



# Vision for the City of Hobart

In 2025 Hobart will be a City that:

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

## Mission Statement

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

## Strategic Outcomes

	Hobart will be a City that:
A Liveable City	is a safe and convenient place for people, encouraging creativity and lifestyle opportunities
Management of Our Environment	protects and conserves its environment and natural beauty
Protection of Our Heritage	conserves and enhances its significant built and cultural heritage
Growth of Our Economy	encourages the sustainable growth and prosperity of the community
Gateway to Tasmania	as the state capital, commits itself to the development of the economic, tourism, cultural and social life of Tasmania
Management of Our Resources	prudently manages its affairs and the delivery of quality affordable services

## Values

	The Council will:
Leadership	provide effective capital City leadership, integrity and openness in its approach and will advocate the needs and aspirations of the community
Equity	ensure equity, consistency and co-operation in its dealings with the community and government
Community Involvement	encourage effective democratic involvement by the community in the life of the City through communication, consultation and participation
Responsiveness	be responsive to the needs and aspirations of the community
Excellence	ensure continuous improvement in the delivery of all its services

# Lord Mayor's Message



As Lord Mayor it gives me a great deal of pleasure to highlight the excellent performance of the Hobart City Council in the Annual Report for 2006-2007. The year under review saw another busy year across all areas of Council activity.

Some of the highlights include the adoption of a 20 year vision for our city following extensive community consultation. The results of that work have been translated into a strategic framework that will drive the direction of the Council's planning into the future.

Another phase of the CBD refurbishment was completed in Collins Street from Murray to Harrington Streets. The improved amenity for pedestrians resulting from the CBD makeover over the past 10 years has played an important part in reviving the CBD retail centre. The project has now been extended to Victoria Street where traffic is now one way from Collins to Macquarie Street.

In partnership with the Wellington Park Management Trust, the Council has developed an Initial Conservation Policy that will guide the future development of The Springs. The current proposal to build a day-use centre is in keeping with the values and policies of the Initial Conservation Policy.

The successful introduction of the wheelie bin recycling service has resulted in a 60% increase in material collected over the old crate based system. This has now been extended to include a new kerbside recycling collection service for commercial properties. The service is available to businesses, educational institutions and non-profit organisations to assist in the recycling effort within the Hobart Council municipal area.

Our long standing arrangement with Hobart's sister city Yaizu was further strengthened with reciprocal visits to celebrate the 30th anniversary celebrations. Established in 1977 the relationship is as strong as ever, reinforcing the civic, cultural, educational and economic ties between the two cities.

The Council's strong commitment to the environment was nationally recognised when it was presented with a special award for involvement with the Cities for Climate Protection® (CCP®) Program in Australia. The Council was also among representatives from national, state and local government at a recent environmental conference in Melbourne to receive recognition for local environmental action over the past decade.

We also recognise the recipients of the Hobart City Council Citizen of the Year Awards: Mr Alojzy (Alex) Dziendziel MBE, OAM, JP as the 2007 Citizen of the Year and Johanna (Hanny) Allston as the 2007 Young Citizen of the Year.

Mr Dziendziel received the Australia Day Award for his outstanding contribution to the local community, and Hanny made her mark in world sport by winning the World Orienteering Championships in Denmark, following gold and silver medals at the World Junior Championships in Lithuania.

While technically a part of the next financial year's events, mention must be made of the devastating fire resulting in the loss of the Myer store in Liverpool Street, and the resultant impact on many smaller businesses affected by that event.

The Aldermen of this Council have nothing but praise and admiration for the way our staff and those of the Tasmania Fire Service, Police and emergency response personnel came together to undertake the huge task of getting this City back on its feet after such a gruelling event. We also thank the State Government and other organisations and agencies for the support during such a difficult time.

In conclusion, I would like to thank the Aldermen and Council staff for their significant contribution to the overall success and performance of the Council over the past year.

**Alderman Rob Valentine**

Lord Mayor

# General Manager's Message



The year 2006/07 has been another busy year for the organisation with a number of significant achievements made.

For some years we have been working toward achieving quality certification to International Standard ISO 9001:2000 for all areas of Council activity. I am pleased to say that this has now been achieved. This is a major achievement and ensures the services delivered by the Council and its activities will be consistently undertaken to the appropriate standard.

Quality certification will also ensure that the gains made by the organisation through its continuous improvement processes are sustained.

Our involvement, over a decade, with the Business Excellence Framework is reaching a major milestone with the organisation gearing up for a major external evaluation to determine our progress toward business excellence. In 2005 the Council was recognised at a Silver Award level. Our intent is to reach the highest level through this review and demonstrate our improvement across all areas of activity.

Last year saw a major consultation programme undertaken to develop a long term vision for our City. Following the endorsement by the Council of that Vision, work has been underway to identify the strategies required to give action to the Vision.

A 20 Year strategic framework and a 5 year strategic plan have been prepared and are currently under review by the Council. The intent is that the strategic plan will form the basis of our future planning from 2008.

A major issue confronting local government in the year ahead is the State Government review of water and sewerage and the possibility of Council water and sewerage assets being removed from Council control. This represents a major concern for the majority of Councils along with the possible implications for our communities into the future.

This year the State Government introduced the indexation of the Annual Assessed Value of properties, used to determine the rate contribution of properties. The aim of the indexation is to remove the major changes resulting from the 6 year revaluation process. The effect of indexation saw a shift in the value of some properties across suburbs and also across different classes of property. Hopefully in the longer term as the property market settles this approach will achieve its intention.

In conclusion I would like to thank the Aldermen for their contribution to the future of the City and also to the Directors and employees of the Council for their efforts in providing the services and activities our community enjoys.

**V. B. Armstrong**  
General Manager



# Council Aldermen



## Lord Mayor Alderman Rob Valentine

MACS.

### Committee Membership

Council (Chairman), Strategic Governance.

### Representations

Australian Sister Cities Association, Cornelian Bay Working Group (Chairman), Festivals and Tourism Special Committee, Glebe Residents Traffic Committee, Hobart City Council Arts Advisory Special Committee, Hobart City Council Arts Advisory Committee – Visual Arts Sub-Committee, Local Government Association of Tasmania General Management Committee, Local Government Association of Tasmania General Meetings, Maritime Museum of Tasmania – Board of Trustees, Premier’s Local Government Council, Sandy Bay Residents’ and Traders’ Traffic Committee, Southern Tasmanian Councils Authority (Chairman), SV May Queen Preservation Project – Board of Directors, West New Town Local Area Traffic Management Committee.



## Deputy Lord Mayor Alderman Eva Ruzicka

### Committee Membership

Finance and Corporate Services, Strategic Governance, City Services, Parks and Customer Services, and Development and Environmental Services.

### Representations

Audit Committee, City of Hobart Eisteddfod Society Inc. (proxy), Cornelian Bay Working Group (Proxy), Corporate History of the Hobart City Council, 50 & Better Centre, Friends of Soldiers Walk Inc., Glebe Residents’ Traffic Committee, Heritage Account Special Committee, Hobart City Council Access Advisory Committee (Chairman), Hobart Water (Proxy), Lenah Valley Progress Association Hall Trustees, Lenah Valley Residents’ Traffic Committee, Local Government Association of Tasmania General Management Committee (proxy), Local Government Association of Tasmania – General Meetings (proxy), Queens Domain Advisory Committee (Chairman), Sandy Bay Residents’ and Traders’ Traffic Committee, South Hobart Community Centre-Management Committee, South Hobart Residents’ Traffic Committee, Southern Tasmanian Councils Authority (proxy), Southern Waste Strategy Authority, (proxy), Stopping Places Project Working Group, Tasmanian Polar Network, West Hobart Local Area Traffic Management Committee (proxy).



## Alderman Lyn Archer

### Committee Membership

Community Development and City Services.

### Representations

Heritage Account Special Committee, North Hobart Focus Group, Sandy Bay Residents’ and Traders’ Traffic Committee, Targa Liaison Committee.

# Council Aldermen *continued*



## Alderman Darlene Haigh

### Committee Membership

Development and Environmental Services (Chairman), Finance and Corporate Services.

### Representations

Battery Point Advisory Committee (Chairman), Crime Prevention and Community Safety Council, Hobart Emergency Management Committee (Chairman), Hobart Community Police Liaison Group (Chairman), Lenah Valley Residents' Traffic Committee, Mount Stuart Residents' Traffic Committee, North Hobart Focus Group (Chairman), Sandy Bay Residents' and Traders' Traffic Committee, West Hobart Local Area Traffic Management Committee, West New Town Local Area Traffic Management Committee.



## Alderman Marti Zucco

### Committee Membership

Community Development (Chairman), Finance and Corporate Services.

### Representations

Alcohol and Other Drug Strategy Reference Group (Chairman), Audit Committee, Australian Sister Cities Association (proxy), Festivals and Tourism Special Committee, North Hobart Focus Group.



## Alderman Jeff Briscoe

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

### Committee Membership

Strategic Governance (Chairman), Community Development, Parks and Customer Services.

### Representations

Alcohol and Other Drug Strategy Reference Group, Carols By The Bay, Cornelian Bay Working Group (proxy), Corporate History of the Hobart City Council Steering Committee (Chairman), Dr Edward Hall Environment Awards Judging Panel (Chairman), Festivals and Tourism Special Committee, Greenhouse Reference Group, Heritage Account Special Committee, Hobart City Council Public Art Special Committee, Lenah Valley Progress Association Hall Trustees, Lenah Valley Residents' Traffic Committee, Mount Stuart Residents' Traffic Committee (proxy), Sandy Bay Residents' and Traders' Traffic Committee, West Hobart Local Area Traffic Management Committee.



## Alderman Eric Hayes AO

### Committee Membership

Strategic Governance, Finance and Corporate Services.

### Representations

Audit Committee, Carols By The Bay, Festivals and Tourism Special Committee (Chairman), 50 & Better Centre (Chairman), Hobart International Airport Co-ordination Council, Southern Tasmanian Councils Authority (proxy), Superannuation Policy Group.



## Alderman Dr Peter Sexton

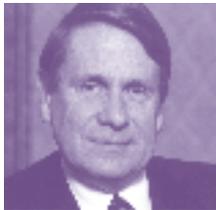
BSc(Hons.), BMedSci, MBBS, PhD, FAFPHM, MRCMA

### Committee Membership

Parks and Customer Services (Chairman), Strategic Governance.

### Representations

Carols By The Bay, Christmas Pageant Organising Committee (Chairman), Domain Tennis Centre Incorporated Board of Management, Hobart Cenotaph Reference Group, Wellington Park Management Trust.



## Alderman Dr John Freeman

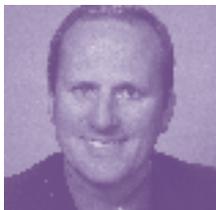
MBBS, FRACP

### Committee Membership

Finance and Corporate Services (Chairman), City Services.

### Representations

Audit Committee (Chairman), Heritage Account Special Committee (Chairman), Hobart City Council Arts Advisory Committee, Hobart City Council Arts Advisory Committee – Visual Arts Sub-Committee, Hobart City Council Public Art Special Committee, Hobart Water, Superannuation Policy Group (Chairman), Trustees Tasmanian Museum and Art Gallery.



## Alderman Ron Christie

### Committee Membership

City Services (Chairman), Parks and Customer Services,

### Representations

Alcohol and Other Drug Strategy Reference Group, Carols By The Bay, City of Hobart Eisteddfod Society Inc. (Chairman), Festivals and Tourism Special Committee, Hobart Emergency Management Committee, Salamanca Arts Centre Incorporated Executive Committee, Sandy Bay Residents' and Traders' Traffic Committee, Southern Waste Strategy Authority, Wellington Park Management Trust (Deputy member).



## Alderman Helen C. Burnet

### Committee Membership

Development and Environmental Services, Parks and Customer Services, Community Development.

### Representations

Alcohol and Other Drug Strategy Reference Group, Cycling South Inc., Dr Edward Hall Environment Awards Judging Panel, , Festivals and Tourism Special Committee, 50 & Better Centre, Hobart Bicycle Advisory Committee, Hobart City Council Access Advisory Committee, Lenah Valley Residents' Traffic Committee, Queens Domain Advisory Committee (proxy), Wellington Park Management Trust.



## Alderman Philip Cocker

### Committee Membership

City Services, Community Development.

### Representations

Cycling South Inc., Greenhouse Reference Group, Hobart Bicycle Advisory Committee, Tasmanian Polar Network.

# Organisational Structure

The Aldermen are the decision making and direction 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 Corporate Management Team in the implementation of Council decisions and policies. The team comprises the Director of each of the eight Divisions of Council.

General Manager  
Brent Armstrong



Corporate Management Team (L-R): Mike Street, Andrew Tompson, John Warner, David Spinks, Brent Armstrong, Nick Heath, Roger Viney, Neil Noye and Heather Salisbury.

Corporate Services Division  
Director - John Warner

Executive Management Division  
Director - Nick Heath

Civic Solutions Division  
Director - Mike Street

Financial Services Division  
Director - David Spinks

Development & Environmental Services Division  
Director - Neil Noye

City Services Division  
Director - Andrew Tompson

Community Development Division  
Director - Heather Salisbury

Parks & Customer Services Division  
Director - Roger Viney

# Reporting Performance

Each year Council endorses the Annual Plan that identifies the actions and initiatives that will be undertaken for that particular year, both of a strategic and ongoing nature, effectively a work program of actions.

The format of this annual report is to identify the major strategic areas and the results that Council is seeking to achieve through the strategic plan and to align the actions and initiatives outlined in the Annual Plan with those results.

Performance in progressing the annual work program is indicated as follows:



The report is divided into six sections based on the Strategic Outcomes in the Strategic Plan.

## Strategic Outcomes

	Hobart will be a City that:	Key Strategies:
<b>A Liveable City</b>	is a safe and convenient place for people, encouraging creativity and lifestyle opportunities	<ul style="list-style-type: none"> <li>■ Community Safety</li> <li>■ Community &amp; Cultural Development</li> <li>■ Community Health</li> <li>■ Transportation</li> <li>■ Planning &amp; Development Standards</li> </ul>
<b>Management of Our Environment</b>	protects and conserves its environment and natural beauty	<ul style="list-style-type: none"> <li>■ Environmental Management</li> <li>■ Natural Resource Management</li> <li>■ Environmental Services</li> </ul>
<b>Protection of Our Heritage</b>	conserves and enhances its significant built and cultural heritage	<ul style="list-style-type: none"> <li>■ Cultural Heritage</li> </ul>
<b>Growth of Our Economy</b>	encourage the sustainable growth and prosperity of the community	<ul style="list-style-type: none"> <li>■ Economic Development</li> <li>■ Sustainable Development Planning</li> </ul>
<b>Gateway to Tasmania</b>	as the state capital, commits itself to the development of the economic, tourism, cultural and social life of Tasmania	<ul style="list-style-type: none"> <li>■ Integrated Tourism Development</li> <li>■ Sport &amp; Recreation</li> </ul>
<b>Management of Our Resources</b>	prudently manages its affairs and the delivery of quality affordable services	<ul style="list-style-type: none"> <li>■ Capital City Leadership</li> <li>■ Communication &amp; Consultation</li> <li>■ Customer Service</li> <li>■ Infrastructure Planning &amp; Management</li> <li>■ Services Delivery</li> <li>■ Organisational Improvement</li> <li>■ Financial Performance</li> </ul>

Members of the community are invited to comment on the Annual Report prior to the Council's Annual General Meeting, which will be held in the Council Chamber at 7.30 p.m. on Monday 26 November 2007.

Comments and suggestions may be forwarded to the General Manager, Hobart City Council, GPO Box 503 Hobart 7001 by close of business, Friday 23 November 2007.

# Measuring Success

Performance is measured by completion of the actions and initiatives undertaken each year and outlined in this report.

Success is measured by the impact of those actions and initiatives in achieving the results and outcomes stated in the strategic plan.

A range of measures have been identified to inform the Council and community on the progress made toward achieving the strategic plan outcomes.

The measures are drawn from a number of sources including Tasmania Together Goals and Benchmarks, Local Government Association of Tasmania Measuring Council Performance in Tasmania Report, HCC Key Performance Indicators, HCC Resident and Business Surveys plus a range of internally developed measures.

The measures report on each of the 20 key strategic areas in the plan, which in turn are consolidated to demonstrate progress in each of the 6 strategic outcomes.

