



ANNUAL REPORT

2015–16



City of **HOBART**



Photo Acknowledgments

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VISION FOR THE CITY OF HOBART

IN 2025 HOBART WILL BE A CITY THAT:

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

OUR MISSION IS TO ENSURE GOOD GOVERNANCE OF OUR CAPITAL CITY.

We're about people

We value people – our community, customers and colleagues

We're professional

We take pride in our work

We're enterprising

We look for ways to create value

We're responsive

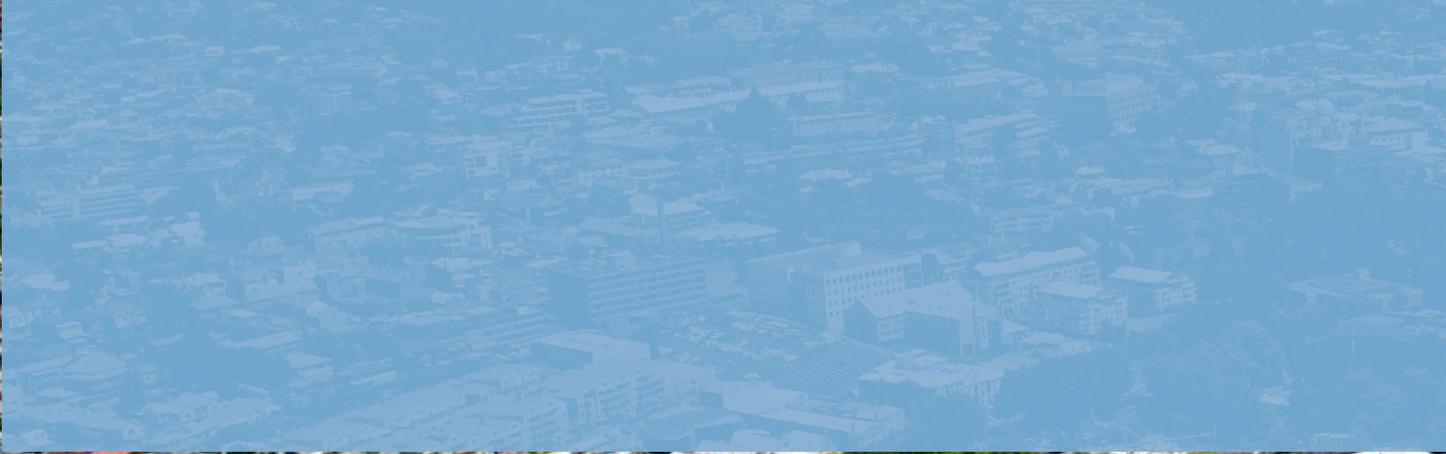
We're accessible and focused on service

We're inclusive

We respect diversity in people and ideas

We're making a difference

We recognise that everything we do shapes Hobart's future.





PART I ABOUT THE COUNCIL



LORD MAYOR'S MESSAGE

It gives me great pleasure to report on the achievements of the City of Hobart in 2015–2016.

Hobart continues to experience an economic and cultural renaissance. We are in the midst of the most significant public and private investment in this City in a quarter of a century, so it is incumbent upon us as a capital city to keep pace and invest in building and improving our public assets and infrastructure.

In 2015–16, we saw the City commence on the journey of 'Transforming Hobart' into a strong, vibrant, sustainable and resilient city.

The City initiated a range of projects to support a more dynamic and livable city that people are proud to call home, visit and work in.

The single biggest capital works project for 2015–2016 was the reconstruction of Liverpool Street to support retail trading in the heart of the inner city. This project has provided a fresh new look and feel to the city centre and has played a key role in the resurgence of Hobart's retail environment.

We were also able to deliver on our vision to transform Franklin Square into Hobart's civic park and provide a destination for our community to gather, relax and play. After

an extended period of refurbishment, I am pleased to say that our hope and plan for this wonderful city park has been realised and that the Hobart community has returned to enjoy its unique and beautiful features again.

Collins Court was successfully reinvented from a once unloved space into an inviting, people-friendly area. The space was developed and furnished to provide a family-suitable environment where community events including music, performance, food stalls and other activities will be held. This project has created a space that the community can own and love, a place to meet friends and where everyone feels safe and comfortable.

Our capital works program continued to deliver improvements and enhancements across the whole City to ensure a well presented, clean and safe City for all. Ongoing maintenance of our streets, resurfacing roads and footpaths, the ongoing refurbishment of our entire public toilet network and city cleaning and asset renewal continued at a high standard.

In 2015–2016, we completed 20 refurbishments of our public conveniences. They make such a positive contribution to public spaces, we are ensuring our residents and visitors are provided with facilities that are of a high standard, are accessible and at suitable locations.

As part of the City's commitment to Transforming Hobart into an even more livable city, the Hobart City Council made a huge investment in the City's future during the year under review, by approving an unprecedented \$300 million capital works program spanning the next 10 years. This program will see us building and improving roads, parks and playgrounds, suburban retail precincts, leisure facilities, community buildings and other public infrastructure including toilets, right throughout the City of Hobart's municipal area.

Through the City Council's ongoing strategic approach to remain financially sustainable and responsible in budgetary management,

its strong financial position made it possible to deliver a rate rise in line with the Hobart consumer price index of 0.9 per cent, the lowest rate rise for 12 years.

While the modern business of councils is much broader than it has ever been, we are very proud to be delivering the fundamental services of a local government organisation. We have continued to strive to be lean, smart and sustainable, minimising costs to our ratepayers whilst being responsive to their needs and delivering the services they expect,

To successfully achieve the remaining 10 years of the community's 2025 vision for Hobart, we developed the *Capital City Strategic Plan 2015–2025*.

This important planning instrument will help guide the development of our city over the next decade and seeks to address City growth while keeping Hobart a people-focused city.

We are continuously enhancing our reputation as a sustainable city through our work on resilience to climate change, supporting energy efficiency and reducing carbon emissions.

We have an active energy and greenhouse program across building assets and services that has seen a reduction of greenhouse gas emissions by more than 70 per cent from 2000 levels by 2010. We are now working towards a target of 35 per cent energy reduction from 2010 to 2020 and a greenhouse target of a further 26 per cent of residual emissions. So far, our efforts have seen us make savings resulting in over \$1 million per year.

The Council endorsed an ambitious strategy representing a long-term commitment to waste reduction that will provide environmental, financial and social benefits to the Hobart community. *The Waste Management Strategy 2015–2030* looks to deliver programs to help us work toward sending zero waste to landfill by 2030.

Hobart continues to experience significant tourism growth due, in part, to our vibrant cultural and creative products, events and festivals. The City of Hobart was proud to support events such as the Festival of Voices, Dark Mofo and AFL football in Hobart.

In 2015, we also saw the most transformational change any event has undergone in this state. The 2015–16 Taste of Tasmania yet again demonstrated it is a much-loved festival, synonymous with summer in Hobart. The new operating model and improvements saw the event attract 235,000 visitations over seven days, with 40 per cent of visitors coming from interstate or overseas, proving a significant economic contribution to the city.

In late 2015, one of the City's most popular recreation facilities, the Hobart Aquatic Centre, was officially renamed The Doone Kennedy Hobart Aquatic Centre in honour of the late former Lord Mayor of Hobart, Lorna Doone Pleasance Kennedy AO.

The building of the Hobart Aquatic Centre was one of many major projects undertaken during Doone's time as Lord Mayor so this was a fitting tribute. The Council is looking to invest in a significant redevelopment of this centre in the future to realise our vision of developing a modern and vibrant aquatic, health, wellness and sports facility specifically for the southern regional community but also for the whole of the state.

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



Alderman Sue Hickey
LORD MAYOR



GENERAL MANAGER'S MESSAGE

It gives me great pleasure to reflect on the achievements of the City of Hobart for the preceding financial year.

Our list of achievements for the past 12 months has been significant with further gains being made to reshape and refine the operations of the organisation.

We are a diverse organisation delivering a wide range of services including the collection of waste, and the provision of high quality parks, gardens, open spaces and sporting and recreation facilities. We foster community participation, ensure high quality urban design, and deliver first-rate events, festivals and markets. We encourage and celebrate diversity, social connectedness and work hard to ensure that our unique heritage assets are protected. In the past 12 months we have worked to ensure our services are provided at a sustainable level for the benefit of current and future generations.

Reflecting on our achievements, I am pleased to highlight the following:

In late 2015, the official City of Hobart Facebook page was launched to share information about our programs, services, projects and events. This marked a new way to engage with the

community as well as encourage conversations and interaction online.

Aligned with our increased social media presence was our new online engagement tool, 'Your Say Hobart' which allows us to gather feedback from the community to help inform the City of Hobart's decision-making. Our traditional methods of engagement such as face-to-face information sessions, workshops and forums continue, however, Your Say Hobart now offers the community an opportunity to participate online in a more sophisticated way. The new platform allows people to read about current projects, download relevant documents, complete short surveys and feedback forms and join the discussion to contribute ideas and provide feedback on a range of projects and activities.

A number of strategies were endorsed by the City of Hobart, including the *Waste Management Strategy 2015–30* which supports improvement to recycling and waste reduction to landfill. The *Public Toilet Strategy 2015–25* provides a framework for the improvement of accessibility, quality and environmental sustainability of public toilets in Hobart.

The City of Hobart continued to deliver on its Transforming Hobart capital works program which aims to enhance Hobart's roads, paths, buildings, toilets and open spaces. These projects are occurring in addition to our normal maintenance and replacement programs, and other minor projects. Highlights of the program include the redevelopment of Liverpool Street, Morrison Street Pedestrian and Cycleway facilities and the redevelopment of Franklin Square.

The City of Hobart has continued to invest in projects in line with its *Energy Savings Action Plan 2014–17* to improve the energy efficiency of its assets and move towards its target of a 35 per cent reduction by 2020. A further 3 per cent improvement has been achieved in the past year, building on previous gains and resulting in a 28 per cent reduction in use since

2009–10. Energy saving projects included 100 kilowatts of solar panels being installed at the Doone Kennedy Hobart Aquatic Centre, lights being upgraded to more efficient LED technology in a number of the City’s car parks, offices and parks and improvements in heating, air conditioning and hot water services across a number of buildings. These have resulted in ongoing savings of almost \$200,000 per year.

At an operational level, one of the biggest tasks we commenced was a review of our core business systems. Our current systems have been in place for over a decade and are reaching the end of their useful life. Our goal is to move to a highly standardised business system that will bring consistency of approach and efficiencies to all areas of our operation. Looking to the future, the City of Hobart will have highly integrated and contemporary systems to meet the expectations of the community.

We continued to place a strong emphasis on the work health and safety of staff with the ongoing roll out of the Safety Culture Change Project (SafetyCircle™). Stage two saw a number of activities undertaken, including regular field based interactions, coaching and feedback; quarterly feedback and focus forums with work health and safety leaders and work groups; and training in incident investigation, root cause analysis and corrective actions. The program has built a positive work health and safety culture in our organisation by empowering each employee and leader to ensure everyone goes home safe and well each day.

Staff participated in their second employee culture survey conducted in the latter part of 2015. The survey was completed by 454 employees or 65 per cent of all staff. A draft action plan is currently being developed to address those areas that the survey identified as requiring improvement. An organisation-wide survey on cultural diversity in December 2015 highlighted the many languages spoken by staff, which include Afrikaans, Arabic,

Dutch, French, Mandarin, Spanish and Thai. Celebrating the diversity of an organisation has shown to have a positive effect on staff morale, increases communication within an organisation and also has the potential to connect the organisation more broadly with the diversity of its community.

We also celebrated the success of the City of Hobart’s Ideas System — the Voice. Since its commencement in 2012, over 340 suggestions have been made by staff about a whole range of different issues generating real change. At the heart of the program is the aspiration to make the organisation a better place to work.

From a governance point of view, the City of Hobart continued to demonstrate its commitment to deliver good governance and transparent decision making. One of the most significant actions implemented to support this key pillar was a new policy around aldermanic entitlements including the regular monthly reporting on the City of Hobart website.

All of these projects have been undertaken in addition to the broad range of functions carried out as part of our day-to-day operations. I particularly want to thank all employees for their contribution and the Aldermen for their commitment as the elected representatives of the Hobart community.



ND Heath
GENERAL MANAGER

COUNCIL IN FOCUS

HISTORY OF THE COUNCIL

The 1850s saw the introduction of responsible government in Tasmania as well as 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*. The first elections for a seven-member council were held on 1 January 1853. The new council took office immediately, with William Carter elected by the aldermen as Hobart's first 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 City of Hobart's historical reference *Growing with Strength – a History of the Hobart City Council 1846–2000*.

In the 1990s local government in Tasmania was subject to significant change. The new *Local Government Act 1993* 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 placed upon increased levels of consultation and accountability to the community, competencies, deregulation and commercial competition.

In 2016 the City of Hobart celebrates the 150th anniversary of the completion of the Hobart Town Hall. The construction of the Town Hall was a landmark achievement, and planning for the anniversary in September has occurred during the year.

COUNCIL AND COMMITTEE MEETINGS

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

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 residents and businesses of the City of Hobart.

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

RISK AND AUDIT PANEL

At its meeting of 21 December 2015 the Council renamed the Audit Panel as the Risk and Audit Panel.

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

The membership for the 2015–16 panel comprised Mr David Hudson as the independent Chairman, and Alderman Jeff Briscoe and Alderman Philip Cocker as the Council's aldermanic nominees. Mr Joss Fenton and Ms Alison Flakemore were the independent panel members.

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

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

COUNCIL ALDERMEN



LORD MAYOR ALDERMAN SUE HICKEY

Committee Membership
Council (*Chairman*)

Representations

- Battery Point Advisory Committee (*ex-officio*)
- Cycling South Inc.
- Hobart City Council – Launceston City Council Memorandum of Understanding Joint Working Party
- Hobart Emergency Management Committee (Municipal Chairman)
- Mayors for Peace
- Sister Cities Australia
- Southern Tasmanian Councils Authority (*Think South*) (*ex-officio and Chairman*)
- Tasmanian Water and Sewerage Corporation Owners Representative
- Taste of Tasmania Advisory Group (*Chairman*) — from 23/5/2016



DEPUTY LORD MAYOR ALDERMAN RON CHRISTIE

Committee Membership
Economic Development and Communications Committee (*Chairman*)

City Infrastructure Committee
Finance Committee
Governance Committee

Representations

- City of Hobart Eisteddfod Society Inc. — until 23/5/2016
- Hobart Emergency Management Committee (*proxy*)
- North Hobart to the Waterfront Transit Links Working Group
- Salamanca Market Stallholders' Association Meetings with Council (*Chairman*)
- Sister Cities Australia (*proxy*)
- Southern Tasmanian Councils Authority (*Think South*) (*Lord Mayor's nominee*)



ALDERMAN MARTI ZUCCO

Committee Membership

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

Representations

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



**ALDERMAN
JEFF BRISCOE**

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

Committee Membership

City Planning Committee
(Chairman)

Parks and Recreation Committee

Risk and Audit Panel

Heritage Account Special
Committee

Representations

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

Note: At its meeting of 21 December 2015 the Council renamed the Audit Panel as the Risk and Audit Panel.



**ALDERMAN
EVA RUZICKA**

Committee Membership

Governance Committee
(Chairman)

City Planning Committee

Economic Development and
Communications Committee

Finance Committee

Parks and Recreation Committee
— from 10/11/2014

Heritage Account Special
Committee (Chairman)

Representations

- Coming Out Proud – Greater Hobart Community Liaison Committee (proxy)
- Friends of Soldiers Memorial Avenue (proxy)
- Glebe Residents' Traffic Committee — until 22/2/2016
- Hobart Cenotaph Reference Group
- Hobart City Council – Launceston City Council Memorandum of Understanding Joint Working Party
- Lenah Valley Residents' Traffic Committee — until 22/2/2016
- Maritime Museum of Tasmania — Management Committee
- Mount Stuart Residents' Traffic Committee — until 22/2/2016
- Queens Domain Advisory Committee (proxy)

- Sandy Bay Residents' and Traders' Traffic Committee — until 22/2/2016
- South Hobart Residents' Traffic Committee — until 22/2/2016
- Southern Tasmanian Councils Authority (Think South) (Lord Mayor's nominee)
- SV May Queen Preservation Project Board of Directors — until 13/7/2015
- West Hobart Residents' Traffic Committee — until 22/2/2016
- Wellington Park Management Trust (Deputy member)



**ALDERMAN
DR PETER SEXTON**

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

Committee Membership

Community, Culture and Events
Committee (*Chairman*)

Finance Committee

Parks and Recreation Committee

Representations

- Sandy Bay Residents' and Traders' Traffic Committee



**ALDERMAN
HELEN BURNET**

Committee Membership

City Infrastructure Committee
(*Chairman*)

City Planning Committee

Representations

- Battery Point Foreshore Accessway Working Group
- City of Hobart Eisteddfod Society Inc. (*proxy*)
- Cycling South Inc.
- Hobart Bicycle Advisory Committee
- Hobart City Council Access Advisory Committee (*Chairman*)
- Inner City Action Plan Project AP01 First Phase, Liverpool Street Upgrade (between Elizabeth and Murray Streets) — Trader Advisory Group (*proxy*)
- North Hobart to the Waterfront Transit Links Working Group — (*Chairman*)
- Southern Tasmanian Councils Authority (*Think South*) (*Lord Mayor's nominee*)
- Trustees of the Tasmanian Museum and Art Gallery
- Tasmanian Response to the Syrian Refugee Crisis Working Group — from 21/9/2015
- Regional Waste Working Group — from 9/11/2015



**ALDERMAN
PHILIP COCKER**

Committee Membership

Finance Committee (*Chairman*)

Community, Culture and Events
Committee

Governance Committee

Risk and Audit Panel

Representations

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

Note: At its meeting of 21 December 2015 the Council renamed the Audit Panel as the Risk and Audit Panel.



