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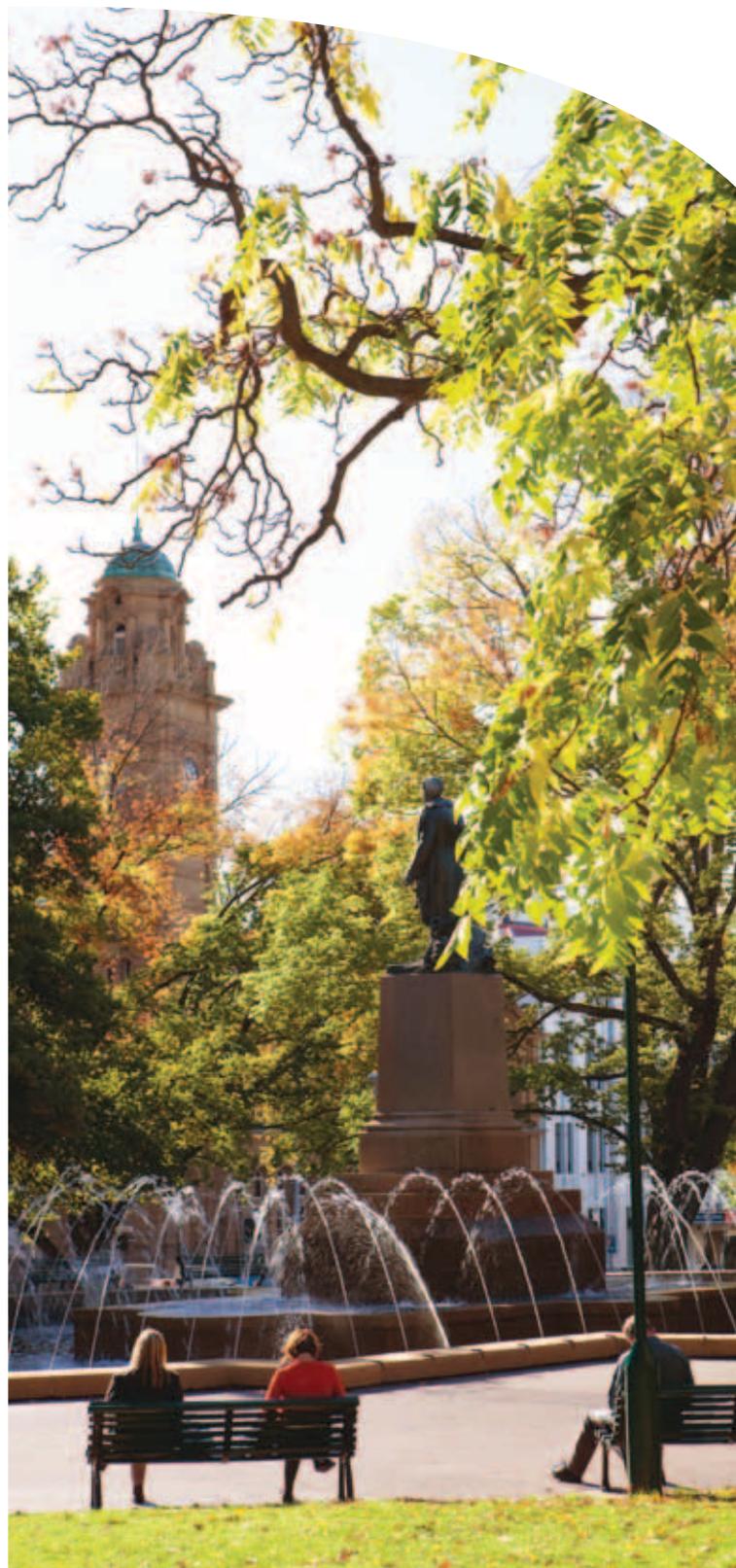
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## About us

### 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 and healthy communities through diversity, participation and empathy
- Is dynamic, vibrant and culturally expressive

### Mission

Our mission is to ensure good governance of our capital City

### Values

<b>We're about people</b>	We value people – our community, customers and colleagues
<b>We're professional</b>	We take pride in our work
<b>We're enterprising</b>	We look for ways to create value
<b>We're responsive</b>	We're accessible and focussed on service
<b>We're inclusive</b>	We respect diversity in people and ideas
<b>We're making a difference</b>	We recognise that everything we do shapes Hobart's future



## Lord Mayor's Message

In my first year as Lord Mayor, I am impressed with the results being achieved every day by our Aldermanic team who, along with strong support from the General Manager and the staff team, has provided strong and demonstrable leadership for the City of Hobart.

Continuing on from the achievements of previous years we have embarked on delivering a range of reforms to build on the twin pillars of social and economic wealth to underpin the future of our city and its community.

There are but two ways that our city will grow - through local investment which will be limited and then through the current economic relationships which we're exploring locally, nationally and now, internationally.

While we can grow the local economy, we won't achieve long-term growth targets unless the city has a recognised liveability status in the top quartile, both in Australia and internationally.

At the present time, Adelaide, Brisbane and Melbourne are in the World's top ten, as the most liveable cities. This gives them a huge marketing advantage. We don't appear to be in the ranking for some obscure reason! We will investigate it more closely as I believe the City of Hobart would, on any measure, outrank a number of the World's top ten.

Over the past year the Council has embarked upon work which will result in a far greater community participative model approach to build community capacity and to provide greater opportunities for participation in community life; rather than the old practice of directly providing all community services at the ratepayers' expense.

This fundamental new engagement model is being achieved through working collaboratively and in partnership with all key stakeholders in the community to address issues of concern. The various community consultation processes undertaken by the Council over many years have clearly identified that this is the approach that the community wants the Council to have. There is a strong view that the Council has a major role to play in supporting and building the Hobart community.

The community has become much more varied than it ever was. Once the Council used to deal almost exclusively with community or progress associations but now it has a much wider group of people to consult, from Bushcare right up to 'precinct-type' groups. My ambition is to bring all of them together at the one time in the one place and then ask, "How as a Council can we work better with you?" I am convinced this will send a message to them that the Council is listening.

It also achieves the important fact that the Council is getting value back!

On top of this, we are achieving another important outcome, greater utilisation of Council infrastructure. We have also a focus whereby we're encouraging much greater use of the Town Hall and other public facilities.

Hobart cannot become a major city in the Asia Pacific region until such time as we really build on city pride. We cannot afford to have any inferiority complexes. We want to be seen as and feel special, as a capital city. This is starting to happen on the mainland where pride and community identity with successful city progress has translated into high investment return.

The Aldermanic team working together on behalf of the community, to serve the community and the city to make it more sustainable, provides the necessary leadership to facilitate progress.

In these challenging economic times, the leadership team is fully aware of the community's desire to keep the rates as low as they can be, whilst being mindful of providing appropriately for future generations. The present campaign to reduce rates in the absence of real justification is self-defeating to the future of those who see rates being lowered because it is totally within the Council's power to cut rates by 100 per cent if you accept that in two or three years time the city will have no money for essential services.

We are here for the long-term and must budget for and plan for future community needs through the provision of some 300 services to the community in precisely the same way as previous councils have; as well as protecting Council's financial position well into the future.

Despite the negativity of the current campaign, we will as a city continue to play a strong and active part in local government reform where sound and logical reasons justify action.

We continue to strengthen our partnership with the University of Tasmania and the Council has signed a series of Memoranda of Understanding, including TasPorts, the Department of Economic Development, Tourism and the Arts, Hobart International Airport and the Launceston City Council. These strategic alliances are important for our city as they demonstrate that the Council is working across sectors and Government to deliver to the city and the community.

The Council also reinvigorated the need to push for the value of confidence-building in the light of concepts and ideas that have the potential to really build on and add to Hobart's reputation as one of Australia's better cities.

We're enthusiastic about the proposal to redevelop the Macquarie Point rail yards. The City of Hobart has long-advocated for a sensible and strategic approach to development on the rail yards site. This project will assist in developing the Council's vision of positioning Hobart as a globally-sustainable and liveable city, as well as attract new investment, generate jobs and boost the economy.

A special investment prospectus has been produced by the Hobart City Council with support of the city's major stakeholders to bring about increased economic prosperity for the residents of the City of Hobart.

The Council welcomed the hosting of the Australian Retailers Association Board members in Hobart. The retail industry is directly responsible for 26,200 jobs in Tasmania, is made up of 3181 businesses and contributes \$1.1 billion to the economy annually. This provided another opportunity for the Council to discuss further expansion, employment and growth in Hobart's vibrant retail sector. We also acknowledge a number of direct investments by the current council which have been assessed against a net social, economic and community benefit. These undertakings will produce, by any measure, great community value and will make it easier for businesses to survive and flourish and add to the social capital of the city.

These investments include growing the city's economy which is why the Council believes it is essential for the future of the City to invest in having a major national retailer in the CBD; and which is why we have helped in a fully-transparent way to facilitate the redevelopment of the Myer site. It is also why the Council invested in an additional 550 car parking spaces in the Argyle Street Car Park in association with the newly constructed Wellington Centre.

The year also saw the return of AFL football to Hobart, with the North Melbourne Football Club playing Greater Western Sydney at Bellerive Oval. The Council played a central role in facilitating this game by part sponsoring the match and also working closely with the Hobart Chamber of Commerce and the other sponsors. More games are scheduled over the next two years.

Throughout the year the Council further demonstrated its leadership role as a sustainable city by partnering with Glenorchy City Council to install energy efficient street lighting.

Similarly, a tender for joint procurement of asphalt for local roads and footpaths undertaken by Hobart and Glenorchy City Councils, Kingborough Council and the Brighton Council demonstrates the benefits of regional cooperation and provides an opportunity for the Council to achieve savings.



Major airlines have increased flights to Hobart while the city experienced another highly successful cruise ship season! This year we welcomed 27 large cruise ships with passengers from all parts of the globe. In company with the Deputy Lord Mayor Alderman Ron Christie and other Aldermen we greeted many hundreds of tourists who were full of praise for the personal welcome and tours of the Town Hall.

Earlier in the year, an historic meeting of all the greater Hobart councils agreed to improve Derwent River ferry services. While all councils have supported the concept in the past, there is now a commitment to do everything in their power to get improved ferry services. The next step is the preparation of a business case that can be supported by the combined councils so that approaches can be made to both the State and Federal Governments to get the process moving.

The City is well-placed to impact policy and advocacy at a regional and national level, with myself chairing the Southern Tasmanian Councils' Authority and being a member of the Council of Capital City Lord Mayors.

On the difficult area of water and sewerage reform, the city remains steadfastly determined to ensure that only reform which benefits Hobart's ratepayers, who paid for the city's infrastructure is acceptable.

The city's major asset, Sullivans Cove on the Hobart waterfront is the focal point for both our local community and increasing numbers of tourists. This will benefit greatly from the development of the Brooke Street Pier and the \$7 million redevelopment of Macquarie Wharf No 2.

In relation to the public realm of the City, the Council is developing a planned longer-term approach involving ideas for making the city a place where people want to come and spend time. This is where the Inner City Action Plan will play a critical role in creating a place where people want to be, feel safe and engaged.

The Inner City Development Plan well-complements the leadership team's approach to encourage significant inner city population growth thereby reducing the burdensome cost of outer-lying development infrastructure.

Wisely too, the city has called on the State Government to be more proactive in developing and defining an appropriate

population strategy for the state to complement inner city targets in this arena.

A task that supports this vision is the Hobart CBD Bus Interchange Planning Project, part funded by the Australian Government's Liveable Cities grant. This will transform Hobart's bus services in the Greater Hobart region to make them more functional, coordinated and user-friendly.

This past twelve months has been very productive for our City and our community. Carols by the Bay at Sandown Park recorded record numbers; Council hosted a 40th birthday bash for Salamanca Market and inaugurated the Hobart Hopper Service. We congratulate the Council's Nursery Team on their National Award and commend design firm Futago for winning a lucrative merit award at the 2012 Society for Environmental Graphic Design (SEGD) Global Design Awards in New York for the City of Hobart commissioned, Battery Point Sculpture Trail. The merit award – one of only nine awarded world-wide, honours the best in communication design for the built environment.

The City of Hobart is proud to offer an extensive range of programs and services and is committed to their continued delivery into the future.

We are privileged to live, work and play in a city which without doubt is one of the world's great small cities. Our efforts need to be continued to make more people aware of the undoubted attractions on offer.

If we can continue a sense of enthusiasm and love of our city and its facilities nothing will hold us back from social and economic prosperity.

In conclusion I would to thank my 'on-board' team of Aldermen, the General Manager Nick Heath and officers of the Council, together with my personal staff and the Hobart community for their support over the past year.

Alderman Damon Thomas  
Lord Mayor



## General Manager's Message

It is with pleasure that I reflect on the achievements of this organisation for the 2011/2012 financial year.

We have achieved many things that we set out to do as an organisation including the development of a new set of organisation values and other employer of choice initiatives; the development and endorsement by the Council of an Inner City Action Plan; created increased opportunities for community engagement and built the capacity of staff to deliver high-quality community engagement; initiated and maintained a number of Memoranda of Understanding with a range of key organisations and continued our approach to environmental sustainability and climate change initiatives.

A comprehensive engagement process was undertaken with staff in the development of a set of organisational values which identified the types of behaviours staff should be aspiring to display. The development of the values was a key action of the Council's Employer of Choice Strategy and Action Plan 2010 which sought to develop a set of values to embrace the concepts of communication, equity, diversity, mutual trust and respect and to provide the opportunity for staff to contribute and be involved in the decisions which affect them.

A significant achievement this year was the development of an Inner City Action Plan (ICAP), the first stage of the Council's response to the Gehl Report. The ICAP is a plan for Hobart now and in the future and contains a selection of key recommendations from the Gehl Architect's Report, Hobart 2010 Public Spaces and Public Life - a city with people in mind. It outlines 15 recommended projects designed to

attract people and activity into Hobart and to create a vital, dynamic city centre. The Plan was endorsed by the Council in December last year and there has been activity in several of the 15 projects, with work underway to ensure that stakeholders and the wider community are engaged in this exciting phase of evolution in the city.

In 2011/2012 our approach to community engagement continued with an increasing number of engagement processes and staff embracing of the Council's community engagement framework. The Council is committed to delivering effective community engagement and developing a positive relationship with its community. As part of this commitment, more than 30 staff across the organisation participated in community engagement training which introduced officers to best-practice community engagement concepts and benefits.

A Memorandum of Understanding (MoU) with the Department of Economic Development, Tourism and the Arts was negotiated this year and now complements existing MoUs with the University of Tasmania, The Hobart Chamber of Commerce, The Royal Tasmanian Botanical Gardens and Business Events Tasmania. The principal aim of these MoUs is to provide a framework for communication, collaboration and information sharing between the Council and key organisations within the Hobart community.

The Council continued on its environmental sustainability journey of reducing its energy use by 30 per cent by 2020 from 2010 levels. In the past two years it has achieved an 8 per cent reduction in both electricity and liquid fuel use through a range of initiatives, including improvements in the energy efficiency of the lighting and heating of Council's buildings; and replacement of its vehicles and plant with more fuel efficient models such as diesel hybrid trucks.

This Council was also a major participant involved in developing a regional approach to climate change with the Southern Tasmanian Council's Authority regional climate initiative, climate change adaption project across Southern Tasmania. It contributed funding to the development of initiatives to improve the capability and resilience of Tasmanian councils to manage the risks and develop suitable responses to the impacts of climate change.

The return of planning and other regulatory powers back to the Council with the winding up of the Sullivans Cove Waterfront Authority last August, was a positive for the City. Sullivans Cove plays an important role in the functioning of the CBD and with a single planning agency now overseeing planning of the City, makes an integrated approach possible.

The Council received a number of awards over the year including the Hobart Regional Nursery being awarded the Best Government Nursery at the highly-prestigious, national Nursery Garden Industry Australia Awards; the Council-initiated Home Energy Audit Toolkit being awarded a 2011 State Government Award for Environmental Excellence; and the 2011 Tasmanian Local Government Landcare Partnership Award as the state's outstanding local government organisation working collaboratively with its community to preserve and manage its local environment.

This annual report also indicates significant other highlights for the reporting period.

Finally, 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.



Nick Heath  
General Manager



# Council in Focus

## History of the Council

The 1850s saw not only the introduction of responsible government in Tasmania, but also the establishment of municipal administration, in the form of general purpose locally elected institutions.

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

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

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

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

## Council and Committee Meetings

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

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

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

## Council Representatives

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



## Council Aldermen



### Lord Mayor (from 28/10/2011) Alderman Damon Thomas

#### Committee Membership

Council (*Chairman*) – from 7/11/2011  
Audit Committee (*Chairman*) – to 7/11/2011  
Development and Environmental Services Committee – to 7/11/2011  
Festivals and Tourism Special Committee – to 30/1/2012  
Finance and Corporate Services Committee (*Chairman*) – to 7/11/2011  
Heritage Account Special Committee (*Chairman*) – to 7/11/2011  
Strategic Governance Committee – to 7/11/2011

#### Representations

- Carols by the Bay Organising Committee (*Chairman to 30/1/2012*)
- Christmas Pageant Organising Committee (*Chairman to 30/1/2012*)
- Cycling South – from 21/11/2011
- Hobart Bicycle Advisory Committee – from 21/11/2011
- Hobart Emergency Management Committee – (*Municipal Chairperson from 12/12/2011*)
- Hobart City Council Access Advisory Committee
- Local Government Association of Tasmania – General Management Committee – from 21/11/2011
- Local Government Association of Tasmania – General Meetings – from 21/11/2011
- Mayors for Peace – from 21/11/2011
- Premier's Local Government Council – from 21/11/2011
- Sandy Bay Residents' and Traders' Traffic Committee
- Sisters Cities Australia – from 21/11/2011
- Southern Tasmanian Councils' Authority – from 21/11/2011
- Alcohol and Other Drugs Strategy Reference Group – to 21/11/2011
- Glebe Residents' Traffic Committee – to 21/11/2011
- Lenah Valley Residents' Traffic Committee – to 21/11/2011
- Mt Stuart Residents' Traffic Committee – to 21/11/2011
- South Hobart Residents' Traffic Committee – to 21/11/2011
- Superannuation Policy Group (*Chairman*) – to 21/11/2011
- West Hobart Local Area Traffic Management Committee – to 21/11/2011



### Deputy Lord Mayor (from 28/10/2011) Alderman Ron Christie

#### Committee Membership

Infrastructure Services Committee (*Chairman*)  
Community Development Committee  
Festivals and Tourism Special Committee – (*Chairman to 30/1/2012*)  
Marketing and Events Committee – from 7/11/2011  
Strategic Governance Committee – from 7/11/2011  
Parks and Customer Services Committee – to 7/11/2011

#### Representations

- Alcohol and Other Drugs Strategy Reference Group – from 21/11/2011
- Carols By The Bay Organising Committee (*Chairman from 30/1/2012*)
- Christmas Pageant Organising Committee – from 30/1/2012
- City of Hobart Eisteddfod Society Inc.,
- Hobart Emergency Management Committee (*proxy*)
- Local Government Association of Tasmania – General Management Committee (*proxy*) – from 21/11/2011
- Local Government Association of Tasmania – General Meetings (*Proxy*) – from 21/11/2011
- Salamanca Market Stallholders' Association Meetings with Council
- Sandy Bay Residents' and Traders' Traffic Committee
- Sisters Cities Australia (*proxy*) – from 21/11/2011
- Southern Tasmanian Councils' Authority (*Lord Mayor's nominee*) – from 21/11/2011
- Southern Waste Strategy Authority (*Chairman to 12/6/2012*)