## Strategic Outcome Performance against targets

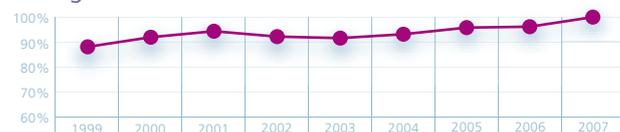
### Key Strategies:

#### Liveable City



- Community Safety
- Community & Cultural Development
- Community Health
- Transportation
- Planning & Development Standards

#### Management of the Environment



- Environmental Management
- Natural Resource Management
- Environmental Services

#### Protection of Our Heritage



- Cultural Heritage

#### Growth of the Economy



- Economic Development
- Sustainable Development Planning

#### Gateway to Tasmania



- Integrated Tourism Development
- Sport & Recreation

#### Management of Resources



- Capital City Leadership
- Communication & Consultation
- Customer Service
- Infrastructure Planning & Management
- Services Delivery
- Organisational Improvement
- Financial Performance



## STRATEGIC OUTCOME: A Liveable City

Hobart will be a City that is a safe and convenient place for people, encouraging creativity and lifestyle opportunities

### KEY STRATEGY: Community Safety

Results to be achieved	Performance	2006/07 actions/initiatives
<ul style="list-style-type: none"> <li>A City where people feel safe</li> </ul>	✓	Continue to implement the Hobart Community Safety Strategy in conjunction with relevant State Government agencies, including working with Tasmania Police and Liquor and Gaming Branch (Treasury)
<ul style="list-style-type: none"> <li>A City where people can use and enjoy public spaces and facilities free of risk</li> </ul>	✓	Continue implementing an inspection regime that identifies potential public hazards in Council's road reserves
	→	Ensure works by third parties (gas installation) are carried out in accordance with Council's requirements
<ul style="list-style-type: none"> <li>A City which is appropriately prepared for emergencies and post-emergency recovery</li> </ul>	→	Preparation of waterways flood management action plans
	✓	Continue involvement with the State Emergency Service in regional emergency management through participation in the Southern Regional Emergency Management Committee and the Southern Regional Community Recovery Committee
	✓	Continue the role of the Hobart Emergency Management Committee as a functioning committee for the oversight of emergency management activities for the Council
	✓	Complete the development of the new version of the Hobart Emergency Management Plan
	→	Finalise the flood action plans for the major rivulets
	✓	Participate in the counter-terrorism exercise "Southern Impact" to be conducted in Hobart
	→	Improve the security associated with priority elements of critical infrastructure
	→	Review the operational plans for wet weather events and flood emergencies
	→	Preparation of risk management plans for Waterways flooding
	<ul style="list-style-type: none"> <li>Recognition of the City's community safety practices and programs</li> </ul>	

#### Community Safety

A slight decrease in the perception of community safety



**KEY STRATEGY:** Community Health

Results to be achieved	Performance	2006/07 actions/initiatives
<ul style="list-style-type: none"> <li>High standard of public health and clean drinking water</li> </ul>	✓	Preparation of a statutory Drinking Water Management Plan
	→	Upgrading of the Knocklofty Reservoir site security and hydraulics
	✓	Review currency of the Public Health Issues Emergency Contingency Plan
	✓	Develop plans for establishing a Community Assessment Centre as part of pandemic preparedness strategy
	✓	Introduce on-site electronic data access for patient records at public immunisation clinics
<ul style="list-style-type: none"> <li>Commercial premises are clean and the food prepared there is safe</li> </ul>	→	Develop a tailored food safety training program suitable for delivery to industry, schools & community groups
	→	Develop a Food Safety Management Strategy
<ul style="list-style-type: none"> <li>A reduction in noise and other environmental pollutants</li> </ul>	✓	Reduce odour complaints from Wastewater Treatment Plants
	✓	Implement provisions of <i>Guidelines for Managing Risks in Recreational Water</i> at Nutgrove & Little Sandy Bay beaches
	→	Develop database for on-site domestic wastewater systems to improve monitoring & assessment procedures
<ul style="list-style-type: none"> <li>A better informed community on drug related matters</li> </ul>	✓	Implement Council's revised drug and alcohol strategy

**Community Health**

Maintains high levels of compliance with public health standards



## KEY STRATEGY: Community and Cultural Development

Results to be achieved	Performance	2006/07 actions/initiatives
<ul style="list-style-type: none"> <li>A City in which all people have equal access to facilities, services and activities</li> </ul>	✓	Promote and implement Council's Equal Access Strategy, in consultation with Council's Access Advisory Committee
	✓	Implement the access improvement monitoring and reporting process utilising the Council's Conquest system
	→	Continue to investigate lift options in the Carnegie Building
	✓	In partnership with the Access Advisory Committee and Arts Action, deliver the Council's event for International Day of People with a DisAbility, as part of the <i>Amalgamation</i> arts and disability festival
<ul style="list-style-type: none"> <li>A harmonious community in which all people are valued and can be active participants in community life</li> </ul>	→	Explore community development opportunities with co-located service <i>Good Beginnings Australia</i> and other community organisations
	X	Identify implications of the Department of Education's curriculum document "Essential Learnings" on Children's Services programs
	✓	Explore opportunities for intergenerational activities in Children's Services activities and events
	✓	Develop strategies for the recruitment of Family Day Carers
	✓	Undertake a strategic review to ensure the long-term viability of Council's youth programs and the Youth ARC, including exploring funding and sponsorship opportunities
	✓	Participate in 2007 National Youth Week
	→	Develop and implement youth development initiatives, including collaborative projects with schools, youth business enterprise, and intergenerational project opportunities in conjunction with Aged Services and Children's Services
	✓	Continue to work with key stakeholders particularly through the <i>50 &amp; Better Centre</i> Advisory Committee and the Centre Redevelopment Reference Group to progress the redevelopment of the <i>50 &amp; Better Centre</i>
	✓	Develop a marketing strategy for the <i>50 &amp; Better Centre</i>
	X	Implement a revised model for the provision of the food service at the <i>50 &amp; Better Centre</i>
	✓	Participate in and evaluate Seniors Week activities
	✓	Celebrate Adult Learners Week through a forum promoting learning opportunities at the <i>50 &amp; Better Centre</i>
	✓	Investigate intergenerational opportunities with Children's Services and Youth Programs
✓	Ensure the Commonwealth contractual arrangements and guidelines for the National Illicit Drug Strategy (NIDS) Project and Transitions and Pathways Program contracts are met	

**KEY STRATEGY:** Community and Cultural Development *CONTINUED*

Results to be achieved	Performance	2006/07 actions/initiatives
<ul style="list-style-type: none"> <li>A City in which people are actively involved in shaping the community to meet its own needs</li> </ul>	→	Review and update the Council's Positive Ageing Strategy, in line with the Tasmanian Government Plan for Positive Ageing 2006-2011
	→	Review the Council's Youth Strategy and develop a youth-friendly format for the Strategy
	✓	Develop a program of activities at the North Hobart Cultural Park and Skate Park in partnership with key stakeholders and businesses
<ul style="list-style-type: none"> <li>A City which values its creativity and cultural life and which celebrates its cultural diversity</li> </ul>	→	Consolidate Council's existing activities into a Cultural Diversity Strategy
	✓	Facilitate a citizenship celebration event on Australia Day
	✓	Implement the Council's Public Art Strategy and associated Public Art Master Plan
	✗	Commence a review of the Council's Arts and Cultural Strategy
<ul style="list-style-type: none"> <li>Hobart as a vibrant place to live and visit</li> </ul>		See Integrated Tourism Development

**Community and Cultural Development**

Continued high level of satisfaction with cultural development and events



## KEY STRATEGY: Transportation

Results to be achieved	Performance	2006/07 actions/initiatives
■ Improved road safety	✓	Respond to complaints/requests from the community, council and other authorities
■ Car parking supply to more closely match demand	✓	Provide advice to the community on traffic engineering matters
	✓	Investigate adequacy of supply of parking for Hobart
■ Improved facilities for pedestrians, traffic and parking in suburban shopping centres	→	Closely monitor vehicular parking in all suburban areas, including the Queen's Domain Regatta Grounds and TCA car park in order to gauge the effect of commuter parking on residential and recreational areas
	✓	Maintain provision of parking facilities for vulnerable users, such as the elderly and people with disabilities
■ An efficient system for the movement of people and goods	✓	Continue monitoring short-term shopper parking demand for Hobart CBD and suburban shopping centres and means for improving supply of parking
	✓	Plan, design and implement projects necessary to meet the needs of road users
■ A revitalised CBD and commercial areas	✓	Provide traffic analysis for development applications to meet Council or statutory deadlines
	✓	Continue monitoring short-term shopper parking demand for Hobart CBD and suburban shopping centres and means for improving supply of parking
■ Effective management of on and off street parking	✓	Maintain the application of appropriate pricing policies for the use of all public car park facilities
	✓	Continue management of: Resident Parking Schemes; all kerbside parking under delegated authority from the State Government; on street parking facilities for people with disabilities
	✓	Continue monitoring resident parking needs for areas of Hobart
	→	Monitor existing enforcement agreements with private car parks and the University of Tasmania to ensure effectiveness and timeliness of patrols
	→	Create a database of permit holders (residential, metered space, disability) that can be stored within the new "Autocite" hand held ticketing machine
■ Improved traffic management in suburban areas	✓	Modify the existing resident parking scheme administration system, to include new permits and renewal procedures and have all residential parking areas included in the Geographic Information System (GIS)
■ Improved management of commercial and industrial through- traffic	✓	Collect relevant transport data (such as volume, speed, origin/destination, accidents) to assist effective planning to meet future transportation requirements of the community
■ Safe and effective control of traffic for special events	✓	Plan, design and implement traffic management works for special events in Hobart

### Transportation

Continued decline in community satisfaction with traffic management and a slight reduction in written down value of roads and footpaths relative to the replacement value



## KEY STRATEGY: Planning and Development Standards

Results to be achieved	Performance	2006/07 actions/initiatives
<ul style="list-style-type: none"> <li>More efficient and effective development approval and enforcement systems</li> </ul>	✓	Further investigate and evaluate options for 3D modelling of the Hobart municipal area
	✓	Provide greater level of information related to the planning process on Council's internet site including help brochures and other links
	✓	Provide access to list of applications undergoing statutory advertising on Councils internet site
	→	Provide access to plans associated with planning applications on Council's internet site
	→	Investigate new development application tracking system and compatibility with online lodgement and online tracking
	✓	Review internal procedures/processes related to development assessment
	✓	Evaluate building and plumbing legislation (re approval process) and amend procedures with supporting work instructions
	✓	Refine and align building and plumbing legislation operational procedures with development control tracking system
	✓	Implement tracking database for backflow prevention devices (re protection of water supply)
	✓	Develop on-line development application system as pilot project
	✓	Pursue the options for electronic application lodgement (i.e. Internet & Email) and compatibility with existing development tracking system
	✓	Review development control tracking system data and continue to develop reporting and statistical module
	✓	Ascertain the level of client satisfaction of the development process through direct public surveys
	✓	Standardise method for preparing evidence prior to legal enforcement
	X	Integrate existing compliance data with GIS
<ul style="list-style-type: none"> <li>Protection of amenity</li> </ul>	✓	Enforce the City of Hobart and Battery Point Planning Schemes
<ul style="list-style-type: none"> <li>Building development that is sympathetic to existing heritage</li> </ul>		See Cultural Heritage

### Planning and Development Standards

Reduction in planning decisions upheld at appeal and an increase in works not complying with permits





## STRATEGIC OUTCOME: Management of Our Environment

Hobart will be a City that protects and conserves its environment and natural beauty

### KEY STRATEGY: Environmental Management

Results to be achieved	Performance	2006/07 actions/initiatives
<ul style="list-style-type: none"> <li>■ A clean and healthy River Derwent and waterways</li> </ul>	✓	Operate and maintain the wastewater treatment plants at a high standard and conform within the guidelines set down by Department of Tourism, Arts and Environment
	✓	Assist in monitoring facilities and sampling programs of trade waste businesses
	→	Enforce Council's Implementation Plan Liquid Trade Waste Requirements
	→	Preparation of Hobart Rivulet Catchment Management Plan
	→	Undertake sanitary surveys of infrastructure capable of impacting on recreational water quality
	✓	Continue to optimise Self's Point and Macquarie Point Wastewater Treatment Plants to deliver the highest practicable standard of wastewater treatment at the lowest cost to the community
	✓	Undertake an extensive assessment of the Nutgrove catchment area to determine likely causes for periodic elevated bacteria levels affecting the water quality
<ul style="list-style-type: none"> <li>■ Enhanced water quality to meet established objectives</li> </ul>	✓	Assist with developing an internal communication protocol for ensuring compliance with the Drinking Water Quality Guidelines
<ul style="list-style-type: none"> <li>■ High quality air</li> </ul>	✓	Reduced odour complaints from Wastewater Treatment Plants
	✓	Progress partnerships with the State Government to improve air quality in the Hobart municipal area
<ul style="list-style-type: none"> <li>■ A reduction in the level of pollution</li> </ul>	→	Assessment and issuing of Special Plumbing Permits to all businesses
	✓	Ongoing assessment of compliance with Permit issued
	→	Establish and renew Trade Waste Agreements with all category 2 and category 3 premises
	→	Implement a trade waste tracking system for monitoring grease arrestor pump-out and disposal

**KEY STRATEGY: Environmental Management** *CONTINUED*

Results to be achieved	Performance	2006/07 actions/initiatives
<ul style="list-style-type: none"> <li>A reduction in the level of pollution (<i>continued</i>)</li> </ul>	→	Progression with the Department of Primary Industries Water and Environment and other stakeholders of the preparation of draft guidance/technical documents which inform practitioners of appropriate triggers for contaminated sites assessment (including audit requirements)
	→	In co-operation with other stakeholders seek to identify Permissible Level 1 Activities, and develop an appropriate procedure for assessing applications involving such activities
	→	Develop a basic survey format to assess the operational status of existing on-site waste disposal systems in unsewered areas
<ul style="list-style-type: none"> <li>Reduction in greenhouse gas to meet targets</li> </ul>	→	Report on Review of Local Action Plan under Cities for Climate Protection Program
	→	Publish the State of the Environment Report and implement the recommendations
<ul style="list-style-type: none"> <li>Increased energy efficiency</li> </ul>	✓	Increased cogeneration use at Macquarie Point Wastewater Treatment Plant
<ul style="list-style-type: none"> <li>Maintenance of bio-diversity</li> </ul>		See Natural Resource Management
<ul style="list-style-type: none"> <li>Maintenance of important landscape values</li> </ul>		See Natural Resource Management

**Environmental Management**

Improvement in community perception of quality of the environment



**KEY STRATEGY:** Natural Resource Management

Results to be achieved	Performance	2006/07 actions/initiatives
■ Useful open space networks	✓	Complete input of parks walking tracks data into GIS
	→	Complete the construction of the "North-South Track" in Wellington Park
■ Protection and enhancement of bushland and natural environment	✓	Completion of final Cornelian Bay Management Plan
	→	Complete the Bushland Strategy
	→	Prepare a management plan for Bicentennial Park
	→	Prepare a fire management plan for Bicentennial Park
	→	Develop landscape plans for Ancanthe Park and Providence Gully Reserve
	✓	Finalise a landscape plan for the reinstatement of Soldiers Memorial Avenue trees around Cross Roads Oval
	✓	Seek opportunities for Green Corps and Work for the Dole Programs
	✓	Implement the landscape plan for "Leonard Wall Valley Street Reserve"
	✓	Complete the construction of a fire trail off Rialannah Road, Mt Nelson
	✓	Implement recommendations of the Soldiers Walk Memorial Avenue Management Plan
	✓	Construct fire trail to Ham Common (Ridgeway Park)
	→	Implement recommendations contained in the Bushcare Policy and Procedures Manual
	✓	Implement current Envirofunds Grants
	✓	Seek external funding opportunities to support Bushcare Group initiatives
	→	Develop and implement plans with local Bushcare Groups, which are consistent with broader catchment management plans and policies as part of the 'Greater Hobart Stewardship Funding Program'

**Natural Resource Management**

Maintains previous years performance



**KEY STRATEGY:** Environmental Services

Results to be achieved	Performance	2006/07 actions/initiatives
<ul style="list-style-type: none"> <li>A clean City</li> </ul>	✓	Facilitate works detailed in the City Cleansing Service Level Agreement
	✓	Remove graffiti in accordance with community expectations and Council's resolutions
	✓	Update the City Cleansing Service Level Agreement to take into consideration new assets that require cleaning
	✓	Identify areas that require additional cleansing as a result of developments or upgrading
<ul style="list-style-type: none"> <li>Improved waste management including resource recovery and reuse</li> </ul>	✓	Undertake an analysis of recycling services available to the corporate sector
	→	Undertake a review of Council waste management and minimisation services and report on the findings
	✓	Continue to promote waste oil reuse and recycling in the region
	→	Prepare a long-term Waste Minimisation and Resource Recovery Plan for Council's consideration
	→	Based on prior analysis prepare a solid waste minimisation and management strategy for the Commercial and Industrial Sector
	→	Evaluate future solid waste disposal options
	→	Investigate options to collect and compost food waste from larger businesses
	→	Investigate and implement cost effective changes to increase the capacity and product quality of the green waste composting facilities at McRobies Gully Waste Management Centre (WMC)
<ul style="list-style-type: none"> <li>Best practice environmental management practices and programs</li> </ul>	✓	Continue to implement the Environmental Management Plan and Environmental Management System for the McRobies Gully Waste Management Centre
	✓	Prepare an Annual Report on the McRobies Gully Waste Management Centre for submission to the Department of Tourism, Arts and Environment
	✓	Continue improvements to the surface water management system at the McRobies Gully Waste Management Centre
<ul style="list-style-type: none"> <li>Effective domestic animal control</li> </ul>	✓	Promote responsible dog ownership in the community through advertising campaigns, using the "Wellington" promotional tool and the Dogs on the Domain Event

**Environmental Services**

Increase in waste to landfill, recycling collected at kerbside, continued improvement in performance of wastewater treatment plants





## STRATEGIC OUTCOME: Protection of Our Heritage

Hobart will be a City that conserves and enhances its significant built and cultural heritage

