

Kingborough Council

ANNUAL REPORT



2017 | 2018



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MAYOR'S MESSAGE

I am pleased to present the 2017/18 Annual Report for Kingborough Council.

It has been a positive final year of the four-year term for our Council, and we have continued to provide quality and unique services, while addressing key issues and concerns for the Kingborough community.

The Community Services Team has continued to organise events and learning programs, including the very popular Zero Waste Expo in March where over 700 people attended. Our Youth Services team delivered a variety of workshops and activities programs, with opportunities for young people to gain certificates in a range of courses to help them towards employment.

The Kingborough Volunteer Program has gone from strength to strength and Council was delighted to see them recognised at the 2018 Southern Cross Television Tasmanian Volunteering Awards as finalist. The purpose of volunteering is to help, and this Program is a whole of community health and well-being program. It is the only Local Government funded volunteer program in Tasmania, and it shows just how necessary these programs are. It costs us very little to help people stay in their own homes, which in turn helps our client's families, friends and neighbours by relieving pressure on busy extended families.

We continue to support community groups across Kingborough through our Community Grants Program. This Program provides groups the opportunity to develop a range of quality and innovative activities in Kingborough. It is designed to assist not-for-profit organisations that benefit and improve the quality of life and opportunities for residents.

A great example of Council working with, and supporting members of our community during the year was the rededication of the French Memorial to Admiral Bruni D'Entrecasteaux in Gordon. The efforts of the Channel Ratepayers and Residents Association have ensured the monument is now in a long-lasting and more fitting setting for this significant memorial, which celebrates an important event in our history.

Council's commitment to developing partnerships with Landcare groups was recognised at the 2017 Tasmanian Landcare Awards, where we were awarded the Australian Government Partnerships for Landcare Award. Council was then Highly Commended at the 2018 National Landcare Awards in the category. Council supports 24 Landcare groups in Kingborough municipality. We have joint initiatives with Landcare Tasmania to build skills across Landcare groups, providing training workshops for group members and participating in Landcare Tasmania's activities.

Road infrastructure and footpath renewal works have seen improvements and upgrades throughout the municipality throughout the year, with a significant

effort being directed towards clearing and repairing roads and stormwater infrastructure after the storm in May. A number of Council facilities were flooded and the damage bill will be in the excess of \$2 million and we are seeking assistance through the National Disaster Relief funding.

It has been an exciting year for Kingston Park, with the Community Hub and Kingston Health Centre well on the way and roads being completed throughout the site. The focus will now turn to the next stages which include the public open space design and the development of the remainder of the site. Council has been through numerous workshops throughout the past few years and we are well-informed regarding the project, its processes and the opportunities this exciting development will bring not only to central Kingston, but to the whole municipality.

My fellow councillors and I will continue to aim for a high performing council over the coming year, to achieve our vision of being a thriving, vibrant and connected community, which delivers best quality services to our community.



Steve Wass

MAYOR



GENERAL MANAGER'S REPORT

This report details how the Council and the organisation worked together to deliver a range of services, major projects and other initiatives to enhance the liveability and well-being of the Kingborough community.

The Council and staff have worked together to achieve a range of improved policies, strategies and projects through the year, as well as remained resilient through some challenging times. The severe weather event in early May had a significant impact on all staff and I am proud of the way everyone worked together to make sure disruption to the Kingborough community was kept to a minimum.

Some of the key policies and strategies endorsed and adopted by Council during 2017/18 were:

- Kingborough Tracks and Trails Strategic Action Plan (2017-2022).
- Kingborough Municipal Emergency Management Plan (Issue 12) 2017.
- Customer Service Charter.
- Positive Ageing Policy.
- Policy on the establishment of bushfire Hazard Management Areas on Council-owned or managed land.
- Waste Management Strategy.
- Sale of Council Land Policy.
- 2018 Corporate Communications Strategy.

- Kingborough Climate Change Adaptation Policy.
- Waste Wise Events Policy.