ALDERMAN DAMON THOMAS

BA, LLB, LLM

Committee Membership

Community, Culture and Events Committee

Economic Development and Communications Committee

Governance Committee

Representations

- City of Hobart Eisteddfod Society Inc. — from 23/5/2016
- Cycling South Inc.
- Glebe Residents' Traffic Committee
- Glenorchy City Council and Hobart City Council Rail Corridor Working Party — from 9/11/2015
- Greater Hobart Reference Group Committee — Destination Southern Tasmania (*proxy*)
- Hobart City Council – Launceston City Council Memorandum of Understanding Joint Working Party
- Lenah Valley Residents' Traffic Committee
- Lunar New Year Celebrations Working Group (*Chairman*) — from 7/9/2015
- Mount Stuart Residents' Traffic Committee

- Sandy Bay Residents' and Traders' Traffic Committee
- Sister Cities Australia (*proxy*)
- South Hobart Residents' Traffic Committee
- Wellington Park Management Trust
- West Hobart Residents' Traffic Committee



ALDERMAN ANNA REYNOLDS

Committee Membership

Parks and Recreation Committee (*Chairman*)

City Infrastructure Committee

Governance Committee

Representations

- Battery Point Foreshore Accessway Working Group
- Friends of Soldiers Memorial Avenue
- Glenorchy and Hobart City Council's Rail Corridor Working Party — from 9/11/2015
- Hobart Bicycle Advisory Committee
- Hobart Cenotaph Reference Group (*proxy*)
- Hobart Emergency Management Committee — (*proxy*)
- Lenah Valley Residents' Traffic Committee
- Mount Stuart Residents' Traffic Committee
- Queens Domain Advisory Committee
- Sandy Bay Residents' and Traders' Traffic Committee
- South Hobart Residents' Traffic Committee
- West Hobart Residents' Traffic Committee
- Tasmanian Polar Network



**ALDERMAN
TANYA DENISON**

Committee Membership

City Infrastructure Committee
City Planning Committee
Economic Development and
Communications Committee

Representations

- Greater Hobart Reference Group Committee — Destination Southern Tasmania
- Regional Waste Working Group (*proxy*) — from 9/11/2015
- Sandy Bay Residents' and Traders' Traffic Committee



**ALDERMAN
BILL HARVEY**

FROM 11 APRIL 2016

BA, GDipEd, GDipEnvMgt, GAICD

Committee Membership

City Infrastructure Committee
Community, Culture and Events Committee
Parks and Recreation Committee
Heritage Account Special Committee – from 26/4/2016

Representations

- Coming Out Proud — Greater Hobart Community Liaison Committee
- Cycling South Inc.
- Hobart Bicycle Advisory Committee
- Hobart City Council – Launceston City Council Memorandum of Understanding Joint Working Party
- Tasmania Polar Network (*proxy*)
- Wellington Park Management Trust (*Deputy member*) — from 26/4/2016



**FORMER ALDERMAN
SUZY COOPER**

UNTIL 18 MARCH 2016

BSc (Hons)

Committee Membership

City Infrastructure Committee
Community, Cultural and Events Committee
Parks and Recreation Committee
Heritage Account Special Committee

Representations

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

ORGANISATIONAL STRUCTURE

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



General Manager
Nick Heath



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



**Community Development
Division Director**
Philip Holliday



**City Infrastructure
Division Director**
Mark Painter



**City Planning
Division Director**
Neil Noye



**Financial Services
Division Director**
David Spinks



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





PART II REPORTING PERFORMANCE



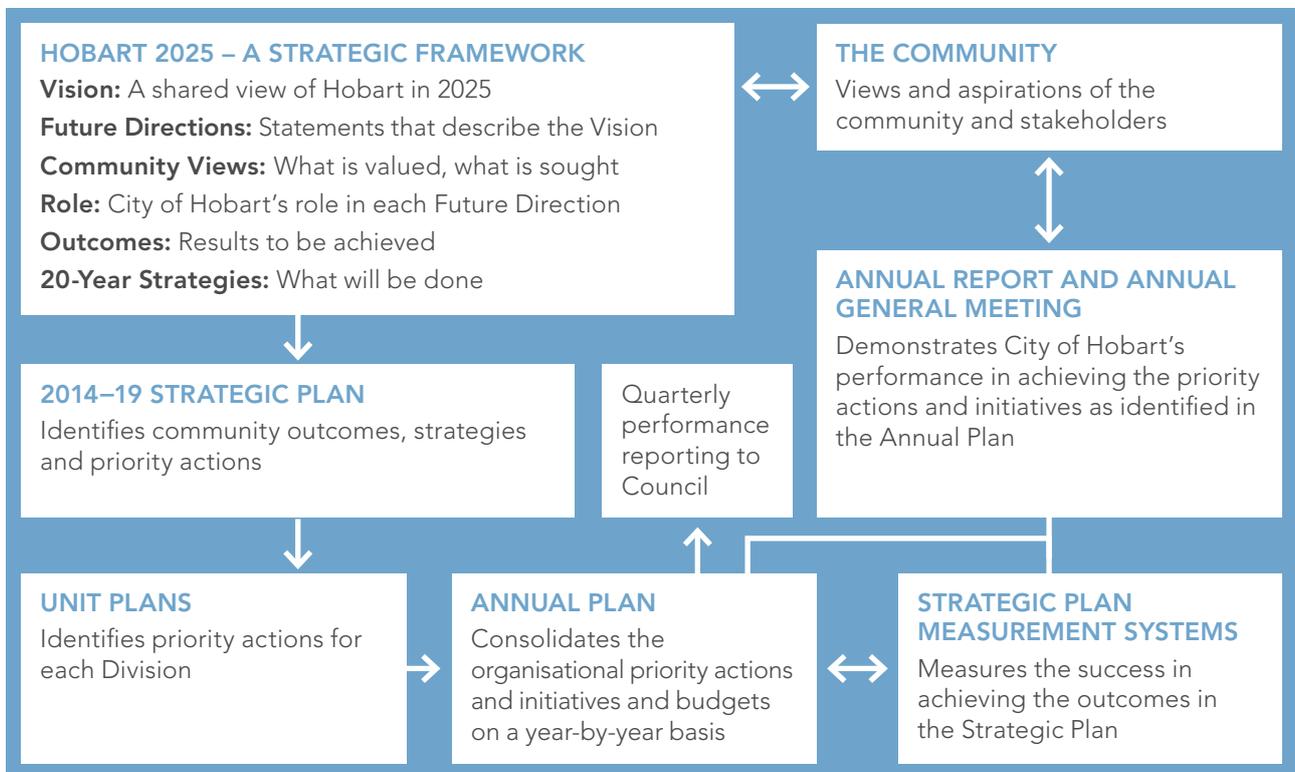


PLANNING AND REPORTING FRAMEWORK

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

This vision is being implemented through a series of five-year strategic plans, the most recent of which has been the 2014–19

Strategic Plan. 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 strategic priorities for all function areas, as identified within the 2014–19 Strategic Plan, and outlines the operational priorities and major actions for the year.



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

The City of Hobart’s Annual Report illustrates performance in achieving the objectives stated within the Annual Plan and is divided into the five Priority Areas of the 2014–19 Strategic Plan.

The effectiveness of the actions taken is monitored through the Strategic Measurement System. Annual reporting is a critical process in closing the loop and reflecting on the

effectiveness of actions in preparation for future plans, actions and strategies.

A key action during 2015–16 was the movement from a five year to a ten year strategic plan as required by an amendment to the *Local Government Act 1993*. Accordingly, future Annual Plans and Annual Reports will be based on the 10 year plan, *Capital City Strategic Plan 2015–25*.

HOBART 2025 – A STRATEGIC FRAMEWORK

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

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



FD1 – Offers opportunities for all ages and a city for life	1.1 Opportunities for education, employment and fulfilling careers and retaining our young people	1.2 Lifestyle that will encourage all ages to see the city as a desirable location and lifelong home		
FD2 – Is recognised for its natural beauty and quality of environment	2.1 The natural beauty of kunanyi/ Mount Wellington, the River Derwent and surrounds and foreshore locations is highly valued	2.2 Community connection to the natural environment through the protection of views, vistas, access and linkages is enhanced	2.3 The physical environment has been conserved in a way that ensures we have a healthy and attractive city	2.4 Climate change and its potential effect on the natural and built environment and strategies developed
FD3 – Is well governed at a regional and community level	3.1 An integrated local government approach to the planning and development of the wider metropolitan region	3.2 Partnerships with governments, the private sector and local communities in achieving significant regional, city and community goals	3.3 A responsive, capable and efficient organisation in ensuring relevant and quality services, facilities and activities are delivered to the Hobart Community	
FD4 – Achieves good quality development and urban management	4.1 The city remains unique in its own right, protecting its built heritage and history	4.2 Quality development with the principles of sustainable cities and the reduction of ecological impacts pursued	4.3 Access to the waterfront, foreshores, public and open spaces is valued	
FD5 – Is highly accessible through efficient transport systems	5.1 Convenience and accessibility through the greater use of transport alternatives and an effective road and travel network	5.2 An integrated approach to transport planning within the city and across the wider metropolitan region		
FD6 – Builds strong, safe and healthy communities through diversity, participation and empathy	6.1 A spirit of community	6.2 Diversity is valued and there is participation by all in their community	6.3 A friendly and compassionate society	6.4 A safe and healthy city
FD7 – Is dynamic, vibrant and culturally expressive	7.1 A destination of choice and a place for business	7.2 Clever thinking and support for creativity will help build a strong economic foundation	7.3 Entertainment, arts and cultural activities promote the distinctive character of the city, and lifestyle opportunities and strong communities will ensure a vibrancy and way of life that is Hobart	

THE 2014–19 STRATEGIC PLAN AND HOBART 2025

The journey towards Hobart 2025 through the 2014–19 Strategic Plan is represented through the following diagram. Each of the Priority Areas relates to a Future Direction Statement.

<p>PRIORITY AREA 1 Economic development, vibrancy and culture</p>	<p>FD1 — Offers opportunities for all ages and a city life.</p>	<p>FD7 — Is dynamic, vibrant and culturally expressive.</p>
<p>PRIORITY AREA 2 Urban management</p>	<p>FD4 — Achieves good quality development and urban management.</p>	<p>FD5 — Is highly accessible through efficient transport systems.</p>
<p>PRIORITY AREA 3 Environment and natural resources</p>	<p>FD2 — Is recognised for its natural beauty and quality of environment.</p>	
<p>PRIORITY AREA 4 Strong, safe and healthy communities</p>	<p>FD6 — Builds strong and healthy communities through diversity, participation and empathy.</p>	
<p>PRIORITY AREA 5 Governance</p>	<p>FD3 — Is well governed at a regional and community level.</p>	

PRIORITY AREA 1

ECONOMIC DEVELOPMENT, VIBRANCY AND CULTURE

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

FD1 — Offers opportunities for all ages and a city life.

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

FD7 — Is dynamic, vibrant and culturally expressive.

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

OUTCOMES TO BE ACHIEVED:

- | | |
|--|--|
| <ul style="list-style-type: none"> 1.1 Opportunities for education, employment and fulfilling careers, and retaining our young people 1.2 A lifestyle that will encourage all ages to see the city as a desirable location and lifelong home | <ul style="list-style-type: none"> 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 |
|--|--|

2015–16 Actions/Initiatives	Performance
Understand whole-of-council approach to business engagement that currently occurs and report outcomes to the Council.	➤
Undertake a significant mid-term review of the Economic Development Strategy.	➤
Undertake a review of the delivery of Wi-Fi in Hobart.	✔
Renegotiate the memorandum of understanding with the Department of State Growth.	➤
Implement the memorandum of understanding and action plan with the Chinese City of Xi'an as part of the Sister City agreement.	➤

Performance: Completed ✔, Underway ➤, No Action ✘



2015–16 Actions/Initiatives	Performance
Continue the cultural and economic exchange with the Chinese City of Fuzhou as the next step towards potential Sister City status following the signing of the letter of intent.	➤
Deliver the City of Hobart's civic role in welcoming visiting Antarctic nations and hosting the annual reception to open the Antarctic Season.	✓
Implement and evaluate the 12-month Mobile Food Vendor Program trial.	➤
Continue the development of a whole-of-organisation City Activation Framework.	➤
Continue to deliver a range of operational improvements for Salamanca Market including improved casual stallholder administrative systems, improved risk and safety compliance on site, and the provision of improved patron amenities such as signage and seating.	✓
Deliver the City of Hobart Carols by Candlelight and the Christmas Pageant.	✓
Continue to support events, festival and activities that activate Hobart during the winter period.	✓
Continue to work in partnership with key event partners in delivering major events and festivals.	✓
Implement an income generation model, subject to Council approval, for Taste of Tasmania to make the event cost neutral in 2015–16.	✓
Deliver a Christmas decorations and promotions program.	✓
Continue to support the current agreement with the North Melbourne Football Club, and work with relevant stakeholders to progress the long term future of the Australian Football League in Hobart and Tasmania.	✓
Implement a new community development grants program including grants for cultural activities.	✓
Investigate and develop public art opportunities in City of Hobart spaces including Collins Court, Franklin Square, Cornelian Bay and the Queens Domain.	➤
Complete the urban art walls project and the next stage of the signal boxes project.	➤
Provide a Creative Hobart stall at Salamanca Market to support emerging artists.	✓
Host a Creative Hobart forum that engages the community and cultural sector.	✓

Performance: Completed ✓, Underway ➤, No Action ✕

2015–16 Actions/Initiatives	Performance
Increase the promotional opportunities for the tourism industry through the Tasmanian Travel and Information Centre (TTIC) to reflect the increased range of state-wide tourism products available for the visitor and to increase revenue.	✓
Continue to manage graffiti removal and public amenity cleaning to a standard that supports the needs of the city.	✓
Scope the development of a new TTIC website.	✓
Deliver the Hobart Exceptional Customer Service Awards.	✓
Establish the future direction for the TTIC in the context of a new strategic plan for the centre.	➤
Assist the tourism industry and local economy through support of the cruise ship industry in Hobart and Tasmania and through partnerships with key stakeholders (Tasports, Destination Southern Tasmania and Tourism Tasmania).	✓

Performance: Completed ✓, Underway ➤, No Action ✕



PRIORITY AREA 2

URBAN MANAGEMENT

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

FD4 — Achieves good quality development and urban management.

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

FD5 — Is highly accessible through efficient transport systems.

In 2025 Hobart will be a city that maintains its convenience and accessibility through the greater use of transport alternatives and an effective road and travel network. An integrated approach to transport planning within the city and across the wider metropolitan region will be the result of improved public transport options, cycleways and walking tracks linking open spaces for transport and recreation, the availability of adequate parking for commuters and shoppers, the take up of sustainable transport options, the reduction of through traffic and the management of a safe and efficient road network.

OUTCOMES TO BE ACHIEVED:

- | | |
|---|--|
| <p>4.1 The city remains unique in its own right, protecting its built heritage and history</p> <p>4.2 Quality development with the principles of sustainable cities and the reduction of ecological impacts pursued</p> <p>4.3 Access to the waterfront, foreshores, public and open spaces is valued</p> | <p>5.1 Convenience and accessibility through the greater use of transport alternatives and an effective road and travel network</p> <p>5.2 An integrated approach to transport planning within the city and across the wider metropolitan region</p> |
|---|--|

2015–16 Actions/Initiatives	Performance
Inner-City Cycleway – Morrison Street connecting Brooke Street and Castray Esplanade, including Brooke Street upgrade: <ul style="list-style-type: none"> • complete planning • complete design. 	✓
Construct Sandy Bay Road Walking and Cycling Project stage from Beach Road to boundary with Kingborough Council.	➤
Identify and report on options for future stages of the Sandy Bay Road Walking and Cycling Project.	✗

Performance: Completed ✓, Underway ➤, No Action ✗

2015–16 Actions/Initiatives	Performance
Upgrade the Bus Mall in Elizabeth Street (between Macquarie Street and Collins Street): <ul style="list-style-type: none"> • complete design • commence construction. 	➤
Complete the reconstruction of Liverpool Street between Elizabeth and Murray streets.	✓
Develop an improved pedestrian and cycling crossing to connect Molle Street to Collins Street in conjunction with neighbouring developments.	➤
Design and construct the Brooker Avenue shared access bridge connecting the Queens Domain to the City.	➤
Design and construct the upgrade of Collins Court.	✓
Deliver the digital component for the city wayfinding system.	➤
Extend the licence plate recognition system into all three multi-storey car parks and link them into one operating system.	✓
Investigate the allocation of parking spaces in short term and monthly lease car parks to promote the use of fuel efficient and environmentally friendly vehicles.	✓
Review the residential parking schemes, including zones, operational costs, fees and eligibility criteria.	➤
Complete an audit of all on-street parking spaces for people with a disability.	✓
Develop an action plan to address the issues identified in the audit of all on-street parking spaces for people with a disability.	✓
Review the CBD street network to identify improved opportunities ranging from pedestrian amenity to efficiency opportunities for vehicle movement.	➤
Identify options to overcome potential future capacity constraints caused by the reduction of Liverpool Street to a single lane.	✓
Commence investigations and concepts for the Montpelier Retreat streetscape.	✗
Implement the City Activation Framework.	➤
Secure the required approvals and commence the on-ground works associated with the redevelopment of Franklin Square.	✓
Secure the required approvals and commence the on-ground works associated with the redevelopment of Soldiers Memorial Oval Community Hub.	➤

2015–16 Actions/Initiatives	Performance
Construct the shared path in the lower section of the Hobart Linear Park.	➤
Upgrade priority track/trails on the Queens Domain and foothills of Mount Wellington to help create a cohesive mountain bike track and walking network, including: <ul style="list-style-type: none"> • tracks linking the Soldiers Memorial Oval Community Hub with a loop around the summit of the Queens Domain and the TCA Ground • tracks linking Knocklofty Park with Wellington Park and a link between Huon Road and the residential area at Bracken Lane, Fern Tree. 	➤
Commence translation of the Hobart Draft Interim Planning Scheme 2015 and the <i>Sullivans Cove Planning Scheme 1997</i> into the proposed single planning scheme for Tasmania.	✘
Implement the Hobart Draft Interim Planning Scheme 2015 and report to the Tasmanian Planning Commission following exhibition.	✓
Liaise with the Macquarie Point Development Corporation in its preparation of planning provisions for the <i>Sullivans Cove Planning Scheme 1997</i> to facilitate the master plan for the Macquarie Point redevelopment site.	✓
Complete the publication of the book celebrating brickwork in construction in Hobart (a follow-on from the successful <i>100 Hobart Houses</i> publication).	➤
Develop a draft Transport Strategy incorporating walking, cycling, public transport, local area traffic management and arterial road management. [Two Aldermanic Transport Strategy Workshops were conducted in 2016]	➤
Develop a Master Plan for Civic Square.	✓
Review and update the City of Hobart Public Toilet Strategy 2004.	✓
Obtain necessary approvals and finalise design and costing of the Battery Point Foreshore Shared Access Way.	✘
Commence the design of the Tasman Highway Shared Access Bridge connecting the Cenotaph with the Queens Domain in partnership with key stakeholders.	➤
Undertake a condition assessment of the City of Hobart's critical building assets.	✓
Implement a new fortnightly kerbside green waste collection service	✓
Develop the Local Retail Precincts Plan.	✓
In the Sandy Bay Retail Precinct: <ul style="list-style-type: none"> • finalise the revitalisation plan • commence construction. 	➤

Performance: Completed ✓, Underway ➤, No Action ✘

2015–16 Actions/Initiatives	Performance
Design and reconstruct Carlton Street from Augusta Road to Baker Street.	➤
Improve pedestrian amenity in Hampden Road by constructing new gutters and widening the footpath between DeWitt Street and Colville Street.	✓
Resurface the Domain Athletics Centre track.	✓
Renew drainage, irrigation and the playing surface of Sandown Oval number one.	✓
<p>Complete reconstruction and interior refurbishment of a number of significant public toilet facilities throughout the City including:</p> <ul style="list-style-type: none"> • Salamanca Square • Salamanca Arts Centre alcove • Princes Park • Sandy Bay shopping precinct. 	➤
Finalise the transfer of the first floor of Carnegie Gallery to the Maritime Museum of Tasmania, including the construction of a suitable lift to service this area.	✓
Collaborate across City of Hobart to ensure that public art opportunities are identified when developing infrastructure projects.	✓
Implement the ongoing Soapbox program.	✓
Complete the annual road overlay program.	✓
Complete the annual road re-seal program.	✓
Undertake a condition assessment of all critical road assets.	✓
Define and scope road, stormwater and building renewal projects for the 2016–17 financial year.	✓
Demolish Giblin Street hot mix plant and rehabilitate the site.	✓

Performance: Completed ✓, Underway ➤, No Action ✕

PRIORITY AREA 3

ENVIRONMENT AND NATURAL RESOURCES

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

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

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

OUTCOMES TO BE ACHIEVED:

- 2.1 The natural beauty of kunanyi/Mount Wellington, the River Derwent and surrounds and foreshore locations is highly valued
- 2.2 Community connection to the natural environment through the protection of views, vistas, access and linkages is enhanced
- 2.3 The physical environment has been conserved in a way that ensures we have a healthy and attractive city
- 2.4 Strategies developed for climate change and its potential effect on the natural and built environment

2015–16 Actions/Initiatives	Performance
Coordinate and support the Regional Climate Change Initiative with ThinkSouth in the development and delivery of regional climate and resilience projects.	➤
Implement the City's Climate Change Adaptation Plan 2013–16: <ul style="list-style-type: none"> • Finalise the Tasmanian Coastal Adaptation Pathways for Nutgrove Beach and Long Beach, in collaboration with the state government. • Commence the Marieville Esplanade Coastal Adaptation Pathways project in collaboration with the state government. 	➤
Partner with the Tasmanian Fire Service to deliver the Bushfire-Ready Neighbourhood Program.	✓
Review the fire risk component of the Road Verge Management Program.	➤
Seek opportunities to work with the Tasmania Fire Service and other agencies through the Tasmanian Government's Bushfire Fuel Reduction Burn Program.	✓
Finalise the New Town Rivulet flood model in consultation with Glenorchy City Council.	➤

Performance: Completed ✓, Underway ➤, No Action ✕

2015–16 Actions/Initiatives	Performance
Construct a stormwater retention weir at McRobies Gully Waste Management Centre.	✓
Develop a new Waste Management Strategy (2015–30).	✓
Lodge a new Environmental Management Plan with the Tasmanian Environmental Protection Authority to underpin the application for a new Environmental Protection Notice for the operation of the McRobies Gully landfill site.	✓
Progress the rehabilitation of the McRobies Gully landfill in accordance with the rehabilitation plan.	✓
Progressively upgrade litter bins and increase the provision of kerbside recycling bins for public usage.	✓
Promote and optimise waste minimisation through educational projects and programs.	✓
Conduct rivulet and waterways restoration, including willow tree removal and vegetation works in the New Town Rivulet.	✓

Performance: Completed ✓, Underway ➤, No Action ✘



PRIORITY AREA 4

STRONG, SAFE AND HEALTHY COMMUNITIES

Our communities are resilient, safe and enjoy healthy lifestyles

FD6 — Builds strong and healthy communities through diversity, participation and empathy.