### KEY STRATEGY: Cultural Heritage

Results to be achieved	Performance	2006/07 actions/initiatives
<ul style="list-style-type: none"> <li>■ New development that acknowledges, and is sympathetic to, the City's existing and evolving historic character and setting</li> </ul>	→	Implement strategies from City Hall Conservation Plan
	✓	Complete Strategic Urban Detail Policy for Civic Works
	✓	Incorporate any appropriate outcomes of 'Urban Design Principles Project Stage 2 – Detailed Standards and Guidance' into the draft City of Hobart Planning Scheme
<ul style="list-style-type: none"> <li>■ Long term conservation of heritage sites including buildings, streetscapes and cultural landscapes</li> </ul>	→	Implementation of recommendations from Heritage Studies (Sandy Bay, South Hobart, West Hobart, City Fringe, Central Area)
	✓	Complete New Town Heritage Study
	→	History of the Corporation - Stage 5 - publication
	→	Pipeline Track – review of Conservation Plan
<ul style="list-style-type: none"> <li>■ A well developed awareness and understanding of Hobart's unique and diverse cultural heritage</li> </ul>	✓	Publication of cultural heritage brochures and historical research reports
	✓	Supervision of projects under Heritage Funding Program

#### Cultural Heritage

Slight reduction in the community awareness of the City's cultural heritage assets





**STRATEGIC OUTCOME:** **Growth of Our Economy**

Hobart will be a City that encourages the sustainable growth and prosperity of the community

**KEY STRATEGY:** **Economic Development**

Results to be achieved	Performance	2006/07 actions/initiatives
■ Business investment is attracted to the City	✓	Utilise results from Hobart Gaps and Opportunities analysis to develop future strategies or economic development
	➔	Develop and implement a Council land strategy that examines current land holdings, future purchases and possible sale of surplus land
■ Recognition of Hobart as the island state's principal gateway, centre of government and premier business district	✓	Continue to collect key data about the City
■ An active and viable Central Business District	✓	Continue to develop the Hobart Exceptional Customer Service Awards
	✓	Administer the Hobart Advantage Card
■ Promotion of the City as an attractive place to live, work, invest and learn	✓	Undertake perception surveys on the Hobart Brand
	✓	Manage the 2006 Dr Edward Hall Environmental Awards
■ There are established links and networks for economic growth	✓	Continue to provide support to the Council's Economic Development Advisory Forum
■ Greater employment and training opportunities		See Community and Cultural Development
■ There are opportunities for young people to remain in the State		See Community and Cultural Development

**Economic Development**

Decrease in the total value of building permits issued offset by strong increase in real growth in the AAV and high levels of office occupancy



**KEY STRATEGY:** Sustainable Development

Results to be achieved	Performance	2006/07 actions/initiatives
■ Integrated and sustainable land use, development and infrastructure provision	X	Implement policy decisions of Council in relation to the question of the draft revised Battery Point Planning Scheme (BPPS)
■ Protection and enhancement of environmental, social and cultural values	→	Compile a draft City of Hobart Planning Scheme consistent with the State Government's model template
	✓	Review the Queens Domain Management Plan
■ A protected skyline and landscapes	✓	Incorporate any appropriate outcomes of Urban Design principles Project Stage 2 – Detailed Standards and Guidance into the draft City of Hobart Planning Scheme
■ Sustainable use and development of natural and physical resources	→	Implementation of Adopt-a-Waterway Program
	→	Implementation of Southern Councils Water Conservation Group Memorandum of Understanding (MOU)
	✓	Formulation of Natural Resource Management grant project for John Turnbull Park
	→	Promotion of Water Conservation Rebate Scheme
	→	Implementation of International Council for Local Environmental Initiatives (ICLEI) Water Campaign™
	→	Implementation of Royal Tasmanian Botanical Gardens (RTBG) Water Management Project
	→	Promotion of Smart Approved Water Mark Award
	→	Implementation of Royal Tasmanian Botanical Gardens Water Management Project
	→	State of the Environment Report – publish and initiate program of recommendation implementation

**Sustainable Development**

Continued improvement in performance of wastewater treatment plants





**STRATEGIC OUTCOME:** Gateway to Tasmania

Hobart will be a City that as the state capital, commits itself to the development of the economic, tourism, cultural and social life of Tasmania

**KEY STRATEGY:** Integrated Tourism Development

Results to be achieved	Performance	2006/07 actions/initiatives
<ul style="list-style-type: none"> <li>Increased tourism visitation and expenditure</li> </ul>	✓	Continue to integrate Salamanca Market with the Council's Hobart Brand
	✓	Finalise the outcomes of the study on the future of the Taste of Tasmania (The Taste) in relation to the possible loss of Princes Wharf Shed No 1
	➔	Progress the recommendations of The Taste study, as appropriate
<ul style="list-style-type: none"> <li>High standard of infrastructure and planning</li> </ul>	✓	Continue to develop and enhance operational processes and risk management systems associated with Salamanca Market
	✓	Continue to address the implications of the Tasmanian Building Act 2000 and the Building Act Regulations 2004 in relation to temporary structures on Market activities
<ul style="list-style-type: none"> <li>More people are attracted to Hobart thereby retaining the City's vitality</li> </ul>	✓	Further consolidate delivery of the Carols by the Bay event at Sandy Bay
	✓	Undertake and evaluate internal service delivery model for the Hobart Christmas Pageant
<ul style="list-style-type: none"> <li>Development that builds on and does not compromise Hobart's unique experience, location and quality</li> </ul>		See Planning and Development Standards

**Integrated Tourism Development**

Slight decrease in visitors to Hobart and satisfaction with the Salamanca Market



**KEY STRATEGY:** Sport and Recreation

Results to be achieved	Performance	2006/07 actions/initiatives
<ul style="list-style-type: none"> <li>A City in which all people have equal access to facilities, services and activities</li> </ul>	✓	Undertake repairs to the athletics track at the Domain Athletics Centre
	→	Progress planning for the construction of a new scoreboard at Clare Street Oval
	✓	Undertake the second stage of retaining wall upgrading at the West Hobart Oval
	✓	Work closely with the operators of the Domain Tennis Centre, the Tasmanian Hockey Centre and the Southern Tasmanian Netball Centre to plan and refurbish the facilities
	<b>The Hobart Aquatic Centre:</b>	
	→	Upgrade the dive pool lighting
	✓	Conduct the Australian Short Course Swimming Championships in August 2006
	✓	Attract a national team to the centre to train in preparation for the Melbourne World Swimming Championships in March/April 2007
	✓	Identify and trial at least one new program that utilises spare capacity in the Centre
	→	Call tenders and award a contract for the supply of beverages and confectionary

**Sport and Recreation**

Maintains previous years results





**STRATEGIC OUTCOME:** **Management of Our Resources**

Hobart will be a City that prudently manages its affairs and the delivery of quality affordable services

**KEY STRATEGY:** **Capital City Leadership**

Results to be achieved	Performance	2006/07 actions/initiatives
<ul style="list-style-type: none"> <li>Positive leadership of the capital City in accordance with Council's Values</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>Undertake a major review of the strategic plan</li> <li>Continued effective and efficient corporate governance</li> <li>Continue to provide appropriate legal education for other Councils</li> </ul>
<ul style="list-style-type: none"> <li>Strategic alliances enhanced and new partnerships developed</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>Maintain close working relationships with national, state and local government agencies as well as "peak body" organisations progressing asset management in the local government environment</li> </ul>
<ul style="list-style-type: none"> <li>Effective regional relationships and co-operative regional development</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>Actively participate on the Southern Tasmanian Council Authority</li> </ul>
<ul style="list-style-type: none"> <li>National and international recognition of Hobart as Tasmania's capital City</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>Actively participate in the Council of Capital City Lord Mayors</li> </ul>

**Capital City Leadership**

Maintains previous years results



**KEY STRATEGY:** Communication and Consultation

Results to be achieved	Performance	2006/07 actions/initiatives
<ul style="list-style-type: none"> <li>Greater community involvement in City planning and activities</li> </ul>	✓	Initiate stakeholder consultation on the Gregory Street Urban Design Guidelines and their implementation
	➔	Initiate community consultation on a draft City of Hobart Planning Scheme
<ul style="list-style-type: none"> <li>Effective collection of information for strategic planning and decision making</li> </ul>	➔	Subject to Council approval, undertake Stage 2 of the development of a Social Plan for Hobart
	➔	Progress the Council land strategy
	✓	Collect relevant transport data (such as volume, speed, origin/destination, accidents) to assist effective planning to meet future transportation requirements of the community
<ul style="list-style-type: none"> <li>A better informed community on Council matters</li> </ul>	✓	Promote waste education within schools and community groups
	✓	Continue to develop communication tools such as Capital City News, Hobart Focus and the Council's Directory of Services
	✓	Develop and monitor the appropriateness of the web site content and presentation
	✓	Oversee the co-ordination of press releases, media events and public relations

**Communication and Consultation**

Improvement in satisfaction levels for providing information to residents



**KEY STRATEGY:** Customer Services

Results to be achieved	Performance	2006/07 actions/initiatives
<ul style="list-style-type: none"> <li>High quality customer service standards</li> </ul>	✓	Implement trial for upfront payment of fees for building applications  Also see more efficient and effective development approval and enforcement systems

**Customer Services**

Continued improvement in dealing with complaints and requests within agreed timeframes



## KEY STRATEGY: Infrastructure Planning and Management

Results to be achieved	Performance	2006/07 actions/initiatives
<ul style="list-style-type: none"> <li>■ Improved management to maximise the performance of existing infrastructure assets</li> </ul>	→	Upgrading of Salamanca Place sewer pump station
	✓	Installation of in-pit litter traps in North Hobart
	→	Implementation of City sewerage catchment smoke testing study
	→	Adoption of the Water and Sewerage WSAA codes
	✓	Assisting in the preparation of the Water Sensitive Urban Design Manual
	→	Implementation of water meter installation program at strategic locations
	✓	Identify capital works to be carried out in conjunction with the gas infrastructure installation
	→	Undertake trunk sewer criticality assessments
	→	Undertake Salamanca integrated wastewater study
	→	Maintain needs based preventative maintenance program for sewerage reticulation
	→	Provision of new public convenience facilities at Cornelian Bay and Mt Stuart Park
	✓	Commence planning for the replacement of the public convenience facilities located in St David's Park
	→	Commence Stage 1 of the implementation of the Sandy Bay Foreshore Master plan
	→	Continue planning for the improvement of the Hobart Cenotaph in close consultation with major stakeholders
	→	Continue the program of upgrading and automating the irrigation system at the Hobart Regional Nursery
<ul style="list-style-type: none"> <li>■ Strategic asset management to meet the City's needs now and into the future</li> </ul>	→	Progress the development of a Master Plan for Cornelian Bay Foreshore
	→	Develop Asset Management Plans for Council's community halls
	→	Preparation of Asset Management Plans and infrastructure risk assessment
	→	Develop an Asset Management Plan for Council's wastewater treatment plants

**KEY STRATEGY: Infrastructure Planning and Management** *CONTINUED*

Results to be achieved	Performance	2006/07 actions/initiatives
<ul style="list-style-type: none"> <li>Strategic asset management to meet the City's needs now and into the future (<i>continued</i>)</li> </ul>	✓	Update the Road Infrastructure Asset Management Plan
	✓	Maintain and update the statutory records of public sewer, stormwater and water infrastructure on the Detail Sheets, Water Sheets and the Geographic Information System
	✓	Maintain and improve the cadastral property base and other core infrastructure data within the Geographic Information System
	✓	Maintain the survey control network of the city
	✓	Maintain the Council's Statutory Property Plan and Statutory Highways Plan
	→	Develop corporate asset management strategies and plans for both the long (20 years) and short (5 year) terms by working in conjunction with the Council's Asset Management Steering Committee and Asset Management Task Force
	✓	Ensure compliance with statutory provision and obligations in relation to public infrastructure mapping
	✓	Ensure compliance with the statutory provisions and obligations in the preparation and implementation of cadastral survey plans and associated conveyancing instruments for the acquisition, disposal, leasing, licensing and alienation of Council's property assets
<ul style="list-style-type: none"> <li>Development of a long term funding strategy for infrastructure management</li> </ul>	✓	Maintain the 10 year capital works program for new asset projects
<ul style="list-style-type: none"> <li>An attractive City with a quality lifestyle</li> </ul>	→	Continue the redevelopment of playgrounds in accordance with the Playground Development Strategy
	✓	Continue the landscaping of the Hobart Rivulet Linear Park
	→	Progress planning for the final stage of the landscaping along the Murray Street frontage of St David's Cathedral
	→	Progress the planning associated with the improvement of inland access issues through the Battery Point Precinct
	→	Continue the planning for the establishment of an access for-all-playground at Lower Sandy Bay

**Infrastructure Planning and Management**

Improvement in community and business perception of the standard of city infrastructure



**KEY STRATEGY:** Service Delivery

Results to be achieved	Performance	2006/07 actions/initiatives
<ul style="list-style-type: none"> <li>Quality and efficiency in the delivery of essential services and infrastructure projects</li> </ul>	✓	Provide engineering surveys to facilitate the design and implementation of the Council's capital works program
	✓	Facilitate Road Infrastructure maintenance works in accordance with the Road Maintenance Service Level Agreement
	✓	Update the Road Maintenance Service Level Agreement to take into consideration the maintenance required on new Council assets and other new maintenance activities
	✓	Maintain Service Level Agreements with Civic Solutions
	✓	Execute Road Infrastructure capital works
	✓	Execute Road Infrastructure New Asset works
	✓	Implementation of Quality Assurance Assessment Program

**Service Delivery**

Improvement in community satisfaction with standard of recycling service and operation of McRobies Gully waste disposal centre



**KEY STRATEGY:** Organisational Management

Results to be achieved	Performance	2006/07 actions/initiatives
<ul style="list-style-type: none"> <li>■ An organisation of excellence which embraces the principles of quality, best practice and continuous improvement</li> </ul>	✓	Maintain management system (quality and environmental management) in order to achieve industry best practice in wastewater treatment and achieve NATA accreditation for the Self's Point Laboratory
	→	Develop long term future strategy for the development of GIS
	→	Continue development and implementation of objectives identified in the Local Government Spatial Information Toolkit
	✓	Maintain participation in Quality Assurance Scheme in Family Day Care in conjunction with National Child Care Accreditation Council Quality Practices guidelines
	✓	Monitor and evaluate the performance of the private providers in the delivery of the Council's Vacation Care Program
	✓	Investigate a database management system for mailing lists for events and related activities
	→	Monitor implementation of actions arising from organisational self-assessments including Business Excellence Framework (BEF) Feedback Report (2005)
	✓	Extend scope of application of AS/NZS ISO 9001:2000 to include areas of the organisation not quality assured
	→	Program, conduct and monitor management system audits
	✓	Provide advice on, and facilitate where required, the development of OH&S and environmental management systems and ensure their consistency with the quality management system (AS/NZS ISO 9001:2000)
	✓	Attend and contribute to the National Local Government Business Excellence Network
	✓	Continue to implement the SAI Global Business Excellence Framework
	✓	Progress investigations to proceed to gain NISA (Nursery Industry Standards Association) accreditation for the Hobart Regional Nursery

**KEY STRATEGY:** Organisational Management *CONTINUED*

Results to be achieved	Performance	2006/07 actions/initiatives
<ul style="list-style-type: none"> <li>The best possible service is provided at the lowest possible cost with consideration of:                             <ul style="list-style-type: none"> <li>- Best value (quality and price)</li> <li>- Council's desire to continue being a major employer</li> <li>- The long term interests of the community</li> </ul> </li> </ul>	<p>✓</p> <p>➔</p>	<p>Continue to optimise Self's Point and Macquarie Point Wastewater Treatment Plants to deliver the highest practicable standard of wastewater treatment at the lowest cost to the community</p> <p>Oversee a review of all Council business activities for the purposes of National Competition Policy (NCP)</p>
<ul style="list-style-type: none"> <li>Trained, informed and motivated staff</li> </ul>	<p>✓</p> <p>✓</p> <p>✓</p>	<p>Promote awareness of the Approach, Deployment, Results and Improvement (ADRI) process, customer satisfaction, effectiveness and efficiency measurement concepts</p> <p>Continue the in-house legal education program</p> <p>Continue to provide accurate and timely legal advice to the Council and employees</p>
<ul style="list-style-type: none"> <li>Procedures in place to ensure business continuity</li> </ul>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>	<p>Co-ordinate response to annual liability assessment undertaken by liability insurer</p> <p>Monitor risks and control measures for the Corporate Risk Register</p> <p>Provide support and assistance to the consultant during the development of the Business Continuity Plan.</p> <p>Compile risk assessments of service delivery for inclusion on the Operational Risk Register</p>

**Organisational Management**

Recognition of quality assurance certification for all Council activities



**KEY STRATEGY:** Financial Performance

Results to be achieved	Performance	2006/07 actions/initiatives
<ul style="list-style-type: none"> <li>Continued financial viability of the Council in accordance with a long term financial strategy</li> </ul>	<p>✓</p> <p>✓</p> <p>➔</p>	<p>Increase the level of asset replacement funding by 2.5% of depreciation per annum</p> <p>Maintain net operational expenditure (less new services and programs) at 0.1% less than CPI</p> <p>Continue to lower the level of sundry and rate debtors</p>

**Financial Performance**

High standard of performance in management of finances



# Statement of Activities Under Section 21

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

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

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

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

Results to be achieved as stated in the Hobart City Council Strategic Plan include:

- A high standard of public health and clean drinking water
- Commercial premises that are clean and where food prepared therein is safe
- A reduction in noise and other environmental pollutants

This Unit comprises of Manager Environmental Health, Senior Environmental Health Officer, 5 Environmental Health Officers, 1 part-time Environmental Health Officer, 1 Technical Support Officer, 2 Medical Officers of Health (shared contract position) and 2 registered immunisation nurses. The Unit operated on a budget of \$645,953 and generated an income of \$139,627.