Key achievements for the year include:

- The start of construction of Goshawk Way and the Community Hub at Kingston Park.
- The introduction of live streaming of Council's Annual General Meeting.
- Completion of the Bruny Island Liveability Study.
- Council resolved to proceed with a trial one way system on Osborne Esplanade and Balmoral Road between Beach Road and Windsor Street, Kingston Beach.
- Clean up efforts following a significant storm event in early May 2018.

I take this opportunity to thank all staff involved in delivering projects and services over the past year. I also acknowledge the wonderful contributions our volunteers continue to make to Kingborough.

Thank you to our Councillors for their significant contribution and direction in overseeing what has been an extremely busy year.



Gary Arnold
GENERAL MANAGER



1. ELECTED MEMBERS

1.1 YOUR COUNCILLORS



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1.2 COUNCIL MEETINGS

Council meets on the second and fourth week of each month. Meetings are held on Mondays at 5.30pm, unless it is a public holiday and the meeting moves to the Tuesday. There are no additional committee meetings, as all matters are included on the Council agenda.

Workshops are held as required, which allow for a more detailed discussion between Councillors and staff on specific matters and projects.

Meeting dates are published on Council's website. Copies of the meeting agendas are available four days before each meeting on Council's website, at the Civic Centre or by calling Customer Service on (03) 6211 8200.

Audio recordings of the council meetings are also available online.

Council meetings are open to the public (except where an item is considered to be of a confidential nature in accordance with the *Local Government (Meeting Procedures) Regulations 2015*). Meeting schedules are advertised on Council's website and at the Council Offices.

1.3 APPOINTED COUNCIL REPRESENTATION ON SUB-COMMITTEES, ADVISORY COMMITTEES AND EXTERNAL ORGANISATIONS

COMMITTEE NAME	TYPE OF COMMITTEE	APPOINTEE
Abel Tasman Art Prize Committee	Community	Cr Fox
Kingborough Municipal Emergency Planning	Statutory	Mayor Wass
Kingborough Access Advisory Committee	Section 24 Special Committee	Deputy Mayor Wriedt (Chairperson)
Bruny Island Advisory Committee	Section 24 Special Committee	Cr Percey (Chairperson)
TasWater	Regional	Mayor Wass
Channel Heritage Museum	Community	Cr Fox
Kingborough Bicycle Users Group	Section 24 Special Committee	Cr Atkinson (Chairperson)
Kingborough Community Enterprise Centre	Community	Cr Bastone
Kingborough Community and Police Liaison Group	Community	Cr Winter
Local Government Association of Tasmania	Statewide	Mayor Wass Deputy Mayor Wriedt (Proxy)
Cycling South	Regional	Cr Atkinson
Southern Waste Strategy Authority	Regional	Mayor Wass Cr Fox (Proxy)
Southern Tasmanian Councils Authority	Regional	Mayor Wass, General Manager
Kingborough Road Safety Committee	Section 24 Special Committee	Cr Chatterton (Chairperson)
Destination Southern Tasmania	Community	Cr Percey
Copping Refuse Disposal Site Joint Authority	Regional	Mayor Wass Cr Bastone (Proxy)

1.4 COUNCILLORS ATTENDANCE AT MEETINGS

The following table details Councillor Attendance at Council Meetings, S.23 Committees and workshops from 1 July 2017 to 30 June 2018:

	Council		Special Meetings		Audit Panel		Workshops		Leave of Absence Approved during the period
	Number Held	Number Attended	Number Held	Number Attended	Number Held	Number Attended	Number Held	Number Attended	
Mayor Cr Wass	23	22	5	5	5	4	23	22	
Deputy Mayor Cr Wriedt	23	21	5	5	5		23	16	19/7/2017 - 2/8/2017; 20/11/2017
Cr Atkinson *	23	19	5	3	5	3	23	18	24/11/2017 - 30/11/2017; 24/2/2018 - 27/2/2018; 27/4/2018 - 11/6/2018
Cr Bastone	23	22	5	4	5		23	12	25/9/2017 - 7/10/2017; 13/2/2018; 19/3/2018 - 23/3/2018; 25/6/2018 - 28/6/2018
Cr Dr Bury	23	21	5	5	5		23	23	6/09/2017 - 13/9/2017
Cr Chatterton	23	21	5	4	5		23	19	7/8/2017 - 13/8/2017; 11/9/2017 - 15/9/2017; 20/10/2017 - 31/10/2017; 16/5/2018 - 22/5/2018
Cr Fox	23	20	5	4	5	1	23	19	13/09/2017; 16/4/2018 - 23/4/2018; 14/5/2018 - 31/5/2018
Cr Grace	23	18	5	4	5		23	15	13/9/2017 - 12/11/2017; 9/1/2018 - 31/3/2018; 18/6/2018 - 25/6/2018
Cr Percy *	23	22	5	5	5	5	23	20	11/9/2017 - 18/9/2017
Cr Winter	23	23	5	5	5	1	23	14	