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

OUTCOMES TO BE ACHIEVED:

- 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

2015–16 Actions/Initiatives	Performance
Implement the Social Inclusion Strategy 2015–16 Action Plan in conjunction with the Community Sector Reference Group.	✓
Implement the 2015–16 action plans for the Equal Access, Positive Ageing, Youth, Multicultural and Children and Families Strategies.	✓
Host the annual International Day for People with Disability Access All Areas event at Lower Sandy Bay on 29 November in partnership with Tascare for Children, Glenorchy City Council and Clarence City Council.	✓
Implement a new community development grants program.	✓
Assist the Hobart Older Persons' Reference Group to improve governance practices.	✓
Strengthen the Positive Ageing Volunteer Program at Mathers House.	✓
Complete project providing information to the community on venues and locations that are suitable for cultural activities.	✓
Subject to a successful review, continue to deliver the secure taxi rank as part of the Street Teams Project in partnership with The Salvation Army and Tasmania Police.	✓
Work with property owners on measures to reduce graffiti including involving community groups in the creation of murals.	✓

Performance: Completed ✓, Underway ➤, No Action ✕

2015–16 Actions/Initiatives	Performance
Investigate opportunities for the creation of legal graffiti walls in Hobart.	➤
Develop a plan to effectively identify, assess, regulate and monitor Level 1 Activities (i.e. permit-approved activities which may cause environmental harm).	➤
Develop new by-law provisions in consultation with the Southern Beekeepers Association Inc. consistent with the intent of the Urban Beekeeping Code of Practice.	✓
Develop a Municipal Health Plan consistent with the roles and responsibilities of local government.	➤
Develop a new marketing strategy for the Doone Kennedy Hobart Aquatic Centre.	✓
Review and implement a new strategy to incorporate a healthy eating program in the cafe at the Doone Kennedy Hobart Aquatic Centre.	✓
Undertake a survey of the membership of the Doone Kennedy Hobart Aquatic Centre.	✓
Subject to ongoing Department of Social Services funding, continue to deliver the Still Gardening Program.	✓
Revise and update the City of Hobart Affordable Housing Strategy.	➤
Develop a business case to determine the scope for possible redevelopment of the Doone Kennedy Hobart Aquatic Centre.	✓

Performance: Completed ✓, Underway ➤, No Action ✕



PRIORITY AREA 5

GOVERNANCE

Leadership provides for informed decision-making for our capital city

FD3 — Is well governed at a regional and community level.

In 2025 Hobart will be a city that works effectively to lead an integrated approach to the planning and development of the metropolitan region. Partnerships with governments, the private sector and local communities in achieving significant regional, city and community goals will be created.

OUTCOMES TO BE ACHIEVED:

- 3.1 An integrated local government approach to the planning and development of the wider metropolitan region
- 3.2 Partnerships with governments, the private sector and local communities in achieving significant regional, city and community goals
- 3.3 The City of Hobart is a responsive, capable and efficient organisation in ensuring relevant and quality services, facilities and activities are delivered to the Hobart community

2015–16 Actions/Initiatives	Performance
Continue implementation of a fully electronic records management environment to ensure the protection of information assets.	➤
Enhance governance of Council and Committee meetings, and support to Aldermen, through the full implementation of InfoCouncil and Dashboard software packages.	✓
Introduce recording of open Council meetings.	✓
Support the Risk and Audit Panel oversight of the City of Hobart's governance activities and the implementation of the strategic internal audit and external audit program.	✓
Undertake the biennial community and business survey.	✓
Redraft the 2014–19 City of Hobart Strategic Plan to a 10-year Community Strategic Plan (including the planning and reporting framework, organisational performance and associated planning documents).	✓
Actively participate in Council of Capital City Lord Mayors activities.	✓
Scope a core business process and systems review.	✓
Develop processes, procedures and templates for the project management framework.	✓

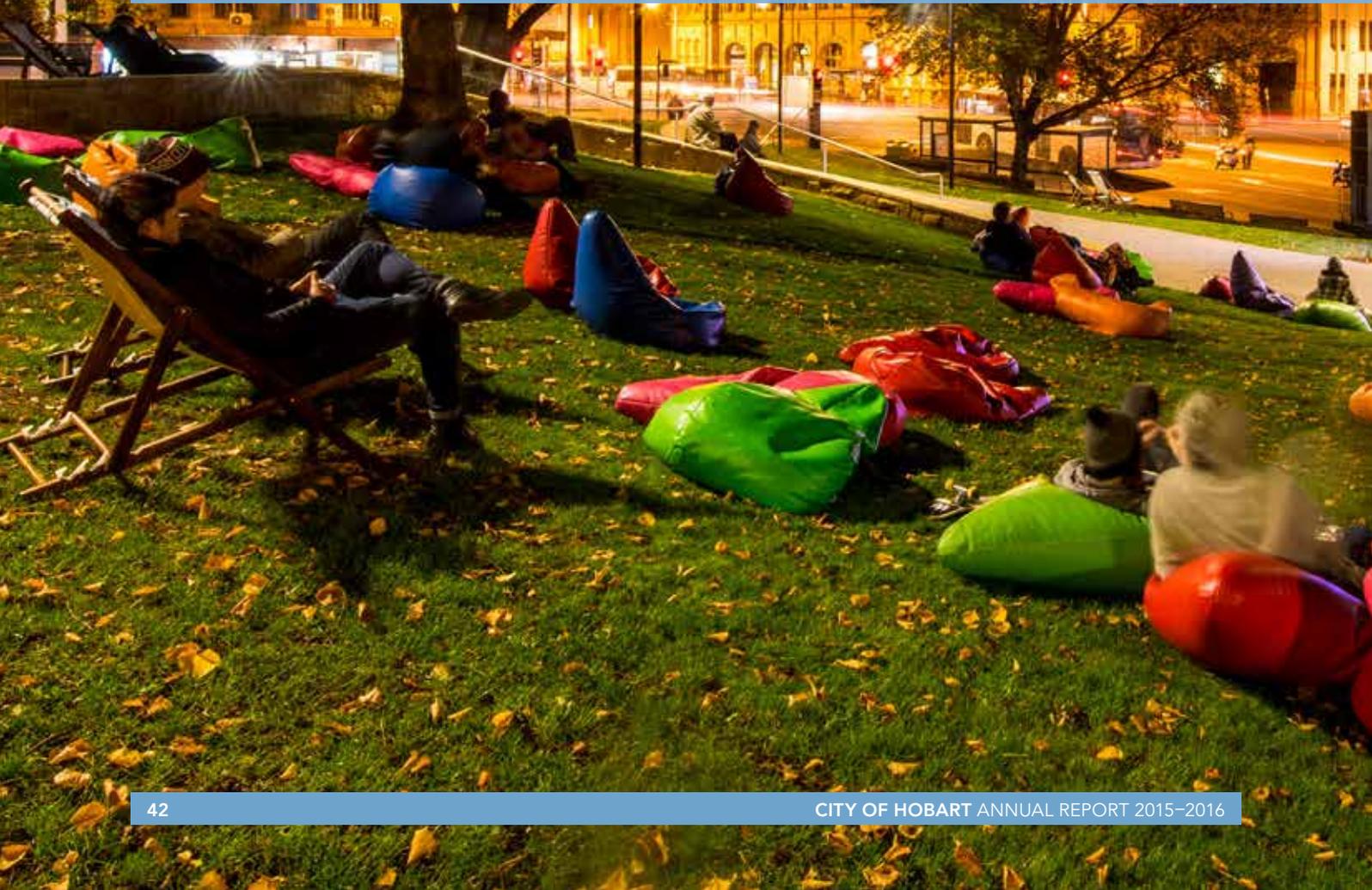
Performance: Completed ✓, Underway ➤, No Action ✕

2015–16 Actions/Initiatives	Performance
Finalise the development of and then implement a new City of Hobart brand.	➤
Review the City of Hobart's Community Engagement Policy and Framework.	➤
Develop new and proactive channels for regular engagement with the community including an online community engagement tool.	✓
Implement an enhanced corporate website for the City of Hobart.	➤
Implement a web-based lodgment and application assessment system for the online submission of statutory applications.	✓
Review and implement the municipal rating strategy for 2016–17.	✓
Implement outcomes from the 2014–15 municipal revaluation.	✓
Review and update the City of Hobart Rates and Charges Policy.	✓
Update City of Hobart's Financial Model and Long Term Financial Management Plan.	✓
Continue to develop and evaluate procurement governance frameworks and common-use contracts.	➤
Continue to develop and deliver a range of procurement best practice training modules and support materials for employees.	➤
Update City of Hobart's long-term strategic asset management plans.	➤
Update City of Hobart's Asset Management Strategy.	➤
Review City of Hobart's Asset Management Policy.	✓
Continue to monitor and respond to employee work, health and safety issues including: <ul style="list-style-type: none"> • implementation of the Safety Circle Program (Stage 2) • implementation of Local Government Association of Tasmania employee policy package including drug and alcohol, and fitness for work policies. 	➤
Undertake an employee culture survey.	✓
Implement the City of Hobart's Climate Change Adaptation Plan 2013–16: <ul style="list-style-type: none"> • Finalise a Climate Hazard and Impact Disclosure Plan. • Finalise the Climate Change Policy to reflect climate change impacts and hazards to be used to assess risks across the organisation. 	➤

2015–16 Actions/Initiatives	Performance
Implement energy saving actions: <ul style="list-style-type: none"> • Install a photovoltaic system at the Doone Kennedy Hobart Aquatic Centre. • Replace parking floor lighting with LED lights in the Argyle Street Car Park and upper floors of the Centrepoint Car Park. • Identify energy saving retrofit opportunities at the Clearys Gates Depot, Washington Street Child Care Facility and Mawson Place. 	✓
Work with neighbouring municipal areas to identify resource sharing opportunities.	➤

Performance: Completed ✓, Underway ➤, No Action ✕







PART III 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*.

STATEMENT OF LAND DONATED

SECTION 177

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

PUBLIC INTEREST DISCLOSURE ACT 2002

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

PUBLIC HEALTH STATEMENT

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

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

Priorities in the City of Hobart Strategic Plan 2015–25 include:

- environment and natural resources
- strong, safe and healthy communities.

The Environmental Health Unit organisational structure comprises the Manager Environmental Health, Senior Environmental Health Officer, five full-time environmental health officers, one part-time Environmental Health Officer and a part-time Immunisation Coordinator. The unit employs nurse immunisers and registered nurses to provide and support the organisation's staff, public and school-based immunisation programs.

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

These activities include:

- food safety and registration
- disease prevention and control
- public health education and promotion
- places of assembly – mass public events
- unhealthy premises
- cooling towers and warm water systems
- public health risk activities
- immunisations
- exhumations
- onsite waste water management
- recreational water quality
- public and environmental health complaints
- air, water and solid polluting emissions
- public health emergency management
- smoke-free public places.

2015–16: PUBLIC HEALTH STATEMENT (CONTINUED)

The following table provides operational statistics reflecting core public and environmental health activities undertaken during 2015–16:

Activity	Total
Number of food business inspections/assessments completed (excludes market stalls and stalls at temporary events)	1280
Number of formal notices issued to non compliant food businesses	23
Number of persons vaccinated at public immunisation clinics	503
Number of persons vaccinated at school-based immunisation clinics	3747
Number of temporary mass public events licensed	28
Number of public/environmental health issues investigated and resolved	213
Number of businesses registered/licensed annually	824

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

2015–16 Actions/Initiatives	Performance
Develop supplementary documentation to support officer use of the Public Health Emergency Management Plan.	✘
Regulate food businesses for compliance with Food Safety Standards and to meet monthly inspection targets.	✓
Support the school Cool Canteen Awards program when assessing school canteens	✓
Review and update the following policies: <ul style="list-style-type: none"> • food safety enforcement • hand washing facilities in food businesses • pest proofing in food businesses. 	➤
Develop assessment tools to assist in applying the Potentially Contaminated Land and Onsite Waste Water Management Codes in the new planning scheme.	✓
Monitor City of Hobart designated smoke-free public places for patron compliance, provision and maintenance of effective signage and strategic location of butt bins in nominated areas.	✓
Review and update the City of Hobart's website to provide current immunisation information for the community.	✓

2015–16: PUBLIC HEALTH STATEMENT (CONTINUED)

2015–16 Actions/Initiatives	Performance
Consider more effective marketing and community awareness strategies to promote the City of Hobart’s public immunisation programs.	✓
Review and assess relevant public health policies, legislation, guidelines and guidance documents and provide constructive feedback to the state government.	✓

Performance ✓ Completed ➤ Underway ✗ No Action



2015–16: PUBLIC HEALTH STATEMENT (CONTINUED)

The City of Hobart provides a monthly public immunisation clinic for people that live in Hobart and the greater Hobart region. The clinic is held in the Lower Ground Conference Room of the Town Hall, located off the parking deck. Immunisations are provided in accordance with the Immunisation Program – Tasmania, Adult and Child Immunisation Schedule. The City of Hobart prides itself on being able to offer free parking, a happy child friendly environment with no appointments necessary.

City of Hobart officers also provide and conduct a school-based immunisation program in accordance with the *Public Health Act 1997*. They attend all high schools throughout greater Hobart to conduct three separate clinics during the year for the administration of childhood vaccines to students in grade 7. The City of Hobart also provides immunisation certificates upon request for any child or adult who has previously been immunised at

a council or school clinic and provides advice on immunisation records to medical staff from general practices.

The City of Hobart is an active participant in the Tasmanian Food Safety Surveillance Program throughout the year. This program is a joint initiative between local government and the Department Health and Human Services. The objectives of the program are to monitor food businesses for compliance with the *Food Act 2003* and to raise awareness of food safety issues amongst environmental health professionals, food business operators and the community. Information gathered from the program is used by local and state governments to inform food safety policy and procedures and to assist in the development of educational materials. A summary of the food samples and business surveys undertaken throughout the year is provided below.

Name	Sample Contribution	Sample/Business Survey
Topic 1 – Protecting Ready to Eat Food	4 surveys	Individual EHO surveys
Topic 2 – Sushi Manufacture	24 surveys	Food business survey
Topic 3 – Thermometer Use	25 surveys	Food business survey
Topic 4 – Raw Egg Micro Survey	12 samples	Food sampling
Topic 5 – Game Meat	10 surveys	Food business survey

The City of Hobart is an active participant in the state government's Derwent Estuary Program and takes weekly samples of recreational water from the River Derwent beaches through the annual summer swimming season (December–March inclusive). The sampling program is aimed at assessing the water quality at selected beach sites (Nutmeg Beach, Little Sandy Bay Beach, Long Beach)

and environmental sites at Marieville Esplanade and Cornelian Bay. It will also help to identify any point sources of pollution that may be entering the estuary and adversely impacting the water quality. A total of 93 beach samples were taken during the swimming season, and there were no beach closures necessary due to poor water quality.

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: \$517,737

Total expenses paid to all Aldermen (including telecommunications, fuel and travel expenses): \$81,654

MEETING ATTENDANCE SECTION 72 (1) (CC)

Total Meetings Held	Council	Community, Culture and Events Committee		Economic Development and Communications Committee		Finance Committee		City Infrastructure Committee		Parks and Recreation Committee		Governance Committee		City Planning	
	23	16		10		20		16		14		16		30	
	Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member
Alderman Hickey	21	4 [^]	6		4	3	6		3	1 [^]	3	1	13	1 [^]	7
Alderman Christie	21	2 (1 [^])	9	10		19		14		2 [^]	5	14		2 [^]	2
Alderman Zucco	21	12		8		16		3		1		4			3
Alderman Briscoe	22		4		4		4		3	11			2	27	
Alderman Ruzicka	21		6	5		18			8	9		15		20	
Alderman Sexton	16	10			1	11			1	6			5		2
Alderman Burnet	22		8		2	1	8	16			4		6	27	
Alderman Cocker	23	15			2	19		1	5		3	14			6
Alderman Thomas	18	9		8			2		2		2	13			3
Alderman Reynolds	20		7		4		10	13		13		10		1	18
Alderman Denison	22		5	9			4	14					4	25	
Alderman Harvey	5	3			2		2	3		3			1	2	3
Former Alderman Cooper	15	9			5		7	11		9			3		14

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

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

Legend: [^] Present as an *ex-officio* member of the committee

MEETING ATTENDANCE SECTION 72 (1) (CC) (CONTINUED)

SPECIAL JOINT COMMITTEE MEETINGS

	Special joint committee meeting 7 March 2016		Special joint committee meeting 20 April 2016	
	Member	Non member	Member	Non member
Alderman Hickey	1		1	
Alderman Christie	1		1	
Alderman Zucco		1		
Alderman Briscoe	1		1	
Alderman Ruzicka			1	
Alderman Sexton	1		1	
Alderman Burnet		1	1	
Alderman Cocker	1		1	
Alderman Thomas	1			
Alderman Reynolds	1		1	
Alderman Denison		1		
Alderman Harvey			1	
Former Alderman Cooper	1			

COMMITTEE MEMBERSHIP DETAILS

Alderman	Committee membership	Details of membership
Alderman Hickey	Council	
Alderman Christie	City Infrastructure Committee Economic Development and Communications Committee Finance Committee Governance Committee	
Alderman Zucco	Community Culture and Events Committee Economic Development and Communications Committee Finance Committee	
Alderman Briscoe	City Planning Committee Parks and Recreation Committee Risk and Audit Panel	
Alderman Ruzicka	Economic Development and Communications Committee City Planning Committee Parks and Recreation Committee Finance Committee Governance Committee	

MEETING ATTENDANCE SECTION 72 (1) (CC) (CONTINUED)