The Public Health Services and Environmental Monitoring Services programs address a range of functions under the *Local Government Act 1993*, *Public Health Act 1997*, *Food Act 2003* and *Environmental Management & Pollution Control Act 1994*. These functions include:

- Food Safety
- Public Health Education & Promotion
- Public Health Risk Activities
- Unhealthy Premises
- Recreational & Bathing Water Quality
- Atmospheric, Water & Solid Pollution Emissions
- Disease Prevention & Control
- Places of Assembly
- Immunisations
- Cooling Towers
- Public Health Nuisances
- Public Health Emergency Management

Basic statistics reflecting the general level of activity throughout the year include:

Food Businesses Registered	742
Food Business Inspections	898
Persons Vaccinated	8167
Places of Assembly Licensed & Inspected	166
Public Health Risk Activities Registered & Inspected (tattooing, acupuncture, ear/body piercing)	21
Cooling Towers Registered	34
Recreation/Bathing Water Samples (Derwent River, public swimming pools/spas)	527
Public Health Nuisance/Pollution Complaints Investigated	346
After Hours Public Health Activities (complaints, inspections, public events)	195

The following specific actions were undertaken in response to the Hobart City Council Strategic Plan and the Unit's program objectives –

Results to be achieved	Performance	2006/07 actions/initiatives
■ High standard of public health and clean drinking water	✓	Review currency of Public Health Issues Emergency Contingency Plan
	✓	Develop plans for establishing Community Assessment Centre as part of pandemic preparedness strategy
	✓	Introduce on-site electronic data access for patient records at public immunisation clinics
■ Commercial premises are clean and the food prepared there is safe	→	Develop a tailored food safety training program suitable for delivery to industry, schools & community groups.
	→	Develop a Food Safety Management Strategy
■ A reduction in noise and other environmental pollutants	✓	Implement provisions of <i>Guidelines for Managing Risks in Recreational Water</i> at Nutgrove & Little Sandy Bay beaches
	→	Develop database for on-site domestic wastewater systems to improve monitoring & assessment procedures

The seasonal sampling of Hobart's swimming beaches, Nutgrove Beach and Little Sandy Bay Beach, commenced in November and concluded in March (inclusive). There are 2 sampling sites at each of these beaches. In light of the comprehensive sanitary survey and subsequent pollution source investigations and analyses undertaken during the previous year it was most satisfying to acknowledge that the microbiological water quality at both these beaches during the summer bathing season satisfactorily met the acceptable recreational water quality standards. Routine weekly sampling at these sites re-commences in November.

In May 2007 the Federal Government introduced the national release of a free cervical cancer vaccine (Gardasil) for all females aged 12 – 26 years. The vaccine was made available in 2 stages. The first release of the vaccine in May was designated for use by local government in their schools-based immunisation programs. The second release of vaccine in July was for use by GPs and council immunisation clinics for the general public. The Council had already scheduled its annual school-based immunisation program before the Gardasil vaccine became available and consequently needed to schedule additional visits to all schools during the year for this program. A total of 4,786 doses of Gardasil have been administered to the local community, as of June 2007, through the Council's school-based immunisation program as well as at the monthly public immunisation clinics held in the Town Hall.

Food safety surveillance and monitoring is a high priority of the Council and the environmental health officers implemented an active program of inspections and assessments of food businesses throughout the year. A total of 898 scheduled inspections were undertaken of the 742 registered food businesses in the municipal area. This inspection total does not include follow up visits made to food businesses to ensure compliance with public health standards and does not include food outlet inspections undertaken weekly at the Salamanca Market or daily during the Taste of Tasmania. During

the year there was a need to issue a total of 35 formal notices for serious non-compliances with the national *Food Safety Standards* and 1 business was, in fact, closed pending major structural improvements. This business remains closed.

Food handler education and training also played an important role in the food safety surveillance program. Food handler training sessions were conducted throughout the year for food businesses, schools and stallholders. There is an increasing range of education and training tools available for purchase and use by businesses for ongoing staff training purposes that are promoted and offered by environmental health officers during visits to food businesses. Council's Environmental Health Unit produced a quarterly food safety newsletter that was issued to all local food businesses for information and reference purposes.

Pandemic preparedness, planning and response capability is a major responsibility for Local Government, especially in light of the risk from an avian bird influenza pandemic. In response to this issue the Council has embarked on a pandemic response strategy that should help prepare the community if such an event occurs.

Specific plans have been developed by the Environmental Health Unit to convert the City Hall building into a Community Assessment Centre (CAC). The CAC will provide a community facility for basic assessment and triage of the local community. The CAC's are designed to take the pressure off established health care facilities and hospitals thereby enabling a co-ordinated community based response effectively utilising limited resources during a pandemic. This is part of a statewide pandemic strategy, in consultation with the Department Health & Human Services (DHHS), to enable regional and local health care facilities to cope with the demands of local community populations during a pandemic. The plan for the conversion of the City Hall into a CAC is a significant accomplishment for the Council as part of this pandemic preparedness strategy.

## Meeting Attendance - Elected Members Section 72 (1) (cc)

	Council	City Services Committee		Community Development Committee		Development and Environmental Services Committee		Finance and Corporate Services Committee		Parks and Customer Services Committee		Strategic Governance Committee	
	Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member	Member	Non Member
<b>Total Meetings Held</b>	<b>23</b>	<b>17</b>		<b>17</b>		<b>30</b>		<b>19</b>		<b>11</b>		<b>11</b>	
Alderman Valentine	22	5 <sup>^</sup>	4	2 <sup>^</sup>	4	7 <sup>^</sup>	9	1 <sup>^</sup>	5	-	1	11	-
Alderman Ruzicka	23	16	-	4 <sup>^</sup>	9	8* & 3 <sup>^</sup>	17	18	-	10	-	11	-
Alderman Archer	6	-	-	-	-	1*	1	-	-	-	-	-	1
Alderman Haigh	17	-	1	-	-	22	-	14	-	-	1	-	2
Alderman Zucco	20	-	2	16	-	-	3	15	-	-	1	-	1
Alderman Briscoe	23	-	7	14	-	19*	-	-	7	6	-	9	-
Alderman Hayes	22	-	-	-	1	-	2	15	-	-	1	8	-
Alderman Sexton	17	-	1	-	1	-	1	-	2	7	-	7	-
Alderman Freeman	17	10	-	-	2	-	5	15	-	-	3	-	1
Alderman Christie	23	16	-	-	14	19*	1	-	6	10	-	-	7
Alderman Burnet	20	-	10	12	-	25	-	-	6	10	-	-	6
Alderman Cocker	20	12	-	14	-	-	11	-	1	-	-	-	4

Meetings include Special Meetings and Special Joint Meetings.

### Note

Where an Alderman may have been noted as not having been in attendance at a particular meeting, leave of absence for a specific purpose would generally have been requested by the Alderman and granted by the Council pursuant to S39 of the Local Government (Meeting Procedures) Regulations 2005.

### Legend

<sup>^</sup> Indicates where the Lord Mayor or Deputy Lord Mayor were present as an Ex-Officio Member of the Committee in accordance with Council Resolution of 11 September 2006.

\* Development and Environmental Services Committee

Alderman Archer, Alderman Briscoe and Alderman Christie were Committee Members until 5/3/2007 only for a maximum of 22 meetings. Alderman Ruzicka became a Committee Member commencing 26/3/2007 and therefore for a maximum of 8 meetings only.

## 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:	\$239,649
Total expenses paid to all Aldermen (including telecommunications, fuel and travel expenses):	\$68,370

# Grants, Assistance and Benefits Provided

## Section 77 (1)

Detail	GST inclusive amount
Anaphylaxis Australia - Support, Resource Awareness Flyer - Community Grant - Cash	\$1,700
Antarctic Tasmania - The Antarctic Mid Winter Festival - Events and Festivals Grant - Cash	\$7,700
ANZAC Day Commemorative Committee - Anzac Day - Cultural Grant - Cash & In-kind	\$16,043
Arts Tasmania - Amplified 2006 - Events and Festivals Grant - Cash	\$550
Athletics South - 2007 City to Casino Fun Run Traffic Management - Events and Festivals Grant - Cash	\$1,000
Athletics South - Trophy Donation City to Casino Fun Run -Community Grant - Cash	\$50
Australian Breast Feeding Association - Information Packages on Breastfeeding to Child Carers - Community Grant - Cash	\$685
Australian Red Cross - Donation East Coast Bushfires Appeal - Community Grant - Cash	\$20,000
Budget Fun Run - Traffic Management - Community Grant - In-kind	\$403
Charity 48 hour Relay - 2007 Charity Relay - Community Grant - Cash and In-kind	\$1,705
Creek Road Netball Centre - Community Grants - In-kind	\$7,200
Crime Stoppers - Crime Stoppers 2006/2007 - Community Initiative - Cash	\$1,100
Cycling South - Funding Contribution - Cash	\$16,100
Dept of Police & Public Safety - Southern Regional Unit of the State Emergency Service - Cash	\$17,077
Dept Primary Industry, Water & Environment - Derwent Estuary Program 2006/07 - Cash	\$33,141
Derwent Sailing Squadron - Annual Grant - Cash	\$7,300
Design Island Hobart - Cultural Grant - Cash	\$200
Devonport Triathlon Association - Hobart Oceana Cup Triathlon - Events and Festivals Grant - Cash and In-kind	\$16,500
Diabetes Australia - Tasmania - Get A life Expo - Community Grant - Cash	\$1,100
Estia Greek Festival of Hobart - Estia Greek Festival - Events and Festivals Grant - Cash	\$3,025
Family Planning Tasmania - Sexual and Reproductive Health CD Rom - Community Grant - Cash	\$3,449
Festival of Voices - The Festival of Voices Closing Event - Events and Festivals Grant - Cash	\$5,500
Friends of Musica Viva - Musica Viva Hobart Concerts 2007 - Cultural Grant - Cash	\$3,050
Friends of Sandy Bay Rivulet - Living with Sandy Bay Rivulet - Community Grant - Cash	\$1,300
Heritage & Conservation Grants - Cash	\$118,580
Hobart Athletic Club - Bikes and Spikes Carnival - Community Grant - In-kind	\$1,383
Hobart Cat Centre - Funding Contribution – Cash & In-kind	\$33,103
Hobart City Mission - Donation from Carols By the Bay Merchandise Sales - Cash	\$1,500
Hobart Jazz Club - Hot August Jazz - Events and Festivals Grant - Cash	\$1,436
Hobart Orpheus Choir - Celebrating 130 years - Cultural Grant - Cash	\$1,000
Hobart Playback Theatre - A bigger Story: Playback for refugees and young people - Community Grant - Cash	\$4,000
Hobart Wheelers/Dirt Devils - National Mountain Bike Series Round 2 - Events and Festivals Grant - Cash	\$2,000
Human Rights Week Committee - 2006 Human Rights Week - Community Grant - Cash	\$500
Huonville Primary School - Youth Leadership Conference - Community Grant - Cash	\$250
IHOS Opera - Vox electronica - Cultural Grant - Cash	\$4,400
Inflight Art - Write Here project - Cultural Grant - Cash	\$5,290

**Grants, Assistance and Benefits Provided Section 77 (1) CONTINUED**

<b>Detail</b>	<b>GST inclusive amount</b>
Island Brass Academy - Concert Series - Cultural Grant - Cash	\$1,000
Kingborough Dog Walking Association - Web Based Guide to Dog Walking Around Hobart - Community Grant - Cash	\$1,118
Maritime Museum - Donation - Cultural Grant - Cash	\$1,500
Mature Artists Dance - South West - Cultural Grant - Cash	\$2,750
Meetings and Events Australia - MEA National Conference - Community Grants - Cash	\$3,850
Migrant Resource Centre - Welcome Barbecue - Community Grant - Cash	\$1,705
Migrant Resource Centre - Young Women's Water Safety Camp - Community Grant - Cash	\$1,980
National Servicemen's Association - National Memorial Donation - Community Grant -Cash	\$500
New Town High School - Renovation Blitz 2006 - Community Grant - Cash	\$1,100
North Hobart Football Club - Never Say Die - History Documentary Film - Community Grant - Cash	\$1,650
North Hobart Junior Football Club - John Turnbull Oval - Funding Contribution - Cash	\$700
Pathways8 Conference - Pathways 8 Conference - Community Grant - Cash	\$2,530
Peoples Choice Award - City of Hobart Art Prize - Cash	\$1,000
Point to Pinnacle - 2006 Point to Pinnacle Run and Walk - Events and Festivals Grant - Cash	\$1,000
Pol Art - 2006 Polart Festival - Events and Festivals Grant - Cash	\$5,500
Royal Hobart Regatta - Cultural Grant - In-kind	\$20,748
Royal Tasmanian Botanical Garden - Tulip Festival - Events and Festivals Grant - Cash	\$1,100
Royal Tasmanian Botanical Gardens - Annual Grant - Community Grants - Cash	\$10,490
Royal Yacht Club of Tasmania - Trophies for Sydney to Hobart Yacht Race - Community Grant - Cash	\$638
RSL - Coral Reunion Committee - Community Grant - Cash	\$500
RSL - Indigenous Veterans Commemorative Ceremony - Community Grant - Cash	\$500
RSPCA - Annual Grant - Cash	\$5,000
Salamanca Arts Centre - Arts Program - Cultural Grant - Cash	\$53,485
Salamanca Arts Centre - Dream Masons - Cultural Grant - Cash	\$13,200
Salamanca Arts Centre - Dream Masons - Events and Festivals Grant - Cash	\$11,000
Sandy Bay Regatta - Cultural Grant - In-kind	\$751
State Emergency Service – Pandemic Centre – Funding Contribution – In-kind	\$5,000
Taroona Cluster Choir - Christmas Choir - Community Development Initiative -Cash	\$500
Tasmanian Canine Defence League - Funding Contribution - Cash	\$67,915
Tasmanian Centre for Global learning - MAD Youth Ambassador Conference - Community Grant – Cash	\$2,035
Tasmanian Convention Bureau - Annual Grant - Cash	\$55,000
Tasmanian Environment Centre - Environmental Home Show -Community Grant - In kind	\$1,837
Tasmanian Environment Centre - People and Birds - Sharing the Space - Community Grant - Cash	\$1,490
Tasmanian Media Awards - 2007 Tasmanian Media Awards - Community Initiative - Cash	\$400
Tasmanian Museum and Art Gallery - Annual Grant - Cultural Grant - Cash	\$13,477
Tasmanian Symphony Orchestra - Annual Grant - Cultural Grant - Cash	\$9,423
Tasmanian Travel & Information Centre - Funding Contribution - Cash	\$35,200

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

Detail	GST inclusive amount
Tasmanian Writers Centre - Hobart City Interstate and International Writers in Residence - Cultural Grant - Cash	\$5,500
Tasmanian Youth Government Association - Tasmanian Youth Local Government - Community Grant - Cash	\$2,551
Tasmanian Youth Orchestra - Youth Orchestra and Sinfonia Concerts - Cultural - Cash	\$1,860
Tasmania's South Regional Tourism Association - Funding Contribution - Cash	\$70,679
Targa Tasmania - In-kind	\$5,705
The Country Women's Association - 70 years of the CWA in Tasmania publication - Community Grant - Cash	\$500
The City of Hobart Eisteddfod Society Inc - Sponsorship for 2006 Eisteddfod - Cultural Grant - Cash & In-kind	\$10,360
The Hobart Chamber Orchestra - Young Artists Concert Series - Cultural Grant - Cash	\$2,900
The Manhole Project - Underwhere - Cultural Grant - Cash	\$1,579
Theatre Royal - Annual Grant - Cultural Grant - Cash	\$6,728
University of Tasmania - Scholarships - Community Grant - Cash	\$7,000
Wellington Park Management Trust - Regulations Awareness Programme - Cash	\$17,273
White Wreath Association - Donation - Community Grants - Cash	\$50
Wide Angle Tasmania - 2007 Hobart Tropfest Award - Cultural Grant - Cash	\$1,100
Women in Super - Mothers Day Classic Run and Walk - Events and Festivals Grant - In-kind	\$813
Wooden Boat Festival - Shelter Marquees - Events and Festivals Grant - Cash	\$11,000
Hockey South - Funding Contribution - Cash & In-Kind	\$68,975
Rate Remissions - 240L Wheelie Bins	\$64,300
Rate Remissions - Pensioners net expenditure	\$65,683
Rate Remissions - Water Efficient Device rebates	\$7,640
Grease Trap Installation/Upgrade rebates	\$46,000
Ex-Aldermen Fuel Expense	\$9,279
<b>TOTAL</b>	<b>\$1,119,367</b>

Ex-Aldermen of the Hobart City Council who have served a minimum period of two terms (and a former Town Clerk) are entitled to draw up to 108 litres of petrol per calendar month from the Council's supply, retain their Gold Pass and leave a vehicle in a metered area (at a 75% discount) and free of charge in any off street car park operated by the Council.

Remission of hire charges for Council Halls granted during 2006/2007 totalled \$5,337 GST Inclusive

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

In accordance with section 23 (5) of the Local Government (General) Regulations 2005 the following contracts to the value of \$100,000 or above, excluding GST, were entered into during 2006/07 financial year. In accordance with Section 27 (2) there were no instances of "non-application of public tender process".