Note: Special Meetings also includes the Annual General Meeting

Council Minute C390/14-12 determined that Councillor Attendance and Approved Leave of Absences be reported.

* Audit Panel Member



1.5 REMUNERATION OF COUNCILLORS

Section 72(cb) of the *Local Government Act 1993* requires that a statement of the total allowances and expenses paid to the Mayor, Deputy Mayor and Councillors is to be included in the Annual Report.

During the year, Council paid a total of \$390,283 in allowances and expenses to Councillors. Councillors were provided at their choice, a home personal computer and a telephone/fax/printer, for which all costs were funded by Council. A fully maintained motor vehicle is also provided to the Mayor for use on Council related business.

Council has resolved that the following information relating to the payment of allowances and reimbursement of expenses of office is included quarterly on Council Meeting agendas and also provided in the Annual Report:

- (1) Allowances paid during the financial year.
- (2) Reimbursements paid under the 'Payment of Councillors Expenses and Provision of Facilities' Policy broken down into:
 - (i) mileage claims;
 - (ii) telephone and internet costs;
 - (iii) conference and meeting expenses paid/claimed;
 - (iv) child care; and
 - (v) other reimbursements claimed.
- (3) Code of Conduct costs incurred attributed to individual Councillors when complaints which have been lodged are substantiated and upheld.

The following table details the Councillor Allowances and Expenses for the period 1 July 2017 to 30 June 2018:

Councillor	Mayoral Allowance	Deputy Mayoral Allowance	Councillor Allowance	Councillor Expenses					
				Mileage Claimed	Mayor's Vehicle Mileage	Bruny Ferry	Internet & Telephone	Conference & Meeting Attendance	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Mayor Cr Wass	71,316	-	28,528	-	3,204	48	-	954	\$ 104,050
Deputy Mayor Cr Wriedt	-	19,823	28,528	-	-	-	-	105	\$ 48,455
Cr Atkinson	-	-	28,528	-	-	-	-	520	\$ 29,048
Cr Bastone	-	-	28,528	-	-	-	-	44	\$ 28,572
Cr Dr Bury	-	-	28,528	-	-	16	-	-	\$ 28,544
Cr P Chatterton	-	-	28,528	-	-	-	-	-	\$ 28,528
Cr Fox	-	-	28,528	1,641	-	-	1,233	50	\$ 31,451
Cr Grace	-	-	28,528	3,550	-	208	901	-	\$ 33,186
Cr Percy	-	-	28,528	115	102	73	934	171	\$ 29,922
Cr Winter	-	-	28,528	-	-	-	-	-	\$ 28,528
TOTAL	\$ 71,316	\$ 19,823	\$ 285,277	\$ 5,305	\$ 3,306	\$ 345	\$ 3,067	\$ 1,843	\$ 390,283

Notes:

Bruny Ferry = cost of fares at \$16 per trip.

Council Minute C390/14-12 determined that Councillor Allowances and Expenses paid under the "Payment of Councillors Expenses and Provision of Facilities" Policy be reported.

2. KEY SERVICES

2.1 COMMUNITY SERVICES

Council aims to deliver a diverse range of services, programs and facilities necessary to maintain and build a healthy and sustainable community.

Key responsibility areas include the provision of services for children, youth and older people, community events, public consultation, social planning and facilitation of a broad range of arts and cultural related activities. The department also undertakes planning for the development of recreational facilities and programs, liaison with a wide range of groups on local community issues and referral to specialist support services.