## Alderman Marti Zucco

### Committee Membership

Community Development Committee (Chairman to 7/11/2011)  
Marketing and Events Committee (Chairman) - from 7/11/2011  
Audit Committee – from 7/11/2011  
Festivals and Tourism Special Committee (Joint Chairman from 30/1/2012)  
Finance and Corporate Services Committee – from 7/11/2011  
Parks and Customer Services Committee – to 7/11/2011

### Representations

- Alcohol and Other Drugs Strategy Reference Group
- Sandy Bay Residents' and Traders' Traffic Committee – from 21/11/2011
- Sister Cities Australia (proxy)
- Carols by the Bay Organising Committee – to 30/1/2012
- Christmas Pageant Organising Committee- to 30/1/2012



## Alderman Jeff Briscoe

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

### Committee Membership

Parks and Customer Services Committee (Chairman)  
Development and Environmental Services Committee – from 7/11/2011  
Festivals and Tourism Special Committee  
Heritage Account Special Committee  
Hobart City Council Arts Advisory Special Committee – from 7/11/2011  
Infrastructure Services Committee

### Representations

- Carols By The Bay Organising Committee
- Friends of Soldiers Memorial Avenue – from 21/11/2011
- Glebe Residents' Traffic Committee – from 21/11/2011
- Hobart Cenotaph Reference Group
- Hobart City Council Arts Advisory Committee – Visual Arts Sub-Committee – from 21/11/2011
- Lenah Valley Residents' Traffic Committee
- Sister Cities Australia (proxy)
- Queens Domain Advisory Committee
- Superannuation Policy Group
- West Hobart Local Area Traffic Management Committee
- Cycling South Inc. – to 21/11/2011
- Hobart Bicycle Advisory Committee – to 21/11/2011
- Coming Out Proud – Greater Hobart Community Liaison Committee – to 21/11/2011

## Council Aldermen



### Alderman Eva Ruzicka

#### Committee Membership

Strategic Governance Committee (Chairman)  
Development and Environmental Services – from 7/11/2011  
Finance and Corporate Services Committee  
Heritage Account Special Committee  
Infrastructure Services Committee  
Audit Committee – to 7/11/2011  
Parks and Customer Services Committee – to 7/11/2011

#### Representations

- City of Hobart Eisteddfod Society Inc. (proxy)
- Coming Out Proud – Greater Hobart Community Liaison Committee (Proxy) – from 21/11/2011
- Glebe Residents' Traffic Committee
- Hobart Cenotaph Reference Group (Proxy from 21/11/2011)
- Coming Out Proud – Greater Hobart Community Liaison Committee (proxy)
- Inner City Action Plan – Project AP01 – Trader Advisory Group (proxy from 12/6/2012)
- Lenah Valley Residents' Traffic Committee
- Mt Stuart Residents' Traffic Committee
- Sandy Bay Residents' and Traders' Traffic Committee
- South Hobart Residents' Traffic Committee
- Southern Tasmanian Councils Authority (Lord Mayor's nominee)
- Tasmanian Polar Network
- West Hobart Local Area Traffic Management Committee.
- Friends of Soldiers Memorial Avenue – to 21/11/2011
- Queens Domain Advisory Committee (Chairman) – to 21/11/2011



### Alderman Dr Peter Sexton

BSc (Hons.), BMedSci, MBBS, PhD, FAFPHM, MRCMA

#### Committee Membership

Community Development Committee  
Festivals and Tourism Special Committee (Joint Chairman from 30/1/2012)  
Finance and Corporate Services Committee  
Hobart City Council Arts Advisory Special Committee (Chairman)  
Parks and Customer Services Committee – from 7/11/2011  
Audit Committee – to 7/11/2011  
Development and Environmental Services Committee – to 7/11/2011  
Hobart City Council Public Art Special Committee (Chairman) - to 7/11/2011)

#### Representations

- Hobart City Council Arts Advisory Committee – Visual Arts Sub-Committee
- Tasmanian Water and Sewerage Corporation (Southern Region) Pty Ltd Shareholder Representative
- Tasmanian Water and Sewerage Corporation (Southern Region) Pty. Ltd. Owner Representative (proxy)
- Trustees of the Tasmanian Museum and Art Gallery
- Wellington Park Management Trust



## Alderman Helen Burnet (Deputy Lord Mayor to 28/10/2011)

### Committee Membership

Development and Environmental Services Committee  
(Chairman from 7/11/2011)

Parks and Customer Services Committee – from 7/11/2011

Marketing and Events Committee – from 7/11/2011

Festivals and Tourism Special Committee

Hobart City Council Arts Advisory Special Committee

Hobart City Council Public Art Special Committee

Community Development Committee – to 7/11/2011

Strategic Governance Committee – to 7/11/2011

Heritage Account Special Committee – to 7/11/2011

### Representations

- Coming Out Proud – Greater Hobart Community Liaison Committee – from 21/11/2011
- Cycling South Inc.
- Hobart Bicycle Advisory Committee
- Hobart City Council Access Advisory Committee
- Hobart City Council Arts Advisory Committee - Visual Arts Sub-Committee
- Maritime Museum of Tasmania – Management Committee
- Alcohol and Other Drug Strategy Reference Group – to 21/11/2011
- Lenah Valley Residents' Traffic Committee – to 21/11/2011
- Local Government Association of Tasmania – General Management Committee (proxy) – to 21/11/2011
- Local Government Association of Tasmania – General Meetings (proxy)- to 21/11/2011
- Mt Stuart Residents' Traffic Committee – to 21/11/2011
- Queens Domain Advisory Committee – to 21/11/2011
- Southern Tasmanian Councils Authority (proxy) – to 21/11/2011



## Alderman Philip Cocker

### Committee Membership

Audit Committee (Chairman) – from 7/11/2011

Finance and Corporate Services Committee (Chairman from 7/11/2011)

Hobart City Council Arts Advisory Special Committee – from 7/11/2011

Hobart City Council Public Art Special Committee – from 7/11/2011

Infrastructure Services Committee

Strategic Governance Committee – from 7/11/2011

### Representations

- Cycling South Inc.
- Hobart Bicycle Advisory Committee
- Hobart City Council Arts Advisory Committee – Visual Arts Sub-Committee
- Superannuation Policy Group – from 21/11/2011
- Wellington Park Management Trust (Deputy Member)
- Sandy Bay Residents' and Traders' Traffic Committee – to 21/11/2011

## Council Aldermen



### Alderman Bill Harvey

#### Committee Membership

Community Development Committee (Chairman from 7/11/2011)  
Development and Environmental Services Committee  
Festivals and Tourism Special Committee  
Hobart City Council Public Art Special Committee (Chairman from 7/11/2011)  
Parks and Customer Services Committee

#### Representations

- Alcohol and Other Drug Strategy Reference Group
- Hobart City Council Arts Advisory Committee – Visual Arts Sub-Committee
- Hobart Emergency Management Committee (proxy)
- Sandy Bay Residents' and Traders' Traffic Committee
- South Hobart Residents' Traffic Committee
- Southern Tasmanian Councils Authority (Lord Mayors nominee) – from 21/11/2011
- Southern Waste Strategy Authority (Chairman from 12/6/2012)
- Tasmania Polar Network (proxy)
- Wellington Park Management Trust
- Cycling South Inc. – to 21/11/2011
- Hobart Bicycle Advisory Committee – to 21/11/2011
- Sister Cities Australia (proxy) – to 21/11/2011



### Alderman Sue Hickey (Elected 28/10/2011)

#### Committee Membership

Audit Committee  
Community Development Committee  
Festivals and Tourism Special Committee  
Marketing and Events Committee  
Infrastructure Services Committee

#### Representations

- Christmas Pageant Organising Committee (Chairman)



**Alderman Leo Foley**  
(Elected 28/10/2011)

**Committee Membership**

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

**Representations**

- Friends of Soldiers Memorial Avenue (Proxy)
- Glebe Residents' Traffic Committee
- Inner City Action Plan – Project AP01 – Trader Advisory Group (Chairman) –from 12/6/2012
- Lenah Valley Residents' Traffic Committee
- SV May Queen Preservation Project – Board of Directors
- Mount Stuart Residents' Traffic Committee
- Queens Domain Advisory Committee (Proxy)
- Sandy Bay Residents' and Traders Traffic Committee
- South Hobart Residents' Traffic committee
- West Hobart Local Area Traffic Management Committee



**Alderman Dr John W Freeman**  
(Elected 25 May 2012)

MBBS, FRACP

**Committee Membership**

Finance and Corporate Services Committee  
Infrastructure Services Committee  
Market and Events Committee

## Retired / Resigned Aldermen



### Alderman Eric Hayes AO (to 28/10/2011)

#### Committee Membership

Finance and Corporate Services Committee  
Infrastructure Services Committee  
Strategic Governance Committee

#### Representations

- Christmas Pageant Organising Committee
- Festivals and Tourism Special Committee
- Hobart City Council Access Advisory Committee



### Alderman Rob Valentine (Lord Mayor to 28/10/2011)

MACS (Resigned as Alderman 14/5/2012)

#### Committee Membership

Council (Chairman) – to 7/11/2011  
Festivals and Tourism Special Committee – to 30/1/2012  
Marketing and Events Committee  
Hobart City Council Arts Advisory Special Committee  
Parks and Customer Services Committee  
Strategic Governance Committee

#### Representations

- Glebe Residents' Traffic Committee
- Hobart City Council Arts Advisory Committee – Visual Arts Sub-Committee
- Lenah Valley Residents' Traffic Committee – to 21/11/2011
- Local Government Association of Tasmania General Management Committee – to 21/11/2011
- Local Government Association of Tasmania General Meetings – to 21/11/2011
- Mayors for Peace – to 21/11/2011
- Premier's Local Government Council – to 21/11/2011
- Sister Cities Australia – to 21/11/2011
- SV May Queen Preservation Project Board of Directors - to 21/11/2011
- Southern Tasmanian Councils' Authority (Chairman) – to 21/11/2011



## Alderman Darlene Haigh

### Committee Membership

Development and Environmental Services Committee  
(Chairman)

### Representations

- Battery Point Advisory Committee (Chairman)
- Hobart Emergency Management Committee (Chairman)
- Lenah Valley Residents' Traffic Committee
- Mount Stuart Residents' Traffic Committee

Sadly Alderman Haigh passed away on 15 August 2011



## 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 seven Divisions of Council.



General Manager  
- Nick Heath



Deputy General  
Manager/Community  
Development Division  
Director  
- Heather Salisbury



Infrastructure Services  
Division Director  
- Mark Painter



Infrastructure Services  
Division Deputy Director  
- Mike Street



Corporate Services  
Division Director  
- John Warner



Development and  
Environmental Services  
Division Director  
– Neil Noye



Financial Services  
Division Director  
– David Spinks



Parks and  
Customer Services  
Division Director  
– Roger Viney



Strategy and  
Governance  
Division Director  
– Gary Randall



## Reporting Performance

### Planning and Reporting Framework

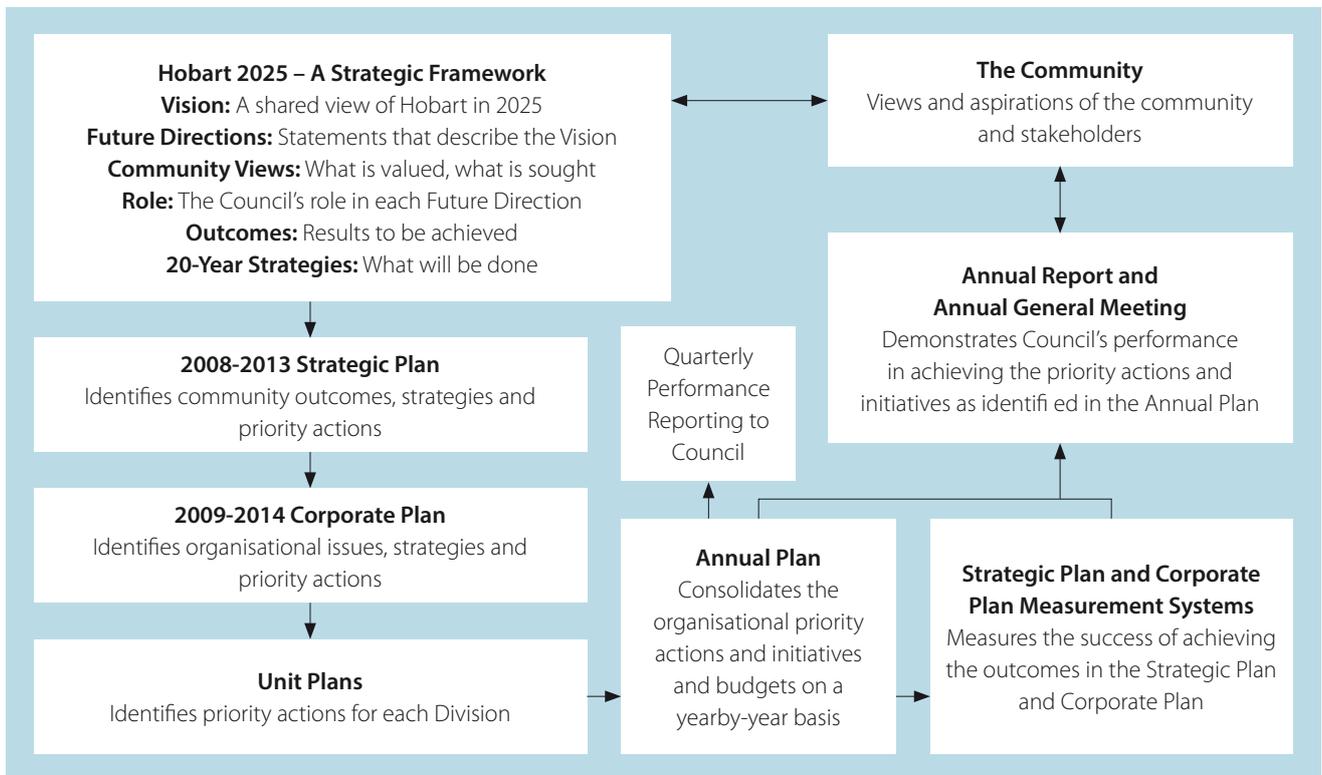
The Council's planning activities incorporates the requirements of the Local Government Act 1993 and the views and aspirations of the community.

The Council has a clearly defined Vision (Hobart 2025 – A Strategic Framework) which is complemented by a five-year Strategic Plan and five-year Corporate Plan, and a suite of performance measures. Planning to achieve the strategic outcomes and reporting of progress is undertaken within the Annual and Unit Plans and through regular reporting to the Council and the community through the Annual Report. The Annual Plan sets out all function areas' strategic priorities, as identified within the 2008-2013 Strategic Plan and 2009-2014 Corporate Plan and outlines the operational priorities and major actions for the given year.

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

The Council's Annual Report is designed to illustrate performance in achieving the objectives stated within the Annual Plan and is divided into seven sections based on the Future Directions statements that make up the vision for Hobart.

The effectiveness of the actions taken is monitored through the Strategic Measurement System and displayed in graphical form in the Annual Report. Annual reporting effectively closes the loop from receiving stakeholder input, developing strategy, implementing and monitoring the required actions and reporting back progress and achievement of outcomes to the community.



## 2025 Vision A Framework

The seven future direction statements that make up the 2025 Vision are broken down into 22 outcomes. Within each of these outcomes, there are key strategies that underpin the 2025 Vision and provide the basis for five-year strategic plans, the first being 2008-2013. Performance in achieving the future direction statements, outcomes and key strategies is continually monitored through the strategic measurement system, with results documented in the Annual Report.



## 2025 Vision A Framework

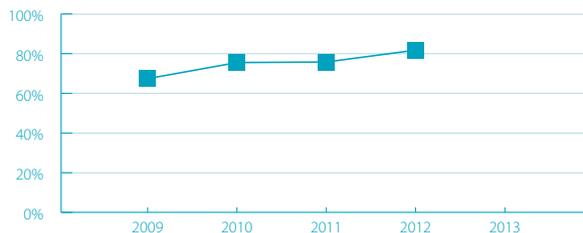
FD1 – Offers opportunities for all ages and a city for life	1.1 Opportunities for education, employment and fulfilling careers and retaining our young people	1.2 Lifestyle that will encourage all ages to see the city as a desirable location and lifelong home		
FD2 – Is recognised for its natural beauty and quality of environment	2.1 The natural beauty of Mount Wellington, the Derwent River and surrounds and foreshore locations is highly valued	2.2 Community connection to the natural environment through the protection of views, vistas, access and linkages is enhanced	2.3 The physical environment has been conserved in a way that ensures we have a healthy and attractive city	2.4 Better understanding of 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 approach to 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 Development of technologies that give young people opportunities to contribute to planning and development in the city	
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	4.4 Continues to enjoy the benefits of scale and proximity
FD5 – Is highly accessible through efficient transport options	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 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	

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

**Outcomes to be achieved** **Progress in Achieving our Future Direction Statement**

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

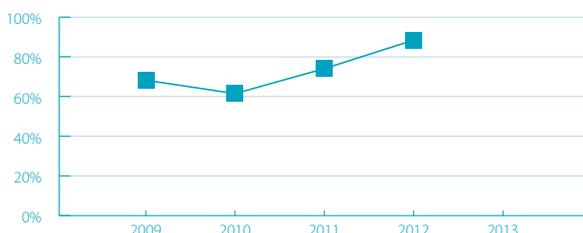
**FD1 – Offers opportunities for all ages and a city for life**



A general increase in the community survey results along with completion of actions in the Youth and Positive Ageing strategies, increased usage of multi-storey car parks, increased community participation in a number of programs and activities offered by the Council and increased investment in sport, recreation and equal access initiatives.

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

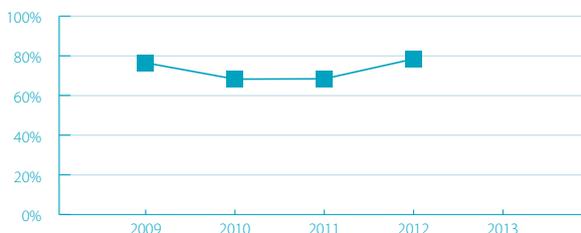
**FD2 – Is recognised for its natural beauty and quality of environment**



Increase in level of investment in infrastructure to connect open space, coupled with increases in community visitation to bushland reserves and bushcare activities offset by reduced number of visitors to Mt Wellington. Increased participation in energy efficiency schemes, community use of green waste collections, less waste to landfill offset by reduction in use of kerbside recycling. Increased standard of water quality in tributaries and at beaches, and energy efficiency in council buildings offset by reduction in satisfaction around service delivery and city infrastructure.

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

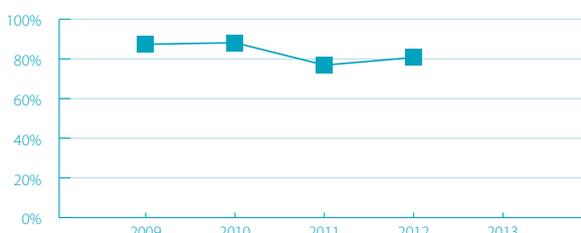
**FD3 – Is well governed at a regional and community level**



Continued involvement in regional planning with the Southern Tasmanian Councils' Authority. Reduction in business satisfaction with Council's overall performance, advocacy role and consultations undertaken.

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

**FD4 – Achieves good quality development and urban management**



Community satisfaction with the management of the urban environment and access to waterfront, foreshores and waterways as useable public spaces, community support for public art initiatives offset by reduction in community awareness of the city's heritage, a change in community satisfaction with the quality of infrastructure and services provided. Increased take-up in borrowing of householders' Home Energy Audit Toolkits and increased participation in energy efficiency rebate scheme, offset by and a slight increase in Council's energy consumption and the value of grants awarded from the Council's Heritage Fund.