Alderman	Committee membership	Details of membership
Alderman Sexton	Community Culture and Events Committee Parks and Recreation Committee Finance Committee	
Alderman Burnet	City Infrastructure Committee City Planning Committee	
Alderman Cocker	Community Culture and Events Committee Governance Committee Finance Committee Risk and Audit Panel	
Alderman Thomas	Community Culture and Events Committee Economic Development and Communications Committee Governance Committee	
Alderman Reynolds	City Infrastructure Committee Parks and Recreation Committee Governance Committee	
Alderman Denison	City Infrastructure Committee Economic Development and Communications Committee City Planning Committee	
Alderman Harvey	City Infrastructure Committee Community Culture and Events Committee Parks and Recreation Committee	Member from 11/4/2016 (maximum of 5 meetings) Member from 11/4/2016 (maximum of 5 meetings) Member from 11/4/2016 (maximum of 4 meetings)
Alderman Cooper	City Infrastructure Committee Community Culture and Events Committee Parks and Recreation Committee	Member until 18/3/2016 (maximum of 12 meetings) Member until 18/3/2016 (maximum of 12 meetings) Member until 18/3/2016 (maximum of 12 meetings)

REMUNERATION OF SENIOR EMPLOYEES

SECTION 72 (1) (CD)

Remuneration bands	Number of employees 2014–15	Number of employees 2015–16
\$200,000 to 219,999	5	5
\$220,000 to 239,999	1	1
\$320,000 to 339,999	1	0
\$340,000 to 359,999	0	1

Total annual remuneration is defined as the total of the:

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

GRANTS, ASSISTANCE AND BENEFITS PROVIDED

SECTION 77 (1)

Detail	Strategic Plan reference	GST inclusive amount \$
Reduced fees or charges		
AFL Masters National Football Carnival — remission of hire charge — North Hobart Oval	1.1	2,060
Allegri Ensemble Incorporated — remission of hire charge — Town Hall	1.1	750
Chinese Community Association of Tasmania Inc — reduced fees and charges	4.4	845
E Kalis Properties Pty Ltd — ICON Complex Development — remission of fees and charges	1.1	21,082
Heart Foundation — lighting roundabout fountain — reduced fees and charges	1.3	100
Hobart City Demons — Gorringer rental rebate	1.3	8,880
Hobart Jazz Club — 2015 Hot August Jazz Festival — reduced fees and charges	1.3	680
Hobart Legacy Inc. — street banners — reduced fees and charges	4.1	5,132
Kickstart Arts — reduced fees and charges	1.5	409
Lansdowne Crescent Primary School — remission of hire charge and in-kind	1.1	1,670
Masters Swimming Tasmania — remission of hire charge	1.1	3,138
Melanoma Tas — Go Quackers for Cancer event at Doone Kennedy Hobart Aquatic Centre (DKHAC) — remission of hire charge	4.1	703
Mt Stuart Primary School — reduced fees and charges and in-kind	1.1	781
Multiple Sclerosis Society of Tasmania — MS Swim-a-thon at DKHAC — remission of hire charge	4.1	11,538

Detail	Strategic Plan reference	GST inclusive amount \$
New Town Primary School — coarse mulch — reduced fees and charges	4.1	3,146
North Melbourne Football Club — lighting of roundabout fountain — reduced fees and charges	1.1	100
North Melbourne Football Club — remission of hire charge — Regatta Ground	4.1	2,512
Pananda — filming permit — reduced fees and charges	1.1	325
Reclink Australia — reduced fees and charges — North Hobart Oval	4.1	812
Seniors Cricket Australia — remission of hire charges: Clare St Oval, Queens Walk Oval, Soldiers Memorial Oval and TCA Ground	4.1	3,947
South Hobart Primary School — reduced fees and charges	1.1	231
Square Pegs Dyslexia Support — lighting of roundabout fountain — reduced fees and charges	4.1	100
Sustainable Living Tasmania — remission of hire charge and in-kind	3.2	1,676
Table Cape Events — Relive the Rivalry — remission of hire charge — North Hobart Oval	1.3	1,321
Tasmanian Sports & Events — Mother's Day Classic — remission of hire charge — Domain Athletics Centre	4.1	3,119
Tasmanian Football Umpires Association — remission of hire charges — North Hobart Oval Plaister Stand	4.1	1,748
Tassie Mums — Children's Clothing Drive — reduced fees and charges	1.3	226
University of Tasmania — lighting of roundabout fountain — reduced fees and charges	1.1	100
University of You — remission of hire charge — Sandown Pavilion	4.1	263
United Nations — lighting of roundabout fountain — reduced fees and charges	1.1	100
Variety the Children's Charity Tasmania — remission of hire charge and in-kind	4.1	271
Water Polo Tasmania — 16 & Under Boys National Club Championship at DKHAC — remission of hire charge	4.1	18,627
Remission of hire charges for Council halls, sports fields and parks	4.1	4,123
In-kind assistance		
RSL (Tasmania) — Hobart ANZAC Day Commemorative Committee — in-kind	1.3	1,631
The City of Hobart Eisteddfod Society Inc — in-kind	1.3	139
University of Tasmania — bean bag hire for the Taste of Tasmania — in-kind	1.1	480
Reduced rates		
E Kalis Properties Pty Ltd — development assistance — rate remission	1.1	8,519
Native Vegetation Protection Rebate	5.1	194
Natural Gas Rebate	5.1	10,000
RAAF Veterans Residences Trust	1.1	1,768

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

Detail	Strategic Plan reference	GST inclusive amount \$
Southern Cross Care (TAS) Inc.	1.1	218,649
Salvation Army Property Trust (TAS)	1.1	14,891
Stormwater removal service rate remission	5.1	52,812
Sultan Holdings Pty Ltd — development assistance — rate remission	1.1	351,735
The Mary Ogilvy Homes Society	1.1	12,733
Uniting Church in Australia Property Trust (TAS)	1.1	34,954
240L Wheelie Bin Rebate	5.1	3,625
Rate remissions — pensioners net expenditure	5.1	31,837
Charitable donations and gifts		
Archdiocese of Hobart — landfill disposal reimbursement	3.2	883
Community based support — landfill disposal reimbursement	3.2	1,669
Damien Johnson Family Donation	4.1	1,000
Hobart City Mission — landfill disposal reimbursement	3.2	4,312
Hobart College — Clean Up Australia Day — Free Disposal of Waste	3.2	80
Free entry to the Doone Kennedy Hobart Aquatic Centre — residents	4.2	9,750
Free entry weekends at the McRobies Waste Management Centre — residents	3.2	54,679
Lifeline — landfill disposal reimbursement	3.2	7,691
Salvation Army — landfill disposal reimbursement	3.2	7,061
Southern Cross Care — landfill disposal reimbursement	3.2	2,462
St Vincent De Paul Society — landfill disposal reimbursement	3.2	7,422
The Tasmanian University Dive Club — Clean Up Australia Dive — free disposal of waste	3.2	80
West Hobart Community Association — donation of compost	3.2	406
Sponsorship/investment — economic, cultural, festivals and events		
Australian Institute of Architects — sponsorship	1.3	9,355
Australian Local Government Women's Association Tasmania Branch Inc — ALGWA Conference — contribution	1.3	1,000
Business Events Tasmania — annual grant	1.4	102,630
Chinese Community Association of Tasmania Inc — festivals and events grant	4.4	9,922
Choir of High Hopes Hobart Inc — Creative Hobart Medium Grant	1.3	8,000
City of Hobart Eisteddfod Society Inc — Creative Hobart Medium Grant	1.4	10,110
Clemente Tasmania — sponsorship	1.3	3,000
Contemporary Art Tasmania — Creative Hobart Small Grant	1.4	4,400
Cycling South — contribution to Ride to Work Day	1.3	1,100

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

Detail	Strategic Plan reference	GST inclusive amount \$
Cycling South — funding contribution	1.3	12,100
Domain Tennis Centre Inc. — annual maintenance contribution	1.1	44,000
Estia Greek Festival — in-kind	1.3	1,020
Festival of Voices Inc. — festivals and events grant	1.3	55,000
Hobart Antarctic Festival Pty Ltd — Australian Antarctic Festival 2016 — festivals and events grant	1.3	22,000
Hockey Tasmania Inc — funding contribution	1.3	70,248
Human Rights Week Organising Committee — sponsorship — Human Rights Week Award	1.3	500
Italian Festival North Hobart — in-kind	1.3	1,650
Josef Chromy Wines Pty Ltd	4.1	4,000
Little Athletics Tasmania — City of Hobart International Children's Games Team to Taiwan — sponsorship	1.3	3,300
Malaysian Student Council of Australia — festivals and events grant	4.4	200
Moorilla Estate Pty Ltd — Dark Mofo 2016 grant and in-kind	1.3	187,247
Myer Pty Ltd — grant	1.1	3,850,000
Performing Lines Ltd — Open House Hobart — grant	1.5	3,696
QTAS Choir Inc — Creative Hobart Quick Response Grant and in-kind	1.4	1,387
Resource Work Co-operative Society Ltd — The Assembly of Creative Reuse — Creative Hobart Grant	1.4	16,479
Royal Tasmanian Botanical Gardens — funding contribution	1.5	27,500
Salamanca Arts Centre — Creative Hobart Major Cultural Organisations Grant 2016	1.5	38,500
Sandy Bay Regatta Association — support for 2016 Sandy Bay Regatta	1.3	18,594
Society of Christian Doctrine — grant for re-slating roof at Preca Centre	1.5	11,000
State Emergency Service — Southern Regional Volunteer SES Unit — annual contribution	1.1	20,904
Tasmanian Canine Defence League — funding contribution	1.1	80,550
Tasmanian Museum and Art Gallery — children's festival grant	1.3	16,253
Tasmanian Museum and Art Gallery — Creative Hobart Major Cultural Organisations Grant	1.5	38,500
Tasmanian Symphony Orchestra — Creative Hobart Major Cultural Organisations Grant	1.5	20,000
Tasmanian Theatre Company Inc. — production of The Tree Widows — funding contribution	1.5	27,500
Tasmania University Union Inc — Indonesian Day Festival — sponsorship	4.4	200
The Tasmanian Writers' Centre — Her Majesty's Favourite Really Great Graphical Festival 2016 — grant	1.3	3,300
The Tasmanian Writers' Centre — Young Writers in the City — festivals and events grant	1.3	3,850

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

Detail	Strategic Plan reference	GST inclusive amount \$
The Theatre Royal — Creative Hobart Major Cultural Organisations Grant	1.5	11,000
Wellington Park Management Trust — 2015–16 contribution	1.1	30,952
Wellington Park Management Trust — 2015–16 administrative and technical support	1.1	31,010
Wellington Park Management Trust — contribution to 'Epic' Mountain Bike Route consultancy variation	1.1	2,332
Wellington Park Management Trust — contribution to Fern Tree Entry Node Master Plan	1.1	5,335
Community		
Australian Red Cross Society — Save-a-mate Program — community grant	4.1	1,210
Colony 47 — community grant	4.1	3,783
Council of the Ageing Tasmania Inc — World Elder Abuse Awareness Day — community grant and in-kind	4.1	2,711
Derwent Sailing Squadron Inc. — annual grant	4.1	7,300
Down Syndrome Tasmania — Project Step UP! For Down Syndrome — community grant	4.1	500
Family Planning Tasmania — community grant	4.1	3,300
Finnish Australian Club of Tasmania — community quick response grant	4.1	500
Hospice Volunteers South Tas — volunteer awards program — community grant	4.1	550
Lenah Valley RSL Sub Branch Inc — ANZAC Day Project — community grant	4.1	550
Mission Australia — Gearing Up for Choice and Control Expo for People with Disability — community grant	4.1	3,300
Multicultural Council of Tasmania Inc — community grant	4.4	5,155
Multicultural Women's Council of Tasmania — community grant	4.4	500
QTAS Choir — community grant	4.1	3,000
RAAF Association Tasmania Division Inc. — community grant	4.1	3,300
Salamanca Arts Centre — community grant	4.1	1,000
Sandy Bay Croquet Club — community grant	4.1	3,000
St Vincent de Paul Society – Vinnies Buddy Day — community grant	4.1	550
Sustainable Living Tasmania Inc — security fencing for the Creek Road Community Garden — community grant	4.1	1,540
Sustainable Living Tasmania Inc — Sustainable Living Festival 2015 — community grant	4.1	10,450
Tasdance — The Mountain Project by DRILL — community grant	4.1	3,300
Tasdance — Trash This Place — community grant	4.1	5,500
TasPride Inc — community grant	4.4	1,785
Tasmanian Centre for Global Learning — Students Against Racism — community grant	4.4	3,300

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

Detail	Strategic Plan reference	GST inclusive amount \$
The Friends of the Theatre Royal Inc — FOTR Mosaic Database Project — community grant	4.1	1,258
Wen Hua Hui — Chinese Cultural Society — community grant	4.4	500
Wooden Boat Guild of Tasmania Inc — revitalising website — community grant	4.1	2,750
YMCA of Hobart Inc — youth parliament — community grant	4.1	550
Environmental and climate change		
Department of Education — Elizabeth College — environmental and climate change grant	3.1	9,240
Department of Education — Hobart College — environmental and climate change grant	3.1	4,900
Department of Education — Lansdowne Crescent Primary School — environmental and climate change grant	3.1	4,200
Early Childhood Educators of Tasmania South — environmental and climate change grant	3.1	4,000
Environmental Film Festival Melbourne — environmental and climate change grant	3.1	360
Resource Work Co-operative Society Ltd — reuse education project — environmental and climate change grant	3.1	5,500
Southern Storm — waste reduction grant	3.1	3,850
Sustainable Living Tasmania Inc — Don't Waste Hobart — environmental and climate change grant	3.1	5,500
Sustainable Living Tasmania Inc — Moving Take Away Food Businesses to More Sustainable Packaging Options — environmental and climate change grant	3.1	5,500
Heritage and conservation		
Adam James — heritage and conservation grant	2.4	1,000
Battery Point Community Association — sponsorship of booklet for 'In Bobby's Footsteps' project — heritage and conservation grant	2.4	9,550
Dan Shepherd — heritage and conservation grant	2.4	150
Langebaan Pty Ltd & Woermann Pty Ltd — heritage and conservation grant	2.4	5,000
Tasmanian Headstone Project — heritage and conservation grant	2.4	10,000
Wellington Park Management Trust — cultural heritage coordination — 2015–16 contribution	2.4	17,166
TOTAL		\$5,908,655

REDUCED RENTALS

The City of Hobart owns numerous properties within its municipal area, some of which are leased to third parties. Many of these properties are leased on terms that include a discount in the rent payable by the lessee, in accordance with the City of Hobart's policy for Leases to Non-Profit Organisations. In many instances the lessee provides all or some of the following — capital improvements, maintenance, day-to-day management, access to the public and contribution back to the community. For the purposes of being open and transparent, the City of Hobart discloses these as grants.

Detail	
Commercial	
Aurora Energy	Substation, Lansdowne Crescent, West Hobart
DH Powell Pty Ltd*	Slipyards, 18–44 Napoleon Street
Max Creese Pty Ltd*	Slipyards, 18–44 Napoleon Street
Muir Engineering Pty Ltd	Slipyards, 18–44 Napoleon Street
Muir's Boatyard Pty Ltd*	Slipyards, 18–44 Napoleon Street
Resource Work Cooperative	Resource Recovery Centre, McRobies Waste Management Centre
Taylor Brothers Holdings Pty Ltd*	Slipyards, 18–44 Napoleon Street
Residential	
Residential/caretaker	24 Gardenia Grove, Sandy Bay
Residential/caretaker	89 Doyle Avenue, Lenah Valley
Residential/caretaker	Curators Cottage, TCA Ground, Queens Domain
Residential/caretaker	Regatta Grounds, McVilly Drive
Community development	
Lenah Valley Community Hall Trustee	22 Creek Road, Lenah Valley
Lenah Valley RSL and Community Club	188 Lenah Valley Road (Haldane Reserve), Lenah Valley
Maritime Museum of Tasmania	Carnegie Building, Argyle Street, Hobart
Mount Stuart Progress Association	Raymont Terrace, Mount Stuart
New Town Senior Citizens Club Inc.	18 Creek Road, Lenah Valley
Sandy Bay Senior Citizens Club	23 Lambert Avenue, Sandy Bay
South Hobart Progress Association Inc.	42 Darcy Street, South Hobart
Tasmanians with Disabilities Inc.	20 Creek Road, Lenah Valley
The Catholic Women's League	108–110 Bathurst Street, Hobart
The Flower Room	108–110 Bathurst Street, Hobart
Parks, recreation, bushland and reserves	
Art Society of Tasmania	268 Lenah Valley Road, Lenah Valley

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

Detail	
Athletics Association of Tasmania	Athletic Centre, Queens Domain
Australian Trust for Conservation Volunteers	Lower Domain Road, Queens Domain
Buckingham Bowls Club	4 St Johns Avenue, New Town
Department of Education	West Hobart Recreation Ground
Derwent Bowls Club	Letitia Street, North Hobart
Domain Tennis Centre Inc.	Davies Avenue, Queens Domain
Hobart Canine Obedience Club	William Keith Eltham Pavilion, Soldiers Memorial Oval, Queens Domain
Hobart Cat Centre Inc.	10 Selfs Point Road, New Town
Hobart City Band Inc.	TCA Ground, Davies Avenue, Queens Domain
Hobart Districts Little Athletics Centre	John Turnbull Park, New Town
Hobart Football Club Inc.	TCA Ground, Davies Avenue, Queens Domain
National Trust of Australia*	Mariners Cottage, Napoleon Street, Battery Point
New Town Bay Rowing Centre Inc.	Marine Esplanade, New Town
New Town Cricket Club	4 St Johns Avenue, New Town
New Town Croquet Club	4 St Johns Avenue, New Town
North Hobart Cricket Club	TCA Ground, Davies Avenue, Queens Domain
North Hobart Football Club	Gorringe Stand, North Hobart Oval
Pakana Services	Shed and Crib Room, Waterworks Reserve
Polish Association in Hobart	22–24 New Town Road, New Town
Royal Hobart Bowls Club	1 Ellerslie Road, Battery Point
Royal Hobart Regatta Association	John Colvin Stand, McVilly Drive
Sandy Bay Croquet Club	Sandown Park, Long Point Road, Sandy Bay
Sandy Bay Regatta Association	Long Point Road, Sandy Bay
Sandy Bay Rowing Club	Marieville Esplanade, Sandy Bay
Sandy Bay Sailing Club	Long Point Road, Sandy Bay
South Hobart Badminton Association	101 Cascade Road, South Hobart
South Hobart Soccer Club Inc.	Wellesley Park, South Hobart
Southern Tasmania Netball Association	Main Road, New Town
Tasmanian Air Rescue Trust	Queens Domain
Tasmanian Bridge Association	Marine Esplanade, New Town
Tasmanian Fire Service	Kalang Avenue, Lenah Valley
Tasmanian Hockey Centre	19 Bell Street, New Town
Tasmanian Land Conservancy	Tudor Court Building, 827 Sandy Bay Road, Sandy Bay
Tasmanian Riding for the Disabled Assoc.	500 Kalang Avenue, Glenorchy
Tasmanian Rugby Union Inc.	Rugby Park, New Town

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

Detail	
Board of Management of the Hutchins School	Marieville Esplanade, Sandy Bay
Christ College Trust	Ham Common, Old Proctors Road, Tolmans Hill
Commonwealth of Australia represented by the Department of Defence	Foreshore, Queens Domain
Scout Association of Australia	Marieville Esplanade, Sandy Bay
Scout Association of Australia (Tasmania)	617 Sandy Bay Road, Sandy Bay
Wireless Institute (REAST)	Upper Queens Domain
Yvonne Rees-Pagh	Cottage, Princes Park, Battery Point
* Part of year only.	



CONTRACTS FOR THE SUPPLY OF GOODS AND SERVICES

REGULATION 29(1)

In accordance with section 29(1) of the Local Government (General) Regulations 2015, the following contracts to the value of \$250,000 or above, excluding GST, were entered into during the 2015–16 financial year.