Contract	Contract Period	Extension option	Contract Sum (for term of contract incl extension options)	Contractor
Management of Mobile Phones	Original contract was awarded in December 2003 for a 4 year term. Contract extended by Council for a 12 months period and is due to expire on 14 December 2008	Nil	Value of the additional 12 month extension is estimated to be \$113,035.	Total Communications (Tas) Pty Ltd
Period contract for supply of aggregate for asphalt	1 year base term awarded 16 November 2006	The contract provides for 3 x 1 year extension options	Estimated \$580,538.16	Hazell Bros Pty Ltd
Period contract for supply of sand for asphalt	1 year base term awarded 16 November 2006	The contract provides for 3 x 1 year extension options	Estimated \$199,556.36	RMB Trading Pty Ltd
Period contract for provision of security services	1 year base term awarded 6 June 2007	The contract provides for 3 x 1 year extension options	Estimated \$138,776.00	Golden Electronics
Period contract for electrical maintenance, major	1 year base term awarded 31 may 2007	The contract provides for 3 x 1 year extension options	Estimated \$1,202,807.24	EH Burgess and Co Pty Ltd
Period contract for electrical maintenance minor	1 year base term awarded 30 May 2007	The contract provides for 3 x 1 year extension options	Estimated \$600,000	Gary Cannan Electrical
Period contract for plumbing maintenance	1 year base term awarded 30 May 2007	The contract provides for 3 x 1 year extension options	Estimated \$180,000	Professional Plumbing Pty Ltd
Period contract for shredding of green waste	1 year base term awarded 25 September 2006	The contract provides for 2 x 1 year extension options	Estimated \$259,326.00	OnRoad OffRoad Pty Ltd

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

<b>Contract</b>	<b>Contract Period</b>	<b>Extension option</b>	<b>Contract Sum (for term of contract incl extension options)</b>	<b>Contractor</b>
Period contract for Cleaning of Hobart Central Car park	2 year base term awarded 27 September 2006	The contract provides for 2 x 1 year extension options	Estimated \$167,636.00 Extension option exercised 2006/07 \$89,069.00	Curtisey Cleaning Services
Period contract or supplementary labour for Civic Solutions	2 year base term awarded 20 November 2006	The contract provides for 1 x 1 year extension option	Estimated \$3,600,000.00	Spectran Pty Ltd
Period contract for cleaning of the Hobart Aquatic Centre	2 year base term awarded 12 June 2007	The contract provides for 3 x 1 year extension options	Estimated \$332,185.00	Daily Industrial Clenaing Services
Period contract for the cleaning of Centrepoint Car park	2 year base term awarded 27 September 2004	The contract provides for 3 x 1 year extension options	Estimated \$116,350 Extension option exercised 2006/07 \$74,863.00	Peekays Kleeing
Period contract for cleaning of the Argyle Street Car park	1 year base term awarded 18 December 2006	The contract provides for 1 x 1 year extension option	Estimated \$186,932.00	Curtisey Cleaning Services
Period contract for supply of production services to Carols by Candlelight	1 year base term awarded 13 January 2006	The contract provides for 2 x 1 year extension options	Estimated \$149,370.00	Production Works
Building works, refurbishment of the 2nd floor of the Hobart Council Centre	Awarded 14 August 2006 for completion 25 October 2006	Not applicable	\$379,926.00	CDC Management Pty Ltd
Period contract for the provision of sound reproduction and staging for the Hobart Summer Festival	1 year base term awarded 28 June 2004	The contract provides for 2 x 1 year extension options	Estimated \$109,782.00 Extension option exercised 2006/07 \$40,420.42	The Sound Company
Period contract for supply of event security services for the Taste of Tasmania	1 year base term awarded 27 September 2004	The contract provides for 2 x 1 year extension options	Estimated \$128,307.00 Extension option exercised 2006/07 \$45,328.00	Tasmanian Protective Services

Contract	Contract Period	Extension option	Contract Sum (for term of contract incl extension options)	Contractor
Period contract for the supply and erection of temporary structures for the Taste of Tasmania	1 year base term awarded 24 October 2004	The contract provides for 2 x 1 year extension options	Estimated \$128,286.00 Extension option exercised 2006/07 \$56,990.00	Weeding Party Hire
Road works, delivery of Council's annual slurry sealing program	Awarded 30 October 2006 for completion 30 April 2007	Not applicable	\$192,178.00	Works Infrastructure Pty Ltd
Supply and delivery of 1, 10m <sup>3</sup> compaction truck and/or purchase of 1, 8m <sup>3</sup> compaction truck	Awarded 10 June 2006 for completion upon delivery	Not applicable	\$172,452.00	Compaction Systems
Supply and delivery of 2, 16 tonne side loaders	Awarded 10 June 2006 for completion upon delivery	Not applicable	\$493,530.00	Webster Ltd
Supply of inlet screening for Macquarie Point Wastewater Treatment Plant	Awarded 9 January 2007 for completion 31 July 2007	Not applicable	\$103,650.00	VOR Environmental
Supply and delivery of 3, 10.4 tonne GVM tip trucks and/or purchase of 3, 9.8 tonne GVM tip trucks	Awarded 1 December 2006 for completion upon delivery	Not applicable	\$134,521.00	CJD Equipment Pty Ltd
Supply and delivery of re-useable landfill covers for Council's refuse disposal landfill operation	Awarded 7 May 2007 for completion 28 August 2007	Not applicable	\$138,409.00	Grant Lacey TA Wastewell Pty Ltd
Trench less rehabilitation of sewer pipes	Awarded 2 April 2007 for completion 17 October 2007	Not applicable	\$143,437.00	Underground Asset Services Pty Ltd

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

Total remuneration package	Number of employees
\$220,000 - \$240,000	1
\$120,000 - \$140,000	8

# 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*.

## Water Services Statement Section 72 (1) (e) Regulation 36

The *Water Services Statement* is a statement regarding the Council's plans in relation to domestic water consumption. The Statement is required under the provisions of the *Local Government Act 1993 Section 72*. The Statement on Council's domestic drinking water plans is addressed below and the financial information follows.

### Strategic Outcomes

In order to ensure that residents receive a water supply that complies with national standards and guidelines, the Council employed asset management and drinking water quality monitoring programs.

The asset management program ensured that the older water supply system assets are replaced when they become unserviceable. The assets are managed through a computer-based register of each asset, and a decision-model to aid replacement decisions.

A software package has the capability to assess adequacy of water storages, pressures, flows and levels of fire protection.

With respect to compliance with water quality objectives, the Council has updated its systems in accordance with the National Health and Medical Research Council publication titled 'Australian Drinking Water Guidelines' and its Drinking Water Management Plan.

The Council has examined the water mains into the New Town and Lenah Valley areas to enable supply to new subdivisions and ensure a reliable supply. The Council's Ten Year New Asset Projects Programme includes the construction of a reservoir off Pottery Road to augment the supply in the Lenah Valley area. Construction of other reservoirs to ensure reliability of supply and fire protection is included in the Council's longer term New Asset Projects Programme.

# Pricing Guidelines

## DETERMINATION OF FULL COST RECOVERY LEVELS

Cost item	Lower limit (Minimum business viability) \$'000	Upper limit (Maximum allowable revenue) \$'000
Operation and maintenance	7,460	7,460
Administration and overheads	492	492
Externalities	-	-
Tax & tax equivalents (other than income Tax)	101	101
Cost of asset consumption	1,087	1,568
Interest and dividends paid	309	
Cost of capital		8,039
<b>TOTAL</b>	<b>9,449</b>	<b>17,660</b>

### Cost of Asset Consumption

- (a) Lower limit - Infrastructure Renewals Annuity calculation using a discount rate of 9.255%  
 (b) Upper limit - reported depreciation, based on current replacement values of assets

### Weighted average cost of capital

9.255% real pre-tax rate, applied to net asset value.

## COST RECOVERY AND RATE OF RETURN PERFORMANCE

	\$'000
Revenue from fixed charges	11,182
Revenue from volume-based charges	531
Council CSO payments	22
Other Revenue	473
Total Revenue	12,208
Average Asset Valuation (written-down replacement value)	86,856
Real rate of return on assets, % p.a. (c)	2.98%

(c) Real rate of return on assets = Earnings before interest and tax / Average Asset Value

## *Public Interest Disclosure Act 2002*

Councils Guidelines for dealing with matters under the *Public Interest Disclosure Act 2002* are available for viewing on Councils homepage at [www.hobartcity.com.au](http://www.hobartcity.com.au) or a copy can be made available by contacting the Director Executive Management on 62382717.

## Photo Acknowledgements

Osborne

Southern Total Photographics

Simon Birch Photographer



# Financial Report

Income Statement	46
Balance Sheet	47
Statement of Changes in Equity	48
Cash Flow Statement	49
<b>Notes to and forming part of the Financial Statements</b>	
1 Summary of Significant Accounting Policies	50
2 Changes in Accounting Policies	53
3 Functions / Activities of the Council	54
4 Employee Costs	55
5 Depreciation and Amortisation	55
6 Finance Costs	55
7 Other Expenses	55
8 Significant Items	55
9 Grants and Donations	56
10 Asset Sales	57
11 Investments in Associates	57
12 Asset Revaluations	57
13 Rates Received in Advance	57
14 Restricted Assets	58
15 Cash	58
16 Inventories	58
17 Financial Instruments	59
18 Receivables	60
19 Assets Classified as Held for Sale	60
20 Investment Property	60
21 Property, Plant and Equipment	60
22 Plant and Equipment	61
23 Land and Buildings	61
24 Land Improvements	61
25 Infrastructure Plant	62
26 Pipes, Drains and Rivulets	62
27 Roads and Bridges	62
28 Other Structures	62
29 Capital Work in Progress	62
30 Other Property, Plant and Equipment	63
31 Payables	63
32 Trust, Deposits, Retention	63
33 Employee Benefits	63
34 Unearned Revenue	64
35 Loans	64
36 Provision for Landfill Restoration	64
37 Reserves	65
38 Reconciliation of Accrual-Based Results with Cash Flows	66
39 Financing Facilities	66
40 Commitments for Expenditure	67
41 Contingent Liabilities	67
42 Subsequent Events	67
43 Pecuniary Interests	67
44 Significant Business Activities	67
<b>Certification by General Manager</b>	<b>69</b>
<b>Independent Audit Report</b>	<b>70</b>

# Income Statement

For the Year Ended 30 June 2007

	Notes	2006/07 ACTUAL \$'000	2006/07 BUDGET \$'000	2005/06 ACTUAL \$'000
<b>Expenses</b>				
Employee Benefits	4	(34,612)	(35,642)	(31,602)
Materials and Services		(23,110)	(19,991)	(22,763)
Depreciation and Amortisation	5	(22,025)	(21,090)	(20,732)
Finance Costs	6	(1,386)	(954)	(1,121)
Purchase Bulk Water		(6,546)	(6,800)	(6,326)
State Fire Commission Levies		(5,684)	(5,684)	(4,914)
Other Expenses	7	(4,775)	(4,481)	(6,618)
<b>Total Expenses</b>		<b>(98,138)</b>	<b>(94,642)</b>	<b>(94,076)</b>
<b>Revenues</b>				
Rates and Charges		61,903	61,710	59,336
Grants and Donations	9	3,905	2,849	5,736
Fines		3,688	3,815	3,776
Contributed Property, Plant and Equipment		1,963	-	708
Rendering of Services		18,285	17,541	17,442
Interest		2,451	1,200	1,721
Rents		2,095	2,031	2,044
Other		776	-	529
<b>Total Revenues</b>		<b>95,066</b>	<b>89,146</b>	<b>91,292</b>
<b>Surplus / (Deficit) before Gains and Losses</b>				
		<b>(3,072)</b>	(5,496)	(2,784)
Net Gain/(Loss) on Disposal of Assets	10	(34)	-	3,274
Share of Net Profits of Associates	11	986	920	1,189
Net Asset Revaluation Increments	12	6,152	-	-
<b>Surplus / (Deficit) for year</b>		<b>4,032</b>	<b>(4,576)</b>	<b>1,679</b>

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

# Balance Sheet

as at 30 June 2007

	Notes	2006/07 \$'000	2005/06 \$'000
<b>Current Assets</b>			
Cash and Cash Equivalents	15	39,462	32,506
Inventories	16	326	327
Receivables	18	3,480	3,398
Prepayments		10	45
<b>Total Current Assets</b>		<b>43,278</b>	36,276
<b>Non-Current Assets</b>			
Receivables	18	291	300
Superannuation Asset	33	5,168	4,041
Investment Property	20	11,550	11,550
Investments in Associates	11	63,329	40,783
Property, Plant and Equipment	21-30	726,258	681,926
<b>Total Non-Current Assets</b>		<b>806,596</b>	738,600
<b>Total Assets</b>		<b>849,874</b>	774,876
<b>Current Liabilities</b>			
Payables	31	5,300	4,657
Trust, Deposits, Retention	32	1,865	1,850
Employee Benefits	33	7,241	6,851
Unearned Revenue	34	376	319
Loans	35	899	870
<b>Total Current Liabilities</b>		<b>15,681</b>	14,547
<b>Non-Current Liabilities</b>			
Deferred Liabilities		45	45
Employee Benefits	33	1,942	1,814
Loans	35	14,668	14,568
Provision for Landfill Restoration	36	6,900	6,893
<b>Total Non-Current Liabilities</b>		<b>23,555</b>	23,320
<b>Total Liabilities</b>		<b>39,236</b>	37,867
<b>Net Assets</b>		<b>810,638</b>	737,009
<b>Equity</b>			
Reserves	37	532,607	459,492
Retained earnings		278,031	277,517
<b>Total Equity</b>		<b>810,638</b>	737,009

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

## Statement of Changes in Equity

For the Year Ended 30 June 2007

	Notes	Total		Retained Earnings		Reserves	
		2006/07 \$'000	2005/06 \$'000	2006/07 \$'000	2005/06 \$'000	2006/07 \$'000	2005/06 \$'000
Balance at beginning of period		737,009	688,630	277,517	279,082	459,492	409,548
Asset revaluations	12	46,149	42,049	-	-	46,149	42,049
Share of other equity movements of associates	11	22,711	443	-	(211)	22,711	654
Defined-benefit superannuation plan actuarial gains/(losses)	33	737	4,208	737	4,208	-	-
Surplus/(deficit) for year		4,032	1,679	4,032	1,679	-	-
Transfers to reserves	37	-	-	(25,778)	(34,055)	25,778	34,055
Transfers from reserves	37	-	-	21,523	26,814	(21,523)	(26,814)
Balance at end of period		<b>810,638</b>	<b>737,009</b>	<b>278,031</b>	<b>277,517</b>	<b>532,607</b>	<b>459,492</b>

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

# Cash Flow Statement

For the Year Ended 30 June 2007

	Notes	2006/07 ACTUAL \$'000	2006/07 BUDGET \$'000	2005/06 ACTUAL \$'000
<b>Cash Flows from Operating Activities</b>				
<i>Receipts</i>				
Rates		62,397	61,710	59,260
Rendering of services (inclusive of GST)		19,715	19,030	19,065
Interest		2,356	1,200	1,637
Government grants (inclusive of GST)		1,630	1,635	2,199
Rents (inclusive of GST)		2,321	2,257	2,263
Fines		2,878	3,165	2,978
Other receipts (inclusive of GST)		2,500	1,863	2,427
		<u>93,797</u>	<u>90,860</u>	<u>89,829</u>
<i>Payments</i>				
Employee costs		(34,484)	(35,642)	(32,847)
Payments to suppliers (inclusive of GST)		(26,485)	(23,655)	(25,789)
Interest		(1,044)	(954)	(741)
Other payments (inclusive of GST)		(14,494)	(14,815)	(13,592)
		<u>(76,507)</u>	<u>(75,066)</u>	<u>(72,969)</u>
<b>Net Cash Flow from Operating Activities</b>	38	<b><u>17,290</u></b>	<b><u>15,794</u></b>	<b><u>16,860</u></b>
<b>Cash Flows from Investing Activities</b>				
<i>Proceeds</i>				
Government Grants		2,224	1,300	3,641
Dividends		1,151	920	988
Sales of Property		27	-	4,586
Sales of Plant and Equipment		720	720	534
		<u>4,122</u>	<u>2,940</u>	<u>9,749</u>
<i>Payments</i>				
Employee Costs capitalised		(2,567)	(2,500)	(2,499)
Materials/Services/Contracts capitalised		(7,299)	(19,322)	(8,212)
Property		-	-	(5,800)
Plant and Equipment		(4,719)	(3,712)	(2,644)
		<u>(14,585)</u>	<u>(25,534)</u>	<u>(19,155)</u>
<b>Net Cash Flow from Investing Activities</b>	38	<b><u>(10,463)</u></b>	<b><u>(22,594)</u></b>	<b><u>(9,406)</u></b>
<b>Cash Flows from Financing Activities</b>				
Proceeds from Borrowings	35	4,900	4,900	5,800
Repayment of Borrowings	35	(4,771)	(4,836)	(1,051)
<b>Net Cash Flow from Financing Activities</b>		<b><u>129</u></b>	<b><u>64</u></b>	<b><u>4,749</u></b>
<b>Net Increase (Decrease) in cash held</b>		<b>6,956</b>	<b>(6,736)</b>	<b>12,203</b>
<b>Cash Held at the Beginning of the Year</b>		<b>32,506</b>	<b>32,506</b>	<b>20,303</b>
<b>Cash held at the End of the Year</b>	15	<b><u>39,462</u></b>	<b><u>25,770</u></b>	<b><u>32,506</u></b>

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

# Notes to and forming part of the Financial Statements

## 1. Summary of Significant Accounting Policies

### a) Local Government Reporting Entity

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

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

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

### b) Basis of Preparation

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

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

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

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

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

### c) Revenue Recognition

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

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

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

#### *Rendering of Services*

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

#### *Sale of Assets*

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

#### *Fines*

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

#### *Rents, Interest and Dividends*

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

### d) Cash and cash equivalents (Note 15)

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

### e) Inventories (Note 16)

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

# Notes to and forming part of the Financial Statements

## 1. Summary of Significant Accounting Policies *continued*

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

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

Investments in subsidiaries are measured at cost.