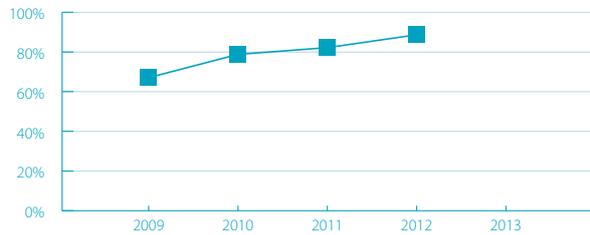
Future Directions	What the community would like Hobart to be in 2025
<p><i>Is highly accessible through efficient transport systems</i></p> <p>In 2025 Hobart will be a city that maintains its convenience and accessibility through the greater use of transport alternatives and an effective road and travel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

Members of the community are invited to comment on the Annual Report prior to the Council's Annual General Meeting, which will be held in the Council Chamber at 7.30 pm on Monday 19 November 2012. Comments and suggestions may be forwarded to the General Manager, Hobart City Council, GPO Box 503 Hobart 7001, by close of business, Friday 16 November 2012.

**Outcomes to be achieved**

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

*FD5 – Is highly accessible through efficient transport systems*



Improved condition of footpaths, increased usage of short-term car parks, community satisfaction with safety and maintenance of pedestrian areas offset by reduction in community satisfaction with bike facilities and maintenance of residential streets. Increase in Council support for regional projects for integrated transport planning.

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

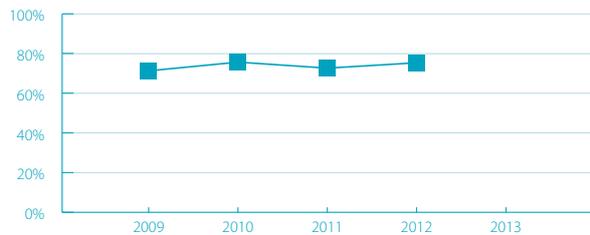
*FD6 – A spirit of Community*



General community satisfaction with the Council's support to community groups, Council programs and activities, provision of and accessibility to community spaces, offset by lower level of pride in the local community and business satisfaction with safety in commercial areas. Increased usage of sports grounds, improved standard of water quality in tributaries and at beaches offset by a reduction in immunisation program participation, food premises inspections to ensure compliance and a reduction in number of dog infringements issued.

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

*FD7 – Is dynamic, vibrant and culturally expressive*



Increased community satisfaction with cultural activities, festivals, events, markets and marketing and promotion of the City offset by reduced satisfaction with condition of sports facilities, parks, reserves and open spaces. Increase in growth of the City through the value of building permits issued and the value of AAV for the city offset by business satisfaction with Hobart as a preferred business location, increase in accommodation vacancy rates in the city and decrease in attendance at major sporting events at The Hobart Aquatic Centre.



# Future Directions

## Future Direction 1

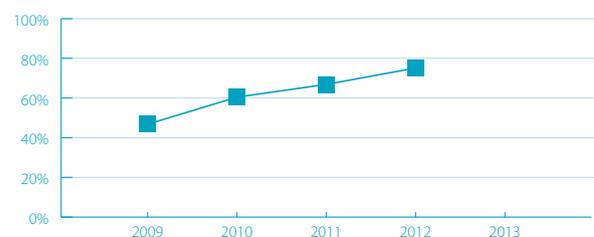
### Offers opportunities for all ages and a city for life

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

#### Outcome to be achieved

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

#### Outcome 1.1



Positive results from community survey and completion of actions in the Youth Strategy and Positive Ageing Strategy, increased participation in learning programs and activities provided at the Youth Arts & Recreation Centre and at the 50 and Better Centre.

2011/2012 Actions/Initiatives	Performance
Prepare a detailed Antarctic Plan outlining the agreed initiatives by which the Council may be able to add value to the City's Antarctic Gateway status – coordinate the Council's Antarctic Season Reception	✓
Continue to develop lifelong programs for older people at the 50 & Better Centre	✓
Provide vocational placements for students undertaking a VET certificate in business studies	✓
Support events to celebrate the Antarctic Centenary Year	✓
Implement Hobart City Council Internship Program in partnership with UTAS for the 2012 academic year	✓

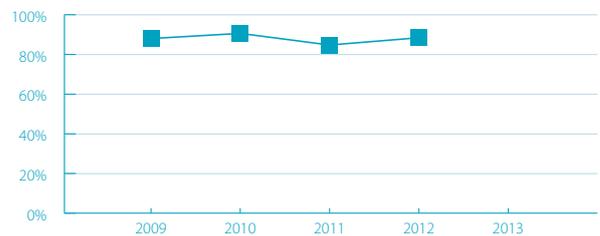
Performance   ✓ Completed   → Underway   ✗ No Action



**Outcome to be achieved**

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

**Outcome 1.2**



A general reduction in community satisfaction measures offset by increases in usage of multi-storey car parks, community participation and Council investment in sport and recreation activities, usage of the Sandy Bay playground and inner-city cycleway, funding in the Equal Access Strategy and completion of actions in the Children and Families and Youth Programs strategies.

2011/2012 Actions/Initiatives	Performance
Work with Contemporary Music Services Tasmania to develop band rehearsal, recording and performance opportunities for young musicians at Youth Arts & Recreation Centre	✓
Further develop Council's Streetscape Master Plan	×
Update the Mobility Map	×
Review use of Council facilities and public spaces to support a wide range of activities.	✓
Investigate opportunities arising from the National Broadband Network	→
Draft provisions for the new draft City of Hobart Planning Scheme that maintains opportunities for a variety of residential development densities appropriate to the range of zones across the city and that is consistent with the state-wide Code for Single Dwellings and the Regional Land Use Strategy when adopted	→
Develop a communication strategy to inform the community of current housing trends and issues	→

Performance    ✓ Completed    → Underway    × No Action

## Future Direction 2

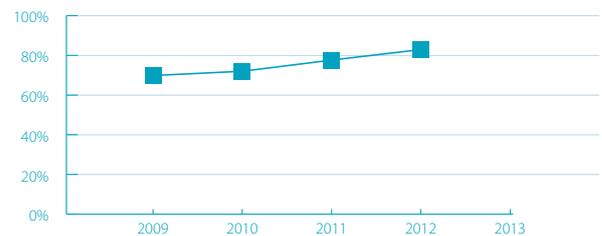
### Is recognised for its natural beauty and quality of environment

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

#### Outcome to be achieved

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

#### Outcome 2.1



Increase in community visitations to bushland reserves together with increased standard of water quality in our tributaries and beaches, increased participation in bushcare activities offset by reduced number of visitors to Mt Wellington.

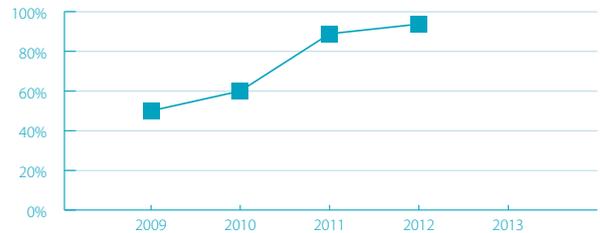
2011/2012 Actions/Initiatives	Performance
Undertake a comprehensive survey of Hobart's fauna and develop a Fauna Management Strategy	→
Modify the draft new City of Hobart Planning Scheme to satisfy the requirements for an interim planning scheme of Part 3 of the Land Use Planning and Approvals Act 1993 and incorporating: <ul style="list-style-type: none"> <li>- Mandatory provisions arising from the Regional Planning Initiative and resultant Planning Directives</li> <li>- Changes to the common key template</li> <li>- Planning directives to provide for state-wide planning scheme codes</li> </ul>	→
Complete the modifications to a draft new Sullivan's Cove Planning Scheme as with the draft new City of Hobart Planning Scheme	→
Participate in the review of the Wellington Park Management Plan	✓
Participate in the seasonal swimming beach water sampling program developed by the Derwent Estuary Program	✓
Construction of the northern-end car park at Cornelian Bay	✓
Organise a commemoration event at Beaumaris Zoo for the 75th anniversary of the passing of the last known Thylacine	✓

Performance    ✓ Completed    → Underway    ✗ No Action

**Outcome to be achieved**

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

**Outcome 2.2**



Progress in implementing the new planning scheme and increase in the level of investment in infrastructure to connect open spaces.

2011/2012 Actions/Initiatives	Performance
Develop a Hobart Rivulet Strategic Master Plan	✓
Complete the modifications to a draft new Sullivan’s Cove Planning Scheme as with the draft new City of Hobart Planning Scheme	→
Prepare a detailed report to Council on results of stage two community engagement on the Sandy Bay walking and cycling project	✓

Performance    ✓ Completed    → Underway    ✗ No Action



**Outcome to be achieved**

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

**Outcome 2.3**



Increase in participation in energy efficiency schemes and community use of green waste collections, increases in standard of water quality in our tributaries and at beaches, less waste from landfill, increased energy efficiency in council buildings, offset by reduction in use of kerbside recycling, satisfaction around service delivery and business satisfaction with city infrastructure.

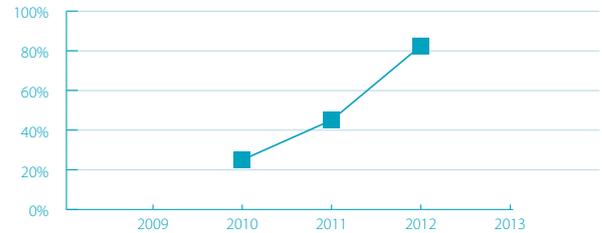
2011/2012 Actions/Initiatives	Performance
Commence a Master Plan for the TCA Ground	✓
Develop a Master Plan for the Queens Domain	✓
Commence a Management Plan for Bicentennial Park	→
Investigate the use of recycled water for irrigation at the Hobart Regional Nursery	✓
Manage the Greenhouse Gas Reduction Fund, inviting and assessing applications and awarding funds to selected projects and monitoring progress on those projects	→
Facilitate approvals for the Resource Recovery Centre and Waste Transfer Station	→
Facilitate the engineering design for the Waste Transfer Station	✓
Facilitate the construction of the Waste Transfer Station	→
Prepare concept design for the Resource Recovery Centre	→
Support the Asset Management Steering Committee to implement initiatives within the Asset Management Development Program which support the production of robust and reliable 20 year asset management plans	✓
Implement stormwater reticulation asset replacement and waterways asset replacement projects including: - Sandy Bay Rivulet debris collection - Lambert Gully overflow entry	→
Implement New Asset projects including: - Stormwater reticulation extensions - Gross litter traps and erosion control - Sandy Bay Rivulet embankment stabilisation at Digney Street	✓
Program and deliver the 2011/2012 road works program	✓
Develop and plan the 2012/2013 road works program	→
Liaise with Aurora and NBN company on the roll out of the NBN in the Hobart municipal area, including reinstatement of infrastructure	→
Develop a Fire Management Strategy for community engagement	→
Prepare an action plan for implementation of Council's Sustainable Transport Strategy	✓
Complete the modifications to a draft new Sullivan's Cove Planning Scheme as with the draft new City of Hobart Planning Scheme	→

Performance    ✓ Completed    → Underway    ✗ No Action

**Outcome to be achieved**

2.4 Better understanding of climate change and its potential effect on the natural and built environment and strategies developed

**Outcome 2.4**



Demonstrates Council's leadership in assisting in the development and promotion of the Regional Climate Change Program through the Southern Tasmanian Councils' Authority.

2011/2012 Actions/Initiatives	Performance
Participate in regional approaches to climate change related initiatives	✓
Develop an Organic Waste Strategy with the aim of reducing greenhouse gas emissions	✓
Participate in the STCA Regional Climate Change Initiative, Climate Change Adaptation project (including mitigation) across southern Tasmania to produce a regional adaptation strategy, land use strategies and 12 individual council adaptation plans, through the secondment of the Environment and Climate Change Projects Officer to work on the Future Proofing Tasmanian Local Governments project	✓
Report on the outcomes of the Future Proofing Tasmanian Local Governments project and its ramifications for Council's HCCA5 strategy and actions	→

Performance    ✓ Completed    → Underway    ✗ No Action



## Future Direction 3

### Is well governed at a regional and community level

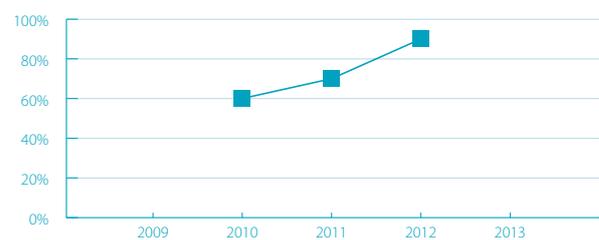
In 2025, Hobart will be a city that works effectively to lead an integrated approach to the planning and development of the metropolitan region.

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

#### Outcome to be achieved

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

#### Outcome 3.1



Continued involvement in regional planning with the Southern Tasmanian Councils' Authority.

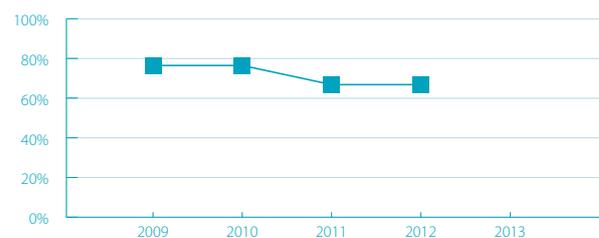
2011/2012 Actions/Initiatives	Performance
Participate in the development of a Capital City Strategic Planning System for metropolitan Hobart	✓
Actively participate in the Southern Tasmanian Councils Authority meetings and pursue the development of a regional planning approach to planning and development across the region	✓

Performance   ✓ Completed   → Underway   ✗ No Action

#### Outcome to be achieved

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

#### Outcome 3.2



Reduction in business satisfaction with Council's overall performance, advocacy role and consultations undertaken

2011/2012 Actions/Initiatives	Performance
Prepare a submission to Local Government Association of Tasmania for the inclusion as notice of motions in the General Meeting agenda	✓
Actively participate in Council of Capital City Lord Mayors (CCCLM) and support projects that will benefit the city	✓
Undertake an evaluation of current Tasmanian Travel and Information Centre commission structure	✓
Undertake secretariat and chair role for CCCLM including hosting CCCLM Annual General Meeting in Hobart	✓
Develop a stakeholder management process for all key strategic stakeholders in response to the Council's strategic risk review	✓
Further enhance consultation with the community through the Council's community engagement framework	✓
Assist in the development of the Capital City Plan for the Hobart metropolitan area consistent with the COAG agreement	✓

Performance   ✓ Completed   → Underway   ✗ No Action

# Future Direction 4

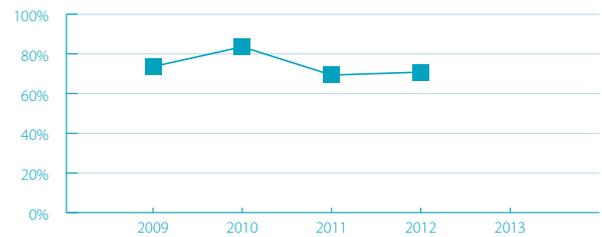
## Achieves good quality development and urban management

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

### Outcome to be achieved

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

### Outcome 4.1



Community satisfaction with the management of the urban environment and the increased currency of the planning scheme, offset by reduction in community awareness of the city's heritage and the value of grants awarded from the Council's Heritage Fund.

2011/2012 Actions/Initiatives	Performance
Complete the modifications to a draft new Sullivan's Cove Planning Scheme as with the draft new City of Hobart Planning Scheme	→
Initiate preparation of a publication titled <i>Celebrating Brick</i> as a follow-on from the successful <i>100 Hobart Houses</i> publication	✓
Initiate the administration of grants for owners of properties identified as having cultural heritage value but not entitled to a grant from the Heritage Account	✓

Performance    ✓ Completed    → Underway    ✗ No Action



**Outcome to be achieved:**

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

**Outcome 4.2**



Take-up in borrowing of householders Home Energy Audit Toolkits, increased participation in energy efficiency rebate scheme, community support for public art initiatives offset by a change in community satisfaction with the quality of infrastructure and services provided and a slight increase in Council's energy consumption.

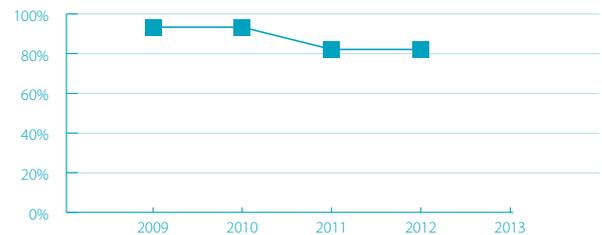
2011/2012 Actions/Initiatives	Performance
Complete the modifications to a draft new Sullivan's Cove Planning Scheme as with the draft new City of Hobart Planning Scheme	→
Establish an Urban Design Advisory Panel to assist in the facilitation and assessment of positive urban design outcomes with major development and Council's own projects	✓
Support the Asset Management Steering Committee by coordinating the development of the 2011 Asset Management Plans for all asset classes	✓
Progress the Salamanca Arts Centre public convenience enhancement project	✓
Install major public art sculptural work at Lower Sandy Bay	→

Performance   ✓ Completed   → Underway   ✗ No Action

**Outcome to be achieved:**

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

**Outcome 4.3**



Community satisfaction with access to waterfront, foreshores and waterways as useable public spaces.

2011/2012 Actions/Initiatives	Performance
Identify high-priority open space areas through Council's Land Strategy	✓
Investigate locations for public access to waterways and foreshores and the provision of appropriate infrastructure	→

Performance   ✓ Completed   → Underway   ✗ No Action

## Future Direction 5

### Is highly accessible through efficient transport systems

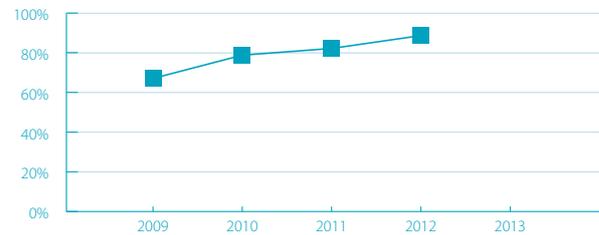
In 2025, Hobart will be a city that maintains its convenience and accessibility through greater use of transport alternatives and an effective road and travel network.

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

#### Outcome to be achieved:

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

#### Outcome 5.1



Improved condition of footpaths, increased usage of short-term car parks, community satisfaction with safety and maintenance of pedestrian areas offset by reduction in community satisfaction with bike facilities and maintenance of residential streets.

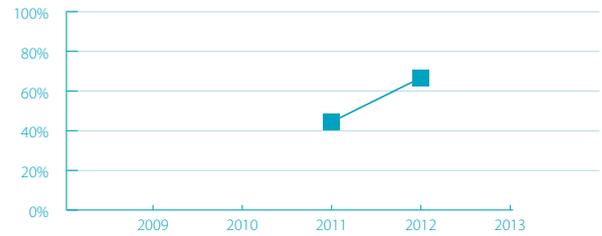
2011/2012 Actions/Initiatives	Performance
Prepare a Recreational Track Strategy for Council's open space network to support walking and bike access	→
Implement the Council's Sustainable Transport Strategy as it relates to public transport actions	→
Develop a Parking Strategy for the City	→
Install pay-on-foot infrastructure in Argyle Street car park	✓
Work with the Department of Infrastructure, Energy and Resources to identify projects applicable for funding under 'Blackspot' Programs	✓
Develop and calibrate a computer-based Traffic Model for the city in conjunction with the Department of Infrastructure, Energy and Resources	→
Use the computer-based Traffic Model to commence the review of traffic and transport-related initiatives included in the Gehl Report	→

Performance   ✓ Completed   → Underway   ✗ No Action

**Outcome to be achieved:**

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

**Outcome 5.2**



Council support for regional projects for integrated transport planning.