Contract	Contract Period	Extension Option	Contract Sum (for term of contract incl extension options) GST excluded	Contractor	Contractor's Business Address
5767: Provision of transactional banking services	1/11/2015 until 31/10/2018	1 x 2 years	\$851,447.95 (estimated)	Commonwealth Bank of Australia	Ground Floor, Tower 1, Sussex Street Sydney NSW 2000
5833: Taste of Tasmania — security services	18/9/2015 until 15/8/2016	2 x 1 year	\$432,163.50 (estimated)	Elite Protective Services (Tas) Pty Ltd	Level 1/10–14 Cameron Street Launceston TAS 7250
5836: Salamanca Square – public convenience cleaning	1/7/2015 until 30/6/2016	2 x 1 year	\$317,369.67	Wayne Cleaning Systems	23 Taylor Street Thornbury VIC 3071
5837: Panel of providers for the standing offer for records support and digitisation services	12/8/2015 until 30/6/2017	1 x 2 years	\$748,382.32 (estimated)	Panel of providers	Various
5841: Road reservation maintenance	10/9/2015 until 10/9/2017	1 x 2 years	\$345,422.68	Skilled Group Limited	2 Luton Lane Hawthorn VIC 3122
5847(A): Fortnightly kerbside green waste collection services	19/4/2016 until 30/4/2020	1 x 3 years	\$4,375,000.00 (estimated)	Veolia Environmental Services Pty Ltd	95 Kennedy Drive Cambridge TAS 7170
5854: Salamanca Square toilets upgrade	4/8/2015 until 24/12/2015	Nil	\$522,000.00	Tascon Constructions Pty Ltd	59 Albert Road Moonah TAS 7009
5856: Commercial tenancy management services	11/4/2016 until 29/2/2019	1 x 1 year	\$274,523.48 (estimated)	LJ Hooker Commercial – Hobart	119 Harrington Street Hobart TAS 7000
5857: Carnegie lift installation	27/8/2015 until 30/4/2016	Nil	\$353,605.00	Tascon Constructions Pty Ltd	59 Albert Road Moonah TAS 7009

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

Contract	Contract Period	Extension Option	Contract Sum (for term of contract incl extension options) GST excluded	Contractor	Contractor's Business Address
5860: Standing offer for a panel of providers for the supply only of asphalt products and/or the supply and placement of bituminous surfacing of roads and footpaths and slurry/micro sealing of roads	9/9/2015 until 30/6/2017	Nil	\$630,172.51 (estimated)	Panel	Various
5861: Domain Athletic Centre synthetic track replacement	2/10/2015 until 20/6/2016	Nil	\$548,272.60	Polytan Asia Pacific Pty Ltd	PO Box 4260 Dandenong South VIC 3164
5864: Debt collection services — rates, parking and sundry	1/1/2016 until 31/12/2017	1 x 2 years	\$788,776.86 (estimated)	Tasmanian Collection Service	29 Argyle Street Hobart TAS 7000
5866: Unmetered public lighting	1/7/2015 until 30/6/2017	Nil	\$1,800,000.00 (estimated)	Aurora Energy Pty Ltd	Level 1, 21 Kirksway Place Hobart TAS 7000
5867: 3 x ISUZU FRR850 Tip Trucks fitted with Webster trays and Fassi crane	Not applicable	Nil	\$634,170.00	Motors Group Tasmania Pty Ltd	8c Lampton Avenue Derwent Park TAS 7009
5871: Franklin Square redevelopment	2/11/2015 until 7/3/2016	Nil	\$1,618,954.00 (inclusive of a provisional allowance of \$99,000.00)	Hazell Bros Group Pty Ltd	14 Farley Street Derwent Park TAS 7009
5872: Landfill compactor — supply and sale	Not applicable	Nil	\$494,800.00	JF Machinery Pty Ltd	288 Georgetown Road Rocherlea TAS 7248
5875: Corporate internet services (TMD 2015-002)	31/10/2015 until 30/9/2017	1 x 5 years	\$344,400.00 (estimated)	iiNet Limited	Level 1, 502 Hay Street Subiaco WA 6008
5879: Macquarie Street bus shelters	7/3/2016 until 2/5/2016	Nil	\$330,612.00	Hazell Bros Group Pty Ltd	14 Farley Street Derwent Park TAS 7009
5886: Supply and delivery of mobile garbage bins	7/3/2016 until 31/10/2017	2 x 1 year	\$600,000.00	Trident Plastics (SA) Pty Ltd	589 Torrens Road Woodville SA 5011

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

Contract	Contract Period	Extension Option	Contract Sum (for term of contract incl extension options) GST excluded	Contractor	Contractor's Business Address
5889: Hobart Rivulet Park shared path – Molle Street to McKellar Street (incorporating Gore Street road hump)	19/4/2016 until 1/8/2016	Nil	\$293,274.00	State-Wide Earthworks Pty Ltd	52 Atkins Road Granton TAS 7030
5895: Provision of internal audit services	22/7/2016 until 30/6/2019	1 x 3 years	\$407,100.00 (estimated)	Wise Lord and Ferguson	160 Collins Street Hobart TAS 7000

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

In accordance with section 29(3) of the Local Government (General) Regulations 2015, the following contracts valued at or exceeding \$100,000.00 (excluding GST) and less than \$250,000.00 (excluding GST), were entered into during the 2015–16 financial year:

Contract	Contract Period	Extension Option	Contract Sum (for term of contract incl extension options) GST excluded	Contractor	Contractor's Business Address
5822: Supply of one tele handler	Not applicable	Nil	\$120,660.00	J F Machinery	288 George Town Road Rocherlea TAS 7248
5832: Taste of Tasmania — production services	11/12/2015 until 15/8/2016	1 x 1 year	\$148,531.90	James Foster and Luke Mulligan trading as Circa 41	PO Box 382 Launceston TAS 7250
5834(A): Taste of Tasmania — supply of event personnel (site crew)	11/11/2015 until 15/8/2016	Nil	\$75,000.00	Straight Crewing Pty Ltd	2/129 Outram Street Summerhill TAS 7250
5834(B): Taste of Tasmania — supply of event personnel (bar staff)	11/11/2015 until 15/8/2016	Nil	\$60,000.00	Searson Buck Workforce Pty Ltd	GPO Box 1559 Hobart TAS 7001
5834(C): Taste of Tasmania — supply of event personnel (cleaning staff)	11/11/2015 until 15/8/2016	Nil	\$92,020.68	Searson Buck Workforce Pty Ltd	GPO Box 1559 Hobart TAS 7001
5835: Taste of Tasmania — supply of packaging	8/12/2015 until 15/8/2016	2 x 1 year	\$208,380.75	Complete Office Supplies Pty Ltd	25 Nyrang Street Lidcombe NSW 2141

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

Contract	Contract Period	Extension Option	Contract Sum (for term of contract incl extension options) GST excluded	Contractor	Contractor's Business Address
5838: Purchase of 2 low entry trucks	Not applicable	Nil	\$122,984.87	Pellows Saws & Mowers	223 Invermay Road Invermay TAS 7248
5839: Purchase of 23 tonne GVM hook truck	Not applicable	Nil	\$209,644.00	Motors Group Tasmania Pty Ltd	8c Lampton Avenue Derwent Park TAS 7009
5842(A): Salamanca Market shuttle services	18/9/2015 until 30/6/2016	1 x 1 year	\$112,912.80 (estimated)	Robert Stanley Byrne trading as Coal River Coaches	105 White Kangaroo Road Campania TAS 7026
5843: Local Retail Precincts Plan – consultation & preliminary design consultancy	17/6/2015 until 25/9/2015	Nil	\$120,000.00	MRCagney Pty Ltd	2 Luton Lane Hawthorn VIC 3122
5850: Wellesley Park lighting replacement	10/7/2015 until 11/4/2016	Nil	\$109,712.00	IFS Pty Ltd trading as Russell-Smith	3 Burnett Street North Hobart TAS 7000
5855: Salamanca Alcove toilets upgrade	4/8/2015 until 24/12/2015	Nil	\$135,140.00	Tascon Constructions Pty Ltd	59 Albert Road Moonah TAS 7009
5859: Provision of services for urban firebreak maintenance	6/10/2015 until 31/7/2016	1 x 1 year	\$147,570.00 (estimated)	State-Wide Earthworks Pty Ltd	55 Crooked Billet Drive Bridgewater TAS 7030
5863: Insurance brokerage services	1/4/2016 until 31/3/2019	1 x 3 years	\$135,003.00 (estimated)	Jardine Lloyd Thompson Pty Ltd	2–8 Kirksway Place Battery Point TAS 7000
5877: Queenborough Oval lighting upgrade	15/3/2016 until 15/7/2016	Nil	\$172,849.00	Russell-Smith	3 Burnett Street North Hobart TAS 7000
5881: Shredding of green waste services	11/5/2016 until 30/3/2017	Nil	\$175,750.00	Fieldwicks Crushing and Screening Pty Ltd	6184 Franford Road East Devonport TAS 7310
5882: Clearys Gates Depot — new FIP/ fire detection upgrade	28/4/2016 until 26/5/2016	Nil	\$111,900.00	White & McAllister (Contractors) Pty Ltd	46–48 Letitia Street North Hobart TAS 7000
5883: Supply of street lighting for Morrison Street (stage 2)	5/4/2016 until 1/9/2016	Nil	\$190,114.00	Southern Lighting and Distribution Pty Ltd	34 Federal Street North Hobart TAS 7000
5884: Domain tracks — TCA to Soldiers Memorial Oval (SMO) east and TCA to SMO west	18/4/2016 until 31/8/2016	Nil	\$163,950.00	Dirt Art	33 Tranmere Road Tranmere TAS 7018

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

Contract	Contract Period	Extension Option	Contract Sum (for term of contract incl extension options) GST excluded	Contractor	Contractor's Business Address
5891: Glenorchy to Hobart public transit corridor	31/5/2016 until 30/8/2016	Nil	\$145,514.00	GHD Pty Ltd	2 Salamanca Square Hobart TAS 7000
5892: Compact sweeper	Not applicable	Nil	\$164,952.55	Bucher Municipal Pty Ltd	65-73 Nantilla Road Clayton North VIC 3168
5896: Comprehensive maintenance of lift services	1/7/2016 until 30/6/2017	1 x 2 years	\$188,960.00	Otis Elevator Company Pty Ltd	60 Federal Street North Hobart TAS 7000
P16/25: Princes Park public conveniences	20/5/2016 until 8/9/2016	Nil	\$238,696.00	J Hutchinson Pty Ltd	PO Box 3190 West Hobart TAS 7000
P16/40: Data protection infrastructure replacement	Not applicable	Nil	\$236,541.00	Onel Consulting Pty Ltd	Level 27, 101 Collins Street Melbourne VIC 3000

In accordance with the section 23(4)(b) of the Local Government (General) Regulations 2015 there were four instances of extending a contract (entered into by tender, where the contract does not specify extensions) by an absolute majority.

Contract	Contract Period	Extension Option	Contract Sum (for term of contract incl extension options) GST excluded	Contractor	Contractor's Business Address
5575: Provision of secure interactive voice recognition and internet account payment services	1/2/2016 until 31/10/2018	Nil	\$203,791.44 (estimated)	Commonwealth Bank of Australia	Ground Floor, Tower 1, Sussex Street Sydney NSW 2000
5640: Services for the recovery of traffic and parking infringements	1/8/2015 until 31/12/2015	Nil	\$25,000.00 (estimated)	Tasmanian Collection Service	29 Argyle Street Hobart TAS 7000
5665: Standing offer for consultant services for civil and structural engineering	5/12/2015 until 30/6/2016	Nil	\$1,094,486.00 (estimated)	Various	
5691: Integrated management system — provision of third party certification services	1/3/2016 until 28/2/2017	Nil	\$232,651.52	BSI Group ANZ Pty Ltd,	Suite 2, Level 7, 15 Talavera Road, Macquarie Park, NSW 2113

In accordance with section 27(2) of the Local Government (General) Regulations 2015 there were **NIL** instances of 'non-application of public tender process'.





PART IV FINANCIAL REPORTS



HOBART CITY COUNCIL GENERAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

	Note	2016 \$'000	2015 \$'000
Current Assets			
Cash and Cash Equivalents	16	36,305	40,709
Inventories	17	347	342
Receivables	19	5,885	6,750
Assets classified as Held for Sale	20	775	-
Prepayments		144	141
Total Current Assets		43,456	47,942
Non-Current Assets			
Receivables	19	186	196
Investment in TasWater	12	163,612	160,874
Property, Plant and Equipment	21-30	1,434,219	730,673
Total Non-Current Assets		1,598,017	891,743
Total Assets		1,641,473	939,685
Current Liabilities			
Payables	31	9,232	8,559
Trust, Deposits, Retention	32	3,099	2,601
Employee Benefits	33	11,142	10,884
Unearned Revenue	34	502	538
Loans	35	1,405	1,331
Total Current Liabilities		25,380	23,913
Non-Current Liabilities			
Employee Benefits	33	6,273	4,310
Loans	35	11,692	13,097
Provisions	36	5,498	8,802
Total Non-Current Liabilities		23,463	26,209
Total Liabilities		48,843	50,122
Net Assets		1,592,630	889,563
Equity			
Reserves	37	479,883	477,876
Retained Earnings		1,112,747	411,687
Total Equity		1,592,630	889,563

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

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

	Note	2015-16 Actual \$'000	2015-16 Budget \$'000	2014-15 Actual \$'000
Recurrent Expenses				
Employee Costs	5	(51,589)	(51,841)	(51,018)
Materials and Services		(28,978)	(30,043)	(31,671)
Depreciation and Amortisation	6	(18,444)	(18,132)	(17,450)
Finance Costs	7	(990)	(1,082)	(1,077)
State Fire Commission Levies		(9,315)	(9,315)	(8,800)
Other	8	(9,678)	(6,891)	(5,279)
		(118,994)	(117,304)	(115,295)
Capital Expenses				
Net Loss on Disposal of Property, Plant and Equipment	11	(253)	-	-
		(253)	-	-
		(119,247)	(117,304)	(115,295)
Recurrent Income				
Rates and Charges		75,191	75,222	73,929
Grants and Donations	10(a)	2,994	3,192	4,719
Fines		7,106	6,694	5,704
Rendering of Services		27,636	27,000	26,465
Distributions from TasWater		3,105	3,258	3,468
Interest		1,084	1,044	1,435
Rents		3,229	3,299	3,281
		120,345	119,709	119,001
Capital Income				
Capital Grants Received Specifically for New or Upgraded Assets	10(b)	4,706	-	3,409
Net Gain on Disposal of Property, Plant and Equipment	11	-	1,769	1,477
Capital Insurance Receipts		-	-	529
Property Settlement		-	-	1,630
Contributed Property, Plant and Equipment		1,345	-	1,092
Contributed land under roads		684,821	-	3,385
		690,872	1,769	11,522
		811,217	121,478	130,523
Surplus/(Deficit)	9	691,970	4,174	15,228
Other Comprehensive Income				
<i>Items that may be reclassified subsequently to surplus or deficit:</i>				
- Adjustment to Fair Value of Investment in TasWater	12	2,738	-	1,283
<i>Items that will not be reclassified to surplus or deficit:</i>				
- Net PP&E revaluation increments/(decrements)	13	9,972	-	(3,570)
- Defined-benefit superannuation plan actuarial gains/(losses)	33	(1,613)	-	1,932
		11,097	-	(355)
Comprehensive Income for the period		703,067	4,174	14,873

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	Total		Retained Earnings		Reserves	
		2015-16 \$'000	2014-15 \$'000	2015-16 \$'000	2014-15 \$'000	2015-16 \$'000	2014-15 \$'000
Balance at beginning of period		889,563	874,690	411,687	399,288	477,876	475,402
Net Adjustment Relating to Recognition of Assets		-	-	-	-	-	-
Comprehensive Income for the period		703,067	14,873	690,357	17,160	12,710	(2,287)
Transfers to reserves	37	-	-	(25,023)	(28,711)	25,023	28,711
Transfers from reserves	37	-	-	35,726	23,950	(35,726)	(23,950)
Balance at end of period		1,592,630	889,563	1,112,747	411,687	479,883	477,876

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

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2016

	Note	2015-16 Actual \$'000	2015-16 Budget \$'000	2014-15 Actual \$'000
Cash Flows from Operating Activities				
<i>Receipts</i>				
Rates		75,301	75,153	73,904
Rendering of services (inclusive of GST)		31,050	29,252	29,509
Interest		1,352	1,042	1,462
Grants (inclusive of GST)		2,994	3,124	4,743
Rents (inclusive of GST)		3,229	3,626	3,281
Fines		6,628	6,736	5,493
Distributions from TasWater		3,258	3,258	3,258
Net GST refund		3,180	2,957	2,342
Other receipts (inclusive of GST)		166	498	(377)
		127,158	125,646	123,615
<i>Payments</i>				
Employee Costs		(50,725)	(50,525)	(50,602)
Payments to Suppliers (inclusive of GST)		(36,943)	(37,720)	(34,824)
Interest		(782)	(798)	(1,107)
Other Payments (inclusive of GST)		(17,288)	(13,551)	(11,113)
		(105,738)	(102,594)	(97,646)
Net Cash Flow from Operating Activities	38	21,420	23,052	25,969
Cash Flows from Investing Activities				
<i>Proceeds</i>				
Grants		4,706	2,078	3,409
Sales of Property		-	307	5,359
Sales of Plant and Equipment		984	948	380
		5,690	3,333	9,148
<i>Payments</i>				
Infrastructure – Employee Costs		(2,846)	(3,507)	(2,619)
Infrastructure and Facilities – Other		(21,544)	(23,395)	(20,458)
Plant and Equipment		(5,793)	(5,667)	(2,705)
		(30,183)	(32,569)	(25,782)
Net Cash Flow from/(used in) Investing Activities	38	(24,493)	(29,236)	(16,634)
Cash Flows from Financing Activities				
Repayment of Borrowings	35	(1,331)	(1,334)	(1,734)
Net Cash Flow from/(used in) Financing Activities		(1,331)	(1,334)	(1,734)
Net Increase (Decrease) in Cash Held		(4,404)	(7,518)	7,601
Cash Held at the Beginning of the Year		40,709	40,709	33,108
Cash held at the End of the Year	16	36,305	33,191	40,709

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 section 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 (AASB) 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.

Judgments 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 judgments were made in determining the values of employee provisions and superannuation liabilities (detailed in note 1(g)) and the fair value of property, plant and equipment, including useful lives and depreciation (detailed in note 1(j)).

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

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

C) REVENUE RECOGNITION

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

Rates, Grants, Donations and Other Contributions

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

Rendering of Services

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

Sale of Assets

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

Fines

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

Rents, Interest and Dividends

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

D) CASH AND CASH EQUIVALENTS (NOTE 16)

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

E) INVENTORIES (NOTE 17)

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

F) FINANCIAL ASSETS (NOTES 12 AND 18)

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market

concerned, and are initially measured at fair value, net of transaction costs.

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

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

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

G) EMPLOYEE BENEFITS (NOTE 33)

Wages and salaries, annual leave, long service leave and sick leave

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

Provisions made in respect of employee benefits which fall due wholly within 12 months after the end of the period in which the employees rendered the related service, are measured at their nominal values using remuneration rates expected to apply at the time of settlement. Other provisions are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date.

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

In determining 'pre-conditional' long service leave entitlements, the amount of cash outflows required to be made by Council in

the future have been estimated on a group basis after taking into consideration Council's experience with staff departures.