Investments in associates are accounted for under the equity method. Council has classified the Hobart Regional Water Authority (Hobart Water) as an associate, and accounts for its ownership interest in accordance with the equity method.

All other financial assets are classified as "loans and receivables" and are recorded at amortised cost less impairment. The collectibility of debts is assessed at year-end and an allowance is made for impairment. In respect of parking offences, accounts are regarded as impaired when formal legal proceedings have been commenced by the preparation of a court summons.

Penalty and interest are charged on outstanding rates in accordance with s128(c) of the *Local Government Act 1993*.

### g) Employee Benefits (Note 33)

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

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

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 ten percent 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, directly in retained earnings, in the period in which they occur, and are presented in the statement of changes in equity.

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

### h) Provisions

Provisions are recognised when 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 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.

#### *Provision for Landfill Restoration (Note 36)*

Council has recognised a provision in respect of its obligation to rehabilitate the McRobies Gully landfill site following completion of land filling.

As the related asset is measured using the revaluation model, changes in the liability resulting from changes in the estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or from changes in the discount rate, are debited (or credited) directly to the asset revaluation reserve in equity.

The periodic unwinding of the discount is recognised in profit or loss as a finance cost as it occurs.

# Notes to and forming part of the Financial Statements

## 1. Summary of Significant Accounting Policies *continued*

### i) Investment Property (Note 20)

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

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

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

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

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

#### Acquisition

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

The cost of property, plant and equipment constructed by Council includes the cost of all materials, direct labour and related labour overheads consumed in the construction, together with any consulting and engineering fees and an allowance for fixed overheads.

#### Revaluations

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

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 'general construction index' for Tasmania (series ID A2333772X) published quarterly by the Australian Bureau of Statistics.

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

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

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

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

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

#### Depreciation

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

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

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

	Years		Years
Buildings	75-150	Bridges	50-120
Infrastructure Plant	5-100	Sealed Roads	
Plant and Equipment		- Base	70-85
- Heavy Vehicles	5-25	- Surface	12-50
- Fleet Vehicles	3	Unsealed Road Surfaces	100
- Minor Plant	5-20	Footpaths, Kerb & Gutter	30-70
- Computer Equipment	3	Cycleways and Tracks	15-60
- Furniture	5-30	Sewer Mains	50-120
Reservoirs	20-80	Sewerage Outfalls	100
Stormwater Mains	50-120	Water Mains	25-120
Irrigation	9-20	Playground Equipment	10-30
Rivulets	30-125	Trees	30-250
Fountains	50	External Playing Surfaces	7-20

#### Leased Assets

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

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

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

#### Transitional Provisions relating to Asset Recognition

In accordance with the transitional provisions of AAS27 *Financial Reporting by Local Governments*, Council has elected not to recognise land under roads as an asset in the Balance Sheet.

# Notes to and forming part of the Financial Statements

## 1. Summary of Significant Accounting Policies *continued*

### 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 either quarterly or semi-annually in arrears, and interest expense is accrued at the contracted rate and included in payables.

### m) Heritage Account (Notes 14 and 15)

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

On 15 December 1999, Council established the required Heritage Account with Perpetual Trustees Tasmania Limited, and the Minister transferred an amount of \$1,216,205 to that account. At 30 June 2007, the balance of the Heritage Account had accumulated to \$1,623,843.

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

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

### n) Goods and Services Tax (GST)

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

Cash flows are included in the cash flow statement 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.

## 2. Changes in Accounting Policies

### a) Current and previous periods

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

*AASB 2005-9 Amendments to Australian Accounting Standards* deals with accounting for 'financial guarantee contracts'.

*AASB 2006-3 Amendments to Australian Accounting Standards* alters the expiry date of the 'land under roads' transitional provisions.

Adoption of these standards has had no material impact on Council's financial statements, and accounting policies adopted for the current reporting period are consistent with those of the previous reporting period.

### b) Future periods

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

*AASB 7 Financial instruments: Disclosures* (August 2005) and consequential amendments to other accounting standards replaces the presentation requirements of financial instruments in AASB 132. The standard is applicable for annual reporting periods beginning on or after 1 January 2007.

*AASB 101 Presentation of Financial Statements* (October 2006) is a revised standard applicable for annual reporting periods beginning on or after 1 January 2007.

*Interpretation 12 Service Concession Arrangements* (February 2007) addresses service concession arrangements under which private sector entities participate in the development, financing, operation and maintenance of infrastructure for the provision of public services, such as transport, water and energy facilities. The interpretation is applicable for annual reporting periods beginning on or after 1 January 2008.

These standards and interpretations are not expected to have any material impact on Council's financial statements.

## Notes to and forming part of the Financial Statements

### 3. Functions/Activities of the Council

		Expenses	Revenues			Assets
		\$'000	Grants \$'000	Other \$'000	Total \$'000	\$'000
Public Order and Safety	<b>2006/07</b>	<b>5,814</b>	<b>40</b>	<b>5,483</b>	<b>5,523</b>	<b>1</b>
	2005/06	5,040	38	4,661	4,699	16
Health	<b>2006/07</b>	<b>1,378</b>	<b>0</b>	<b>291</b>	<b>291</b>	<b>108</b>
	2005/06	1,534	0	266	266	88
Welfare	<b>2006/07</b>	<b>2,895</b>	<b>539</b>	<b>178</b>	<b>717</b>	<b>1,945</b>
	2005/06	2,912	879	200	1,079	1,846
Community Amenities	<b>2006/07</b>	<b>17,213</b>	<b>77</b>	<b>10,260</b>	<b>10,337</b>	<b>84,942</b>
	2005/06	19,451	24	9,022	9,046	79,584
Recreation and Culture	<b>2006/07</b>	<b>20,321</b>	<b>116</b>	<b>5,191</b>	<b>5,307</b>	<b>149,827</b>
	2005/06	19,577	1,151	5,599	6,750	135,328
Parking	<b>2006/07</b>	<b>7,456</b>	<b>1</b>	<b>9,336</b>	<b>9,337</b>	<b>30,438</b>
	2005/06	7,048	0	8,639	8,639	30,207
Transport	<b>2006/07</b>	<b>15,605</b>	<b>2,052</b>	<b>970</b>	<b>3,022</b>	<b>248,039</b>
	2005/06	14,744	2,539	504	3,043	239,193
Economic Services	<b>2006/07</b>	<b>2,200</b>	<b>0</b>	<b>774</b>	<b>774</b>	<b>56</b>
	2005/06	1,941	0	792	792	43
Water Supply	<b>2006/07</b>	<b>9,901</b>	<b>85</b>	<b>12,123</b>	<b>12,208</b>	<b>89,599</b>
	2005/06	9,891	45	11,757	11,802	84,112
Sewerage	<b>2006/07</b>	<b>8,523</b>	<b>0</b>	<b>9,869</b>	<b>9,869</b>	<b>104,697</b>
	2005/06	7,944	4	8,188	8,192	95,238
Other (Not Attributed)*	<b>2006/07</b>	<b>6,832</b>	<b>995</b>	<b>36,686</b>	<b>37,681</b>	<b>140,222</b>
	2005/06	3,994	1,056	35,928	36,984	109,221
<b>Total</b>	<b>2006/07</b>	<b>98,138</b>	<b>3,905</b>	<b>91,161</b>	<b>95,066</b>	<b>849,874</b>
	2005/06	94,076	5,736	85,556	91,292	774,876

\* Rates for Water, Sewerage, Stormwater, Garbage 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:-	childcare, youth services and aged care services.
COMMUNITY AMENITIES:-	solid waste management, stormwater drainage, public conveniences, street lighting, council-owned properties and administration of planning schemes.
RECREATION AND CULTURE:-	public halls, the Aquatic Centre, recreation centres, parks and reserves, the nursery, and festivals.
PARKING:-	car parks and on-street parking.
TRANSPORT:-	roads, footpaths, bridges, traffic signs and the Hot Mix Plant.
ECONOMIC SERVICES:-	Salamanca Market and tourism promotion.
WATER SUPPLY:-	purchase of bulk water, water reticulation and water quality control.
SEWERAGE:-	reticulation, treatment and discharge of liquid waste and sewage effluent.

## Notes to and forming part of the Financial Statements

### 4. Employee Costs

Note	2006/07 \$'000	2005/06 \$'000
Gross Wages and Salaries	31,100	29,761
Less : Amounts Capitalised	(1,685)	(1,640)
Leave payments	(2,163)	(2,228)
	<u>(3,848)</u>	<u>(3,868)</u>
Wages and Salaries expensed	27,252	25,893
Leave Entitlements	2,577	1,927
Defined-benefit superannuation plan	33 1,469	1,104
Other superannuation	1,213	717
Workers Compensation Insurance	420	539
Payroll Tax	2,108	1,990
Aldermanic Allowances	245	237
Redundancy payments	210	54
Labour Overheads Capitalised	(882)	(859)
	<u>34,612</u>	<u>31,602</u>
Number of Employees (Full-time equivalent)	581	584

### 5. Depreciation and Amortisation

	2006/07 \$'000	2005/06 \$'000
Land Improvements	767	722
Buildings	2,133	2,122
Infrastructure Plant	1,580	1,506
Plant and Equipment	2,118	2,126
Pipes, Drains and Rivulets	3,840	3,663
Roads and Bridges	9,613	8,734
Other Structures	1,846	1,731
Other	128	128
	<u>22,025</u>	<u>20,732</u>

### 6. Finance Costs

	2006/07 \$'000	2005/06 \$'000
Interest on Loans	953	739
Finance Cost associated with Landfill Restoration Provision	433	382
	<u>1,386</u>	<u>1,121</u>

### 7. Other Expenses

Note	2006/07 \$'000	2005/06 \$'000
Pensioner Rate Remissions	1,132	1,146
Less : Reimbursements from Government	9 (1,066)	(1,070)
	<u>66</u>	<u>76</u>
Grants and Specific Purpose Benefits	864	694
Directors Fees	8	16
Auditor's Remuneration - Review of the Financial Report	29	25
Other Audit Fees	67	47
Bad and Doubtful Debts	736	810
Assets Written-off	1,762	3,883
Obsolete Stock	5	3
Fringe Benefits Tax	151	162
Land Tax	1,087	902
	<u>4,775</u>	<u>6,618</u>

### 8. Significant Items

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

Notes	2006/07 \$'000	2005/06 \$'000
<b>Revenues</b>		
Contributed Property, Plant and Equipment	1,963	708
Porter Hill Land acquisition grant	9 -	1,000
Roads to Recovery Program grants	9 100	1,259
Auslink Grants	9 350	-
Blackspot Program Grants	9 268	7
	<u>2,681</u>	<u>2,974</u>
<b>Expenses</b>		
Asset write-offs	7 (1,762)	(3,883)
	<u>(1,762)</u>	<u>(3,883)</u>
<b>Gains / (Losses)</b>		
Net Gain / (Loss) on Disposal of Assets	10 (34)	3,274
Share of Net Profits / (Losses) of Associates	11 986	1,189
Net Asset Revaluation Increments / (Decrements)	12 6,152	-
	<u>7,104</u>	<u>4,463</u>
Effect of significant items on surplus/(deficit) for year	<u>8,023</u>	<u>3,554</u>

## Notes to and forming part of the Financial Statements

### 9. Grants and Donations

	Notes	2006/07 \$'000	2005/06 \$'000		Notes	2006/07 \$'000	2005/06 \$'000
<b>a) Provided by Government</b>				<b>b) Other</b>			
<i>for Recurrent Purposes</i>				<i>for Recurrent Purposes</i>			
Childcare Services		280	629	Distribution of Sullivans Cove Advisory Committee Funds		-	19
Grants Commission Equalisation Grants		840	814	Miscellaneous		19	17
Living in Harmony program		50	2			19	36
National Illicit Drug Strategy (NIDS)		60	22	<i>for Capital Purposes</i>			
Partnership Outreach Education Model project		70	-	Provision of Public Open Space		64	20
Pensioner Rate Remission Grants	7	1,066	1,070	Miscellaneous		54	9
Employment Creation Initiatives		59	302			118	29
Fuel Tax Credit Scheme		76	79			<b>137</b>	<b>65</b>
Transition and Pathways Project		59	61	<b>Total Grants and Donations</b>			
Miscellaneous		50	121			<b>4,971</b>	<b>6,806</b>
		<u>2,610</u>	<u>3,100</u>	Less : Pensioner Rate Remission Grants netted against Remissions	7	(1,066)	(1,070)
<i>for Capital Purposes</i>				<b>Grants and Donations as per Income Statement</b>			
Roads to Recovery Program		100	1,259			<u>3,905</u>	<u>5,736</u>
Auslink		350	-	<b>c) Conditions</b>			
Blackspot Program		268	7	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 :			
Other roadworks		1,324	1,265			887	853
Porter Hill Land acquisition		-	1,000	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 :			
Hobart Major Rivulets - Natural Disaster Mitigation Project		-	19			(754)	(450)
On-Line Development Application Lodgement System		20	-	Net increase/(decrease) in assets subject to conditions			
Security measures at Hobart Reservoirs		36	-			133	403
Stormwater improvement		45	45	Assets subject to conditions at the beginning of the period			
Miscellaneous		81	46			1,681	1,215
		<u>2,224</u>	<u>3,641</u>	<b>Assets subject to conditions at the end of the period</b>			
		<b>4,834</b>	<b>6,741</b>		14	<u>1,751</u>	<u>1,618</u>

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.

## Notes to and forming part of the Financial Statements

### 10. Asset Sales

	2006/07 \$'000	2005/06 \$'000
<i>Plant &amp; Equipment</i>		
Proceeds from sales	720	534
Less carrying amount of assets sold	(762)	(664)
<b>Gain/(Loss) on disposal</b>	<b>(42)</b>	<b>(130)</b>
<i>Land and Buildings</i>		
Proceeds from sales	27	4,586
Less carrying amount of assets sold	(19)	(1,182)
<b>Gain/(Loss) on disposal</b>	<b>8</b>	<b>3,404</b>
<b>Total Gain/(Loss) on disposal of assets</b>	<b>(34)</b>	<b>3,274</b>

### 11. Investments in Associates

Effective from 1st January 1997, all assets and liabilities of the then Hobart Regional Water Board were transferred to a joint authority established pursuant to section 38 of the *Local Government Act 1993*. The Joint Authority is the Hobart Regional Water Authority, trading under the name of Hobart Water.

The joint authority's principal activity is to provide bulk water supplies within the area served by the Hobart Regional bulk water supply system at an acceptable price and quality.

Hobart Water is owned by the eight Councils in and around the greater Hobart area - namely Hobart, Glenorchy, Clarence, Kingborough, Brighton, Derwent Valley, Sorell and Southern Midlands Councils. Hobart City Council's ownership interest in the equity of the Joint Authority on 30 June 2007 was 28.329%, whilst its voting power was 4 votes out of a total of 21 votes. Council accounts for this ownership interest according to the equity method of accounting.