2011/2012 Actions/Initiatives	Performance
Provide advice on possible impacts of major developments on Hobart's transport system	✓
Hold regular officer-level meetings with Department of Infrastructure, Energy and Resources representatives to progress transport planning issues	✓

Performance   ✓ Completed   → Underway   ✗ No Action



## Future Direction 6

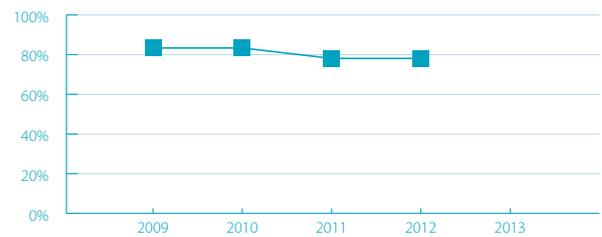
### Builds strong and healthy communities through diversity, participation and empathy

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 the community, a friendly and compassionate society will underpin a safe and healthy city.

#### Outcome to be achieved:

6.1 A spirit of community

#### Outcome 6.1



General community satisfaction with the Council's support to community groups, level of community spirit, provision of and accessibility to community spaces offset by lower level of pride in the local community

2011/2012 Actions/Initiatives	Performance
Continue to implement actions from the Social Inclusion Strategy, including the development of social hubs; identification of the council's role in regard to food security and social enterprises	→
In partnership with key stakeholders, develop a strategy to facilitate the provision of information to older people	→
Expand the Still Gardening program to the southern Tasmanian area	→
Reassess draft Children and Families Strategy following sector consultation	✓
Actively promote community use of public spaces	✓
In collaboration with other agencies, deliver entertainment and recreation events with and for young people in public spaces in the CBD, North and West Hobart	✓
Continue to redevelop the Mather's Lane Community Precinct, including the 50 & Better Centre as a potential social hub	→
Redevelop Youth Arts & Recreation Centre web site to enhance opportunities for young people's engagement and participation	✓

Performance   ✓ Completed   → Underway   ✗ No Action

**Outcome to be achieved:**

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

**Outcome 6.2**



General community satisfaction with Council programs and activities.

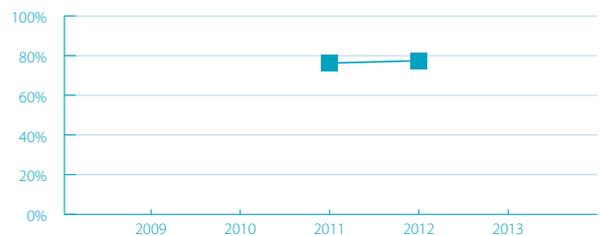
2011/2012 Actions/Initiatives	Performance
Support projects relevant to addressing racism, including coordination of the annual Peace Festival	✓
Promote use of the Hobart Community Asset Map	→
Update the Hobart Community Profile utilising 2011 ABS census data	✗
Further enhance consultation with the community through the Council's community engagement framework	✓

Performance   ✓ Completed   → Underway   ✗ No Action

**Outcome to be achieved:**

6.3 A friendly and compassionate society

**Outcome 6.3**



Community satisfaction with strategies developed with community groups to encourage a friendly and compassionate society

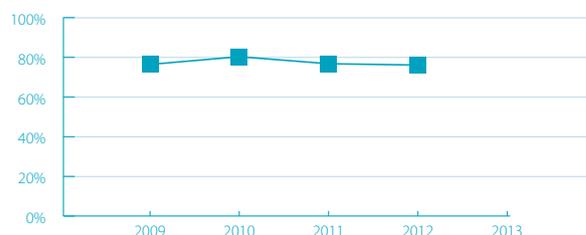
2011/2012 Actions/Initiatives	Performance
Use the Social Inclusion Strategy to identify and respond to priority issues of disadvantage within our community	✓
Develop a communication strategy to raise community awareness regarding housing and homelessness issues	→

Performance   ✓ Completed   → Underway   ✗ No Action

**Outcome to be achieved:**

6.4 A safe and healthy city

**Outcome 6.4**



Increase in use of sports grounds, improved standard of water quality in tributaries and at beaches offset by a reduction in immunisation program participation; business satisfaction with safety in commercial areas, food premises inspections to ensure compliance, reduction in number of dog infringements issued.

2011/2012 Actions/Initiatives	Performance
Implement the Flood Emergency Action Plan for the lower Hobart Rivulet	✓
Implement a Flood Management Action Plan for the Sandy Bay Rivulet	→
Participate with the State Government and aged-care sector in a project to develop tools to enhance emergency preparedness in residential and community-based aged-care	✓
Review and reissue the Hobart City Council Community Recovery Plan	✗
Review the risk treatment strategies and actions contained within the Hobart City Council Emergency Management Plan paying particular attention to the influences of climate change	✓
Review currency of Public Health Emergency Management Plan incorporating the influenza pandemic sub-plan	→
Support the development of a Liquor Accord for Hobart	✓
Continue to develop the role and pursue initiatives under the Safer Hobart Community Partnership including the: <ul style="list-style-type: none"> <li>- Development of a community communication strategy for Safer Hobart Community Partnership initiatives</li> <li>- Contributing to the review of the Tasmanian Liquor Licensing legislation</li> <li>- Utilising the Cities for Safe and Healthy Communities baseline data report to develop appropriate responses</li> </ul>	✓
Develop Council services and activities that promote healthy lifestyle choices	✓
Investigate opportunities to enhance lighting and CCTV coverage to improve community safety	✓
Implement strategies that enhance the broader use of sports fields and open spaces by the community	→
Provide a comprehensive public and schools-based immunisation program	✓
Implement the Council's decision to introduce smoke free alfresco dining areas located on Council-owned land	✓
Develop a template for a Municipal Public Health Plan	→

Performance    ✓ Completed    → Underway    ✗ No Action

## Future Direction 7

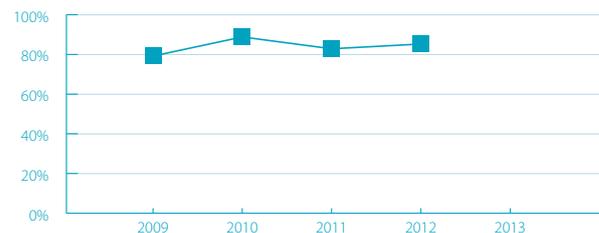
### Is dynamic, vibrant and culturally expressive

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

#### Outcome to be achieved:

7.1 A destination of choice and a place for business

#### Outcome 7.1



Increase in growth of the City through the value building permits issued and the value of AAV for the city offset by business satisfaction with Hobart as a preferred business location, increase in accommodation vacancy rates in the city and decrease in attendance at major sporting events at The Hobart Aquatic Centre.

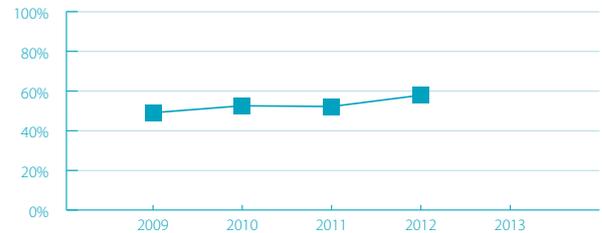
2011/2012 Actions/Initiatives	Performance
As part of developing a Memorandum of Understanding (MoU) with Department of Economic Development, Tourism and the Arts seek commitment to the undertaking of a vitality study	✓
Implement the Hobart Chamber of Commerce MoU actions	✓
Develop a plan to expand visitor service locations and service delivery methods	✓
Investigate new visitor servicing technology and systems at the Tasmanian Travel and Information Centre to provide effective and efficient service	✓
Seek to implement, in stages, the outcomes of the Inner City Development Plan, <i>Hobart 2010 – Public Spaces and Public Life – A city with people in mind</i> (Gehl Architects Report) including: <ul style="list-style-type: none"> <li>- Consolidation and analysis of the results of the community consultation process</li> <li>- Council endorsement of priority actions for implementation</li> <li>- Continued stakeholder liaison and management</li> </ul>	→
Expand and revitalise the City's Christmas decoration program	✓
Continue to develop the cruise ship industry in Hobart and Tasmania through partnerships with Tourism Tasmania and Hobart Ports Corporation	✓
Implement outcomes of the marketing review	✓
Commence development of a new Marketing Strategy	✓
Explore event initiatives for a Winter activation program	✓
Work with the State Government in the development of a Local Government Partnership Agreement	✓

Performance   ✓ Completed   → Underway   ✗ No Action

**Outcome to be achieved:**

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

**Outcome 7.2**



A slight increase in community and business satisfaction with marketing and promotion of the city and cooperative initiatives with the University of Tasmania.

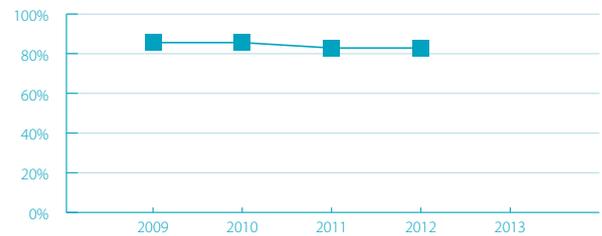
2011/2012 Actions/Initiatives	Performance
Collaborate with the School of Architecture and Design, and the School of Geography and Environmental Studies at the University of Tasmania, to advance study and research in urban design	✓
Invite the State Architect, professional associations, State Government departments and authorities and University of Tasmania to foster a Forum for Urban Design Excellence (FfUDE) to represent urban design professionals in Tasmania	✓

Performance    ✓ Completed    → Underway    ✗ No Action

**Outcome to be achieved:**

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

**Outcome 7.3**



Increased community satisfaction with cultural activities, festivals, events and markets offset by reduced satisfaction with condition of sports facilities, parks, reserves and open spaces

2011/2012 Actions/Initiatives	Performance
Pursue a new governance model for Salamanca Market	✓
Implement a revised licence agreement with Salamanca Market stallholders	→
Review the Council's Arts and Cultural Strategy	✓
Review the Carols by the Bay format	✓
Undertake Stage 3 works for Princes Wharf Shed No. 1 (PW1) venue	✓
Develop a new event model for The Taste Festival in the refurbished PW1 venue	✓
Review and implement the Recreational Plan ensuring that there are appropriate linkages for the strategic use of key Council facilities and venues	→

Performance    ✓ Completed    → Underway    ✗ No Action



## Legislative Requirements

### Statement of Activities Section 21

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

### Public Health Statement Section 72 (1)(ab)

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

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

Outcomes to be achieved as stated in the Hobart City Council Strategic Plan 2008 – 2013 include:

- A safe and healthy city
- The natural beauty of Mount Wellington, the Derwent River, bushland surrounds and foreshore locations is highly valued

The Environmental Health Unit organisational structure comprises of a Manager Environmental Health, Senior Environmental Health Officer, five full-time Environmental Health Officers, one part-time Environmental Health Officer, one casual Environmental Health Officer, one part-time Immunisation Coordinator, two trainee Environmental Health Officers (job sharing), two Medical Officers of Health (shared contract position) and two registered immunisation nurses. The Unit operated on a budget of \$842,003 and generated an income of \$254,974.



The budget function programs of Public Health Services and Environmental Monitoring Services, identify a range of functions, programs and services that are provided by the Unit under the provisions of the Local Government Act 1993, Public Health Act 1997, Food Act 2003, Burial & Cremation Act 2002 and Environmental Management & Pollution Control Act 1994. These activities include:

- Food Safety
- Disease prevention and control
- Public health education and promotion
- Places of assembly
- Public health risk activities
- Immunisations
- Exhumations
- On-site waste disposal systems
- Unhealthy premises
- Cooling towers and warm water systems
- Recreational and bathing water quality
- Public and environmental health complaints
- Air, water and solid pollution
- Public health emergency management
- Smoke free public places

Operational statistics reflecting core environmental health activities undertaken during 2011/12 to 30 June include:

Activity	Total
No. permanent food businesses registered	772
No. food business inspections undertaken	1726
No. improvement notices issued to non-compliant food businesses	51
No. food businesses provided with food handler training	20
No. informal food samples purchased for analysis	39
No. persons immunised at Council clinics	2804
No. permanent places of assembly licensed and inspected	145
No. temporary public events licensed as places of assembly	73
No. public health risk activity businesses registered and inspected (tattooing, acupuncture, ear/body piercing)	22
No. cooling tower systems registered	26
No. public/environmental health complaints investigated	349
No. public health issues assessed 'after hours'	148

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

2011/12 actions/initiatives	Performance
Provide a comprehensive public and schools-based immunisation program	✓
Implement Council's decision to introduce smoke free outdoor dining areas on council-managed land	✓
Organise and conduct a staff flu clinic	✓
Develop a template for a Municipal Public Health Plan	→
Review procedures for investigating notified institutional gastro outbreaks	✓
Review currency of Public Health Emergency Management Plan and Pandemic Sub-Plan	✗
Review procedures for assessing operational status of regulated systems (cooling towers)	✓
Monitor standard of bathing water quality in public swimming pools and spas	✓
Monitor standard of operational practice in public health risk activities	✓
Undertake risk classification of existing places of assembly	→
Provide public health emergency field kits for health vehicles	→
Participate in Derwent Estuary program to monitor recreational water quality	✓
Seek Council support for the adoption of a Noise Policy for Live Music Events	✗
Maintain management of the southern councils' regional food sampling program	✓

Performance   ✓ Completed   → Underway   ✗ No Action

## Statement of Allowances and Expenses Paid to Elected Members Section 72 (1) (cb)

Total allowances paid to the Lord Mayor, Deputy Lord Mayor and Aldermen:      \$457,602  
 Total expenses paid to all Aldermen (including telecommunications, fuel and travel expenses):      \$137,827

## Meeting Attendance Section 72 (1) (cc)

Total Meetings Held	Council	Community Development Committee		Development and Environmental Services Committee		Finance and Corporate Services Committee		Infrastructure Services Committee		Marketing and Events Committee**		Parks and Customer Services Committee		Strategic Governance Committee	
	23	22		30		21		20		7		13		19	
	Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member
Alderman Thomas	20		8	7*	3	8*	8		5		4		1	4*	8
Alderman Christie	21	19			3		5	18			6*		5*	5	9*
Alderman Zucco	19	18			2	8*	3		4		5*		3*	2	5
Alderman Briscoe	19		3	16*			2	11					12		
Alderman Ruzicka	21		8	16*			20		16			1	4*	2	19
Alderman Sexton	19	16		8*	4	19			5		2		5*		6
Alderman Burnet	19	5*	8	25			11		9	7*			7*	1	6*
Alderman Cocker	22		9		6	21		17			3		1	10*	4
Alderman Harvey	23	22		29			16		15		3		13		13
Alderman Hickey	14*	11*			3		3	13*			6*		1		5
Alderman Foley	14*		9	19*		11*			12		7		8	12*	
Alderman Freeman	3*				3		3		3		1				3
Alderman Haigh	1*		1	4*					1						
Alderman Valentine	19*		9		3		2		3	5*			5*	1	14*
Alderman Hayes	8*		1		1	7*			6*						5*

Meetings include Special Meetings and Special Joint Meetings

### Note

Where an Alderman may have been noted as not having been in attendance at a particular meeting, leave of absence for a specific purpose would generally have been requested by the Alderman and granted by the Council pursuant to Section 39 of the Local Government (Meeting Procedures) Regulations 2005.

### Legend

\* Refer table on next page

\*\*The Marketing and Events Committee first convened on 24 November 2011

## Meeting Attendance Section 72 (1) (cc) (continued)

		Committee Membership Details
*Alderman Thomas	Development and Environmental Services Committee	<i>Member until 17/10/2011 only (maximum of 11 meetings)</i>
	Finance and Corporate Services Committee	<i>Member until 24/10/2011 only (maximum of 9 meetings)</i>
	Strategic Governance Committee	<i>Member until 10/10/2011 only (maximum of 7 meetings)</i>
*Alderman Christie	Marketing and Events Committee	<i>Member since 7/11/2011 only (maximum of 7 meetings)</i>
	Parks and Customer Services Committee	<i>Member until 13/10/2011 only (maximum of 5 meetings)</i>
	Strategic Governance Committee	<i>Member since 7/11/2011 only (maximum of 12 meetings)</i>
*Alderman Zucco	Finance and Corporate Services Committee	<i>Member since 7/11/2011 only (maximum of 12 meetings)</i>
	Marketing and Events Committee	<i>Member since 7/11/2011 only (maximum of 7 meetings)</i>
	Parks and Customer Services Committee	<i>Member until 13/10/2011 only (maximum of 5 meetings)</i>
*Alderman Briscoe	Development and Environmental Services Committee	<i>Member since 7/11/2011 only (maximum of 19 meetings)</i>
*Alderman Ruzicka	Development and Environmental Services Committee	<i>Member since 7/11/2011 only (maximum of 19 meetings)</i>
	Parks and Customer Services Committee	<i>Member until 13/10/2011 only (maximum of 5 meetings)</i>
*Alderman Sexton	Development and Environmental Services Committee	<i>Member until 17/10/2011 only (maximum of 11 meetings)</i>
	Parks and Customer Services Committee	<i>Member since 7/11/2011 only (maximum of 8 meetings)</i>
*Alderman Burnet	Community Development Committee	<i>Member until 26/9/2011 only (maximum of 9 meetings)</i>
	Marketing and Events Committee	<i>Member since 7/11/2011 only (maximum of 7 meetings)</i>
	Parks and Customer Services Committee	<i>Member since 7/11/2011 only (maximum of 8 meetings)</i>
	Strategic Governance Committee	<i>Member until 10/10/2011 only (maximum of 7 meetings)</i>
*Alderman Cocker	Strategic Governance Committee	<i>Member since 7/11/2011 only (maximum of 12 meetings)</i>
*Alderman Hickey (Elected to Council 28/10/2011)	Council	<i>Member since 7/11/2011 only (maximum of 14 meetings)</i>
	Community Development Committee	<i>Member since 7/11/2011 only (maximum of 13 meetings)</i>
	Infrastructure Services Committee	<i>Member since 7/11/2011 only (maximum of 13 meetings)</i>
	Marketing and Events Committee	<i>Member since 7/11/2011 only (maximum of 7 meetings)</i>

*Alderman Foley (Elected to Council 28/10/2011)	Council Development and Environmental Services Committee Finance and Corporate Services Committee Strategic Governance Committee	<i>Member since 7/11/2011 only (maximum of 14 meetings)</i> <i>Member since 7/11/2011 only (maximum of 19 meetings)</i> <i>Member since 7/11/2011 only (maximum of 12 meetings)</i> <i>Member since 7/11/2011 only (maximum of 12 meetings)</i>
*Alderman Freeman (Elected to Council 25/5/2012)	Council	<i>Member since 28/5/2012 only (maximum of 3 meetings)</i>
*Alderman Haigh (Deceased 15/8/2011)	Council Development and Environmental Services Committee	<i>Member until 15/8/2011 only (maximum of 3 meetings)</i> <i>Member until 15/8/2011 only (maximum of 4 meetings)</i>
*Alderman Valentine (Resigned from Council 14/5/2012)	Council Marketing and Events Committee Parks and Customer Services Committee Strategic Governance Committee	<i>Member until 14/5/2012 only (maximum of 20 meetings)</i> <i>Member from 7/11/2011 until 14/5/2012 only (maximum of 6 meetings)</i> <i>Member from 7/11/2011 until 14/5/2012 only (maximum of 6 meetings)</i> <i>Member from 1/7/2011 until 14/5/2012 only (maximum of 16 meetings)</i>
*Alderman Hayes (Alderman until 28/10/2011)	Council Finance and Corporate Services Committee Infrastructure Services Committee Strategic Governance Committee	<i>Member until 28/10/2011 only (maximum of 9 meetings)</i> <i>Member until 24/10/2011 only (maximum of 9 meetings)</i> <i>Member until 28/9/2011 only (maximum of 7 meetings)</i> <i>Member until 7/11/2011 only (maximum of 7 meetings)</i>

Council has established Special committees under section 24 of the Local Government Act 1993. The Audit Committee is represented by Ald Cocker (Chairman), Ald Zucco, Ald Hickey and two independent members, Ms Suzanne Baker and Mr David Hudson. The Audit Committee meets quarterly with the objective of providing independent assurance and assistance to the Council on strategic risk, control and compliance frameworks, and its external accountability responsibilities.