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

Superannuation

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

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

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

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

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

H) PROVISIONS (NOTE 36)

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the

reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

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

I) NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE (NOTE 20)

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

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

J) PROPERTY, PLANT AND EQUIPMENT (NOTES 21–30)

Acquisition

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

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

Revaluations

Plant and equipment, and the valuation roll, are recorded at cost. All other property, plant and equipment is revalued with sufficient regularity to ensure that the carrying amount does not differ

materially from that which would be determined using fair value at the reporting date.

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

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

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

Where indexation adjustments have been applied to 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.

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. Residual values are assumed to be zero except for some plant and equipment assets.

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

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

Asset	Years
Buildings – Halls	50–150
Buildings – Car Parks	50–150
Buildings – G'stands & Change Rms	50–150
Buildings – Public Conveniences	50–150
Buildings – Depot Buildings	50–150
Buildings – Administrative Offices	50–500
Buildings – Commercial	50–150
Buildings – Other	10–150
Infrastructure Plant	3–100
Land Improvements – Landscaping	10–65

Asset	Years
Land Improvements – External Playing Surfaces	10–100
Land Improvements – Other	3–100
Other Structures – Furniture & Signs	1–100
Other Structures – Drainage Structures	10–100
Other Structures – Monuments	1–200
Other Structures – Playground Equipment	5–50
Other Structures – Fountains	10–80
Other Structures – Other	1–500
Pipes, Drains & Rivulets – Water	25–126
Pipes, Drains & Rivulets – Irrigation	10–120
Pipes, Drains & Rivulets – Sewer	20–80
Pipes, Drains & Rivulets – Stormwater	10–134
Pipes, Drains & Rivulets – Rivulets	15–120
Plant & Equipment – Mobile Plant & Equip	5–65
Plant & Equipment – Fleet Vehicles	3–65
Plant & Equipment – Minor Plant	3–65
Plant & Equipment – Furniture & Office Equip	2–65
Roads & Bridges – Sealed Roads	17–1000
Roads & Bridges – Bridges	25–100
Roads & Bridges – Footpaths, Kerbs & Guttering	10–75
Roads & Bridges – Cycleways & Tracks	12–85
Valuables	1–65

Monuments

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

Land under Roads

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

K) LEASES (NOTE 41)

Finance Leases as lessee

Leases under which Council assumes substantially all the risks and rewards of ownership are classified as finance leases and are capitalised. A lease asset and a liability equal to the present value of the minimum lease payments are recorded at the inception of the lease. Contingent rentals are written off as an expense in the period in which they

are incurred. Capitalised lease assets are amortised on a straight-line basis over the term of the relevant lease, or where it is likely that Council will obtain ownership of the asset, the life of the asset. Lease liabilities are reduced by repayments of principal. The interest components of lease payments are charged as an expense of the period.

Operating Leases as lessee

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

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

Operating Leases as lessor

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

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

in accordance with Council's revenue recognition policy.

Where leasing of a property is incidental to Council's use of it, the associated land and buildings are recognised within property, plant and equipment in the Statement of Financial Position, and valued in accordance with Council's valuation policy.

L) FINANCIAL LIABILITIES (NOTES 31 AND 35)

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

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

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

M) HERITAGE ACCOUNT (NOTES 15 AND 16)

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

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

The Act requires that funds transferred into the Heritage Account be applied for the provision of financial or other assistance in relation to an entry in either the National Trust register kept

by the National Trust of Australia (Tasmania), or the Tasmanian Heritage Register.

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

N) GOODS AND SERVICES TAX (GST)

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

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

O) BUDGET

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

P) ROUNDING

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

2. CHANGES IN ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

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

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

AASB 2015-3 *Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality* (effective 1 July 2015). The completion of AASB project to remove Australian guidance on materiality from Australian Accounting Standards with the issue of the final amending standard to effect the withdrawal AASB 1031 *Materiality*. Guidance on materiality is now located in AASB 101 *Presentation of Financial Statements*.

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

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

AASB 9 *Financial Instruments* and the relevant amending standards (effective from 1 January 2018). The Standard is one of a series of amendments that are expected to replace AASB 139 *Financial Instruments: Recognition and Measurement*. The main impact of the Standard is to change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements the four categories of financial assets in AASB 139 will be replaced with two measurement categories: fair value and amortised cost. Amortised cost is to be used for assets with contractual terms giving rise to principal and interest payments. Fair value is to be used for all other financial assets. Gains or losses on financial assets at fair value are to be recognised in profit and loss unless the asset is part of a hedging relationship or an irrevocable election has been made to present

in other comprehensive income changes in the fair value of an equity instrument not held for trading.

When adopted, the standard will affect, in particular, Council's accounting for its available-for-sale financial assets. Currently, Council recognises changes in the fair value of its available-for-sale financial assets through other comprehensive income. Under AASB 9, fair value gains and losses on available-for-sale financial assets will have to be recognised directly in profit or loss. Had this requirement been adopted at 30 June 2016, the fair value gain on Council's investment in TasWater of \$2.738 million would have reduced Council's surplus accordingly.

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

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

This amendment introduces a rebuttable presumption that the use of revenue-based amortisation methods for intangible assets is inappropriate. In addition to this, there is limited opportunity for presumption to be overcome and clarifies that revenue-based depreciation for property, plant and equipment cannot be used. There will be no impact on Council's surplus, financial position or disclosures as Council does not adopt such amortisation methods.

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

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

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

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

AASB 2015-7 Amendments to Australian Accounting Standards – Fair Value Disclosures for Not-for-Profit Public Sector Entities (effective from 1 January 2016).

The amendment provides relief to not-for-profit public sector entities from certain disclosures about the fair value measurement of property, plant and equipment held for their current service potential rather than to generate net cash inflows that is categorised within Level 3 of the fair value hierarchy. It is expected this will reduce Council's disclosures.

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

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

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

AASB 16 Leases (effective from 1 January 2019).

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

3. SIGNIFICANT REVENUES AND EXPENSES

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

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

In both years, recognition of the value attributed to land under roads has resulted in an increase in value of the land class of assets with a corresponding increase in capital revenue for the respective period.

4. FUNCTIONS/ACTIVITIES OF THE COUNCIL

		Expenses		Revenues		Assets
		\$'000	Grants \$'000	Other \$'000	Total \$'000	\$'000
Public Order and Safety	2015–16	9,429	0	8,970	8,970	15
	2014–15	8,903	0	8,469	8,469	0
Health	2015–16	2,054	0	936	936	172
	2014–15	1,664	0	780	780	113
Welfare	2015–16	3,122	148	224	372	3,065
	2014–15	2,963	115	171	286	3,011
Community Amenities	2015–16	18,800	0	13,870	13,870	149,823
	2014–15	24,036	71	14,821	14,892	144,164
Recreation and Culture	2015–16	31,730	0	7,999	7,999	256,377
	2014–15	29,514	8	8,311	8,319	247,120
Parking	2015–16	11,060	0	20,991	20,991	91,469
	2014–15	11,067	0	19,110	19,110	89,975
Transport	2015–16	15,102	774	351	1,125	904,877
	2014–15	14,234	2,530	386	2,916	219,272
Economic Services	2015–16	8,277	160	2,060	2,220	2,628
	2014–15	5,160	151	1,962	2,113	1,588
Other (Not Attributed)*	2015–16	19,420	1,912	61,950	63,862	233,047
	2014–15	17,754	1,844	60,272	62,116	234,442
Total	2015–16	118,994	2,994	117,351	120,345	1,641,473
	2014–15	115,295	4,719	114,282	119,001	939,685

Note: Capital expenses and capital income are not included.

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

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

PUBLIC ORDER AND SAFETY: fire prevention and emergency management.

HEALTH: food control, immunisation services and animal control.

WELFARE: youth services and aged care services.

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

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

PARKING: car parks and on-street parking.

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

ECONOMIC SERVICES: Salamanca Market and tourism promotion.

5. EMPLOYEE COSTS

	Note	2015–16 \$'000	2014–15 \$'000
Gross Wages and Salaries		43,361	43,239
Less: Amounts Capitalised		(1,930)	(1,733)
Leave Payments		(3,565)	(3,772)
		(5,495)	(5,505)
Wages and Salaries Expensed		37,866	37,734
Leave Entitlements		3,450	3,480
Defined-benefit Superannuation Plan	33	1,567	1,725
Other Superannuation		4,018	3,880
Workers Compensation Insurance		1,639	851
Payroll Tax		2,961	3,048
Aldermanic Allowances		512	499
Employee Separation payments		492	687
Labour Overheads Capitalised		(916)	(886)
		51,589	51,018
Number of Employees (Full-time Equivalent)		571	584

6. DEPRECIATION AND AMORTISATION

	2015–16 \$'000	2014–15 \$'000
Land Improvements	1,030	996
Buildings	2,302	1,940
Infrastructure Plant	310	361
Plant and Equipment	2,791	2,276
Pipes, Drains and Rivulets	1,636	2,123
Roads and Bridges	7,300	6,823
Other Structures	3,062	2,864
Other	13	67
	18,444	17,450

7. FINANCE COSTS

	Note	2015–16 \$'000	2014–15 \$'000
Interest on Loans		782	851
Landfill Restoration Provision	36	202	188
Defined-benefit superannuation scheme	33	6	38
		990	1,077

8. OTHER EXPENSES

	Note	2015-16 \$'000	2014-15 \$'000
Pensioner Rate Remissions		1,097	1,083
Less: Reimbursements from Government	10	(1,065)	(1,055)
		32	28
Other Rate Remissions		15	22
Grants and Specific Purpose Benefits		6,118	1,250
Directors Fees		12	12
Auditor General's Fee – Audit of the Financial Report		49	49
Other Audit Fees		217	162
Bad and Doubtful Debts		299	164
Assets Written-off		2,215	2,596
Obsolete Stock		19	8
Asphalt Plant Rehabilitation Write-off		(392)	-
Fringe Benefits Tax		412	350
Land Tax		682	638
		9,678	5,279

9. UNDERLYING RESULT

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

	Note	2015-16 \$'000	2014-15 \$'000
Surplus		691,970	15,228
<i>exclude</i>			
Employee Separation payments	5	492	687
Adjustment to Allowance for Impaired Fines		-	-
Capital Insurance Receipt		-	(529)
Capital Grants	10	(4,706)	(3,409)
(Gain)/ Loss on disposal	11	253	(1,477)
Contributed Property, Plant and Equipment		(1,345)	(1,092)
Contributed Land under Roads		(684,821)	(3,385)
Property settlement		-	(1,630)
<i>adjust Financial Assistance Grants received in advance</i>	10		
2016-17 allocation received in 2015-16		-	-
2015-16 allocation received in 2014-15		1,349	(1,349)
<i>adjust Rates received in advance</i>	14		
2014-15 rates received in 2013-14		-	500
2015-16 rates received in 2014-15		496	(496)
2016-17 rates received in 2015-16		(609)	-
Underlying Surplus		3,079	3,048

10. GRANTS AND DONATIONS

	Note	2015–16 \$'000	2014–15 \$'000
a) Operating Grants			
<i>provided by Government</i>			
Commonwealth Financial Assistance Grants		1,292	4,076
Pensioner Rate Remission Grants	8	1,065	1,055
Employment Creation Initiatives		6	18
Fuel Tax Credit Scheme		117	108
Infill Development within Greater Hobart		-	50
South Hobart Community Centre		1,150	73
Still Gardening Program		145	112
Tasmanian Travel and Information Centre		150	150
Miscellaneous		13	33
		3,938	5,675
<i>other</i>			
Provision of Public Open Space		121	99
		121	99
		4,059	5,774
Less: Pensioner Rate Remission Grants netted against Remissions	8	(1,065)	(1,055)
		2,994	4,719

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

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

2015–16 budget the early payment of two instalments of the 2015–16 year was once again brought forward and received in June 2015.

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

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

10. GRANTS AND DONATIONS (CONT.)

	Note	2015-16 \$'000	2014-15 \$'000
b) Capital Grants			
<i>Provided by Government</i>			
Roads to Recovery Program		1,466	570
Augusta Rd pedestrian and bike facilities		38	-
Blackspot Program		990	35
Centenary of ANZAC walkway		1,818	-
Flame of Remembrance		-	100
Improving Public Spaces		250	250
Macquarie Street Renewal Works		39	55
Brooker Ave – Macquarie St – Liverpool St renewal works		102	-
Maritime Museum Lift Installation		-	120
Safer Roads program		-	48
Soldiers Memorial Avenue Upgrade		-	2,171
		4,703	3,349
<i>Other</i>			
Wellesley Park Pavilion		-	52
Miscellaneous		3	8
		3	60
		4,706	3,409
Total Grants and Donations		7,700	8,128
c) Conditions			
Grants and donations which were recognised as revenues during the reporting period and which were obtained on the condition that they be expended in a particular manner, but had yet to be applied in that manner as at the reporting date:		3,806	733
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:		(853)	(3,088)
Net increase/(decrease) in assets subject to conditions		2,953	(2,355)
Assets subject to conditions at the beginning of the period		1,275	3,630
Assets subject to conditions at the end of the period	15	4,228	1,275

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

11. ASSET SALES

	2015-16 \$'000	2014-15 \$'000
Plant & Equipment		
Proceeds from sales	984	380
Less carrying amount of assets sold	(1,237)	(553)
Gain/(Loss) on disposal	(253)	(173)
Land and Buildings		
Proceeds from sales	-	3,800
Less carrying amount of assets sold	-	(2,150)
Gain/(Loss) on disposal	-	1,650
Total Gain/(Loss) on disposal of assets	(253)	1,477

12. INVESTMENT IN TASWATER

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

There has been no change to the previous investment treatment, with Council receiving a proportional share in the new corporation. Council continues to derive returns in the form of

dividends, guarantee fees and tax equivalents, and continues to account for its ownership interest in accordance with AASB 139 *Financial Instruments: Recognition and Measurement*. The investment has been classified as an 'available-for-sale financial asset'.

At 30 June 2016, the fair value of the asset was measured by applying Council's equity voting proportion (10.39 per cent) to TasWater's net asset value at that date. TasWater advised that this net asset value was \$1,575 million.

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

	2015-16 \$'000	2014-15 \$'000
Opening Balance	160,874	159,591
Fair Value Adjustment	2,738	1,283
Closing Balance	163,612	160,874

Fair value adjustments have been recognised in other comprehensive income.

13. ASSET REVALUATIONS

	Note	2015-16 \$'000	2014-15 \$'000
PP&E Revaluations Recognised in Other Comprehensive Income			
Land		-	16,836
Buildings		2,513	8,798
Land Improvements		323	444
Infrastructure Plant		(399)	8
Pipes, Drains and Rivulets		1,884	(35,442)
Roads and Bridges		3,141	4,273
Other Structures		2,510	1,422
Other		-	91
Net PP&E Revaluation increments/(decrements)	21, 37	9,972	(3,570)

14. RATES RECEIVED IN ADVANCE

	2015-16 \$'000	2014-15 \$'000
Rates recognised as revenues during the reporting period which were obtained in respect of future rating periods	609	496
Rates recognised as revenues in a previous reporting period which were obtained in respect of the current reporting period.	(496)	(500)
Net increase (decrease) in prepaid rates	113	(4)

15. RESTRICTED ASSETS

	Note	2015-16 \$'000	2014-15 \$'000
a) Grants and Donations subject to Conditions			
Assets derived from grants and donations which were obtained on the condition that they be expended in a particular manner but had yet to be applied in that manner as at the reporting date were in respect of:			
- Accelerated Energy Efficient Street Light Roll Out		-	11
- Contributions in lieu of Parking		135	135
- Contributions in lieu of Public Open Space		495	239
- Roadworks		1,505	585
- South Hobart Community Hub		61	-
- Tasman Highway		1,817	-
- Trails and Bikeways		-	42
- Wellesley Park Pavilion Refurbishment		-	79
- Wellesley Park – Sport & Recreation Facilities		-	67
- Miscellaneous		215	117
	10(c)	4,228	1,275
b) Heritage Account			
Assets acquired as a result of the winding-up of the National Trust Preservation Fund which are required by section 5(3) of the <i>National Trust Preservation Fund (Winding-up) Act 1999</i> to be applied for the provision of financial or other assistance in relation to an entry in either the National Trust Register or the Tasmanian Heritage Register.			
	1(m)	1,428	1,380
Total Restricted Assets	16(b)	5,656	2,655

16. CASH

	Note	2015-16 \$'000	2014-15 \$'000
a) Definition of Cash			
For the purpose of the Statement of Cash Flows, the following items comprise the cash balance at the end of the period:			
Term Deposits		7,300	30,834
At Call		24,690	5,656
		31,990	36,490
Cash Advances		63	63
Cash at Bank		4,252	4,156
		36,305	40,709
b) Composition of Cash			
The following restrictions apply to the closing cash balance:			
- Accelerated Energy Efficient Street Light Roll Out		-	11
- Provision of Public Open Space		495	239
- Provision of Parking Facilities		135	135
- Roadworks		1,505	585
- South Hobart Community Hub		61	-
- Tasman Highway		1,817	-
- Trails and Bikeways		-	42
- Wellesley Park Pavilion Refurbishment		-	79
- Wellesley Park – Sport & Recreation Facilities		-	67
- Heritage Funding		1,428	1,380
- Other		215	117
	15	5,656	2,655
The remainder of the Cash balance has been ear-marked for:			
- Asset Replacement		14,865	16,492
- Other Capital Works		231	144
- Provision of Public Open Space		16	16
- Loan Redemption		1,405	1,331
- Bushland Acquisition		339	308
- Public Infrastructure Fund		3,800	9,286
- McRobies Gully Landfill Rehabilitation		3,016	2,568
- Asphalt Plant decommissioning and site rehabilitation		-	761
- Queens Domain Facility upgrades		380	276
- Refundable Deposits		2,317	1,897
- Future Asset Renewal		4,280	4,975
		30,649	38,054
		36,305	40,709

17. INVENTORIES

	2015-16 \$'000	2014-15 \$'000
The Doone Kennedy Hobart Aquatic Centre	49	48
McRobies Gully – construction materials	26	42
Tasmanian Travel & Information Centre	39	23
Other	233	229
Total	347	342

18. FINANCIAL INSTRUMENTS

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

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

A) CREDIT RISK

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

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

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

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

Waste Management Centre. Credit risk limits are set for each individual customer and these limits are regularly monitored.

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

There are no significant concentrations of credit risk and financial instruments are spread among 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.

2015-16	Floating Interest Rate \$'000	Fixed 1 year or less \$'000	Interest Maturing in: Over 1 to 5 years \$'000	More than 5 years \$'000	Non-Interest Bearing \$'000	Total \$'000	Weighted Average Interest Rate
Financial Assets							
Cash and Cash Equivalents	28,942	7,300	-	-	63	36,305	2.11%
Receivables	938	26	-	-	5,107	6,071	0.75%
	29,880	7,326	-	-	5,170	42,376	
Weighted Average Interest Rate	2.22%	2.54%	0.00%	0.00%			
Financial Liabilities							
Payables	-	-	-	-	9,232	9,232	n/a
Loans	-	1,405	6,184	5,508	-	13,097	5.69%
	-	1,405	6,184	5,508	9,232	22,329	
Weighted Average Interest Rate	0.00%	5.41%	5.41%	6.09%			
Net Financial Assets/ (Liabilities)	29,880	5,921	(6,184)	(5,508)	(4,062)	20,047	

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

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

	30 June 2016		30 June 2015	
	100 basis points	100 basis points	100 basis points	100 basis points
	increase \$'000	decrease \$'000	increase \$'000	decrease \$'000
Financial Assets				
Cash Advances	n/a	n/a	n/a	n/a
Other Cash and Cash Equivalents	225	(225)	84	(84)
Receivables	9	(9)	10	(10)
	234	(234)	94	(94)
Financial Liabilities				
Payables	n/a	n/a	n/a	n/a
Loans	n/a	n/a	n/a	n/a
	-	-	-	-

This analysis assumes all other variables remain constant. The analysis was performed on the same basis for 30 June 2015.