2.1.1 ARTS AND CULTURAL DEVELOPMENT

KEY ACHIEVEMENTS

SALVAGED ART

Climate Change was the focus of Kingborough's biennial Salvaged Art Exhibition in October 2017, which was open to all artists, hobbyists, young people, community groups and schools.

Entrants were encouraged to develop work which raised awareness on threats such as sea level rise, temperature increase, and fire and storm risk or address adaptation, mitigation, resilience and recovery. One of the requirements was that the artworks should be made from recycled, re-purposed and reused materials and will need to incorporate the climate change theme.

An education program was incorporated into Salvaged Art for school students. Approximately 500 children/young people from Grades 1 to 10 were involved in creating artworks for the exhibition. The Kingborough schools involved included Taroona High, Kingston High, Taroona Primary, Blackmans Bay Primary, Illawarra Primary, Kingston Primary, Margate Primary and St Aloysius.

Sculptor, Kathy O'Hara was successful in achieving the Open Award for the art piece 'Vac to the Future' and Deb Vogel won the Amateur Award for her work entitled 'Ombre Reef'.

Taroona Primary School shone in the category 'Most creative work that addresses the Theme: Climate Change'. The school received \$250 for their sculpture of the earth entitled 'Two Futures'. Kingston Primary School won the category 'Most creative climate change message'. The school received \$250 for their work entitled 'Future Ocean' with the judges saying that it was a 'powerful message of a very sad possible future'.

The winner of the 2017 Salvaged Art People's Choice Award went to Margate Primary School for their installation titled 'Your Choices Reflect Your World'.

ART AND CULTURE STRATEGY

The development of the 2018-22 Arts and Culture strategy took place in 2017/18 and should be completed in by the end of 2019. Responses from a range of community workshops were collated and informed the actions which are featured in the strategy.

ABEL TASMAN ART PRIZE

Student Jelrick Westra was announced as the 2018 Dutch Abel Tasman Art Prize (ATAP) winner for the creation of his illustrated children's book, 'The Adventures of Abel Tasman'. The Prize is a result of the partnership between Grootegast Council in the Netherlands and Kingborough Council, where every second year a winner from Tasmania visits Grootegast and the Dutch winner visits Kingborough in the other year.

Hosted by a local family, Jelrick enjoyed wildlife expeditions to Maria Island, Bruny Island, kunanyi/Mt Wellington, Cockle Creek and many of Kingborough's natural reserves and trails. He also experienced a Pennicott Wilderness Cruise and explored the art and history of Tasmania at MONA, the Channel Heritage Museum and the Tasmanian Art Gallery and Museum. The ATAP is a partnership between Kingborough Council, Calvin Christian School and the Dutch Australia Society (Abel Tasman Inc.)

ABOVE+BEYOND

As part of its recent refurbishment, an aerial trapeze was installed at the Kingston Beach Hall courtyard for artists and community groups to experiment installing their aerial artworks. Artist Katree Wilson worked with apprentice, Tara Shultz to create an aerial sculpture made of re used materials which was showcased at Council's 'Zero Waste Expo'. The second installation involved professional artist, Jason James who worked with a young apprentice, Courtney Smith to install a light sculpture entitled 'Wind and Waves', which was showcased at Council's Night of Lights event. This project was funded by a Tas Regional Art grant.



2.1.2 COMMUNITY DEVELOPMENT

KEY ACHIEVEMENTS

ACCESS ADVISORY COMMITTEE

The Access Advisory Committee has focused on raising the profile of the group's work. Publications providing advice on accessibility considerations when building were reviewed and revised. A new publication was produced to provide a guide to creating accessible community events. The publication was distributed to event organisers in the Kingborough area.

A member of the Committee made a presentation at the Southern Tasmania Universal Design Conference in March 2018. The conference was organised by Tasmania Government's Department of Justice, Local Government Association of Tasmania, Clarence, Hobart and Glenorchy City Councils and Kingborough Council. The conference was attended by over 120 people and a partnership was formed within the conference organisation group. Valuing Inclusiveness in the Built Environment (VIBE) meets approximately every three months to make sure the suggestions arising from the conference continues to inform the ongoing work and discussions regarding accessibility for all.