## Remuneration of Senior Employees Section 72 (1) (cd)

Total remuneration package	Number of employees
\$300,000 - \$319,999	1
\$180,000 - \$199,999	7
\$160,000 - \$179,999	1

## Grants, Assistance and Benefits Provided Section 77 (1)

Detail	GST Inclusive Amount
ANZAC Day Commemorative Committee - Anzac Day - Community Grant - Cash and In-kind	21,443
Athletics South - Trophy Donation City to Casino Fun Run & Walk - Community Grant - Cash	62
Buckingham Bowls Club – land tax relief	2,404
Buckingham Rowing Club Inc. – land tax relief	1,845
Robotics Tasmania - Robo Cup Junior State Championship - Events and Festivals Grant - Cash	2,200
Australian Federation of Totally and Permanently Incapacitated Ex Servicemen and Women (Tasmanian Branch) Incorporated - Remembrance House Project - Community Grant - Cash	3,850
Australian Institute of Architects - Sponsorship Architecture Week Prizes - Cash	1,250
Caribou Publications Pty Ltd - Tasmanian Road Cycling Classic - Community Grant - Cash	13,200
CAST - Iteration Again - Community Grant - Cash	5,500
Catholic Women's League – land tax relief	4,626
Council to Homeless Persons - Sponsorship for Parity November "Responding to Homelessness in Tasmania" edition - Cash	1,500
Cycling South - Contribution to Ride to Work Day - Cash	1,100
Cycling South - Funding Contribution - Cash	12,100
Dept of Economic Development, Tourism and the Arts - Antarctic Tasmania - Events and Festivals Grant - Cash	11,000
Derwent Sailing Squadron - Annual Grant - rent and land tax relief	14,537
Derwent Bowls Club – land tax relief	4,281
E Kalis Properties Pty Ltd – Development Assistance – In-kind	1,391
Festa Italia – Events and Festivals Grant – Cash	1,000
Festival of Voices Inc - Events and Festivals Grant – Cash	27,500
Heritage and Conservation Grants – Cash	18,955
Hobart Athletic Club – NewTown Bikes & Spikes – In kind	1,590
Hobart Playback Theatre – Alphabet Soup Celebrating Diversity – Community Grant – Cash	1,560
Hobart Police & Community Youth Club Inc. – Community Grant – Cash	1,100
Hockey Tasmania Inc – Funding Contribution – Cash	66,000
Human Rights Week Organising Committee – Community Grant – Cash	574
IHOS Opera – Cultural Grant – Cash	3,300
Inflight Art Inc – Cultural Grant – Cash	3,880
Island Brass Academy Inc – Cultural Grant – Cash	1,784
Island Magazine Inc. – Cultural Grant – Cash	3,000
Lifeline Hobart Inc – Community Grant – Cash	3,300
Maritime Museum of Tasmania Inc. – land tax relief	2,264

Mature Artists Dance Experience – Family Project – Cultural Grant – Cash	3,500
Moorilla Estate Pty Ltd – IHOS Opera – Waiting for the Barbarians – Community Grant – Cash	11,000
Mount Stuart Community Service Association Inc. – land tax relief	572
Musica Viva Tasmania – Cultural Grant – Cash	3,300
New Town Cricket Club – land tax relief	46
New Town Croquet Club – land tax relief	1,180
New Town Senior Citizens Club – land tax relief	1,800
North Hobart Football Club – Annual Grant – Rent Assistance	8,279
Oak Tree Foundation – “Live Below the Line” Project – Community Grant – Cash	200
Royal Hobart Regatta – Cultural Grant – In-kind	19,723
Royal Tasmanian Botanical Gardens – Annual Grant – Community Grant – Cash	11,250
Royal Tasmanian Botanical Gardens – Spring Community Festival – Events and Festivals Grant – Cash	11,000
Royal Yacht Club of Tasmania – Trophy Donation for Sydney to Hobart Yacht Race – Community Grant – Cash, land tax relief	20,639
Salamanca Arts Centre – Arts Program – Cultural Grant – Cash	62,536
Salamanca Arts Centre – Cultural Grant – Cash	13,200
Salamanca Arts Centre – Li Gang’s International Art Exhibition – Cultural Grant – Cash	1,450
Sandy Bay Regatta Association – Annual Grant – Cash and In-kind, land tax relief	39,344
Sandy Bay Rowing Club – land tax relief	1,342
Sandy Bay Croquet Club – land tax relief	8,888
Sandy Bay Regatta Association – land tax relief	315
Southern Tasmanian Netball Association – land tax relief	3,978
St David’s Cathedral Foundation Ltd – Grant for the Play of Daniel – Cash	990
State Emergency Service – Southern Regional Volunteer SES Unit – Annual Contribution – Cash	19,698
Sultan Holdings Pty Ltd – Development Assistance – In-kind	341
Surf Life Saving Tasmania – Subsidy for Bathing Pavillion – Cash	2,200
Southern Cross Care (Tas) Inc – Easy Crafts Program – Community Grant – Cash	1,849
South Hobart Badminton Association Inc. – land tax relief	2,738
Sustainable Living Tasmania – Walking West Hobart Map – Community Grant – Cash	1,953
Sustainable Living Tasmania – Sustainable Living Expo – Community Grant – Cash	3,094
Tasmanian Canine Defence League – Funding Contribution – Cash	54,832
Tasmanian Canine Defence League – Sponsorship for Humane Beings Education Program – Cash	3,025
Tasmanian Centre for Global Learning – Fairer World Festival – Community Grant – Cash	3,300
Tasmanian Composers Collective Inc – Cultural Grant – Cash	4,400

Tasmanian Convention Bureau – Annual Grant – Cash	88,000
Tasmanian Council of Social Services Inc – Community Sector Accommodation Project – Community Grant – Cash	5,500
Tasmanian Theatre Company – Second Echo Ensemble – Cultural Grant – Cash	3,300
Tasmanian Museum and Art Gallery – Annual Grant – Cultural Grant – Cash	16,006
Tasmanian Symphony Orchestra – Annual Grant – Cultural Grant – Cash	11,125
Tasmanian Youth Orchestra – Cultural Grant – Cash	2,900
Tasmanians with Disabilities – Community Grant – In-kind	22,929
The Board of Management of the Hutchins School – land tax relief	782
The City of Hobart Eisteddfod Society Inc – Sponsorship for 2011 Eisteddfod – Cultural Grant – Cash and In-kind	6,429
The Friends School – land tax relief	776
Tasmanian Riding for the Disabled Association Inc. – land tax relief	148
The Rotary Club of Claremont Inc – 2012 World Party – Community Grant – Cash	2,500
The Scout Association of Australia (Sea Scouts) – land tax relief	567
The St Virgil's College – land tax relief	990
The Tasmanian University Union Inc. – land tax relief	1,305
Theatre Royal – Annual Grant – Cultural Grant – Cash	8,060
University of Tasmania – Sponsorship – Speculate Melville Street – Cash	5,000
University of Tasmania – Contribution to Dreamachines Catalogue Production – Cash	2,200
Valley Street Bushcare – Community Grant – Cash	2,930
Wellington Park Management Trust – Regulations Awareness Program – Cash	23,941
Women's Shelter Inc – Contribution to Hobart Women's Shelter Choir – Cash	550
Natural Gas Rebate	2,500
Rate Remissions – Pensioners Net Expenditure	44,821
Solar Hot Water Rebate	61,566
Ex-Aldermen Fuel Expense	7,672
	883,159

#### Detail

Remission of hire charges for Council halls, sports fields and parks granted during 2011/12 totalled \$15,046.39, inclusive of GST

## Contracts for the Supply of Goods and Services Regulation 23(5)

In accordance with section 23 (5) of the Local Government (General) Regulations 2005, the following contracts to the value of \$100,000 or above, excluding GST, were entered into during 2011/12 financial year.

Contract	Contract Period	Extension Option	Contract Sum (for term of contract incl extension options)	Contractor
5529 – Registration of Rates – Track Maintenance and Construction	1 July 2011 – 30 June 2012	Not applicable	\$2,010,000 (estimated)	Multiple Contractors as listed: <ul style="list-style-type: none"> <li>• Dirt Art</li> <li>• Mountain Trails</li> <li>• Perfect Placement Stonework</li> <li>• Walking Track Services</li> </ul>
5538 – Hobart Council Centre External Repainting	Estimated 24 months (including defects; liability)	Not applicable	\$471,500	Programmed Property Services
5543 – Provision of Security Services Cash Collection	1 August 2011 – 31 July 2012	2 years (total)	\$417,000 (estimated)	Red Lion Security
5544 – Design and Manufacture of Christmas Decorations	12 Months	Not applicable	\$121,780	Arterial Design
5545 – Supply and Installation of Voice Over Internet Protocol Solution	Completion on installation	Not applicable	\$223,130.30	Ditech Systems
5546 – Provision of Security Services (Alarm Monitoring, Response and Maintenance)	1 year	2 years (total)	\$120,000 (estimated)	Golden Electronics
5553 – Supply and Delivery of Grass Seed and Fertiliser	1 year	2 years	\$150,000 (estimated)	Simplot Australia
5555 – McRobies Gully Waste Transfer Centre Design and Project Management Consultant	Until completion of the construction project, including defects liability	Not applicable	\$206,281	Pitt and Sherry
5563 – Responsive Plumbing Maintenance and Minor Works	2 years	2 years	\$840,000 (estimated)	Howrah Plumbing
5566 – TCA Lighting Upgrade	Estimated 18 months (including defects liability period)	Not applicable	\$248,440	TCM Air Conditioning and Electrical Engineers
5568 – The Hobart Aquatic Centre Supply and Delivery of Gymnasium and Electronic Fitness Equipment	Completion on delivery	Not applicable	\$184,315.96	Life Fitness Australia
5574 – Receiving and Sorting of Recyclable Materials	2 years	2 years	\$680,000 (estimated)	Veolia Environmental Services

5578 – Annual Slurry Sealing Program	2 – 4 months	Not applicable	\$138,611.20	Downer EDI Works
5579 – Beer Provider for the Taste	3 years	Not applicable	233,000 (estimated)	Cascade Brewery
5581 – Provision of Production Services for the Taste	1 year	Not applicable	\$93,613	Professional Music and Lighting Systems
5586 – Temporary Structures at the Taste	1 year	Not applicable	\$250,298.66	Pattis Hire Service Weeding Hire
5587 – Pinnacle Toilet Refurbishment	Estimated 18 months (including defects liability)	Not applicable	\$535,323.63	Cordwell Lane
5588 – Provision of Debt Collection Services	2 years	2 years	\$240,000 (estimated)	Tasmanian Collection Service
5590 – Construction of a Storage Shed at the Domain Quarry	64 weeks (including defects liability)	Not applicable	\$187,254.54	TasTech Building Systems
5591 – Hobart Council Centre Heat Pump Upgrade	Estimated 15 months (including defects liability)	Not applicable	\$179,945	White and McAllister Contractors
5594 – 50 and Better Centre Upgrade	58 weeks (including defects liability)	Not applicable	\$111,989	CDC Development
5596 – Hobart Council Centre Level 3 Upgrade	64 weeks (including defects liability)	Not applicable	\$192,200	Tascon Constructions
5597 – Argyle Street Asphalt Overlay	Unable to estimate	Not applicable	\$123,095.85	Roadways
5598 – Melville Street Asphalt Overlay	Unable to estimate	Not applicable	\$106,957.68	Roadways
5602 – McRobies Gully Construction of a Waste Transfer Centre	Estimated 18 months (including defects liability)	Not applicable	\$4,431,833	Hutchinson Builders
5603 – Argyle Street Car Park Painting	72 weeks (including defects liability)	Not applicable	\$534,740.72	Programmed Property Services
5605 – Argyle Street Footbridge Repainting	Estimated 15 months (including defects liability)	Not applicable	\$123,584.67	Programmed Property Services
5609 – Anglesea Street Bridge Demolition and Replacement	Estimated 64 weeks (including defects liability)	Not applicable	\$439,699.35	Hazell Bros Group
5642 – Annual Spray Sealing Program including Ryde Street Road Reconstruction	Unable to estimate	Not applicable	\$449,240.94	Roadways
BUS 198-0410 – Panel Arrangement for the Purchase of Trucks and Omnibuses	1 year	Not applicable	>\$500,000 (estimated)	Various dealerships
PA 1410-0618 – Panel Arrangement for the procurement of temporary / supplementary personnel	3 years	2 years (total)	Unable to estimate	Various suppliers
PA 1405-0827 – Photocopiers and Printers	3 years	2 years (total)	\$216,000 (estimated)	Konica Minolta

In accordance with Section 27 (2) there were three (3) instances of 'non-application of public tender process':

Contract	Contract Period	Extension Option	Contract Sum (for term of contract incl extension options)	Contractor
Princess Wharf No 1 Works	Not applicable	Not applicable	\$280,009.84	Hutchinson Builders
Princess Wharf No 1 Works	Not applicable	Not applicable	>\$100,000	Hutchinson Builders
Hobart Central Car Park Supply and Installation of Parking Systems	24 months (including defects liability)	Not applicable	\$178,434.90	TMA Australia

## Statement of Land Donated Section 177

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

### Public Interest Disclosure Act 2002

Council's Guidelines for dealing with matters under the Public Interest Disclosure Act 2002 are available for viewing on Council's homepage at [www.hobartcity.com.au](http://www.hobartcity.com.au) or a copy can be made available by contacting the Director Strategy and Governance on 6238 2717.

### Photo Acknowledgements

Jonathon Wherrett  
Sean Fennessey  
Pete Harmsen





# Financial Report

## Hobart City Council General Purpose Financial Statements For The Year Ended 30 June 2012

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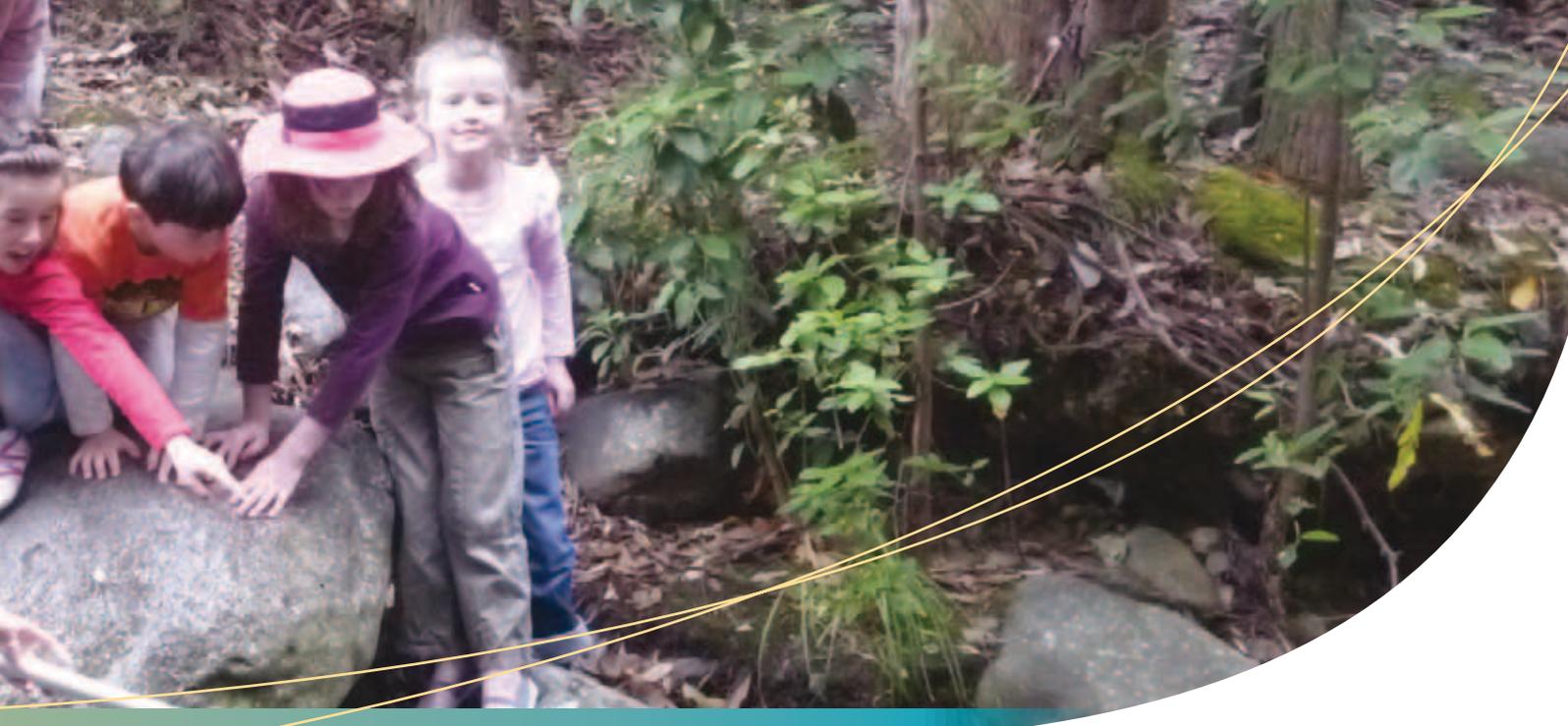
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# Statement of Financial Position

as at 30 June 2012

	Notes	2011/12 \$'000	2010/11 \$'000
<b>Current Assets</b>			
Cash and Cash Equivalents	15	37,192	30,295
Inventories	16	287	331
Receivables	18	2,655	3,109
Prepayments		95	22
<b>Total Current Assets</b>		<b>40,229</b>	<b>33,757</b>
<b>Non-Current Assets</b>			
Receivables	18	220	226
Investment Property	20	24,538	24,414
Investment in Southern Water	11	198,290	197,856
Property, Plant and Equipment	21-30	705,653	656,586
<b>Total Non-Current Assets</b>		<b>928,701</b>	<b>879,082</b>
<b>Total Assets</b>		<b>968,930</b>	<b>912,839</b>
<b>Current Liabilities</b>			
Payables	31	6,222	5,204
Trust, Deposits, Retention	32	2,671	2,890
Employee Benefits	33	9,727	9,457
Unearned Revenue	34	415	446
Loans	35	774	352
<b>Total Current Liabilities</b>		<b>19,809</b>	<b>18,349</b>
<b>Non-Current Liabilities</b>			
Employee Benefits	33	19,113	15,236
Loans	35	11,829	7,603
Provision for Landfill Restoration	36	7,515	7,700
<b>Total Non-Current Liabilities</b>		<b>38,457</b>	<b>30,539</b>
<b>Total Liabilities</b>		<b>58,266</b>	<b>48,888</b>
<b>Net Assets</b>		<b>910,664</b>	<b>863,951</b>
<b>Equity</b>			
Reserves	37	527,949	479,184
Retained earnings		382,715	384,767
<b>Total Equity</b>		<b>910,664</b>	<b>863,951</b>