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:

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

2014-15	6 mths or less \$'000	6 to 12 mths \$'000	1 to 2 years \$'000	2 to 5 years \$'000	Over 5 years \$'000	Total \$'000	Carrying Amount \$'000
Trade and other payables	8,559	-	-	-	-	8,559	8,559
Trust funds and deposits	323	333	530	540	875	2,601	2,601
Interest-bearing loans and borrowings	657	674	1,405	6,184	5,508	14,428	14,428
Total financial liabilities	9,539	1,007	1,935	6,724	6,383	25,588	25,588

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:

	2015-16		2014-15	
	Carrying Amount \$'000	Net Fair Value \$'000	Carrying Amount \$'000	Net Fair Value \$'000
Financial Assets				
Cash Advances	63	63	63	63
Cash at Bank and Investments	36,242	36,242	40,646	40,646
Investment in TasWater	163,612	163,612	160,874	160,874
Receivables	6,071	6,071	6,946	6,946
	205,988	205,988	208,529	208,529
Financial Liabilities				
Payables	9,232	9,232	8,559	8,559
Loans	13,097	15,383	14,428	15,319
	22,329	24,615	22,987	23,878

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

E) FAIR VALUE HIERARCHY

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

The different levels have been defined as follows:

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

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

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

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2015-16				
Available for sale financial assets	-	-	163,612	163,612
Financial assets at fair value through profit or loss	-	284	-	284
	-	284	163,612	163,896
2014-15				
Available for sale financial assets	-	-	160,874	160,874
Financial assets at fair value through profit or loss	-	273	-	273
	-	273	160,874	161,147

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

Reconciliation of level 3 fair value movements

	2015-16 \$'000	2014-15 \$'000
Opening Balance	160,874	159,591
Gains/(Losses) recognised in profit or loss	-	-
Gains/(Losses) recognised in other comprehensive income	2,738	1,283
Transfers into/(out of) level 3	-	-
Closing Balance	163,612	160,874

19. RECEIVABLES

	2015-16 \$'000	2014-15 \$'000
Rates	989	1,099
Parking Fines	7,926	7,448
Trade Receivables	1,423	800
Accrued interest on investments	21	289
Wages and salaries paid in advance	101	112
TasWater Distributions	57	210
Other Debtors	393	1,802
	10,910	11,760
Less Allowance for Impairment	(4,839)	(4,814)
	6,071	6,946
Current	5,885	6,750
Non-Current	186	196
	6,071	6,946

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*
2016	1,423	1,068	-	184	-	26	-	123	22
2015	800	642	-	50	-	11	-	68	29

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*	
2016	7,926	104	2,476	3,604	94	686	962
2015	7,448	95	2,165	3,579	66	583	960

Rates

	Total \$'000	90+ days \$'000
		PDNI*
2016	989	989
2015	1,099	1,099

*PDNI – past due not impaired

*CI – considered impaired

20. ASSETS CLASSIFIED AS HELD FOR SALE

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

	2015-16 \$'000	2014-15 \$'000
Land	775	-
	775	-

21. PROPERTY, PLANT AND EQUIPMENT

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

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

	Note	Carrying Amount 30/6/2014 \$'000	Additions \$'000	Transfer to Non- current Assets \$'000	Disposals \$'000	Net Revaluation Adjustments \$'000	Depreciation \$'000	Other Movements \$'000	Carrying Amount 30/6/2015 \$'000
Plant and Equipment	22	16,272	3,250	25	(576)	-	(2,276)	(1)	16,694
Land	23	137,426	3,385	-	-	16,836	-	22,102	179,749
Buildings	23	127,918	-	1,204	(544)	8,798	(1,940)	2,939	138,375
Land Improvements	24	19,407	-	982	(415)	444	(996)	(2)	19,420
Infrastructure Plant	25	3,279	43	121	(333)	8	(361)	-	2,757
Pipes, Drains and Rivulets	26	137,625	461	822	(115)	(35,442)	(2,123)	1,262	102,490
Roads and Bridges	27	179,284	541	812	(386)	4,273	(6,823)	-	177,701
Other Structures	28	64,680	86	1,329	(165)	1,422	(2,864)	(2)	64,486
Capital Work in Progress	29	11,515	23,705	(5,295)	(526)	-	-	(1,262)	28,137
Other	30	838	-	-	-	91	(67)	2	864
		698,244	31,471	-	(3,060)	(3,570)	(17,450)	25,038	730,673

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

22. PLANT AND EQUIPMENT

	2015-16 \$'000	2014-15 \$'000
At Cost	34,092	31,174
Less: Impairment Losses	(1)	(1)
Less: Accumulated Depreciation	(15,628)	(14,479)
	18,463	16,694

23. LAND AND BUILDINGS

	2015–16 \$'000	2014–15 \$'000
Land		
At Cost	688,206	3,385
At Valuer-General's valuation of market value – 2015	175,512	176,364
	863,718	179,749
Building		
At replacement cost – 2015 indexed to 31 March 2016	9,498	
At replacement cost – 2014 indexed to 31 March 2016	215,371	-
At replacement cost – 2015	-	1,836
At replacement cost – 2014 indexed to 31 March 2015	-	211,418
	224,869	213,254
Less: Impairment Losses	-	(23)
Less: Accumulated Depreciation	(78,621)	(74,856)
	146,248	138,375
	1,009,966	318,124

24. LAND IMPROVEMENTS

	2015–16 \$'000	2014–15 \$'000
At replacement cost – 2015 indexed to 31 March 2016	1,221	-
At replacement cost – 2014 indexed to 31 March 2016	42,716	-
At replacement cost – 2015	-	981
At replacement cost – 2014 indexed to 31 March 2015	-	42,652
	43,937	43,633
Less: Accumulated Depreciation	(25,265)	(24,213)
	18,672	19,420

25. INFRASTRUCTURE PLANT

	2015–16 \$'000	2014–15 \$'000
At replacement cost	5,570	4,702
At replacement cost – 2009 indexed to 31 March	-	580
At replacement cost – 2008 indexed to 31 March	-	508
	5,570	5,790
Less: Impairment Losses	(773)	(773)
Less: Accumulated Depreciation	(2,681)	(2,260)
	2,116	2,757

26. PIPES, DRAINS AND RIVULETS

	2015-16 \$'000	2014-15 \$'000
At replacement cost – 2015 indexed to 31 March 2016	183,386	-
At replacement cost – 2015	-	179,140
	183,386	179,140
Less: Accumulated Depreciation	(79,655)	(76,650)
	103,731	102,490

27. ROADS AND BRIDGES

	2015-16 \$'000	2014-15 \$'000
At replacement cost – 2014 indexed to 31 March 2016	386,627	-
At replacement cost – 2014 indexed to 31 March 2015	-	377,989
	386,627	377,989
Less: Accumulated Depreciation	(208,353)	(200,288)
	178,274	177,701

28. OTHER STRUCTURES

	2015-16 \$'000	2014-15 \$'000
At cost	8	-
At replacement cost – 2016	130,491	-
At replacement cost – 2015	-	6,366
At replacement cost – 2013 indexed to 31 March 2015	-	120,027
	130,499	126,393
Less: Accumulated Depreciation	(64,378)	(61,907)
	66,121	64,486

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

29. CAPITAL WORK IN PROGRESS

	2015-16 \$'000	2014-15 \$'000
Road and Bridge works	7,245	5,304
CBD Energy Efficient Lighting Upgrades	1,836	1,715
Footpath, Kerb and Gutter works	3,958	3,283
Traffic Management works	2,485	876
Stormwater Mains	1,079	1,075
Railway Roundabout Fountain restoration	446	446
Parks and Gardens works	4,767	1,733
Soldiers Memorial Oval Building Reconstruction	-	1,196
Soldiers Memorial Oval Irrigation/Drainage	427	369
George Miller Stand Repair	-	547
New Town Bay Boatshed Construction	-	2,706
Sporting Facility works	2,819	1,028
Town Hall Macquarie Wing – Heating Upgrade	-	462
The Doone Kennedy Hobart Aquatic Centre upgrades	813	1,272
Car Parks – Energy Efficient Lighting	444	537
Cornelian Bay Management Plan	-	102
Huon Road Depot Redevelopment Shed Renewals	-	1,666
Twin Bridges Replacement – MWSS Pipeline Track	203	203
Bushland and Reserves works	468	462
Upgrade of Liverpool and Collins Streets	2,655	359
City Wayfinding System	468	114
McRobies Gully Waste Management Centre	-	340
Collins Court Revitalisation (ICAP)	697	-
Morrison Street Cycleway (ICAP)	909	-
Pedestrian & Cyclist High Level Crossing Over Brooker Ave	166	-
Carnegie Gallery	361	-
Litter Bin Renewal 15-16	182	-
Other	3,536	2,342
	35,964	28,137

30. OTHER PROPERTY, PLANT AND EQUIPMENT

	2015-16 \$'000	2014-15 \$'000
Valuation Roll		
At Cost	469	469
Less: Accumulated Depreciation	(420)	(407)
	49	62
Valuables		
At Cost	33	-
At independent valuation of market value – 2014	830	802
	863	802
	912	864

31. PAYABLES

	2015-16 \$'000	2014-15 \$'000
Trade Creditors	1,049	1,384
Accrued plant and equipment purchases	925	779
Accrued capital expenditure	771	1,021
GST payable	-	535
Energy Costs	96	318
Payroll Tax	1,003	1,179
Workers Compensation Insurance	851	413
Fringe Benefits Tax	93	93
Other Accrued Expenses	4,444	2,837
	9,232	8,559

32. TRUST, DEPOSITS AND RETENTION

	2015-16 \$'000	2014-15 \$'000
Refundable Infrastructure Bonds	2,216	1,796
Deposits held for Travel Operators	652	697
Other	231	108
	3,099	2,601

33. EMPLOYEE BENEFITS

	2015-16 \$'000	2014-15 \$'000
Wages and salaries	1,492	1,311
Annual leave (including loading)	3,255	3,313
Long service leave	5,427	5,447
Sick leave	2,383	2,420
Superannuation contributions	1,318	1,306
Defined-benefit superannuation plan	3,540	1,397
	17,415	15,194
Current	11,142	10,884
Non-Current	6,273	4,310
	17,415	15,194

SUPERANNUATION

Council makes the following defined-contributions to superannuation:

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

In respect of those full-time and part-time employees who commenced employment with Council prior to 11 March 2003, Council also contributes to a defined-benefit superannuation plan. Based on actuarial advice Council increased its level of contributions

from 10.5% of wages and salaries to 13% from 1 July 2010 and made additional annual lump sum contributions to the plan. The final of these payments was \$0.75 million in the 2013–14 financial year. From 1 July 2014, the level of contribution was reduced to 9.5%. Employee contributions are 6% of wages and salaries. Employees are entitled to benefits on resignation, retirement, disability or death. The fund provides a defined-benefit based on years of service and final average salary.

An actuarial assessment of the fund was carried out by Mr David Quinn-Watson, FIAA of DeeDeeRa Actuaries Pty Ltd on 29 July 2016 for the purpose of providing figures in accordance with AASB 119 *Employee Benefits*. This assessment revealed the following:

Key assumptions	30 June 2016	30 June 2015
Discount Rate – gross of tax	1.78%	2.6%
Discount Rate – net of tax	n/a	2.2%
Expected rate of salary increase in 2015–16	-	0.9%
Expected rate of salary increase in 2016–17 – 2018–19	2.4%	2.5%
Expected rate of salary increase thereafter	2.5%	2.5%

The amount included in expenses is as follows:

	2015–16 \$'000	2014–15 \$'000
Employee Costs		
- Current Service Cost	1,567	1,725
Finance Costs		
- Interest Cost	887	1,139
- Expected Return on Plan Assets	(881)	(1,101)
	6	38
	1,573	1,763

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

	2015–16 \$'000	2014–15 \$'000
Actuarial (gains)/losses incurred during the period and recognised in other comprehensive income	1,613	(1,932)
	1,613	(1,932)
Cumulative actuarial (gains)/losses recognised in other comprehensive income	9,538	7,925

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

	2015-16 \$'000	2014-15 \$'000
Present value of defined-benefit obligation	42,272	42,363
Fair value of plan assets	(38,732)	(40,966)
Net liability/(asset) arising from defined-benefit plan	3,540	1,397

Movements in the net liability were as follows:

	2015-16 \$'000	2014-15 \$'000
Opening liability	1,397	2,720
Expense recognised in surplus / (deficit)	1,573	1,763
Actuarial (gains) / losses	1,613	(1,932)
Employer contributions	(1,043)	(1,154)
Closing liability	3,540	1,397

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

	2015-16 \$'000	2014-15 \$'000
Opening defined-benefit obligation	42,363	43,051
Current Service Cost	1,567	1,725
Interest Cost	887	1,139
Member contributions and transfers from other funds	730	729
Actuarial (gains) / losses	425	(361)
Benefits and tax paid	(3,700)	(3,920)
Closing defined-benefit obligation	42,272	42,363

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

	2015-16 \$'000	2014-15 \$'000
Opening fair value of plan assets	40,966	40,331
Expected return on plan assets	881	1,101
Actuarial gains/(losses)	(1,188)	1,571
Employer contributions	1,043	1,154
Member contributions and transfers from other funds	730	729
Benefits paid	(3,700)	(3,920)
Closing fair value of plan assets	38,732	40,966

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

	0.25% increase \$'000	0.25% decrease \$'000
Discount Rate	(750)	773
Inflation Rate	711	(693)

	2.50% increase \$'000	2.50% decrease \$'000
Asset Value	(968)	968

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 2016 %	as at 30 June 2015 %
Australian shares	32.5	29.9	32.5
International shares	31.0	32.7	32.6
Property	8.5	9.2	10.0
Fixed interest	13.6	11.4	13.0
Private Equity	1.0	0.5	0.6
Infrastructure	7.5	5.1	4.8
Absolute Returns	2.4	5.0	0.0
Cash	3.5	6.2	6.5
Total	100	100	100

34. UNEARNED REVENUE

	2015-16 \$'000	2014-15 \$'000
Doone Kennedy Hobart Aquatic Centre memberships paid in advance	228	123
Salamanca Market rentals paid in advance	149	109
Animal Licences paid in advance	1	3
Food Premises registration fees paid in advance	-	217
Metered Space Permits	33	-
Other	91	86
	502	538

35. LOANS

	2015-16 \$'000	2014-15 \$'000
Loans Outstanding at Beginning of Year	14,428	16,162
Redemptions	(1,331)	(1,734)
Loans Outstanding at End of Year	13,097	14,428
Current	1,405	1,331
Non-Current	11,692	13,097
	13,097	14,428

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

36. PROVISIONS

	2015-16 \$'000	2014-15 \$'000
<i>Rehabilitation of Landfill Site</i>		
Balance at beginning of year	8,041	6,610
Additional provisions recognised	(2,326)	2,100
Expenditure incurred	(419)	(857)
Unwinding of discount and effect of changes in the discount rate	202	188
Balance at end of year	5,498	8,041
<i>Rehabilitation of Asphalt Plant Site</i>		
Balance at beginning of year	761	800
Additional provisions recognised	-	-
Expenditure incurred	(370)	(39)
Unwinding of provision no longer required	(391)	-
Balance at end of year	-	761
Total Provisions	5,498	8,802

37. RESERVES

		Balance 30/6/15	Transfers to Reserves	Transfers from Reserves	Balance 30/6/15
	Note	\$'000	\$'000	\$'000	\$'000
Asset Replacement		16,494	22,246	(23,875)	14,865
Bushland Fund		308	61	(30)	339
Public Infrastructure Fund		9,286	2,519	(11,805)	-
Contributions in Lieu of Parking		135	-	-	135
Contributions in Lieu of Public Open Space		362	133	-	495
Heritage Account		1,380	64	(16)	1,428
Other Reserves		27,965	25,023	(35,726)	17,262
Fair Value Reserve	12	(35,847)	2,738	-	(33,109)
Asset Revaluation	13	485,758	10,374	(402)	495,730
		477,876	38,135	(36,128)	479,883

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, while expenditure incurred on replacing existing assets is transferred from the reserve. The balance of the reserve represents expenditure which Council expects to incur in future reporting periods on replacing its assets.

Bushland Fund

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

Contributions in Lieu of Parking

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

Contributions in Lieu of Public Open Space

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

Heritage Account

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

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

Fair Value Reserve

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

Asset Revaluation Reserve

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

38. RECONCILIATION OF ACCRUAL-BASED RESULTS WITH CASH FLOWS

	2015-16 (\$'000)			2014-15 (\$'000)		
	Operating Activities	Investing Activities	Total	Operating Activities	Investing Activities	Total
Revenues	811,217			130,523		
Expenses/Expenditure	(119,247)	(30,080)		(115,295)	(27,123)	
Surplus / (Deficit)	691,970			15,228		
Items not involving Cash:						
Depreciation and Amortisation	18,444			17,450		
Carrying Value of Assets Sold	1,237			2,703		
Asset Write-downs	2,215			2,636		
Assets Received for No Consideration	(686,166)			(4,477)		
Re-classification of Revenues						
Capital Grants	(4,706)	4,706	-	(3,409)	3,409	-
Sales of Assets	(984)	984	-	(5,739)	5,739	-
Changes in Operating Assets & Liabilities:						
(Increase)/Decrease in Receivables	875	-	875	(1,504)	-	(1,504)
(Increase)/Decrease in Stock	(5)	-	(5)	(32)	-	(32)
(Increase)/Decrease in Prepayments	(3)	-	(3)	69	-	69
Increase/(Decrease) in Payables	777	(103)	674	875	1,341	2,216
Increase/(Decrease) in Employee Entitlements	608	-	608	711	-	711
Increase/(Decrease) in Unearned Revenue	(36)	-	(36)	48	-	48
Increase/(Decrease) in Provisions	(3,304)	-	(3,304)	1,392	-	1,392
Increase/(Decrease) in Other Liabilities	498	-	498	18	-	18
Net Cash Inflow/(Outflow)	21,420	(24,493)		25,969	(16,634)	

39. FINANCING FACILITIES

	2015-16 \$'000	2014-15 \$'000
Facility Limit	380	380
Less: Used / committed	59	33
Un-used credit card facilities	321	347

40. COMMITMENTS

	2015-16 \$'000	2014-15 \$'000
<i>Capital Expenditure contracted for at the reporting date but not recognised in liabilities:</i>		
Admin buildings – general compliance works	-	45
Argyle Street car park – upgrade works	31	-
Carnegie Galley lift installation	58	-
Clearys Gates fire services upgrade	112	-
Delapidation survey of Sandy Bay Road shopping precinct	14	-
Domain Athletic Centre – replace synthetic track	193	-
Electronic truck warning sign – Brooker Highway	38	-
Energy efficient lighting upgrades	-	188
Fire system upgrade for Mathers House	15	-
Flame of Remembrance	-	122
Hobart Council Centre sanitary drainage	16	-
Hobart Council Centre upgrades	-	146
Inner City Action Plan programs	195	1,418
Kompan Playscape Playground Equipment	37	-
Licence plate recognition system install	188	-
New Town Bay Rowing Club redevelopment	-	68
Path and lighting upgrade Hobart Rivulet	92	-
Plant and equipment purchases	405	382
Playground Equipment – Aberdeen Street	49	-
Poolpod access hoist	38	-
Public space upgrade	-	544
Queens Domain summit loop	49	-
Road infrastructure works	-	526
Sandy Bay footpath renewal works	47	-
Soldiers Memorial Oval community hub – design services	89	-
Supply and install Queenborough Oval netting	23	-
Town Hall – heating upgrade	-	59
Other	543	1,291
	2,232	4,789
Expected timing of these commitments is as follows:		
Not longer than one year	2,232	4,789
Longer than one year and not longer than two years	-	-
Longer than two years and not longer than five years	-	-
Longer than five years	-	-
	2,232	4,789

41. OPERATING LEASES

	2015-16 \$'000	2014-15 \$'000
a) Operating lease commitments at the reporting date not recognised in liabilities:		
Not longer than one year	1,303	1,377
Longer than one year and not longer than two years	1,246	1,346
Longer than two years and not longer than five years	3,638	3,795
Longer than five years	15,326	17,094
	21,513	23,612
<i>The Council's operating lease commitments mainly relate to Trafalgar Car Park.</i>		
b) Operating lease receivables at the reporting date not recognised in assets:		
Not longer than one year	705	829
Longer than one year and not longer than two years	489	495
Longer than two years and not longer than five years	1,164	1,251
Longer than five years	377	391
	2,735	2,966
<i>The Council's operating lease receivables mainly result from property leases.</i>		

42. CONTINGENT LIABILITIES

	2015-16 \$'000	2014-15 \$'000
The Council is currently acting as guarantor for the following loans:		
New Town Cricket Club	50	50
Buckingham Bowls Club	50	50
Hockey Tasmania Inc.	1,500	1,500
Southern Tasmanian Netball Association	631	631
Derwent Sailing Squadron	4,100	-
	6,331	2,231

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

43. MAJOR DEVELOPMENT ASSISTANCE POLICY COMMITMENTS

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

THE WELLINGTON CENTRE DEVELOPMENT

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

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

On an ongoing basis:

- Council has fixed the rates applicable to the development at that which applied on the date of the agreement plus CPI (all groups Hobart) for a 10 year period. The benefit is only applicable to the developer while it owns the particular stratum property.
- The value of this benefit can only be calculated as it occurs and will be disclosed in Council's financial statements as they occur in accordance with the *Local Government Act 1993*.
- The value of the benefit for the current period is \$351,735 (prior year: \$304,822).