The Access Advisory Committee has reviewed the design for the Community Hub being constructed on Kingston Park, and provided accessibility advice for the facility.

COMMUNITY CONNECTIONS

The program reaches out to socially-isolated older residents via a youth hospitality education program. Young people are trained in menu planning and preparation by a professional chef each Friday during the school term. They create restaurant quality meal packages which are delivered to isolated seniors across Kingborough. An end-of-term function brings the young and older people together for a community lunch. Meal recipients contribute a small fee which funds the vocational training of the young chefs in areas such as barista and Responsible Serving of Alcohol. The program has been funded through a grant from the State Government's Liveable Communities Grant Program.

KIDS ALLOWED

The Kids Allowed program focused on arts based activities in 2017/18 with a major project involving the creation of four panels depicting many of the 450 species found during the 2017 BioBlitz at Browns River. The mural is now part of the Low Hanging Fruit program, which seeks to enhance public spaces in Kingborough.

KINGBOROUGH AWARDS

The Kingborough Awards were held on Saturday, 6 January 2018. The Citizen of the Year was presented to Tony Owen, for his outstanding contribution and commitment to improving community facilities and nurturing young people through the game of cricket.

Freya Cox was recognised as Kingborough's Young Citizen of the Year for her outstanding commitment to community service and human rights issues, and for her dedication to improving the well-being of others.

The Friends of Peter Murrell Reserve was presented with Community Group of the Year for their dedication and leadership caring for the Peter Murrell Reserve, protecting native species and maintaining a natural haven for the whole community to enjoy and celebrate.

Certificates of Appreciation to recognise significant service to the Kingborough community were presented to Hester van Niekerk, Lindsay Wilson and The University of the Third Age in Kingborough.

KINGBOROUGH BISTRO

Two intergenerational lunches were organised during the year, Christmas in July and an 'Ozmas' themed luncheon which featured a traditional Christmas menu created by the group of young chefs, as well as the established Seniors Week luncheon. The events attracted 120 people at each function and continue to be a tremendous example of a community building program which benefits both age groups. The intergenerational activities are a partnership between Council's Youth Services and Positive Ageing Program.

KINGBOROUGH MAKERSPACE

Kingborough Council received a \$13,032 grant from the Department of Industry, Innovation and Science to establish the Kingborough Makerspace. This was a partnership with the Hobart Hackerspace and Kingston Library to create a place for children and young people to imagine, learn, make, create, tinker, explore and discover using a combination of hi-tech and low-tech materials and resources.

LEARNING FOR LIFE

The Learning for Life program has grown in popularity, providing activities to get the community physically and socially active throughout the year. The monthly program includes a range of diverse and interesting events and workshops with topic areas including gardening, cooking, health and well-being activities and information sessions.



The most popular workshops for this year have been the Bees Wax Wraps making sessions and Eat to Cheat Dementia workshops. The mid-winter Lantern parade has also become a very popular and much anticipated, community event.

The program incorporates awareness days and weeks such as Adult Learners Week, Mental Health Week and many events are held in partnership with local community groups and organisations.

LOCAL LINKS

Kingborough Local Links continues to encourage and support healthy walking within the local community. Through the Kingborough Local Links website, residents are able to access information on how far they could walk from their location in a 10 or 20 minute time frame and also identify all the nearest bus stops, parks, schools, playgrounds, public toilets, fresh food outlets and community services, within that radius. The website highlights over 140 'hidden' urban links that are not highlighted on other web-based sources.

Insight GIS won the People & Community Award at the Asia – Pacific Spatial Excellence Awards for their work on the Local Links Project. Local Links has also been written up as a case study for the Heart Foundation Healthy Active by Design Case Studies website update. The purpose of the HAbD case studies is to demonstrate specific design features in action through application to practice.

SERVICE PROVIDERS MEETINGS

Hosted every three months, the Service Providers meetings are a forum where local providers are able to come together to gain greater awareness of the local programs, changes to services and issues which are arising in the community. The meetings are designed around a presentation/information session on a theme which is relevant to the work of attendees. The 2018

meetings have covered emergency management in relation to isolated community members, and have also increased awareness of the experience of ageing as a migrant in a new country.