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

# Statement of Comprehensive Income

for the year ended 30 June 2012

	Note	2011/12 ACTUAL \$'000	2011/12 BUDGET \$'000	2010/11 ACTUAL \$'000
<b>Expenses</b>				
Employee Benefits	4	(47,324)	(46,596)	(44,605)
Materials and Services		(24,271)	(24,393)	(25,791)
Depreciation and Amortisation	5	(15,974)	(17,611)	(15,764)
Finance Costs	6	(883)	(937)	(773)
State Fire Commission Levies		(7,401)	(7,401)	(6,852)
Other Expenses	7	(4,425)	(4,208)	(4,518)
<b>Total Expenses</b>		<b>(100,278)</b>	<b>(101,146)</b>	<b>(98,303)</b>
<b>Revenues</b>				
Rates and Charges		62,985	62,734	58,455
Grants and Donations	9(a)	4,249	3,230	4,599
Fines		5,268	5,105	4,757
Rendering of Services		<b>21,207</b>	<b>24,103</b>	<b>21,557</b>
Distributions from Southern Water	11	2,245	1,860	2,033
Interest		1,762	1,898	2,218
Rents		2,766	2,693	2,602
<b>Total Revenues</b>		<b>100,482</b>	<b>101,623</b>	<b>96,221</b>
<b>Surplus / (Deficit) before: -</b>		<b>204</b>	<b>477</b>	<b>(2,082)</b>
Capital grants received specifically for new or upgraded assets	9(b)	9,081	-	1,977
Lenah Valley Water Supply Augmentation Project (LVWSAP)	8	(1,959)	-	-
Net gain/(loss) on disposal of property, plant and equipment	10	6	(203)	(73)
Contributed property, plant and equipment		18	-	421
<b>Surplus / (Deficit)</b>		<b>7,350</b>	<b>274</b>	<b>243</b>
<b>Other Comprehensive Income</b>				
Adjustment to fair value of Investment in Southern Water	11	434	-	1,135
Net PP&E revaluation increments / (decrements)	12	43,867	-	(4,223)
Defined-benefit superannuation plan actuarial gains / (losses)	33	(4,938)	-	(4,207)
<b>Comprehensive Result</b>		<b>46,713</b>	<b>274</b>	<b>(7,052)</b>

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

# Statement of Changes in Equity

for the year ended 30 June 2012

	Note	Total		Retained Earnings		Reserves	
		2011/12 \$'000	2010/11 \$'000	2011/12 \$'000	2010/11 \$'000	2011/12 \$'000	2010/11 \$'000
Balance at beginning of period		863,951	871,003	384,767	385,749	479,184	485,254
Comprehensive Result		46,713	(7,052)	2,412	(3,964)	44,301	(3,088)
Transfers to reserves	37	-	-	(33,181)	(30,718)	33,181	30,718
Transfers from reserves	37	-	-	28,717	33,700	(28,717)	(33,700)
Balance at end of period		<b>910,664</b>	863,951	<b>382,715</b>	384,767	<b>527,949</b>	479,184

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

# Statement of Cash Flows

for the year ended 30 June 2012

	Note	2011/12 ACTUAL \$'000	2011/12 BUDGET \$'000	2010/11 ACTUAL \$'000
<b>Cash Flows from Operating Activities</b>				
<i>Receipts</i>				
Rates		62,913	62,514	58,267
Rendering of services (inclusive of GST)		23,342	27,115	23,820
Interest		1,985	1,898	2,123
Grants (inclusive of GST)		4,826	3,227	4,717
Rents (inclusive of GST)		3,021	2,956	2,841
Fines		4,567	4,474	4,192
Other receipts (inclusive of GST)		2,844	2,298	3,282
		<u>103,498</u>	<u>104,482</u>	<u>99,242</u>
<i>Payments</i>				
Employee costs		(48,072)	(47,909)	(44,532)
Payments to suppliers (inclusive of GST)		(31,862)	(31,063)	(31,690)
Interest		(502)	(522)	(402)
Other payments (inclusive of GST)		(9,377)	(8,263)	(8,914)
		<u>(89,813)</u>	<u>(87,757)</u>	<u>(85,538)</u>
<b>Net Cash Flow from Operating Activities</b>	38	<b><u>13,685</u></b>	<b><u>16,725</u></b>	<b><u>13,704</u></b>
<b>Cash Flows from Investing Activities</b>				
<i>Proceeds</i>				
Grants		9,081	-	1,977
Distributions from Southern Water		2,119	1,860	2,096
Sales of Plant and Equipment		642	667	421
		<u>11,842</u>	<u>2,527</u>	<u>4,494</u>
<i>Payments</i>				
Employee Costs capitalised		(2,600)	(2,544)	(2,110)
Materials/Services/Contracts capitalised		(16,357)	(19,531)	(23,211)
Property		(250)	-	(86)
Plant and Equipment		(4,071)	(4,757)	(2,806)
		<u>(23,278)</u>	<u>(26,832)</u>	<u>(28,213)</u>
<b>Net Cash Flow from/(used in) Investing Activities</b>	38	<b><u>(11,436)</u></b>	<b><u>(24,305)</u></b>	<b><u>(23,719)</u></b>
<b>Cash Flows from Financing Activities</b>				
Proceeds from Borrowings	35	5,000	5,000	1,850
Repayment of Borrowings	35	(352)	(349)	(201)
<b>Net Cash Flow from/(used in) Financing Activities</b>		<b><u>4,648</u></b>	<b><u>4,651</u></b>	<b><u>1,649</u></b>
<b>Net Increase (Decrease) in cash held</b>		<b>6,897</b>	<b>(2,929)</b>	<b>(8,366)</b>
<b>Cash Held at the Beginning of the Year</b>		<b>30,295</b>	<b>30,295</b>	<b>38,661</b>
<b>Cash held at the End of the Year</b>	15	<b><u>37,192</u></b>	<b><u>27,366</u></b>	<b><u>30,295</u></b>

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

# Notes to and forming part of the Financial Statements

## 1 Summary of Significant Accounting Policies

### a) Local Government Reporting Entity

All funds through which 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 s.29 of the *Local Government Act 1993*, namely The 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(k)).

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby

ensuring that the substance of the underlying transactions or other events is reported.

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

### c) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to 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 15)

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

# Notes to and forming part of the Financial Statements

## e) Inventories (Note 16)

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

## f) Financial Assets (Notes 11 and 18)

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

Investments in subsidiaries are measured at cost.

Investments in associates are accounted for under the equity method.

Council has classified its ownership interest in Southern Water 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. In respect of parking offences, accounts are regarded as impaired when they are lodged with a collection agency.

Penalty and interest are charged on outstanding rates in accordance with s128(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.

The expected return on plan assets is determined by weighting the expected long-term return for each asset class by the target allocation of assets for each class. Returns are net of investment tax and investment fees.

## h) Provisions

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.

# Notes to and forming part of the Financial Statements

## i) Investment Property (Note 20)

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured at its fair value at the reporting date. Gains or losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise.

## j) Non-current assets classified as held for sale (Note 19)

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

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

## k) Property, Plant and Equipment (Notes 21-30)

### Acquisition

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

The cost of property, plant and equipment constructed by 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 valued at cost. All other property, plant and equipment is revalued with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.

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

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

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

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

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

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

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

The carrying amount of each asset whose service potential is related to its ability to generate net cash inflows is reviewed at balance date to determine whether such carrying amount is in excess of its recoverable amount. If the carrying amount of an asset of the type mentioned exceeds 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. In general, residual values for road assets are assumed to be zero.

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: -

## Notes to and forming part of the Financial Statements

	Years		Years
Buildings	40-150	Bridges	25-220
Infrastructure Plant	5-100	Sealed Roads	
Plant and Equipment		- Base	50-150
- Heavy Vehicles	5-25	- Surface	14-30
- Fleet Vehicles	3-10	Unsealed Road Surfaces	100
- Minor Plant	2-25	F'paths, Kerb & Gutter	15-75
- Computer Equipment	3-5	Cycleways and Tracks	10-120
- Furniture	2-50	Playground Equipment	5-50
Stormwater Mains	10-135	Fountains	10-80
Irrigation	10-80	External Playing Surfaces	10-110
Rivulets	10-150		

### *Leased Assets*

Whilst Council is not presently a party to any finance leases, the following policy has been adopted to account for such transactions should this position change.

Leases under which Council assumes substantially all the risks and benefits 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.

Other leases are classified as operating leases and payments made pursuant to such leases are charged as expenses as incurred.

### *Land under Roads*

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

# Notes to and forming part of the Financial Statements

## l) Financial Liabilities (Notes 31 and 35)

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

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

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 14 and 15)

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

On 15 December 1999, 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 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.

# Notes to and forming part of the Financial Statements

## 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 2009-12 Amendments to Australian Accounting Standards* - The Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. There is no financial impact.

*AASB 2009-14 Amendments to Australian Interpretation - Prepayments of a Minimum Funding Requirement.* This Standard amends Interpretation 14 to clarify when refunds or reductions in future contributions in relation to defined benefit assets should be regarded as available, and provides guidance on the impact of minimum funding requirements on such assets. It also gives guidance on when a MFR might give rise to a liability. There is no financial impact.

*AASB 2010-4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project* - This Standard amends a range of Australian Accounting Standards and Interpretations as a consequence of the annual improvements project. There is no financial impact.

*AASB 2010-5 Amendments to Australian Accounting Standards* - This Standard introduces terminology changes, as well as presentation changes. There is no financial impact.

*AASB 2010-6 Amendments to Australian Accounting Standards - Disclosures on Transfers of Financial Assets* - This Standard introduces additional disclosure relating to transfers of financial assets in AASB 7. An entity shall disclose all transferred financial assets that are not derecognised and any continuing involvement in a transferred asset, existing at the reporting date, irrespective of when the related transfer transaction occurred. There is no financial impact.

*AASB 1054 Australian Additional Disclosures* - This Standard sets out the specific disclosures for entities that have adopted Australian Accounting Standards that are additional to the requirements under International Reporting Standards, including disclosures relating to the nature of the financial report, audit fees and the reconciliation of net operating cash flows to net result. There is no financial impact.

*AASB 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project* - This Standard, in conjunction with AASB 1054, removes disclosure requirements from other Standards and incorporates them into a single Standard to achieve convergence between Australian and New Zealand Accounting Standards. There is no financial impact.

### 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* - This Standard applies to annual reporting periods beginning on or after 1 January 2013. The Standard supersedes AASB 139 *Financial Instruments: recognition and Measurement*, introducing a number of changes to accounting treatments. The Standard was reissued in December 2010. Council has not yet determined the potential financial impact of the Standard.

*AASB 13 Fair Value Measurement* - This Standard applies to annual reporting periods beginning on or after 1 January 2013. The Standard defines fair value, sets out a framework for measuring fair value and requires disclosures about fair value measurements. Council has not yet determined the potential financial impact of the Standard.

*AASB 119 Employee Benefits* - This Standard applies to annual reporting periods beginning on or after 1 January 2013. The Standard was issued in September 2011 and supersedes AASB 119 *Employee Benefits*, introducing a number of changes to accounting treatments. Council has not yet determined the potential financial impact of the Standard.

*AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9* is a revised Standard to be applied to annual reporting periods beginning on or after 1 January 2013. The Standard gives effect to consequential changes arising from the issuance of AASB 9. It is not expected to have a financial impact.

*AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9* - This Standard applies to annual reporting periods beginning on or after 1 January 2013. The Standard makes minor revisions. It is not expected to have a financial impact.

## Notes to and forming part of the Financial Statements

*AASB 1053 Application of Tiers of Australian Accounting Standards* - This Standard applies to annual reporting periods beginning on or after 1 January 2013. The Standard establishes a differential reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements, one of which provides for substantially reduced disclosure requirements. The Standard will have no impact on Council's Financial Statements because reduced disclosure requirements are not available for local governments.

*AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards* - This Standard applies to annual reporting periods beginning on or after 1 January 2013. The Standard gives effect to many consequential changes arising from the issuance of new Standards. It is not expected to have a financial impact.

*AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13* - This Standard applies to annual reporting periods beginning on or after 1 January 2013. The Standard replaces the existing definition of fair value guidance in other Australian Accounting Standards and Interpretations as the result of issuing AASB 13 in September 2011. There is no expected financial impact.

*AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income* - This Standard applies to annual reporting periods beginning on or after 1 July 2012. The Standard requires entities to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). It is not expected to have a financial impact.

*AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)* - This Standard applies to annual reporting periods beginning on or after 1 January 2013. The Standard makes amendments to other Australian Accounting Standards and Interpretation as a result of issuing AASB 119 *Employee Benefits* in September 2011. It is not expected to have a financial impact.

*AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities* - This Standard applies to annual reporting periods beginning on or after 1 January 2013. The Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. The Standard also amends AASB 132 to refer to the additional disclosures added to AASB 7 by this Standard. It is not expected to have a financial impact.

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

*AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle* - This Standard applies to annual reporting periods beginning on or after 1 January 2013. The Standard makes amendments to a number of Australian Accounting Standards and Interpretations as a consequence of the annual improvements process. It is not expected to have a financial impact.

### c) Voluntary changes in Accounting Policies and Accounting Estimates

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

# Notes to and forming part of the Financial Statements

## 3 functions/activities of the council

		Expenses	Revenues			Assets
		\$'000	Grants \$'000	Other \$'000	Total \$'000	\$'000
Public Order and Safety	<b>2011/12</b>	<b>7,510</b>	<b>0</b>	<b>7,116</b>	<b>7,116</b>	<b>1</b>
	2010/11	6,943	0	6,526	6,526	1
Health	<b>2011/12</b>	<b>1,696</b>	<b>0</b>	<b>511</b>	<b>511</b>	<b>13</b>
	2010/11	1,578	0	454	454	29
Welfare	<b>2011/12</b>	<b>2,799</b>	<b>145</b>	<b>209</b>	<b>354</b>	<b>5,573</b>
	2010/11	2,868	198	175	373	5,443
Community Amenities	<b>2011/12</b>	<b>21,372</b>	<b>35</b>	<b>12,291</b>	<b>12,326</b>	<b>180,421</b>
	2010/11	20,453	0	11,545	11,545	128,698
Recreation and Culture	<b>2011/12</b>	<b>26,921</b>	<b>25</b>	<b>6,903</b>	<b>6,928</b>	<b>223,585</b>
	2010/11	26,402	1,202	6,810	8,012	231,456
Parking	<b>2011/12</b>	<b>9,569</b>	<b>0</b>	<b>14,157</b>	<b>14,157</b>	<b>95,021</b>
	2010/11	8,528	0	12,831	12,831	93,113
Transport	<b>2011/12</b>	<b>12,713</b>	<b>2,460</b>	<b>801</b>	<b>3,261</b>	<b>196,018</b>
	2010/11	13,217	1,857	736	2,593	193,446
Economic Services	<b>2011/12</b>	<b>4,281</b>	<b>150</b>	<b>1,652</b>	<b>1,802</b>	<b>1,097</b>
	2010/11	3,943	150	1,750	1,900	1,101
Other (Not Attributed)*	<b>2011/12</b>	<b>13,417</b>	<b>1,434</b>	<b>52,593</b>	<b>54,027</b>	<b>267,201</b>
	2010/11	14,371	1,192	50,795	51,987	259,552
Total	<b>2011/12</b>	<b>100,278</b>	<b>4,249</b>	<b>96,233</b>	<b>100,482</b>	<b>968,930</b>
	2010/11	98,303	4,599	91,622	96,221	912,839

\* 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, traffic signs and the Asphalt Plant.

ECONOMIC SERVICES: Salamanca Market and tourism promotion.

# Notes to and forming part of the Financial Statements

## 4 Employee Costs

	Note	2011/12 \$'000	2010/11 \$'000
Gross Wages and Salaries		40,234	37,745
Less : Amounts Capitalised		(1,731)	(1,436)
Leave payments		(2,900)	(2,729)
		<u>(4,631)</u>	<u>(4,165)</u>
Wages and Salaries expensed		35,603	33,580
Leave Entitlements		3,285	3,438
Defined-benefit superannuation plan	33	1,559	1,196
Other superannuation		3,606	3,259
Workers Compensation Insurance		775	657
Payroll Tax		2,754	2,691
Aldermanic Allowances		447	442
Other Employee-related Expenses		164	16
Labour Overheads Capitalised		(869)	(674)
		<u><b>47,324</b></u>	<u>44,605</u>
Number of Employees (Full-time equivalent)		615	596

## 5 Depreciation and Amortisation

	2011/12 \$'000	2010/11 \$'000
Land Improvements	946	1,510
Buildings	1,961	1,920
Infrastructure Plant	290	305
Plant and Equipment	2,254	2,118
Pipes, Drains and Rivulets	1,955	1,955
Roads and Bridges	6,290	5,989
Other Structures	2,211	1,900
Other	67	67
	<u><b>15,974</b></u>	<u>15,764</u>

## 6 Finance Costs

	Note	2011/12 \$'000	2010/11 \$'000
Interest on Loans		502	402
Finance Cost associated with Landfill Restoration Provision		381	371
		<u><b>883</b></u>	<u>773</u>

# Notes to and forming part of the Financial Statements

## 7 Other Expenses

	Note	2011/12 \$'000	2010/11 \$'000
Pensioner Rate Remissions		1,000	963
less : Reimbursements from Government	9	(956)	(936)
		44	27
Other Rate Remissions		(67)	79
Grants and Specific Purpose Benefits		697	677
Directors Fees		10	10
Auditor's Remuneration - Audit of the Financial Report		44	43
Other Audit Fees		80	113
Bad and Doubtful Debts		572	736
Assets Written-off		2,069	1,655
Obsolete Stock		7	2
Fringe Benefits Tax		350	314
Land Tax		619	862
		<b>4,425</b>	<b>4,518</b>

## 8 Significant Items

The following items included in profit or loss are of such a size, nature or incidence that their disclosure is relevant in explaining Council's financial performance for the period: -

	Note	2011/12 \$'000	2010/11 \$'000
<i>Revenues</i>			
Commonwealth Financial Assistance Grants received in advance		799	-
Domain Tennis Centre Redevelopment grants		-	1,192
		<b>799</b>	<b>1,192</b>
<i>Expenses</i>			
Domain Tennis Centre Redevelopment contract payments		-	(1,192)
		-	<b>(1,192)</b>
<i>Gains / (Losses)</i>			
Net gain/(loss) on disposal of property, plant and equipment	10	6	(73)
Lenah Valley Water Supply Augmentation Project (LVWSAP)*		(1,959)	-
Contributed Property, Plant and Equipment		18	421
Capital Grants	9	9,081	1,977
		<b>7,146</b>	<b>2,325</b>
Effect of significant items on surplus / (deficit)		<b>7,945</b>	<b>2,325</b>

\* Prior to the creation of Southern Water, Council borrowed \$2 million to construct a water reservoir storage tank to service parts of Lenah Valley. The balance of this money was retained by Council following the creation of Southern Water to ensure that the funds would not be diverted to other projects. Council and Southern Water entered into a formal agreement that Council would make transfers to Southern Water on receipt of contractor's progress payment claims during construction of the reservoir. These were made during 2011/12.