The following table shows summarised financial information for Hobart Water, together with a reconciliation of movements in the carrying amount of Council's investment: -

	2006/07 \$'000	2005/06 \$'000
<i>Summarised financial information of Hobart Water</i>		
Assets	309,798	195,925
Liabilities	(86,106)	(55,631)
Net Assets	<b>223,692</b>	<b>140,294</b>
Revenues	28,815	27,220
Net profit/(loss)	3,481	4,134
<i>Reconciliation of carrying amount of investment</i>		
Carrying amount of investment at beginning of year	40,783	40,139
Share of surplus/(deficit) for year	986	1,189
Share of asset revaluation	22,711	443
Dividends received	(1,151)	988
Carrying amount of investment at end of year	<b>63,329</b>	<b>40,783</b>

### 12. Asset Revaluations

	Notes	2006/07 \$'000	2005/06 \$'000
<i>Asset Revaluations taken to Income Statement</i>			
Revaluation Increment on Reservoirs		486	-
Revaluation Increment on Wastewater Treatment Plants		5,200	-
Revaluation Increment on Pump Stations		112	-
Revaluation Increment on Other Infrastructure Plant		354	-
		<b>6,152</b>	-
<i>Asset Revaluations taken to Asset Revaluation Reserve</i>			
Land		11,427	17,149
Land Improvements		5,079	-
Infrastructure Plant		717	-
Pipes, Drains and Rivulets		13,025	10,932
Roads and Bridges		13,371	13,968
Other Structures		2,530	-
	37	<b>46,149</b>	<b>42,049</b>
<b>Net Asset Revaluation Increments / (Decrements)</b>		<b>52,301</b>	<b>42,049</b>

### 13. Rates Received in Advance

	2006/07 \$'000	2005/06 \$'000
Rates recognised as revenues during the reporting period which were obtained in respect of future rating periods	350	264
Rates recognised as revenues in a previous reporting period which were obtained in respect of the current reporting period	(264)	(201)
<b>Net increase (decrease) in prepaid rates</b>	<b>86</b>	<b>63</b>

## Notes to and forming part of the Financial Statements

### 14. Restricted Assets

Notes	2006/07 \$'000	2005/06 \$'000
<b>a) Grants and Donations subject to Conditions</b>		
Assets derived from grants and donations which were obtained on the condition that they be expended in a particular manner but had yet to be applied in that manner as at the reporting date were in respect of :		
- Childrens Services	-	47
- Contributions in lieu of Parking	428	428
- Contributions in lieu of Public Open Space	164	100
- National Illicit Drug Strategy	60	11
- On Line Development Application Lodgement System	-	27
- Partnership Outreach Education Model Project	68	-
- Stormwater improvement	63	-
- Wapping - Sculpture Walk	75	75
- Natural Heritage Trust Grants	36	45
- Roadworks	435	487
- Miscellaneous	422	398
9	<u>1,751</u>	<u>1,618</u>
<b>b) Heritage Account</b>		
Assets acquired as a result of the winding-up of the National Trust Preservation Fund which are required by section 5(3) of the National Trust Preservation Fund (Winding-up) Act 1999 to be applied for the provision of financial or other assistance in relation to an entry in either the National Trust Register or the Tasmanian Heritage Register		
1(m)	1,624	1,592
<b>Total Restricted Assets</b>	<u><b>3,375</b></u>	<u><b>3,210</b></u>

### 15. Cash

	2006/07 \$'000	2005/06 \$'000
<b>a) Definition of Cash</b>		
For the purpose of the Cash Flow Statement, the following items comprise the cash balance at the end of the period: -		
Investments		
Term Deposits	31,000	20,000
At Call	6,853	10,787
	<u>37,853</u>	<u>30,787</u>
Cash Advances	29	13
Cash at Bank	1,580	1,706
	<u><b>39,462</b></u>	<u><b>32,506</b></u>
<b>b) Composition of Cash</b>		
The following restrictions apply to the closing cash balance :		
- Provision of Public Open Space	164	100
- Provision of Parking Facilities	428	428
- Childrens Services	24	47
- Wapping - Sculpture Walk	75	75
- Roadworks	435	487
- Heritage Funding	1,624	1,592
- Other	625	481
	<u>3,375</u>	<u>3,210</u>
The remainder of the Cash balance has been ear-marked for :		
- Asset Replacement	3,377	2,492
- Other Capital Works	4,792	3,680
- Provision of Public Open Space	16	16
- Provision of Parking Facilities	15,125	12,748
- Loan Redemption	2,160	1,408
- Bushland Acquisition	125	75
- Settlement of Payables	5,300	4,657
- Other	528	456
- Unallocated	4,664	3,764
	<u>36,087</u>	<u>29,296</u>
	<u><b>39,462</b></u>	<u><b>32,506</b></u>
<b>16. Inventories</b>		
	2006/07 \$'000	2005/06 \$'000
Stock	330	330
Less : Provision for Obsolete Stock	(4)	(3)
	<u><b>326</b></u>	<u><b>327</b></u>

## Notes to and forming part of the Financial Statements

### 17. Financial Instruments

#### a) Credit Risk Exposures

The credit risk on financial assets of Council which have been recognised in the Balance Sheet is generally the carrying amount, net of any provisions for loss.

In relation to amounts owed to Council in respect of unpaid rates, there is generally no credit risk as s137 of the *Local Government Act 1993* empowers Councils to sell properties as a means of recovering rates outstanding.

#### b) Interest Rate Risk Exposures

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.

Exposures arise predominantly from assets and liabilities bearing variable interest rates as Council intends to hold fixed rate assets and liabilities to maturity.

	Floating Interest Rate \$'000	Fixed Interest Maturing in:			Non-Interest Bearing \$'000	Total \$'000	Weighted Average Interest Rate
		1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000			
<b>2006/07</b>							
<i>Financial Assets</i>							
Cash Advances	-	-	-	-	29	29	N/A
Investments	8,433	31,000	-	-	-	39,433	6.47%
Receivables	855	26	-	-	2,890	3,771	1.06%
	9,288	31,026	-	-	2,919	43,233	
Weighted Average Interest Rate	6.66%	6.55%	0.00%	0.00%			
<i>Financial Liabilities</i>							
Payables	-	-	-	-	5,300	5,300	N/A
Loans	-	899	5,211	9,457	-	15,567	6.52%
	-	899	5,211	9,457	5,300	20,867	
Weighted Average Interest Rate	0.00%	7.28%	6.09%	6.68%			
<i>Net Financial Assets / (Liabilities)</i>	<b>9,288</b>	<b>30,127</b>	<b>(5,211)</b>	<b>(9,457)</b>	<b>(2,381)</b>	<b>22,366</b>	
	Floating Interest Rate \$'000	Fixed Interest Maturing in:			Non-Interest Bearing \$'000	Total \$'000	Weighted Average Interest Rate
		1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000			
<b>2005/06</b>							
<i>Financial Assets</i>							
Cash Advances	-	-	-	-	13	13	N/A
Investments	12,493	20,000	-	-	-	32,493	5.81%
Receivables	1,340	26	-	-	2,332	3,698	1.80%
	13,833	20,026	-	-	2,345	36,204	
Weighted Average Interest Rate	6.24%	5.89%	0.00%	0.00%			
<i>Financial Liabilities</i>							
Payables	-	-	-	-	4,657	4,657	N/A
Loans	-	4,770	4,977	5,691	-	15,438	6.86%
	-	4,770	4,977	5,691	4,657	20,095	
Weighted Average Interest Rate	0.00%	8.20%	6.16%	6.36%			
<i>Net Financial Assets / (Liabilities)</i>	<b>13,833</b>	<b>15,256</b>	<b>(4,977)</b>	<b>(5,691)</b>	<b>(2,312)</b>	<b>16,109</b>	

## Notes to and forming part of the Financial Statements

### 17. Financial Instruments *continued*

#### c) 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: -

	2006/07		2005/06	
	Carrying Amount \$'000	Net Fair Value \$'000	Carrying Amount \$'000	Net Fair Value \$'000
<i>Financial Assets</i>				
Cash Advances	29	29	13	13
Cash at Bank and Investments	39,433	39,433	32,493	32,493
Receivables	3,771	3,771	3,698	3,698
	<b>43,233</b>	<b>43,233</b>	<b>36,204</b>	<b>36,204</b>
<i>Financial Liabilities</i>				
Payables	5,300	5,300	4,657	4,657
Loans	15,567	15,427	15,438	15,647
	<b>20,867</b>	<b>20,727</b>	<b>20,095</b>	<b>20,304</b>

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

### 18. Receivables

	2006/07 \$'000	2005/06 \$'000
Rates	976	1,470
Parking Fines	5,770	5,135
Accrued interest on investments	246	151
Wages and salaries paid in advance	64	67
Other Debtors	2,284	1,889
	<b>9,340</b>	<b>8,712</b>
Less Allowance for Impairment	(5,569)	(5,014)
	<b>3,771</b>	<b>3,698</b>
Current	3,480	3,398
Non-Current	291	300
	<b>3,771</b>	<b>3,698</b>

### 19. Assets Classified as Held for Sale

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

### 20. Investment Property

	2006/07 \$'000	2005/06 \$'000
At cost	1,800	1,800
At Valuer-General's 2002 valuation of market value	9,750	9,750
	<b>11,550</b>	<b>11,550</b>

### 21. Property, Plant and Equipment

2006/07	Notes	Carrying Amount 30/6/2006 \$'000	Additions \$'000	Disposals \$'000	Net Revaluation Adjustments \$'000	Depreciation \$'000	Carrying Amount 30/6/2007 \$'000
Plant and Equipment	22	12,813	4,422	(1,175)	-	(2,118)	<b>13,942</b>
Land	23	96,243	-	(19)	11,427	-	<b>107,651</b>
Buildings	23	68,069	968	(186)	-	(2,133)	<b>66,718</b>
Land Improvements	24	16,955	522	(93)	5,079	(767)	<b>21,696</b>
Infrastructure Plant	25	23,113	1,977	(1)	6,383	(1,580)	<b>29,892</b>
Pipes, Drains and Rivulets	26	193,489	3,761	(134)	13,025	(3,840)	<b>206,301</b>
Roads and Bridges	27	230,460	4,988	(604)	13,371	(9,613)	<b>238,602</b>
Other Structures	28	33,217	1,224	(104)	3,016	(1,846)	<b>35,507</b>
Capital Work in Progress	29	6,864	(1,489)	-	-	-	<b>5,375</b>
Other	30	703	-	(1)	-	(128)	<b>574</b>
		<b>681,926</b>	<b>16,373</b>	<b>(2,317)</b>	<b>52,301</b>	<b>(22,025)</b>	<b>726,258</b>

## Notes to and forming part of the Financial Statements

### 21. Property, Plant and Equipment *continued*

	Notes	Carrying Amount 30/6/2005 \$'000	Additions \$'000	Disposals \$'000	Net Revaluation Adjustments \$'000	Depreciation \$'000	Carrying Amount 30/6/2006 \$'000
2005/06							
Plant and Equipment	22	13,311	2,620	(992)	-	(2,126)	12,813
Land	23	75,094	4,000	-	17,149	-	96,243
Buildings	23	70,930	350	(1,089)	-	(2,122)	68,069
Land Improvements	24	17,109	631	(63)	-	(722)	16,955
Infrastructure Plant	25	23,604	1,052	(37)	-	(1,506)	23,113
Pipes, Drains and Rivulets	26	184,615	1,638	(33)	10,932	(3,663)	193,489
Roads and Bridges	27	222,149	3,889	(812)	13,968	(8,734)	230,460
Other Structures	28	33,417	1,607	(76)	-	(1,731)	33,217
Capital Work in Progress	29	5,401	1,463	-	-	-	6,864
Other	30	2,145	-	(1,314)	-	(128)	703
		<b>647,775</b>	<b>17,250</b>	<b>(4,416)</b>	<b>42,049</b>	<b>(20,732)</b>	<b>681,926</b>

### 22. Plant and Equipment

	2006/07 \$'000	2005/06 \$'000
At Cost	24,732	24,620
less : Accumulated Depreciation	(10,790)	(11,807)
	<b>13,942</b>	<b>12,813</b>

### 23. Land and Buildings

	2006/07 \$'000	2005/06 \$'000
<b>Land</b>		
At Cost	7,640	7,640
At Valuer-General's 2002 valuation of market value indexed to 30 June 2007	100,011	-
At Valuer-General's 2002 valuation of market value indexed to 30 June 2006	-	88,603
	<b>107,651</b>	<b>96,243</b>
<b>Buildings</b>		
At Cost	1,742	859
At Council's 2002 valuation of replacement cost	167,524	167,877
	169,266	168,736
less : Accumulated Depreciation	(102,548)	(100,667)
	<b>66,718</b>	<b>68,069</b>
<b>Totals</b>		
At cost	9,382	8,499
At valuation	267,535	256,480
	276,917	264,979
less : Accumulated Depreciation	(102,548)	(100,667)
	<b>174,369</b>	<b>164,312</b>

### 24. Land Improvements

	2006/07 \$'000	2005/06 \$'000
At Cost	4,520	3,998
At Council's 2002 valuation of replacement cost indexed to 30 June 2007	26,272	-
At Council's 2002 valuation of replacement cost	-	19,492
At Council's 2001 valuation of replacement cost indexed to 30 June 2007	19,262	-
At Council's 2001 valuation of replacement cost	318	13,979
	50,372	37,469
less : Accumulated Depreciation	(28,676)	(20,514)
	<b>21,696</b>	<b>16,955</b>

Grassed areas within parks and sportsfields have not been recognised in the Balance Sheet because they cannot be reliably measured.

## Notes to and forming part of the Financial Statements

### 25. Infrastructure Plant

	2006/07 \$'000	2005/06 \$'000
At Cost	8,642	6,538
At Council's 2002 valuation of replacement cost indexed to 30 June 2007	9,074	-
At Council's 2002 valuation of replacement cost	-	7,947
At Council's 2001 valuation of replacement cost indexed to 30 June 2007	2,117	-
At Council's 2001 valuation of replacement cost	-	1,500
At Council's 2000 valuation of replacement cost indexed to 30 June 2007	7,133	-
At Council's 2000 valuation of replacement cost	-	5,273
At Independent 2000 valuation of replacement cost indexed to 30 June 2007	39,516	-
At Independent 2000 valuation of replacement cost	-	27,575
	<u>66,482</u>	<u>48,833</u>
less : Accumulated Depreciation	(36,590)	(25,720)
	<u><b>29,892</b></u>	<u><b>23,113</b></u>

### 26. Pipes, Drains and Rivulets

	2006/07 \$'000	2005/06 \$'000
At Cost	18,993	15,248
At Council's 2001 valuation of replacement cost indexed to 30 June 2007	415,025	-
At Council's 2001 valuation of replacement cost indexed to 30 June 2006	-	391,388
At Council's 2002 valuation of replacement cost indexed to 30 June 2007	22,009	-
At Council's 2002 valuation of replacement cost	-	16,153
	<u>456,027</u>	<u>422,789</u>
less : Accumulated Depreciation	(249,726)	(229,300)
	<u><b>206,301</b></u>	<u><b>193,489</b></u>

### 27. Roads and Bridges

	2006/07 \$'000	2005/06 \$'000
At Cost	16,285	11,386
At Council's 2004 valuation of replacement cost indexed to 30 June 2007	365,989	-
At Council's 2004 valuation of replacement cost indexed to 30 June 2006	-	346,449
	<u>382,274</u>	<u>357,835</u>
less : Accumulated Depreciation	(143,672)	(127,375)
	<u><b>238,602</b></u>	<u><b>230,460</b></u>

### 28. Other Structures

	2006/07 \$'000	2005/06 \$'000
At cost	4,685	3,377
At Council's 2005 valuation of replacement cost indexed to 30 June 2007	82,695	-
At Council's 2005 valuation of replacement cost	1,141	76,332
	<u>88,521</u>	<u>79,709</u>
less : Accumulated Depreciation	(53,014)	(46,492)
	<u><b>35,507</b></u>	<u><b>33,217</b></u>

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

### 29. Capital Work in Progress

	2006/07 \$'000	2005/06 \$'000
CBD Revitalisation - Collins Street	1,150	-
Road and Bridge works	1,037	2,055
Footpath, Kerb and Gutter works	447	452
Traffic Management works	214	11
Sewer Mains	161	1,406
Water Mains	738	293
Stormwater Mains	349	239
Parks and Gardens works	234	312
City Hall Electrical Upgrade	81	-
Mt. Wellington Pinnacle site - improvements to public amenities	-	182
Street Tree Planting	89	-
Selfs Point Wastewater Treatment Plant works	73	93
McRobies Gully Refuse Disposal Site - General works	19	11
Replacement of On-street parking equipment	-	1,072
Other	783	738
	<u><b>5,375</b></u>	<u><b>6,864</b></u>

## Notes to and forming part of the Financial Statements

### 30. Other Property, Plant and Equipment

	2006/07 \$'000	2005/06 \$'000
<b>Valuation Roll</b>		
At Cost	624	624
less : Accumulated Depreciation	(624)	(495)
	<u>-</u>	<u>129</u>
<b>Valuables</b>		
At Independent 2005 valuation of market value	574	574
	<u>574</u>	<u>574</u>
<b>Totals</b>		
At cost	624	624
At valuation	574	574
	<u>1,198</u>	<u>1,198</u>
less : Accumulated Depreciation	(624)	(495)
	<u><b>574</b></u>	<u><b>703</b></u>

### 31. Payables

	2006/07 \$'000	2005/06 \$'000
Trade Creditors	725	272
Accrued plant and equipment purchases	94	203
Accrued capital expenditure	263	103
GST payable	192	173
Accrued Interest Expense	-	91
Bulk Water Purchases	1,548	1,530
Energy Costs	138	223
Payroll Tax	745	697
Workers Compensation Insurance	212	258
Fringe Benefits Tax	38	40
Other Accrued Expenses	1,345	1,067
	<u><b>5,300</b></u>	<u><b>4,657</b></u>

### 32. Trust, Deposits, Retention

	2006/07 \$'000	2005/06 \$'000
Refundable Infrastructure Bonds	1,573	1,492
Contract Retention monies	67	78
Other	225	280
	<u><b>1,865</b></u>	<u><b>1,850</b></u>

### 33. Employee Benefits

	2006/07 \$'000	2005/06 \$'000
<b>Assets</b>		
Defined-benefit superannuation plan	5,168	4,041
	<u><b>5,168</b></u>	<u><b>4,041</b></u>
Current	-	-
Non-Current	5,168	4,041
	<u><b>5,168</b></u>	<u><b>4,041</b></u>
<b>Liabilities</b>		
Wages and salaries	1,020	950
Annual leave (including loading)	2,666	2,567
Long service leave	3,636	3,383
Sick leave	1,055	993
Superannuation contributions	806	772
	<u><b>9,183</b></u>	<u><b>8,665</b></u>
Current	7,241	6,851
Non-Current	1,942	1,814
	<u><b>9,183</b></u>	<u><b>8,665</b></u>

#### Superannuation

Council contributes to a defined-contribution superannuation plan - 3% of gross wages and salaries in respect of all employees, and a further 3% in respect of temporary employees.