THE VODAFONE DEVELOPMENT

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

- That from when the development land is revalued on completion of construction by

the Valuer-General for rating purposes, and while Vodafone meets target employee occupancy numbers for the building, Council on receipt of a suitable certificate will provide a grant to the developer for an amount equal to general rates and stormwater removal service rates that relate to the Vodafone tenancy area for that year. There are pro-rata conditions where partial certification occurs.

- This agreement continues until 30 June 2025 unless an event occurs which gives Council the right to terminate the agreement.
- The value of this benefit can only be calculated as it occurs and will be disclosed in Council's financial statements as they occur in accordance with the *Local Government Act 1993*.
- The value of the benefit for the year is not yet known as the certification required from the developer is provided after the end of the financial year (prior year: Nil).

THE MYER DEVELOPMENT

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

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

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

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

The value of the benefit provided in the current period pursuant to 1.a. above is \$8,519 (prior year: \$1,659) and pursuant to 1.b. \$21,082 (prior year: \$114,987). It is not possible to reliably estimate the value of future assistance.

MYER DEED

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

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

The first \$1.75 million instalment was paid during the current period to Myer upon commencing trading to the public in November 2015. The second \$1.75 million instalment was paid in July and accrued into the current period.

44. SUBSEQUENT EVENTS

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

45. PECUNIARY INTERESTS

In accordance with section 84(2)(b) of the *Local Government Act 1993*, no interests have been notified to the General Manager in respect of any body or organisation with which the Council has major financial dealings.

46. MANAGEMENT INDICATORS

A) UNDERLYING SURPLUS OR DEFICIT

		Benchmark	2015-16 \$'000	2014-15 \$'000
	Underlying Revenue *		121,581	117,656
less	Recurrent expenses		(118,502)	(114,608)
equals	Underlying Surplus/(Deficit)	> Breakeven	3,079	3,048

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

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

B) UNDERLYING SURPLUS RATIO

		Benchmark	2015-16 \$'000	2014-15 \$'000
	Underlying Surplus/(Deficit)		3,079	3,048
divided by	Underlying Revenue		121,581	117,656
equals	Underlying Surplus Ratio	0%–2%	2.5%	2.6%

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

C) NET FINANCIAL LIABILITIES

		Benchmark	2015-16 \$'000	2014-15 \$'000
	Cash and Cash Equivalents		36,305	40,709
plus	Current Receivables		5,885	6,750
less	Total Liabilities		(48,843)	(50,122)
equals	Net Financial Liabilities	> (\$120M)	(6,653)	(2,663)

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

D) NET FINANCIAL LIABILITIES RATIO

		Benchmark	2015-16 \$'000	2014-15 \$'000
	Net Financial Liabilities		(6,653)	(2,663)
divided by	Underlying Revenue		121,581	117,656
equals	Underlying Surplus Ratio	> -100%	-5.5%	-2.3%

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

E) ASSET SUSTAINABILITY RATIO

		Benchmark	2015-16 \$'000	2014-15 \$'000
	Asset Renewal Capital Expenditure		23,778	23,391
divided by	Depreciation Expense		18,444	17,450
equals	Asset Sustainability Ratio	100%	128.9%	134.0%

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

F) ASSET CONSUMPTION RATIO

		Benchmark	2015-16 \$'000	2014-15 \$'000
Plant & Equipment				
	Depreciated Replacement Cost		18,463	16,694
divided by	Current Replacement Cost		34,092	31,174
equals	Asset Consumption Ratio	40%–80%	54.2%	53.6%
Buildings				
	Depreciated Replacement Cost		146,248	138,375
divided by	Current Replacement Cost		224,869	213,254
equals	Asset Consumption Ratio	40%–80%	65.0%	64.9%
Land Improvements				
	Depreciated Replacement Cost		18,672	19,420
divided by	Current Replacement Cost		43,937	43,633
equals	Asset Consumption Ratio	40%–80%	42.5%	44.5%
Infrastructure Plant				
	Depreciated Replacement Cost		2,116	2,757
divided by	Current Replacement Cost		5,570	5,790
equals	Asset Consumption Ratio	40%–80%	38.0%	47.6%
Pipes, Drains & Rivulets				
	Depreciated Replacement Cost		103,731	102,490
divided by	Current Replacement Cost		183,386	179,140
equals	Asset Consumption Ratio	40%–80%	56.6%	57.2%
Roads & Bridges				
	Depreciated Replacement Cost		178,274	177,701
divided by	Current Replacement Cost		386,627	377,989
equals	Asset Consumption Ratio	40%–80%	46.1%	47.0%
Other Structures				
	Depreciated Replacement Cost		66,121	64,486
divided by	Current Replacement Cost		130,499	126,393
equals	Asset Consumption Ratio	40%–80%	50.7%	51.0%

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

G) ASSET RENEWAL FUNDING RATIO

		Benchmark	2015-16 \$'000	2014-15 \$'000
	Planned capital renewals		574,630	606,800
divided by	Required capital renewals		574,630	606,800
equals	Asset renewal funding ratio	100%	100.0%	100.0%

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

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

47. FAIR VALUE MEASUREMENTS

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

- Investment in TasWater
- Investment in Equity Trust Fund
- Property and infrastructure
 - Land
 - Buildings
 - Roads, Footpaths and Drainage
 - Bridges
 - Other infrastructure.

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

Council also has assets measured at fair value on a non-recurring basis as a result of being reclassified as assets held for sale. These comprise land as disclosed in note 20. A description of the valuation techniques and the inputs used to determine the fair value of this land is included below under the heading 'Land held for sale'

A) FAIR VALUE HIERARCHY

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

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

The table on the following page shows the assigned level for each asset and liability held at fair value by the Council. The table presents the Council's assets and liabilities measured and recognised at fair value.

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

		2015-16			
	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Level 4 \$'000
Recurring fair value measurements					
Investment in TasWater	12	-	-	163,612	163,612
Land	23	-	863,718	-	863,718
Buildings	23	-	-	146,248	146,248
Land Improvements	24	-	-	18,672	18,672
Infrastructure Plant	25	-	-	2,116	2,116
Pipes, Drains & Rivulets	26	-	-	103,731	103,731
Roads & Bridges	27	-	-	178,274	178,274
Other Structures	28	-	-	66,121	66,121
Capital Work in Progress	29	-	-	35,964	35,964
Other	30	-	-	830	830
		-	863,718	715,568	1,579,286
Non-recurring fair value measurements					
Assets Held for Sale	20	-	775	-	775
		-	775	-	775

		2014-15			
	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Level 4 \$'000
Recurring fair value measurements					
Investment in TasWater	12	-	-	160,874	160,874
Land	23	-	179,749	-	179,749
Buildings	23	-	-	138,375	138,375
Land Improvements	24	-	-	19,420	19,420
Infrastructure Plant	25	-	-	2,757	2,757
Pipes, Drains & Rivulets	26	-	-	102,490	102,490
Roads & Bridges	27	-	-	177,701	177,701
Other Structures	28	-	-	64,486	64,486
Capital Work in Progress	29	-	-	28,137	28,137
Other	30	-	-	802	802
		-	179,749	695,042	874,791
Non-recurring fair value measurements					
Assets Held for Sale	20	-	-	-	-
		-	-	-	-

Transfers between levels of the hierarchy

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

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

B) HIGHEST AND BEST USE

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

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

Investment in TasWater

Refer to note 12 for details of valuation techniques used to derive fair values.

Land

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

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

Land held for sale

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

Buildings

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

- unit replacement cost (rate/m²) for comparable modern equivalent building types applied to the dimensions of the current asset
- where there is a market for selected buildings, market value taking into account any heritage listings
- quantity Surveyor estimates of replacement value of selected buildings which have unique characteristics.

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

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

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

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

Infrastructure assets

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

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

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

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

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

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

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

Roads & Bridges

Sealed Road, Gravel Roads, Footpaths, Kerb & Gutter

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

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

Prices are obtained against the modern equivalent asset specification from both internal and external sources (Adrian Grainger and Julian Hickey – Quantity Surveyors) to

determine the lowest cost at which the gross future economic benefits of the asset could currently be obtained in the normal course of business.

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

Bridges

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

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

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

Cycleways & Tracks

Council has one cycleway and some 150 kilometres of walking tracks. The cycleway is sufficiently similar to a concrete footpath to be able to determine a CRC on that basis. Sufficient work is carried out internally on the walking tracks to be able to determine a CRC based on recent actual projects and future project estimates.

Pipes, Drains & Rivulets

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

For stormwater pipes and built rivulets the CRC is based on the asset dimension multiplied by a unit price; the unit price being an estimate of labour and material inputs, services costs, and overhead allocations etc. For each pipe

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

Other Infrastructure

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

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

D) UNOBSERVABLE INPUTS AND SENSITIVITIES

Asset/Liability category	Carrying amount (at fair value)	Key unobservable inputs	Input value	Description of how changes in inputs will affect the fair value
Car Parks	\$69.693 million	Useful life	150 years	The higher the useful life, the higher the fair value
Car Parks	\$69.693 million	Unit price per car space	\$28,800	The higher the unit price, the higher the fair value
Concrete kerb and channel	\$49.190 million	Useful life	75 years	The higher the useful life, the higher the fair value
Concrete kerb and channel	\$49.190 million	Unit price per metre	\$140.54	The higher the unit price, the higher the fair value
Aquatic Centre	\$22.558 million	Useful life	50 years	The higher the useful life, the higher the fair value
Aquatic Centre	\$22.558 million	Unit price per square metre	\$4,417.50	The higher the unit price, the higher the fair value
Hotmix footpaths	\$15.596 million	Useful life	35 years	The higher the useful life, the higher the fair value
Hotmix footpaths	\$15.596 million	Unit price per square metre	\$73.80	The higher the unit price, the higher the fair value
300 mm road formation	\$15.969 million	Unit price per square metre	\$9.45	The higher the unit price, the higher the fair value
Retaining wall – 2 metres high	\$12.277 million	Useful life	100 years	The higher the useful life, the higher the fair value
Retaining wall – 2 metres high	\$12.277 million	Unit price per square metre	\$1,170.59	The higher the unit price, the higher the fair value
Retaining wall – 1 – less than 2 metres high	\$12.152 million	Useful life	100 years	The higher the useful life, the higher the fair value
Retaining wall – 1 – less than 2 metres high	\$12.152 million	Unit price per square metre	\$1,559.98	The higher the unit price, the higher the fair value
Small grandstands	\$11.988 million	Useful life	120 years	The higher the useful life, the higher the fair value
Small grandstands	\$11.988 million	Unit price per seat	\$2,500.00	The higher the unit price, the higher the fair value

Asset/Liability category	Carrying amount (at fair value)	Key unobservable inputs	Input value	Description of how changes in inputs will affect the fair value
Office buildings	\$10.899 million	Useful life	150 years	The higher the useful life, the higher the fair value
Office buildings	\$10.899 million	Unit price per square metre	\$2,750.00	The higher the unit price, the higher the fair value
Concrete footpaths	\$10.877 million	Useful life	75 years	The higher the useful life, the higher the fair value
Concrete footpaths	\$10.877 million	Unit price per square metre	\$99.18	The higher the unit price, the higher the fair value

Council's investment in TasWater is valued at its fair value at balance date. Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date. At 30 June 2016, Council continued to hold a 10.39 per cent ownership interest in TasWater which is based on schedule 2 of the corporation's constitution which reflects the Council's voting rights. Any unrealised gains and losses are recognised through the Statement of Other Comprehensive Income to a Fair value reserve each year. (Refer note 11).

Council has classified this asset as an Available-for-Sale financial asset as defined in AASB 139 *Financial Instruments: Recognition and Measurement* and has followed AASB 132 *Financial Instruments: Presentation* and AASB 7 *Financial Instruments: Disclosures* to value and present the asset in the financial report. Council's investment is not traded in an active market and is only sensitive to fluctuations in the value of TasWater's net assets.

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

E) CHANGES IN RECURRING LEVEL 3 FAIR VALUE MEASUREMENTS

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

F) VALUATION PROCESSES

Council's current policy for the valuation of property, plant and equipment, and investment in TasWater (recurring fair value measurements) is set out in notes 1(k) and 12 respectively.

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

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

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

Council loans are measured at amortised cost with interest recognised in profit or loss when incurred. The fair value of loans disclosed in note 18 is provided by each lender (level 2).

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

48. SIGNIFICANT BUSINESS ACTIVITIES

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

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

and Information Centre as commercial-like undertakings. Details of each of these are set out below.

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

OFF-STREET PARKING

	2015-16 Actual \$'000	2015-16 Budget \$'000	2014-15 Actual \$'000
Revenues			
Rates			
User Fees and Charges	8,336	7,890	7,866
Rental Income	445	419	407
	8,781	8,309	8,273
Expenses			
Employee Costs	(1,018)	(1,067)	(946)
Energy Costs	(167)	(187)	(219)
Materials and Contracts	(2,759)	(2,786)	(2,679)
Depreciation	(706)	(674)	(664)
Bad Debts	-	-	1
Land Tax	(283)	(295)	(282)
Engineering and Administrative Overheads	(813)	(813)	(813)
	(5,746)	(5,822)	(5,602)
Gains/(Losses)			
Property Sales	-	-	1,382
	-	-	1,382
Operating Profit/(Loss)	3,035	2,487	4,053
Competitive Neutrality Costs			
Opportunity Cost of Capital	(4,459)	(4,459)	(4,984)
Income Tax	(1,042)	(840)	(1,352)
Council Rates	(437)	(313)	(455)
	(5,938)	(5,612)	(6,791)

ON-STREET PARKING

	2015-16 Actual \$'000	2015-16 Budget \$'000	2014-15 Actual \$'000
Revenues			
Rates			
User Fees and Charges	5,144	5,251	5,166
Fines	7,066	6,694	5,671
	12,210	11,945	10,837
Expenses			
Employee Costs	(3,049)	(3,259)	(3,146)
Materials and Contracts	(1,074)	(1,094)	(990)
Depreciation	(187)	(186)	(206)
Bad Debts	(301)	(350)	(152)
Engineering and Administrative Overheads	(703)	(720)	(703)
	(5,314)	(5,609)	(5,197)
Gains/(Losses)			
Plant and Equipment sales	5	-	-
	5	-	-
Operating Profit/(Loss)	6,901	6,336	5,640
Competitive Neutrality Costs			
Opportunity Cost of Capital	(39)	(39)	(53)
Income Tax	(2,070)	(1,901)	(1,692)
	(2,109)	(1,940)	(1,745)

DOONE KENNEDY HOBART AQUATIC CENTRE

	2015-16 Actual \$'000	2015-16 Budget \$'000	2014-15 Actual \$'000
Revenues			
User Fees and Charges	4,414	4,896	4,637
Rental Income	7	19	18
Other Income	253	-	265
	4,674	4,915	4,920
Expenses			
Employee Costs	(2,983)	(2,831)	(2,825)
Energy Costs	(533)	(536)	(575)
Materials and Contracts	(1,794)	(1,528)	(1,691)
Insurance	(35)	-	(35)
Other	(96)	(15)	(19)
	(5,441)	(4,910)	(5,145)
Operating Profit/(Loss) Before Depreciation	(767)	5	(225)
Depreciation	(850)	(802)	(735)
Operating Profit/(Loss)	(1,617)	(797)	(960)
Competitive Neutrality Costs			
Opportunity Cost of Capital	(1,572)	(1,572)	(1,797)
Council Rates	(72)	(72)	(76)
	(1,644)	(1,644)	(1,873)

TASMANIAN TRAVEL AND INFORMATION CENTRE

	2015-16 Actual \$'000	2015-16 Budget \$'000	2014-15 Actual \$'000
Revenues			
Rates			
User Fees and Charges	844	834	817
Tasmanian Government Grant	150	150	150
Other Income	61	30	35
	1,055	1,014	1,002
Expenses			
Employee Costs	(850)	(827)	(745)
Materials and Contracts	(284)	(228)	(252)
Depreciation	(4)	(3)	(1)
	(1,138)	(1,058)	(998)
Operating Profit/(Loss)	(83)	(44)	4
Competitive Neutrality Costs			
Opportunity Cost of Capital	(6)	(6)	(2)
Council Rates	(7)	(7)	(8)
	(13)	(13)	(10)

HOBART CITY COUNCIL

GENERAL PURPOSE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2016

CERTIFICATION BY GENERAL MANAGER

The financial report presents fairly the financial position of the Hobart City Council as at 30 June 2016, the results of its operations for the year then ended and the cash flows of the Council, in accordance with the *Local Government Act 1993* (as amended), Australian Accounting Standards (including interpretations) and other authoritative pronouncements issued by the Australian Accounting Standards Board.

Signed at Hobart this 9th day of August 2016.


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(Heather Salisbury)
Acting General Manager



Independent Auditor's Report

To the Aldermen of Hobart City Council

Financial Report for the Year Ended 30 June 2016

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 2016 and the statements of comprehensive income changes in equity and cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the General Manager's statement.

Auditor's Opinion

In my opinion Council's financial report:

- (a) presents fairly, in all material respects, its financial position as at 30 June 2016 and financial performance, cash flows and changes in equity for the year then ended
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards.

The Responsibility of the General Manager for the Financial Report

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

Auditor's Responsibility

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

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

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

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

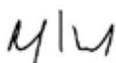
My audit responsibility does not extend to the budget figures included in the statement of comprehensive income, the asset renewal funding ratio disclosed in note 46, nor the Significant Business Activities disclosed in note 48 to the financial report and accordingly, I express no opinion on them.

Independence

In conducting this audit, I have complied with the independence requirements of Australian Auditing Standards and other relevant ethical requirements.

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

Tasmanian Audit Office



Rod Whitehead
Auditor-General

Hobart
29 September 2016

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