# Notes to and forming part of the Financial Statements

## 9 Grants and Donations

	Note	2011/12 \$'000	2010/11 \$'000		
<b>a) Operating Grants</b>				<b>b) Capital Grants</b>	
<i>provided by Government</i>				<i>provided by Government</i>	
Commonwealth Financial Assistance Grants		3,740	2,847	Roads to Recovery Program	202 640
Pensioner Rate Remission Grants	7	956	936	Blackspot Program	119 147
Domain Tennis Centre Redevelopment		-	1,192	Other roadworks	- 85
Employment Creation Initiatives		44	51	Accelerated Energy-efficient Street-light Roll-out	3,375 -
Fuel Tax Credit Scheme		63	93	Castray Esplanade Taxi Rank	- 60
Still Gardening Program		132	129	Clare Street Oval	- 80
Tasmanian Travel and Information Centre		150	150	Hobart Central Bus Interchange Planning Project	75 -
Miscellaneous		46	69	Mathers Lane Urban Park upgrade	- 86
		<u>5,131</u>	<u>5,467</u>	New Town Bay Sport and Recreation Facilities	2,500 -
<i>other</i>				North Hobart Oval - Lighting and Power	- 500
Provision of Public Open Space		48	57	Safer Travel Speeds Program	225 -
Miscellaneous		26	11	Taste Festival - Cooking Kiosks	1,300 -
		<u>74</u>	<u>68</u>	Wellesley Park Sport and Recreation Facilities	1,200 -
		5,205	5,535	Wellesley Park Pavilion Refurbishment	- 90
less : Pensioner Rate Remission Grants netted against Remissions	7	(956)	(936)	Miscellaneous	32 -
		<u>4,249</u>	<u>4,599</u>		<u>9,028</u> <u>1,688</u>
				<i>other</i>	
				Argyle St Car Park Redevelopment - Stormwater diversion	- 280
				TCA Ground Lighting	50 -
				Miscellaneous	3 9
					<u>53</u> <u>289</u>
					<b>9,081</b> <b>1,977</b>
				<b>Total Grants and Donations</b>	<b>13,330</b> <b>6,576</b>

# Notes to and forming part of the Financial Statements

Note	2011/12 \$'000	2010/11 \$'000
<b>c) Conditions</b>		
Grants and donations which were recognised as revenues during the reporting period and which were obtained on the condition that they be expended in a particular manner, but had yet to be applied in that manner as at the reporting date :	7,436	885
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 :	(1,182)	(952)
Net increase/(decrease) in assets subject to conditions	6,254	(67)
Assets subject to conditions at the beginning of the period	2,038	2,105
<b>Assets subject to conditions at the end of the period</b>	<b>8,292</b>	<b>2,038</b>
14		

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

## 10 Asset Sales

	2011/12 \$'000	2010/11 \$'000
<i>Plant &amp; Equipment</i>		
Proceeds from sales	642	421
Less carrying amount of assets sold	(636)	(494)
Total Gain / (Loss) on disposal of assets	<b>6</b>	<b>(73)</b>

# Notes to and forming part of the Financial Statements

## 11 Investment in Southern Water

In February of 2008, State and Local Government reached agreement to establish three local Government owned, vertically integrated businesses providing bulk, distribution and retail water and sewerage services, and a common service provider subsidiary company. The *Water and Sewerage Corporations Act 2008* (Corporations Act) was subsequently enacted, and received Royal Assent on 13 June 2008.

Two of the main purposes of the Corporations Act are: -

- to vest the water and sewerage assets, rights and liabilities of councils and bulk water authorities in the Regional Corporations and the Common Services Corporation; and
- to make provision for the transfer of water and sewerage employees of councils and employees of bulk water authorities to the Regional Corporations and the Common Services Corporation.

The new corporations were operational (with minimal operations) on 1 January 2009. Full transfer of water and sewerage assets, liabilities and staff took place on 1 July 2009. From that date, responsibility for the provision of water and sewerage services moved from local councils to three new regional water and sewerage corporations (trading as Cradle Mountain Water, Ben Lomond Water and Southern Water). A fourth company provides common services and support to the three regional corporations.

In conjunction with the above Act, the *Water and Sewerage Industry Act 2008* was also proclaimed on 13 June 2008. This Act provides for the establishment of an economic regulatory framework for the water and sewerage industry, including the establishment of a licensing regime and providing for the regulation of prices, customer service standards and performance monitoring of that industry and for related matters.

Council has elected to account for its ownership interest in Southern Water in accordance with AASB 139 *Financial Instruments: Recognition and Measurement*, and has classified the investment as an "available-for-sale financial asset". The asset was initially measured at cost, being the value of assets and liabilities transferred. At 30 June 2012, the fair value of the asset was measured by applying Council's ownership interest percentage to Southern Water's net asset value at that date. Southern Water advised that these values were 21.48% and \$923.138M respectively (2011 \$921.118M).

The following table summarises the movements in the value of Council's investment in Southern Water: -

	2011/12 \$'000	2010/11 \$'000
Opening Balance	197,856	196,721
Fair value adjustment	434	1,135
Closing Balance	<b>198,290</b>	<b>197,856</b>

Fair value adjustments have been recognised in other comprehensive income.

## 12 Asset Revaluations

	Note	2011/12 \$'000	2010/11 \$'000
Buildings		2,023	(11,288)
Land Improvements		(10,917)	863
Infrastructure Plant		22	82
Pipes, Drains and Rivulets		49,359	2,325
Roads and Bridges		2,935	2,701
Other Structures		445	1,094
	37	<b>43,867</b>	<b>(4,223)</b>

## 13 Rates Received in Advance

	Note	2011/12 \$'000	2010/11 \$'000
Rates recognised as revenues during the reporting period which were obtained in respect of future rating periods		390	380
Rates recognised as revenues in a previous reporting period which were obtained in respect of the current reporting period.		(380)	(394)
<b>Net increase (decrease) in prepaid rates</b>		<b>10</b>	<b>(14)</b>

# Notes to and forming part of the Financial Statements

## 14 Restricted Assets

Note	2011/12 \$'000	2010/11 \$'000
<b>a) Grants and Donations subject to Conditions</b>		
Assets derived from grants and donations which were obtained on the condition that they be expended in a particular manner but had yet to be applied in that manner as at the reporting date were in respect of:		
- Accelerated Energy Efficient Street Light Roll Out	3,375	-
- Contributions in lieu of Parking	-	428
- Contributions in lieu of Public Open Space	165	287
- Hobart Central Bus Interchange Planning Project	75	-
- New Town Bay Sport and Recreation Facilities	2,500	-
- North Hobart Oval - Lighting and Power	396	419
- Public Art Program	9	14
- Roadworks	367	450
- Tasmanian Travel and Information Centre	-	34
- Wellesley Park Pavilion Refurbishment	90	90
- Wellesley Park - Sport & Recreation Facilities	1,200	-
- Wellington Park Bicycle Track	-	37
- Miscellaneous	115	279
9	<u>8,292</u>	<u>2,038</u>

## 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 National Trust Preservation Fund (Winding-up) Act 1999 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)	1,519	1,465
<b>Total Restricted Assets</b>	15(b)	<u><b>9,811</b></u>	<u>3,503</u>

# Notes to and forming part of the Financial Statements

## 15 Cash

Note	2011/12 \$'000	2010/11 \$'000
<b>a) Definition of Cash</b>		
For the purpose of the Statement of Cash Flows, the following items comprise the cash balance at the end of the period: -		
Term Deposits	22,999	24,000
At Call	12,379	2,525
	<u>35,378</u>	<u>26,525</u>
Cash Advances	62	36
Cash at Bank	1,752	3,734
	<u><b>37,192</b></u>	<u>30,295</u>

## b) Composition of Cash

The following restrictions apply to the closing cash balance :

- Accelerated Energy Efficient Street Light Roll Out	3,375	-
- Provision of Public Open Space	165	287
- Provision of Parking Facilities	-	428
- Hobart Central Bus Interchange Planning Project	75	-
- New Town Bay Sport and Recreation Facilities	2,500	-
- North Hobart Oval - Lighting and Power	396	419
- Public Art Program	9	14
- Roadworks	367	450
- Tasmanian Travel and Information Centre	-	34
- Wellesley Park Pavilion Refurbishment	90	90
- Wellesley Park - Sport and Recreation Facilities	1,200	-
- Wellington Park Bicycle Track	-	37
- Heritage Funding	1,519	1,465
- Other	115	279
	<u>9,811</u>	<u>3,503</u>

The remainder of the Cash balance has been earmarked for :

- Asset Replacement	12,931	11,512
- Other Capital Works	257	4,300
- Provision of Public Open Space	16	16
- Provision of Parking Facilities	9,614	6,068
- Bushland Acquisition	275	322
- Refundable Deposits	1,927	2,163
- Settlement of Payables	2,361	2,411
	<u>27,381</u>	<u>26,792</u>
	<u><b>37,192</b></u>	<u>30,295</u>

# Notes to and forming part of the Financial Statements

## 16 Inventories

Note	2011/12 \$'000	2010/11 \$'000
The Hobart Aquatic Centre	44	49
Domain Quarry	69	80
Tasmanian Travel & Information Centre	17	21
Asphalt Plant	55	43
Other	102	138
	<b>287</b>	<b>331</b>

## 17 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 and the Asphalt Plant. 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 below.

## Notes to and forming part of the Financial Statements

	Floating Interest Rate \$'000	Fixed Interest Maturing in :			Non-Interest Bearing \$'000	Total \$'000	Weighted Average Interest Rate
		1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000			
<b>2011/12</b>							
<i>Financial Assets</i>							
Cash and cash equivalents	14,131	21,999	1,000	-	62	37,192	4.99%
Receivables	940	26	-	-	1,909	2,875	0.96%
	<u>15,071</u>	<u>22,025</u>	<u>1,000</u>	<u>-</u>	<u>1,971</u>	<u>40,067</u>	
Weighted Average Interest Rate	4.43%	5.61%	5.10%	0.00%			
<i>Financial Liabilities</i>							
Payables	-	-	-	-	6,222	6,222	N/A
Loans	-	774	3,556	8,273	-	12,603	5.79%
	<u>-</u>	<u>774</u>	<u>3,556</u>	<u>8,273</u>	<u>6,222</u>	<u>18,825</u>	
Weighted Average Interest Rate	0.00%	5.61%	5.62%	5.88%			
<i>Net Financial Assets / (Liabilities)</i>	<b><u>15,071</u></b>	<b><u>21,251</u></b>	<b><u>(2,556)</u></b>	<b><u>(8,273)</u></b>	<b><u>(4,251)</u></b>	<b><u>21,242</u></b>	

	Floating Interest Rate \$'000	Fixed Interest Maturing in :			Non-Interest Bearing \$'000	Total \$'000	Weighted Average Interest Rate
		1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000			
<b>2010/11</b>							
<i>Financial Assets</i>							
Cash and cash equivalents	6,259	24,000	-	-	36	30,295	5.88%
Receivables	863	26	-	-	2,446	3,335	0.98%
	<u>7,122</u>	<u>24,026</u>	<u>-</u>	<u>-</u>	<u>2,482</u>	<u>33,630</u>	
Weighted Average Interest Rate	5.58%	6.19%	0.00%	0.00%			
<i>Financial Liabilities</i>							
Payables	-	-	-	-	5,204	5,204	N/A
Loans	-	352	1,649	5,954	-	7,955	6.38%
	<u>-</u>	<u>352</u>	<u>1,649</u>	<u>5,954</u>	<u>5,204</u>	<u>13,159</u>	
Weighted Average Interest Rate	0.00%	6.37%	6.37%	6.39%			
<i>Net Financial Assets / (Liabilities)</i>	<b><u>7,122</u></b>	<b><u>23,674</u></b>	<b><u>(1,649)</u></b>	<b><u>(5,954)</u></b>	<b><u>(2,722)</u></b>	<b><u>20,471</u></b>	

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: -

## Notes to and forming part of the Financial Statements

	30 June 2012		30 June 2011	
	100 basis points increase \$'000	100 basis points decrease \$'000	100 basis points increase \$'000	100 basis points decrease \$'000
<i>Financial Assets</i>				
Cash Advances	na	na	na	na
Other Cash and Cash Equivalents	142	(142)	62	(62)
Receivables	9	(9)	9	(9)
	<b>151</b>	<b>(151)</b>	71	(71)
<i>Financial Liabilities</i>				
Payables	na	na	na	na
Loans	na	na	na	na
	-	-	-	-

This analysis assumes all other variables remain constant. The analysis was performed on the same basis for 30 June 2011.

### 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. Forecast liquidity reserves at the reporting date are as follows: -

	FY13 \$'000	FY14 - FY17 \$'000
Opening Balance for the period	37,192	35,497
Operating Inflows	103,004	461,923
Operating Outflows	(87,757)	(400,795)
Investing Inflows	3,396	10,928
Investing Outflows	(22,083)	(88,106)
Financing Inflows	2,500	4,000
Financing Outflows	(755)	(4,314)
Closing Balance for the period	<u>35,497</u>	<u>19,133</u>

## Notes to and forming part of the Financial Statements

### 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: -

	2011/12		2010/11	
	Carrying Amount \$'000	Net Fair Value \$'000	Carrying Amount \$'000	Net Fair Value \$'000
<i>Financial Assets</i>				
Cash Advances	62	62	36	36
Cash at Bank and Investments	37,130	37,130	30,259	30,259
Investment in Southern Water	198,290	198,290	197,856	197,856
Receivables	2,875	2,875	3,335	3,335
	<b>238,357</b>	<b>238,357</b>	231,486	231,486
<i>Financial Liabilities</i>				
Payables	6,222	6,222	5,204	5,204
Loans	12,603	13,877	7,955	8,126
	<b>18,825</b>	<b>20,099</b>	13,159	13,330

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

# Notes to and forming part of the Financial Statements

## e) Fair Value hierarchy

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

The different levels have been defined as follows: -

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 Inputs for the asset or liability that are not based on observable market data.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>2011/12</b>				
Available for sale financial assets	-	-	198,290	198,290
Financial assets at fair value through profit or loss	-	-	-	-
Financial assets held for trading	-	-	-	-
Derivative financial assets	-	-	-	-
	<u>-</u>	<u>-</u>	<u>198,290</u>	<u>198,290</u>
<b>2010/11</b>				
Available for sale financial assets	-	-	197,856	197,856
Financial assets at fair value through profit or loss	-	-	-	-
Financial assets held for trading	-	-	-	-
Derivative financial assets	-	-	-	-
	<u>-</u>	<u>-</u>	<u>197,856</u>	<u>197,856</u>

There were no transfers between level 1 and level 2 during the period.

### Reconciliation of level 3 fair value movements

	2011/12 \$'000	2010/11 \$'000
Opening Balance	197,856	196,721
Gains / (Losses) recognised in other comprehensive income	434	1,135
Closing Balance	<u>198,290</u>	<u>197,856</u>

# Notes to and forming part of the Financial Statements

## 18 Receivables

	2011/12 \$'000	2010/11 \$'000
Rates	1,024	952
Parking Fines	7,227	7,053
Trade Receivables	876	1,115
Accrued interest on investments	411	634
Wages and salaries paid in advance	151	161
Other Debtors	289	491
	<u>9,978</u>	<u>10,406</u>
Less Allowance for Impairment	(7,103)	(7,071)
	<u><b>2,875</b></u>	<u>3,335</u>
Current	2,655	3,109
Non-Current	220	226
	<u><b>2,875</b></u>	<u>3,335</u>

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*
2012	876	492	-	176	1	26	-	135	46
2011	1,115	685	-	145	1	33	-	68	183

### 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*
2012	7,227	73	129	5,414	86	77	1,448
2011	7,053	81	127	5,342	46	47	1,410

### Rates

	Total \$'000	90+ days \$'000
		PDNI*
2012	1,024	1,024
2011	952	952

\* PDNI - past due not impaired

CI - considered impaired

# Notes to and forming part of the Financial Statements

## 19 Assets classified as held for sale

No assets were classified as 'held for sale' at either the current reporting date or the previous reporting date.

## 20 Investment property

	2011/12 \$'000	2010/11 \$'000
At cost	131	7
At Valuer-General's 2009 valuation of market value	24,407	24,407
	<b>24,538</b>	24,414

# Notes to and forming part of the Financial Statements

## 21 Property, plant and equipment

	Note	Carrying Amount 30/6/2011 \$'000	Additions \$'000	Disposals \$'000	Net Revaluation Adjustments \$'000	Depreciation \$'000	Carrying Amount 30/6/2012 \$'000
Plant and Equipment	22	13,873	4,544	(941)	-	(2,254)	15,222
Land	23	142,149	250	-	-	-	142,399
Buildings	23	132,293	1,325	-	2,023	(1,961)	133,680
Land Improvements	24	31,403	888	(248)	(10,917)	(946)	20,180
Infrastructure Plant	25	3,333	91	-	22	(290)	3,156
Pipes, Drains and Rivulets	26	81,704	619	(69)	49,359	(1,955)	129,658
Roads and Bridges	27	183,842	3,276	(570)	2,935	(6,290)	183,193
Other Structures	28	40,264	3,633	(273)	445	(2,211)	41,858
Capital Work in Progress	29	26,781	9,219	(604)	-	-	35,396
Other	30	944	34	-	-	(67)	911
		<b>656,586</b>	<b>23,879</b>	<b>(2,705)</b>	<b>43,867</b>	<b>(15,974)</b>	<b>705,653</b>

	Note	Carrying Amount 30/6/2010 \$'000	Additions \$'000	Disposals \$'000	Net Revaluation Adjustments \$'000	Depreciation \$'000	Carrying Amount 30/6/2011 \$'000
Plant and Equipment	22	13,762	2,741	(512)	-	(2,118)	13,873
Land	23	142,091	58	-	-	-	142,149
Buildings	23	136,235	9,458	(192)	(11,288)	(1,920)	132,293
Land Improvements	24	31,919	320	(188)	863	(1,511)	31,403
Infrastructure Plant	25	3,506	50	-	82	(305)	3,333
Pipes, Drains and Rivulets	26	79,723	1,739	(128)	2,325	(1,955)	81,704
Roads and Bridges	27	183,048	5,180	(1,098)	2,701	(5,989)	183,842
Other Structures	28	38,955	2,144	(29)	1,094	(1,900)	40,264
Capital Work in Progress	29	20,947	5,834	-	-	-	26,781
Other	30	974	36	-	-	(66)	944
		<b>651,160</b>	<b>27,560</b>	<b>(2,147)</b>	<b>(4,223)</b>	<b>(15,764)</b>	<b>656,586</b>

# Notes to and forming part of the Financial Statements

## 22 Plant and equipment

	2011/12 \$'000	2010/11 \$'000
At Cost	27,802	27,121
Less : Accumulated Depreciation	(12,580)	(13,248)
	<b>15,222</b>	<b>13,873</b>

## 23 Land and buildings

	2011/12 \$'000	2010/11 \$'000
<b>Land</b>		
At market value - 2012	1,493	-
At market value - 2011	-	1,243
At Valuer-General's valuation of market value - 2009	140,906	140,906
	<b>142,399</b>	<b>142,149</b>
<b>Buildings</b>		
At replacement cost - 2012	10,555	-
At replacement cost - 2011	-	9,229
At replacement cost - 2010 indexed to 31 March 2012	193,310	-
At replacement cost - 2010 indexed to 31 March 2011	-	190,368
	203,865	199,597
less : Accumulated Depreciation	(70,185)	(67,304)
	<b>133,680</b>	<b>132,293</b>
	<b>276,079</b>	<b>274,442</b>

