristics.

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 building types under 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 (CRC). This valuation comprises the asset's gross replacement cost less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Council first determined the gross cost of replacing the full service potential of the asset and then adjusted this amount to take account of the expired service potential of the asset.

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

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

Roads and Bridges

Sealed Roads, Footpaths, Kerb and Gutter

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 componentised into formation, pavement, sub-pavement and seal, kerb and channel and footpath (where applicable). 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 component a standard design exists for the modern equivalent asset which details pavement depths, typical widths and other relevant component information to enable pricing, such as location and extent of works.

Unit prices have been obtained from recent tender submissions for construction works in suburban areas against the modern equivalent asset specification. The lowest five of these have been averaged to determine the 'suburban unit replacement rate'.

For assets not located in suburban areas, location factors have been applied to reflect

the increased cost of undertaking works in higher traffic areas. For this purpose, two additional locations have been identified – urban and CBD. For assets in urban locations, a replacement rate equal to two times the suburban unit replacement rate has been adopted. For assets in CBD locations, a replacement rate equal to three times the suburban unit replacement rate has been adopted.

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

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.

Each bridge structure is aligned with a modern equivalent asset type which defines the replacement structure and associated bridge components.

Unit prices have been obtained from independent consultants (Pitt & Sherry) for construction works in rural areas against the modern equivalent asset specification. This 'rural unit replacement rate' has then been multiplied by the deck area of each existing bridge located in rural areas to calculate the CRC of those bridges.

For bridges not located in rural areas, location factors provided by Pitt & Sherry have been applied to reflect the increased cost of undertaking works in higher traffic areas. For this purpose, two additional locations were identified — suburban and urban. For assets in suburban locations, a replacement rate equal to 1.2 times the rural unit replacement rate has been adopted. For assets in urban locations, a replacement rate equal to 1.5 times the rural unit replacement rate has been adopted.

In line with Pitt & Sherry's advice, unit replacement rates have been increased by a further 20 percent, regardless of location, for bridges with abutments higher than three

metres to reflect the additional complexity of construction.

Cycleways and Tracks

Council has one cycleway and some 150 kilometres of walking tracks. The cycleway is sufficiently similar to a concrete footpath to be able to determine a CRC on that basis. Due to insufficient work being carried out recently on walking tracks, previous unit rates have been indexed and multiplied by track lengths to calculate CRC.

Pipes Drains and Rivulets

Pipes Drains & Rivulets are grouped by stormwater catchment areas and contain 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 Council operations.

For stormwater pipes and built rivulets the CRC 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. 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 CRC 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 Plant 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 Council's Statement of Financial Position.

(D) UNOBSERVABLE INPUTS AND SENSITIVITIES

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

(E) CHANGES IN RECURRING LEVEL 3 FAIR VALUE MEASUREMENTS

The changes in level 3 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

Council's current policy for the valuation of property, plant and equipment (recurring fair value measurements) is set out in note 1(j).

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

(G) ASSETS AND LIABILITIES NOT MEASURED AT FAIR VALUE BUT FOR WHICH FAIR VALUE IS DISCLOSED

Council has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in other notes (refer note 18).

Council's loans are measured at amortised cost with interest recognised in profit or loss when incurred. The fair value of loans disclosed in note 18 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*, 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, 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 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

	2016-17 Actual \$'000	2016-17 Budget \$'000	2015-16 Actual \$'000
Revenues			
User Fees and Charges	8,826	8,419	8,336
Rental Income	417	427	445
	9,243	8,846	8,781
Expenses			
Employee Costs	(1,019)	(1,088)	(1,018)
Energy Costs	(182)	(166)	(167)
Materials and Contracts	(2,739)	(2,790)	(2,759)
Depreciation	(759)	(709)	(706)
Bad Debts	(2)	-	-
Land Tax	(339)	(314)	(283)
Engineering and Administrative Overheads	(813)	(813)	(813)
Other	(29)	-	-
	(5,882)	(5,880)	(5,746)
Gains/(Losses)			
Plant and Equipment Sales	(38)	-	-
	(38)	-	-
Operating Profit/(Loss)	3,323	2,966	3,035
Competitive Neutrality Costs			
Opportunity Cost of Capital	(5,079)	(5,079)	(4,459)
Income Tax	(791)	(728)	(1,042)
Council Rates	(448)	(319)	(437)
	(6,318)	(6,126)	(5,938)