WASTE WISE KINGBOROUGH

The first 'Zero Waste' expo was hosted in March 2017 at the Kingston Beach Hall. A number of stallholders attended to educate the community to make the transition to Zero Waste – at home, when out and everything in between. The event began with the Sea Shepherd conducting a clean-up of Kingston Beach. In one hour, 20 volunteers collected 1497 items on Kingston Beach, which were then brought back to the hall to be counted and recorded.

The Expo received very positive feedback from stallholders and attendees and this has informed projects such as the successful Recycling Difficult Items trial and planning for future events to transition to Zero Waste.

The Recycling Difficult Items Trial was introduced to the Kingborough Civic Centre, Kingborough Sports Centre and West Winds Community Centre. Members of the public are able to deposit items such as household batteries, oral care and beauty products, mobile phones, coffee capsules, media waste, X-rays and office stationery. In the first two months of the trial, 207kg of items were saved from Landfill.

As part of our commitment to being 'Waste Wise', Council endorsed a Waste Wise Events Policy, which includes guidelines about how to minimise waste at events. Events are a method of raising public awareness about recycling and showcasing different ways to minimise waste. This policy will ensure that events that are organised and supported by Council and all public events held on Council-owned or managed property are committed to waste avoidance and sustainable procurement practices.



2.1.3 YOUTH SERVICES

KEY ACHIEVEMENTS

YSPACE WORKSHOPS

Weekly term-time workshops were delivered at Council's Youth Centre (yspace), which provided recreational opportunities as well as improving the employment prospects for young people. These were planned and organised after consultation with young people and parents to make sure the programs met the needs of the community. The most popular workshops were barista training, first aid training, art from trash and construction sessions.

YOUTH STRATEGY 2018-22

Over 700 responses to 'Our Say, Our Space' youth consultation were received in 2017. Young people of various age ranges and from all areas in Kingborough were asked about things that may concern them. Responses to the survey will form part of the actions featured in the 2018-22 Youth Strategy, which is currently being developed.

SCHOOL HOLIDAY PROGRAM

A school holiday program was conducted in each of the four holiday periods, with activities at yspace and excursions offsite. Activities included indoor rock climbing, going to the movies, indoor bowling, cooking, art and construction workshops.

YOUTH OUTREACH

Youth outreach programs were delivered throughout the year including a regular Youth Activities Program at Maranoa Heights Community Centre consisting of a wide variety of activities for youth one afternoon a week after school.

Individual support and referrals to support services are provided for young people experiencing difficulties in their lives.

YOUNG MEN'S/WOMEN'S PROGRAMS

Council's Youth Services, in partnership with schools, Pulse Youth Health Services, PCYC, Colony47, and Drug Education Network (DEN), has successfully delivered programs designed specifically for young men and young women who have been identified as being at risk. All young men or women's programs provide the opportunity for students to feel safe when asking questions and to access information that they may not feel comfortable doing in a mixed group.

The students participated in a variety of information sessions and educational activities with support services to improve their well-being. The five-week young men's program was filled with students from Grade 8 and the six-week young women's program was for Grade 9 and 10 students.



WORK INSPIRATIONS PROGRAM

Council opened its doors to Grade 10 students from Woodbridge School for a work experience day. The students actively engaged with staff members and learned about what Council does in a variety of departments.

YOUTH ACTION KINGBOROUGH (YAK)

The members of YAK met on a regular basis throughout the year, providing advice to staff in relation to program and activity development. Members focused on a cultural awareness campaign to encourage inclusiveness for all students, regardless of cultural backgrounds. They were also involved with and promoted the screening of Embrace, a social impact documentary exploring the issue of body image. YAK members all moved on to University or further study leaving space for new members during 2018. A successful campaign was carried out to invite new members to join YAK.

2.1.4 SENIORS

KEY ACHIEVEMENTS

POSITIVE AGEING STRATEGY

The Positive Ageing Strategy was completed and approved by Council in June 2018. The strategy forms the basis of Council activities in relation to older members of the community. The strategy was compiled community input gathered via a series of public forums, questionnaires and direct feedback from community members.