## 24 Land improvements

	2011/12 \$'000	2010/11 \$'000
At replacement cost - 2012	42,801	-
At replacement cost - 2011	-	1,780
At replacement cost - 2008 indexed to 31 March 2011	-	61,065
	42,801	62,845
less : Accumulated Depreciation	(22,621)	(31,442)
	<b>20,180</b>	<b>31,403</b>

## 25 Infrastructure plant

	2011/12 \$'000	2010/11 \$'000
At replacement cost - 2012	3,140	-
At replacement cost - 2011	-	3,051
At replacement cost - 2009 indexed to 31 March 2012	536	-
At replacement cost - 2009 indexed to 31 March 2011	-	528
At replacement cost - 2008 indexed to 31 March 2012	3,354	-
At replacement cost - 2008 indexed to 31 March 2011	-	3,298
	7,030	6,877
less : Accumulated Depreciation	(3,874)	(3,544)
	<b>3,156</b>	<b>3,333</b>

## 26 Pipes, drains and rivulets

	2011/12 \$'000	2010/11 \$'000
At replacement cost - 2012	220,045	-
At replacement cost - 2011	-	4,102
At replacement cost - 2008 indexed to 31 March 2011	-	237,232
	220,045	241,334
less : Accumulated Depreciation	(90,387)	(159,630)
	<b>129,658</b>	<b>81,704</b>

# Notes to and forming part of the Financial Statements

## 27 Roads and bridges

	2011/12 \$'000	2010/11 \$'000
At replacement cost - 2012	8,383	-
At replacement cost - 2011	-	5,175
At replacement cost - 2010 indexed to 31 March 2012	292,942	-
At replacement cost - 2010 indexed to 31 March 2011	-	289,064
	<u>301,325</u>	<u>294,239</u>
less : Accumulated Depreciation	(118,132)	(110,397)
	<b><u>183,193</u></b>	<b><u>183,842</u></b>

## 28 Other structures

	2011/12 \$'000	2010/11 \$'000
At replacement cost - 2012	15,782	-
At replacement cost - 2011	-	12,213
At replacement cost - 2008 indexed to 31 March 2012	72,195	-
At replacement cost - 2008 indexed to 31 March 2011	-	73,064
At replacement cost - 2009 indexed to 31 March 2012	2,245	-
At replacement cost - 2009 indexed to 31 March 2011	-	2,209
	<u>90,222</u>	<u>87,486</u>
less : Accumulated Depreciation	(48,364)	(47,222)
	<b><u>41,858</u></b>	<b><u>40,264</u></b>

## 29 Capital Work in Progress

	2011/12 \$'000	2010/11 \$'000
Road and Bridge works	2,908	2,092
Footpath, Kerb and Gutter works	4,578	1,799
Traffic Management works	1,087	670
Cornelian Bay Playground	371	381
50 and Better Centre	519	513
Stormwater Mains	2,249	1,371
Sandy Bay Beach Sea Wall	26	80
Parks and Gardens works	470	872
Sporting Facility works	620	394
Town Hall refurbishment	538	137
Hobart Council Centre refurbishment	977	-
Lenah Valley RSL Hall upgrade	-	91
City Hall electrical upgrade	119	289
Argyle Street Car Park redevelopment	16,263	14,745
St Davids Park Public Conveniences	-	35
Mount Wellington Pinnacle toilets	407	-
North South Track	53	266
McRobies Gully Diversion Drains	1,013	680
McRobies Gully Waste Transfer Station	549	17
McRobies Gully Waste Management Centre	510	301
Other	<u>2,139</u>	<u>2,048</u>
	<b><u>35,396</u></b>	<b><u>26,781</u></b>

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.

# Notes to and forming part of the Financial Statements

## 30 Other property, plant and equipment

	2011/12 \$'000	2010/11 \$'000
<b>Valuation Roll</b>		
At Cost	469	469
less: Accumulated Depreciation	(206)	(139)
	<u>263</u>	<u>330</u>
<b>Valuables</b>		
At market value - 2012	80	-
At market value - 2011	-	46
At independent valuation of market value - 2005	568	568
	<u>648</u>	<u>614</u>
	<b><u>911</u></b>	<b><u>944</u></b>

## 31 Payables

	2011/12 \$'000	2010/11 \$'000
Trade Creditors	601	1,126
Accrued plant and equipment purchases	307	107
Accrued capital expenditure	781	274
GST payable	407	273
Energy Costs	491	454
Payroll Tax	1,003	958
Workers Compensation Insurance	525	527
Fringe Benefits Tax	85	72
Other Accrued Expenses	2,022	1,413
	<b><u>6,222</u></b>	<b><u>5,204</u></b>

## 32 Trust, deposits, retention

	2011/12 \$'000	2010/11 \$'000
Refundable Infrastructure Bonds	1,725	1,817
Deposits held for Travel Operators	698	700
Contract Retention monies	-	6
Other	248	367
	<b><u>2,671</u></b>	<b><u>2,890</u></b>

## 33 Employee benefits

	2011/12 \$'000	2010/11 \$'000
Wages and salaries	761	605
Annual leave (including loading)	3,204	3,029
Long service leave	5,029	4,845
Sick leave	2,325	2,299
Superannuation contributions	1,567	1,479
Defined-benefit superannuation plan	15,954	12,436
	<b><u>28,840</u></b>	<b><u>24,693</u></b>
Current	9,727	9,457
Non-Current	19,113	15,236
	<b><u>28,840</u></b>	<b><u>24,693</u></b>

# Notes to and forming part of the Financial Statements

## Superannuation

Council makes the following defined-contributions to superannuation: -

- 9.75% or 10.5% of wages and salaries for casual employees,
- 11.75% or 12.5% of wages and salaries for full-time and part-time employees who commenced after 11 March 2003, and
- 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% of wages and salaries from 1 July 2010. In addition, Council agreed to make lump sum contributions of \$0.5 million in both the 2009/10 and 2010/11 financial years, \$1.2 million in the 2011/12 financial year, and \$0.75 million in both the 2012/13 and 2013/14 financial years. Furthermore, Council has agreed to make contributions equal to 7% of benefit payments for members exiting the scheme from 1 July 2012. 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. Geoff Morley, FIAA on 20 July 2012 for the purpose of providing figures in accordance with AASB 119 *Employee Benefits*. This assessment revealed the following: -

Key assumptions	30 June 2012	30 June 2011
Discount Rate – gross of tax	2.80%	5.00%
Discount Rate – net of tax	2.40%	4.25%
Expected Return on plan assets	7.00%	7.00%
Expected rate of salary increase	3.50%	4.00%

The amount included in employee benefits expense is as follows: -

	2011/12 \$'000	2010/11 \$'000
Current Service Cost	2,066	1,863
Interest Cost	1,759	1,671
Expected return on plan assets	(2,266)	(2,338)
	<b>1,559</b>	<b>1,196</b>

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

	2011/12 \$'000	2010/11 \$'000
Actuarial (gains) / losses incurred during the period and recognised in other comprehensive income	4,938	4,207
Cumulative actuarial (gains) / losses recognised in other comprehensive income	20,346	15,408

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

	2011/12 \$'000	2010/11 \$'000
Present value of defined-benefit obligation	49,939	45,517
Fair value of plan assets	(33,985)	(33,081)
Net liability / (asset) arising from defined-benefit plan	<b>15,954</b>	<b>12,436</b>

Movements in the net liability were as follows: -

	2011/12 \$'000	2010/11 \$'000
Opening liability	12,436	9,335
Expense recognised in surplus/ (deficit)	1,559	1,196
Actuarial (gains)/losses	4,938	4,207
Employer contributions	(2,979)	(2,302)
Closing liability	<b>15,954</b>	<b>12,436</b>

# Notes to and forming part of the Financial Statements

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

	2011/12 \$'000	2010/11 \$'000
Opening defined-benefit obligation	45,517	43,377
Current Service Cost	2,066	1,863
Interest Cost	1,759	1,671
Member contributions and transfers from other funds	851	849
Actuarial (gains) / losses	3,502	2,201
Benefits and tax paid	(3,756)	(4,444)
Closing defined-benefit obligation	<b>49,939</b>	45,517

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

	2011/12 \$'000	2010/11 \$'000
Opening fair value of plan assets	33,081	34,042
Expected return on plan assets	2,266	2,338
Actuarial gains / (losses)	(1,436)	(2,006)
Employer contributions	2,979	2,302
Member contributions and transfers from other funds	851	849
Benefits paid	(3,756)	(4,444)
Closing fair value of plan assets	<b>33,985</b>	33,081

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

	Benchmark Allocation %	as at 30 June 2012 %	as at 30 June 2011 %
Australian shares	32.6	30.9	30.8
International shares	28.5	29.5	27.3
Unlisted property	13.1	13.2	12.2
Fixed interest	14.9	14.3	12.9
Alternative investments	8.6	8.6	7.6
Cash	2.3	3.5	9.2
Total	100	100	100

## 34 Unearned revenue

	2011/12 \$'000	2010/11 \$'000
The Hobart Aquatic Centre memberships paid in advance	149	190
Food Premises registration fees paid in advance	167	164
Other	99	92
	<b>415</b>	446

## 35 Loans

	2011/12 \$'000	2010/11 \$'000
Loans outstanding at beginning of year	7,955	6,306
New borrowings	5,000	1,850
	12,955	8,156
Redemptions	(352)	(201)
Loans outstanding at end of year	<b>12,603</b>	7,955
Current	774	352
Non-Current	11,829	7,603
	<b>12,603</b>	7,955

## 36 Provision for Landfill Restoration

	2011/12 \$'000	2010/11 \$'000
Balance at beginning of year	7,700	7,720
Additional provisions recognised	(128)	(80)
Expenditure incurred	(438)	(311)
Unwinding of discount and effect of changes in the discount rate	381	371
Balance at end of year	<b>7,515</b>	7,700

# Notes to and forming part of the Financial Statements

## 37 Reserves

	Note	Balance 30/6/11 (\$'000)	Transfers to Reserves (\$'000)	Transfers from Reserves (\$'000)	Balance 30/6/12 (\$'000)
Asset Replacement		11,512	18,426	(17,007)	12,931
Bushland Fund		322	51	(98)	275
Parking Fund		6,408	14,584	(10,996)	9,996
Contributions in Lieu of Parking		428	-	(428)	-
Contributions in Lieu of Public Open Space		303	48	(170)	181
Heritage Account		1,465	72	(18)	1,519
Fair Value Reserve	11	1,135	434	-	1,569
Asset Revaluation	12	457,611	54,784	(10,917)	501,478
		<u>479,184</u>	<u>88,399</u>	<u>(39,634)</u>	<u>527,949</u>

### 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.

### Parking Fund

Council has established a Parking Fund to separately account for fees, penalties and other monies received from the operation of parking meters and voucher machines. The proceeds so derived by the fund are applied towards establishing, maintaining and supervising the use of restricted on-street parking throughout the city. Any surplus from the fund is applied to the provision and operation of off-street parking facilities.

### 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*.

### Other Reserves

In addition to the above, 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.

# Notes to and forming part of the Financial Statements

## 38 Reconciliation of accrual-based results with cash flows

	2011/12 (\$'000)			2010/11 (\$'000)		
	Operating Activities	Investing Activities	Total	Operating Activities	Investing Activities	Total
Revenues	100,482			96,221		
Expenses / Expenditure	(100,278)	(23,985)		(98,303)	(27,148)	
Gains / (Losses)	7,146			2,325		
Surplus/(Deficit)	7,350			243		
Items not involving Cash:						
Depreciation and Amortisation	15,974			15,764		
Carrying Value of Assets Sold	636			494		
Asset Write-downs	2,069			1,655		
Assets received for no consideration	(18)			(421)		
Re-classification of Revenues						
Capital Grants	(9,081)	9,081	-	(1,977)	1,977	-
Distributions from Southern Water	(2,119)	2,119	-	(2,096)	2,096	-
Sales of Assets	(642)	642	-	(421)	421	-
Changes in Operating Assets & Liabilities:						
(Increase) / Decrease in Receivables	460	-	460	131	-	131
(Increase) / Decrease in Stock	44	-	44	3	-	3
(Increase) / Decrease in Prepayments	(73)	-	(73)	178	-	178
Increase / (Decrease) in Payables	311	707	1,018	(208)	(1,065)	(1,273)
Increase / (Decrease) in Employee Entitlements	(791)	-	(791)	(30)	-	(30)
Increase / (Decrease) in Unearned Revenue	(31)	-	(31)	55	-	55
Increase / (Decrease) in Landfill Restoration Provision	(185)	-	(185)	(20)	-	(20)
Increase / (Decrease) in Other Liabilities	(219)	-	(219)	354	-	354
Net Cash Inflow / (Outflow)	<b>13,685</b>	<b>(11,436)</b>		<b>13,704</b>	<b>(23,719)</b>	

## 39 Financing Facilities

	2011/12 \$'000	2010/11 \$'000
Un-used credit card facilities	352	294
	<b>352</b>	<b>294</b>

# Notes to and forming part of the Financial Statements

## 40 Commitments for Expenditure

	2011/12 \$'000	2010/11 \$'000
<b>a) Capital Expenditure contracted for at the reporting date but not recognised in liabilities:</b>		
Argyle Street Carpark Redevelopment	2,136	2,892
Bushland Services Depot Upgrade	-	398
McRobies Gully Waste Transfer Station	4,580	-
Anglesea Street Bridge demolition and replacement	379	-
Road Surfacing works	426	-
New Town Oval Subsurface Drainage	271	-
Plant and Equipment purchases	856	1,820
Other	994	784
	<b>9,642</b>	<b>5,894</b>
Expected timing of these commitments is as follows: -		
Not longer than one year	9,642	5,894
Longer than one year and not longer than two years	-	-
Longer than two years and not longer than five years	-	-
Longer than five years	-	-
	<b>9,642</b>	<b>5,894</b>
<b>b) Operating Lease commitments at the reporting date not recognised in liabilities:</b>		
Not longer than one year	177	170
Longer than one year and not longer than two years	124	116
Longer than two years and not longer than five years	323	228
Longer than five years	40	60
	<b>664</b>	<b>574</b>

Council's operating lease commitments mainly relate to heavy vehicles, light vehicles and fitness equipment at The Hobart Aquatic Centre.

## 41 Contingent Liabilities

	2011/12 \$'000	2010/11 \$'000
Council is currently acting as guarantor for the following loans:		
New Town Cricket Club	50	50
Buckingham Bowls Club	-	70
Hockey South Inc.	1,500	1,500
Southern Tasmanian Netball Association	631	631
	<b>2,181</b>	<b>2,251</b>

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

## 42 Subsequent events

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

## 43 Pecuniary interests

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

# Notes to and forming part of the Financial Statements

## 44 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, The Hobart Aquatic Centre (THAC) and the Tasmanian Travel and Information Centre (TTIC) as commercial-like undertakings. Details of each of these are set out below.

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

### Off-Street Parking

	2011/12 \$'000	2010/11 \$'000
<b>Revenues</b>		
User Fees and Charges	4,806	4,730
Grants and Donations	-	280
	<b>4,806</b>	5,010
<b>Expenses</b>		
Employee Costs	(793)	(852)
Materials and Contracts	(1,186)	(1,090)
Depreciation	(582)	(569)
Bad debts	(5)	-
Land Tax	(256)	(245)
Engineering and Administrative Overheads	(813)	(813)
Other	(3)	-
	<b>(3,638)</b>	(3,569)
<b>Operating Profit / (Loss)</b>	1,168	1,441
<b>Competitive Neutrality Costs</b>		
Opportunity Cost of Capital	5,089	6,838
Income Tax	262	352
Council Rates	294	267
	<b>5,645</b>	7,457

### On-Street Parking

	2011/12 \$'000	2010/11 \$'000
<b>Revenues</b>		
User Fees and Charges	4,125	3,963
Fines	5,226	4,702
	<b>9,351</b>	8,665
<b>Expenses</b>		
Employee Costs	(3,448)	(3,038)
Materials and Contracts	(1,038)	(997)
Depreciation	(218)	(204)
Bad debts	(498)	(564)
Engineering and Administrative Overheads	(720)	(720)
Other	(9)	-
	<b>(5,931)</b>	(5,523)
<b>Operating Profit / (Loss)</b>	3,420	3,142
<b>Competitive Neutrality Costs</b>		
Opportunity Cost of Capital	63	92
Income Tax	1,026	943
	<b>1,089</b>	1,035

# Notes to and forming part of the Financial Statements

## The Hobart Aquatic Centre

	2011/12 \$'000	2010/11 \$'000
<b>Revenues</b>		
User Fees and Charges	4,135	4,182
Rental Income	18	17
Other Income	239	246
	<b>4,392</b>	4,445
<b>Expenses</b>		
Employee Costs	(2,587)	(2,457)
Materials and Contracts	(2,193)	(2,133)
Insurance	(35)	(35)
Administration	(61)	(61)
Land Tax	(32)	(32)
Other	(87)	(22)
	<b>(4,995)</b>	(4,740)
<b>Operating Profit / (Loss) Before Depreciation</b>	(603)	(295)
Depreciation	(829)	(807)
<b>Operating Profit / (Loss)</b>	<b>(1,432)</b>	(1,102)
<b>Competitive Neutrality Costs</b>		
Opportunity Cost of Capital	1,952	2,485
Council Rates	57	57
	<b>2,009</b>	2,542

## Tasmanian Travel and Information Centre

	2011/12 \$'000	2010/11 \$'000
<b>Revenues</b>		
User Fees and Charges	686	758
Grants and Donations	150	150
Other Income	45	67
	<b>881</b>	975
<b>Expenses</b>		
Employee Costs	(835)	(826)
Materials and Contracts	(350)	(355)
Depreciation	(3)	(1)
Other	(1)	-
	<b>(1,189)</b>	(1,182)
<b>Operating Profit / (Loss)</b>	<b>(308)</b>	(207)
<b>Competitive Neutrality Costs</b>		
Opportunity Cost of Capital	2	2
	<b>2</b>	2

**HOBART CITY COUNCIL**

**GENERAL PURPOSE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2012**

**CERTIFICATION BY GENERAL MANAGER**

In my opinion :

1. The Complete Set of Financial Statements, consisting of a Statement of Financial Position, a Statement of Comprehensive Income, a Statement of Changes in Equity, a Statement of Cash Flows, and notes to the financial statements numbered 1 to 44, fairly represent the financial position of the Hobart City Council as at 30 June 2012 and the results of its operations and cash flows for the year then ended in accordance with applicable Australian Accounting Standards (including Australian Interpretations) and,
2. The Financial Statements have been prepared in accordance with the requirements of Section 84 of the *Local Government Act 1993*.

Signed at Hobart this ninth day of August 2012.



(Nick Heath)

**General Manager**



## **Independent Auditor's Report**

### **Hobart City Council**

#### **Financial Report for the Year Ended 30 June 2012**

#### **Report on the Financial Report**

I have audited the accompanying financial report of Hobart City Council (Council), which comprises the statement of financial position as at 30 June 2012 and the statements of comprehensive income, changes in equity and cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the General Manager's declaration.

#### **Auditor's Opinion**

In my opinion Council's financial report:

- (a) present fairly, in all material respects, its financial position as at 30 June 2012, and financial performance, cash flows and changes in equity for the year then ended; and
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards.

#### *The Responsibility of the General Manager for the Financial Report*

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

#### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the General Manager's preparation and fair presentation of the financial report in order to design

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

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

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

#### **Independence**

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

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

#### **TASMANIAN AUDIT OFFICE**



H M Blake  
**AUDITOR-GENERAL**

HOBART  
10 September 2012

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