ON-STREET PARKING

	2016-17 Actual \$'000	2016-17 Budget \$'000	2015-16 Actual \$'000
Revenues			
User Fees and Charges	5,345	5,609	5,144
Fines	7,357	7,287	7,066
	12,702	12,896	12,210
Expenses			
Employee Costs	(3,284)	(3,497)	(3,049)
Materials and Contracts	(1,313)	(1,478)	(1,074)
Depreciation	(194)	(106)	(187)
Bad Debts	(517)	(350)	(301)
Engineering and Administrative Overheads	(703)	(720)	(703)
	(6,011)	(6,151)	(5,314)
Gains/(Losses)			
Plant and Equipment sales	(29)	–	5
	(29)	–	5
Operating Profit/(Loss)	6,662	6,745	6,901
Competitive Neutrality Costs			
Opportunity Cost of Capital	(50)	(50)	(39)
Income Tax	(1,999)	(2,024)	(2,070)
	(2,049)	(2,074)	(2,109)

DOONE KENNEDY HOBART AQUATIC CENTRE

	2016-17 Actual \$'000	2016-17 Budget \$'000	2015-16 Actual \$'000
Revenues			
User Fees and Charges	4,787	5,201	4,414
Rental Income	–	3	7
Other Income	273	–	253
	5,060	5,204	4,674
Expenses			
Employee Costs	(3,165)	(3,017)	(2,983)
Energy Costs	(561)	(516)	(533)
Materials and Contracts	(1,687)	(1,670)	(1,794)
Insurance	(35)	–	(35)
Other	(7)	–	(96)
	(5,455)	(5,203)	(5,441)
Operating Profit/(Loss) Before Depreciation	(395)	1	(767)
Depreciation	(914)	(880)	(850)
Operating Profit/(Loss)	(1,309)	(879)	(1,617)
Competitive Neutrality Costs			
Opportunity Cost of Capital	(1,896)	(1,896)	(1,572)
Council Rates	(74)	(74)	(72)
	(1,970)	(1,970)	(1,644)

TASMANIAN TRAVEL AND INFORMATION CENTRE

	2016-17 Actual \$'000	2016-17 Budget \$'000	2015-16 Actual \$'000
Revenues			
User Fees and Charges	849	910	844
Tasmanian Government Grant	150	150	150
Other Income	(14)	27	61
	985	1,087	1,055
Expenses			
Employee Costs	(869)	(859)	(850)
Materials and Contracts	(277)	(268)	(284)
Depreciation	(7)	(8)	(4)
	(1,153)	(1,135)	(1,138)
Operating Profit/(Loss)	(168)	(48)	(83)
Competitive Neutrality Costs			
Opportunity Cost of Capital	(11)	(11)	(6)
Council Rates	(7)	(7)	(7)
	(18)	(18)	(13)

HOBART CITY COUNCIL

GENERAL PURPOSE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2017

CERTIFICATION BY GENERAL MANAGER

The financial report presents fairly the financial position of the Hobart City Council as at 30 June 2017, the results of its operations for the year then ended and the cash flows of the Council, in accordance with the *Local Government Act 1993* (as amended), Australian Accounting Standards (including interpretations) and other authoritative pronouncements issued by the Australian Accounting Standards Board.

Signed at Hobart this 26th day of September 2017.



(N.D. Heath)

General Manager



Independent Auditor's Report

To the Aldermen of Hobart City Council

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Hobart City Council (Council), which comprises the statement of financial position as at 30 June 2017 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the General Manager's statement.

In my opinion the accompanying financial report:

- (a) presents fairly, in all material respects, Council's financial position as at 30 June 2017 and of its financial performance and its cash flows for the year then ended
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards.

Basis for Opinion

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

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

My audit responsibility does not extend to the budget figures included in the statement of comprehensive income, the asset renewal funding ratio disclosed in note 46, nor the Significant Business Activities disclosed in note 48 to the financial report and accordingly, I express no opinion on them.

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

Responsibilities of the General Manager for the Financial Report

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

In preparing the financial report, the General Manager is responsible for assessing Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Council is to be dissolved by an Act of Parliament or the Aldermen intend to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the General Manager.
- Conclude on the appropriateness of the General Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusion is based

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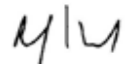
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on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Council to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



Rod Whitehead
Auditor-General

Tasmanian Audit Office

27 September 2017
Hobart

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Hobart Town Hall,
Macquarie Street,
Hobart,
Tasmania 7000 Australia
t (03) 6238 2711
f (03) 6238 2186
e coh@hobartcity.com.au
w hobartcity.com.au