Council also contributes 8.3% of gross wages and salaries to a defined-benefit superannuation plan in respect of all permanent employees who commenced employment with Council prior to 11 March 2003. Employee contributions are 6% of gross wages and salaries. All employees are entitled to benefits on resignation, retirement, disability or death. This 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 on 28 August 2007 for the purpose of providing figures in accordance with AASB 119 *Employee Benefits*. This assessment revealed the following: -

<b>Key assumptions</b>	<b>30/6/07 %</b>	<b>30/6/06 %</b>
Discount Rate – gross of tax	6.25	5.80
Discount Rate – net of tax	5.30	4.93
Expected Return on plan assets	6.35	6.35
Expected rate of salary increase	4.00	4.00

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

	2006/07 \$'000	2005/06 \$'000
Current Service Cost	2,388	2,124
Interest Cost	1,700	1,508
Expected return on plan assets	(2,619)	(2,528)
	<u><b>1,469</b></u>	<u><b>1,104</b></u>

## Notes to and forming part of the Financial Statements

### 33. Employee Benefits *continued*

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

	2006/07 \$'000	2005/06 \$'000
Actuarial (gains) / losses incurred during the period and recognised in the statement of changes in equity	(737)	(4,208)
Adjustments recognised in the statement of changes in equity for restrictions on the defined-benefit asset	-	-
	<b>(737)</b>	<b>(4,208)</b>
Cumulative actuarial (gains) / losses recognised in the statement of changes in equity	<b>(5,736)</b>	<b>(4,999)</b>

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

	2006/07 \$'000	2005/06 \$'000
Present value of defined-benefit obligation	41,247	37,100
Fair value of plan assets	(46,415)	(41,141)
Net liability / (asset) arising from defined-benefit plan	<b>(5,168)</b>	<b>(4,041)</b>

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

	2006/07 \$'000	2005/06 \$'000
Opening defined-benefit obligation	37,100	36,658
Current Service Cost	2,388	2,124
Interest Cost	1,700	1,508
Member contributions and transfers from other funds	934	1,090
Actuarial (gains) / losses	1,709	(2,365)
Benefits and tax paid	(2,584)	(1,915)
Closing defined-benefit obligation	<b>41,247</b>	<b>37,100</b>

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

	2006/07 \$'000	2005/06 \$'000
Opening fair value of plan assets	41,141	35,472
Expected return on plan assets	2,619	2,528
Actuarial gains / (losses)	2,446	1,843
Employer contributions	1,859	2,123
Member contributions and transfers from other funds	934	1,090
Benefits paid	(2,584)	(1,915)
Closing fair value of plan assets	<b>46,415</b>	<b>41,141</b>

### 34. Unearned Revenue

	2006/07 \$'000	2005/06 \$'000
The Hobart Aquatic Centre memberships paid in advance	211	208
Animal Licences paid in advance	71	53
Food Premises registration fees paid in advance	77	36
Rents Paid in Advance	2	5
Other	15	17
	<b>376</b>	<b>319</b>

### 35. Loans

	2006/07 \$'000	2005/06 \$'000
Loans outstanding at beginning of year	15,438	10,689
Loans renegotiated	3,900	-
New borrowings	1,000	5,800
	<b>20,338</b>	<b>16,489</b>
Redemptions	(4,771)	(1,051)
<b>Loans outstanding at end of year</b>	<b>15,567</b>	<b>15,438</b>
Current	899	870
Non-Current	14,668	14,568
	<b>15,567</b>	<b>15,438</b>

### 36. Provision for Landfill Restoration

	2006/07 \$'000	2005/06 \$'000
Balance at beginning of year	6,893	6,511
Expenditure incurred	(426)	-
Unwinding of discount and effect of changes in the discount rate	433	382
Balance at end of year	<b>6,900</b>	<b>6,893</b>

## Notes to and forming part of the Financial Statements

### 37. Reserves

		Balance 30/6/06	Transfers to Reserves	Transfers from Reserves	Balance 30/6/07
Notes	\$'000	\$'000	\$'000	\$'000	\$'000
Asset Replacement		2,492	13,720	(12,835)	3,377
Bushland Fund		74	50	-	124
Debt Redemption		1,408	1,622	(870)	2,160
Parking Fund		13,027	10,103	(7,703)	15,427
Contributions in Lieu of Parking		428	-	-	428
Contributions in Lieu of Public Open Space		117	64	-	181
Heritage Account		1,592	147	(115)	1,624
Share of Hobart Water Reserves		37,488	22,711	-	60,199
Asset Revaluation	12	402,410	46,149	-	448,559
Other		456	72	-	528
		<u>459,492</u>	<u>94,638</u>	<u>(21,523)</u>	<u>532,607</u>

#### Asset Replacement Reserve

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

#### Bushland Fund

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

#### Debt Redemption

Council maintains a reserve for the redemption of its outstanding loans, including those loans for which repayment of principal is required in full on maturity. An allocation is made from revenue each year and allocated to the reserve, and all principal repayments on loans taken up for purposes other than the provision of parking facilities are allocated against the reserve. Principal repayments on loans taken up for the provision of parking facilities are allocated to the Parking Fund (see below).

#### Parking

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

#### Heritage Account

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

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

#### Share of Hobart Water Reserves

Council maintains a reserve in order to account for its proportionate interest in the reserves of Hobart Water as required by AASB128 *Investments in Associates*.

#### Asset Revaluation Reserve

Council maintains an asset revaluation reserve in order to account for asset revaluation increments and decrements in accordance with AASB116 *Property, Plant and Equipment*.

#### Other Reserves

In addition to the above, Council maintains two other reserves. Firstly, a reserve has been established to separately account for funds provided to Council for the express purpose of providing areas of public open space throughout the city. Secondly, Council has established a reserve to meet the cost of an additional pay period which occurs during the 2008/09 financial year, and will allocate an amount to the reserve from revenue each year until that time.

## Notes to and forming part of the Financial Statements

### 38. Reconciliation of Accrual-based Results with Cash Flows

	2006/07 (\$'000)			2005/06 (\$'000)		
	Operating Activities	Investing Activities	Total	Operating Activities	Investing Activities	Total
Revenues	95,066	-	-	-	-	-
Expenses / Expenditure	(98,138)	(14,636)	-	(94,076)	(18,473)	-
Gains / (Losses)	7,104	-	-	4,463	-	-
<b>Surplus / (Deficit) for year</b>	4,032	-	-	1,679	-	-
Dividends received from Associates	-	1,151	-	-	988	-
<b>Items not involving Cash:</b>						
Depreciation and Amortisation	22,025	-	-	20,732	-	-
Carrying Value of Assets Sold	781	-	-	1,846	-	-
Asset Write-downs	1,762	-	-	3,883	-	-
Assets received for no consideration	(1,963)	-	-	(708)	-	-
Asset Revaluation Adjustments	(6,152)	-	-	-	-	-
Share of Net Profits / (Losses) of Associates	(986)	-	-	(1,189)	-	-
<b>Re-classification of Revenues</b>						
Government Grants	(2,224)	2,224	-	(3,641)	3,641	-
Sales of Assets	(747)	747	-	(5,120)	5,120	-
<b>Changes in Operating Assets &amp; Liabilities:</b>						
(Increase) / Decrease in Receivables	(73)	-	<b>(73)</b>	(69)	-	(69)
(Increase) / Decrease in Stock	1	-	<b>1</b>	(43)	-	(43)
(Increase) / Decrease in Prepayments	35	-	<b>35</b>	207	-	207
Increase / (Decrease) in Payables	592	51	<b>643</b>	(219)	(682)	(901)
Increase / (Decrease) in Employee Entitlements	128	-	<b>128</b>	(1,245)	-	(1,245)
Increase / (Decrease) in Unearned Revenue	57	-	<b>57</b>	14	-	14
Increase / (Decrease) in Landfill Restoration Provision	7	-	<b>7</b>	382	-	382
Increase / (Decrease) in Other Liabilities	15	-	<b>15</b>	351	-	351
<b>Net Cash Inflow / (Outflow)</b>	<b>17,290</b>	<b>(10,463)</b>		<b>16,860</b>	<b>(9,406)</b>	

### 39. Financing Facilities

	2006/07 \$'000	2005/06 \$'000
Un-used bank overdraft	100	100
Un-used credit card facilities	-	-
Un-used loan facilities	-	-
	<b>100</b>	<b>100</b>

## Notes to and forming part of the Financial Statements

### 40. Commitments for Expenditure

	2006/07 \$'000	2005/06 \$'000
<b>a) Capital Expenditure contracted for at the reporting date but not recognised in the Financial Report as liabilities:</b>		
Supply & Delivery of Mobile Garbage Bins	-	1,121
New Town Bay Wetlands Development	49	29
Inlet Screening System for Macquarie Point WWTP	91	-
Baby change facilities for the Hobart Central Car Park	-	105
Public Convenience Facilities at Cornelian Bay	-	136
Plant and Equipment purchases	561	438
Other	215	218
	<b>916</b>	<b>2,047</b>

All contracted commitments are expected to be settled within 12 months of the reporting date.

### b) Operating Lease commitments at the reporting date not recognised in the Financial Report as liabilities:

Not longer than one year	155	75
Longer than one year and not longer than two years	85	67
Longer than two years and not longer than five years	84	41
Longer than five years	-	-
	<b>324</b>	<b>183</b>

### 41. Contingent Liabilities

	2006/07 \$'000	2005/06 \$'000
Council is currently acting as guarantor for the following loans:		
New Town Cricket Club	50	50
Tasmanian Sports Federation Inc.	-	70
Buckingham Bowls Club	70	70
Hockey South Inc.	2,000	-
Southern Tasmanian Netball Association	770	770
	<b>2,890</b>	<b>960</b>

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

### 42. Subsequent Events

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

### 43. Pecuniary Interests

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

### 44. Significant Business Activities

Pursuant to section 84(2)(da) of the *Local Government Act 1993*, Council has identified Water Supply and Sewerage as significant business activities. It has also identified Off-street Parking, On-street Parking and The Hobart Aquatic 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.

### Water Supply

	2006/07 \$'000	2005/06 \$'000
<b>Revenues</b>		
Rates	11,182	11,093
User Fees and Charges	553	621
Grants and Donations	85	45
Contributed Property, Plant and Equipment	388	39
Other Income	-	4
	<b>12,208</b>	<b>11,802</b>
<b>Expenses</b>		
Employee Costs	(349)	(543)
Materials and Contracts	(565)	(665)
Depreciation	(1,477)	(1,456)
Interest	(309)	(346)
Purchase of Water	(6,546)	(6,325)
Land Tax	(72)	(64)
Engineering and Administrative Overheads	(492)	(490)
Other	(91)	(2)
	<b>(9,901)</b>	<b>(9,891)</b>
<b>Gains / (Losses)</b>		
Plant and Equipment sales	(5)	(7)
	<b>(5)</b>	<b>(7)</b>
<b>Operating Profit / (Loss)</b>	<b>2,302</b>	<b>1,904</b>
<b>Competitive Neutrality Costs</b>		
Opportunity Cost of Capital	8,039	7,193
Income Tax	682	563
Council Rates	29	28
	<b>8,750</b>	<b>7,784</b>

## Notes to and forming part of the Financial Statements

### 44. Significant Business Activities *continued*

#### Sewerage

	2006/07 \$'000	2005/06 \$'000
<b>Revenues</b>		
Rates	8,129	7,330
User Fees and Charges	1,026	776
Grants and Donations	-	4
Contributed Property, Plant and Equipment	712	81
Other Income	2	1
	<b>9,869</b>	<b>8,192</b>
<b>Expenses</b>		
Employee Costs	(1,730)	(1,453)
Materials and Contracts	(2,432)	(2,171)
Depreciation	(2,456)	(2,309)
Interest	(264)	(287)
Purchase of Water	(138)	(121)
Land Tax	(86)	(76)
Engineering and Administrative Overheads	(1,289)	(1,495)
Other	(128)	(32)
	<b>(8,523)</b>	<b>(7,944)</b>
<b>Gains / (Losses)</b>		
Plant and Equipment sales	4	(7)
	<b>4</b>	<b>(7)</b>
<b>Operating Profit / (Loss)</b>	<b>1,350</b>	<b>241</b>
<b>Competitive Neutrality Costs</b>		
Opportunity Cost of Capital	9,252	8,195
Income Tax	386	54
Council Rates	62	60
	<b>9,700</b>	<b>8,309</b>

#### Off-Street Parking

	2006/07 \$'000	2005/06 \$'000
<b>Revenues</b>		
User Fees and Charges	3,324	3,143
Grants and Donations	1	-
	<b>3,325</b>	<b>3,143</b>
<b>Expenses</b>		
Employee Costs	(763)	(747)
Materials and Contracts	(937)	(920)
Depreciation	(732)	(752)
Land Tax	(306)	(273)
Engineering and Administrative Overheads	(813)	(471)
	<b>(3,551)</b>	<b>(3,163)</b>
<b>Gains / (Losses)</b>		
Property sales	-	3,356
	<b>-</b>	<b>3,356</b>
<b>Operating Profit / (Loss)</b>	<b>(226)</b>	<b>3,336</b>
<b>Competitive Neutrality Costs</b>		
Opportunity Cost of Capital	2,656	2,477
Income Tax	-	895
Council Rates	368	353
	<b>3,024</b>	<b>3,725</b>

## Notes to and forming part of the Financial Statements

### 44. Significant Business Activities *continued*

#### On-Street Parking

	2006/07 \$'000	2005/06 \$'000
<b>Revenues</b>		
User Fees and Charges	3,127	2,493
Fines	2,885	3,003
	<b>6,012</b>	<b>5,496</b>
<b>Expenses</b>		
Employee Costs	(2,250)	(2,301)
Materials and Contracts	(695)	(629)
Depreciation	(257)	(125)
Engineering and Administrative Overheads	(703)	(819)
Other	-	(11)
	<b>(3,905)</b>	<b>(3,885)</b>
<b>Gains / (Losses)</b>		
Plant and Equipment sales	-	11
	-	11
<b>Operating Profit / (Loss)</b>	<b>2,107</b>	<b>1,622</b>
<b>Competitive Neutrality Costs</b>		
Opportunity Cost of Capital	150	107
Income Tax	632	487
	<b>782</b>	<b>594</b>

#### The Hobart Aquatic Centre

	2006/07 \$'000	2005/06 \$'000
<b>Revenues</b>		
User Fees and Charges	3,572	3,402
Grants and Donations	-	5
Other Income	220	248
	<b>3,792</b>	<b>3,655</b>
<b>Expenses</b>		
Employee Costs	(2,121)	(1,922)
Materials and Contracts	(1,947)	(1,906)
Insurance	(35)	(35)
Interest	-	(10)
Administration	(61)	(61)
Land Tax	(22)	(19)
Other	(8)	(16)
	<b>(4,194)</b>	<b>(3,969)</b>
<b>Operating Profit / (Loss) Before Depreciation</b>	<b>(402)</b>	<b>(314)</b>
Depreciation	(634)	(687)
<b>Operating Profit / (Loss)</b>	<b>(1,036)</b>	<b>(1,001)</b>
<b>Competitive Neutrality Costs</b>		
Opportunity Cost of Capital	1,535	1,483
Council Rates	67	64
	<b>1,602</b>	<b>1,547</b>

## Certification by General Manager

For the Year Ended 30 June 2007

In my opinion:

The Financial Report, consisting of a Balance Sheet, Income Statement, Statement of Changes in Equity, Cash Flow Statement and Notes to the Financial Statements numbered 1 to 44, fairly represent the financial position of the Hobart City Council as at 30 June 2007 and the results of its operations and cash flows for the year then ended in accordance with applicable Accounting Standards and,

The Financial Report has been prepared in accordance with the requirements of Section 84 of the *Local Government Act 1993*.

Signed at Hobart this twelfth day of September 2007.



Brent Armstrong  
General Manager



## **Tasmanian Audit Office**

### **INDEPENDENT AUDIT REPORT To the Aldermen of Hobart City Council**

#### **Financial Report for the Year Ended 30 June 2007**

#### **Matters Relating to the Electronic Presentation of the Audited Financial Report**

This audit report relates to the financial report published in both the annual report and on the website of the Hobart City Council (the Council) for the year ended 30 June 2007. Council's General Manager is responsible for the integrity of both the annual report and the website.

The audit report refers only to the financial statements and notes named below. It does not provide an opinion on any other information, which may have been hyperlinked to/from the audited financial report.

If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report in Council's annual report.

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

I have audited the accompanying financial report of Council, which comprise the balance sheet as at 30 June 2007, the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the General Manager's declaration.

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

#### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Council's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the General Manager, as well as evaluating the overall presentation of the financial report.

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

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

#### **Independence**

In conducting my audit, I have met applicable independence requirements of Australian professional ethical pronouncements.

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

In my opinion the financial report of the Hobart City Council:

- (a) presents fairly, in all material respects, the financial position of the Hobart City Council as at 30 June 2007, and of its financial performance, cash flows and changes in equity for the year then ended; and
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards (including Australian Accounting Interpretations).

#### **TASMANIAN AUDIT OFFICE**



H M Bake  
**AUDITOR-GENERAL**  
HOBART  
18 October 2007



Town Hall, Macquarie Street  
Hobart Tasmania 7001 Australia  
t (03) 6238 2711 f (03) 6238 2186  
[www.hobartcity.com.au](http://www.hobartcity.com.au)

**rethink**® Printed using the Rethink® Environmental Management System developed by at+m integrated marketing to create environmentally responsible processes for print and production. Rethink® Certificate No. 30156