KINGBOROUGH VOLUNTEER PROGRAM

The Kingborough Volunteer Program completed another successful year in supporting older members of the Kingborough community. Some 200 clients (ranging from 65 to 101 years of age) were provided volunteer support from the 55 committed volunteers during

2017/18. Support was requested and provided to clients for transport to medical and personal appointments, as well as support with shopping, gardening, pet support and also many valued social interactions. The Program is a whole of community health and well-being program to assist older people to remain in their own homes for longer than might be otherwise possible. Kingborough Council funds this Program and is recognised as a leader in the sector with the Program being a top three finalist in the 2018 Southern Cross Television Tasmanian Volunteering Awards (Volunteer Program Category) and continues to be recognised for the valuable contributions this program provides to the community.

HEALTHY CONNECTIONS

The six-week Healthy Connections program held in Snug by Council was a great way for seniors to find out about a range of health enhancing activities, as well as ways to maintain better health.

The sessions had a variety of topics including First Aid, Podiatry Awareness, Palliative Care, Falls Prevention, Enhancing your Health in Accessible Ways and Arthritis Awareness. Throughout the discussions walking was highlighted as an important activity for people to maintain in daily life. A Nordic Walking introductory session was subsequently arranged to finish the Healthy Connections Program. For those that may have difficulty with balance and/or upper body strength, the Nordic Walking program is recommended by physiotherapists, arthritis specialists and other health practitioners.

The final session was attended by the maximum number of 28 people with many more registered on a waiting list. A follow up session is arranged for later in the year and another series of the Healthy Connections is planned for late-2018.

TUESDAY TALKS

Held on the first Tuesday of the month, Tuesday Talks aims to inform and connect older residents with the many services and programs which exist to support and encourage a positive ageing experience. Topics have been delivered by program and service coordinators, and have included Carers Tasmania, Advocacy Tasmania and Dementia Tasmania. The Talks attracts from 10 to 30 people for each session.

2.1.5 MANOR GARDENS

KEY ACHIEVEMENTS

The Manor Gardens Club continues to operate six days per week from Monday to Saturday in Firthside. The Club offers experienced care within a comfortable and safe environment for people living with dementia and frail older people that still live at home in the local community. In addition, a bus outing to places of interest in the Hobart Region is offered every Monday, Tuesday and alternate Fridays. Our vibrant interactive

programs enhance the well-being and quality of life for all who joins us and offer stimulation and friendship to our members. As well as offering temporary relief for carers, the Club also provides information support and advice. Our programs are specifically designed to cater for the varied needs and interests of our club members, and staff go to great lengths to ensure that every person receives outstanding care.

This year we have provided care to over 80 local seniors. Programs have included bus trips to Wicked Cheese, Claremont House, Maritime Museum, Jack Binnie Guitars, Dahlia Show, Female Factory, and the Cygnet Living museum. We have enjoyed many performances including the Margate Ukulele group, Pete Campbell, Choir of High Hopes, and a group of very talented home schooled children. We have also heard from a variety of speakers including an exercise physiologist and dietician and enjoyed a wide variety of in-house activities like gardening, music, poetry, art, bowls and exercise programs. Connecting with others and sharing experiences is vital to a person's wellbeing, especially as they age.

The Manor Gardens service transferred to Masonic Care Tasmania in October 2018.

2.1.6 FAMILY DAY CARE

KEY ACHIEVEMENTS

Family Day Care provides nurturing care to small groups in a secure and enriching home environment for babies and children up to 12 years of age. In 2017/18, there were 33 Educators registered with the scheme, providing child care to some 335 families in the Kingborough and outlying areas.

Family Day Care is an important service for the Kingborough community, and consequently, discussions were held with staff, educators and stakeholders regarding the opportunity for an agreement to allow the transfer of the Kingborough Family Day Care Scheme to Blackmans Bay Childrens Services. Blackmans Bay Childrens Services is a local, community-based, not for profit operation, with the experience and financial strength to support a long-term Family Day Care Scheme for Kingborough. Staff, educators and stakeholders viewed this change as a positive step forward for the long term sustainability of the scheme. The transfer of operations was finalised in November 2017.

2.1.7 KINGBOROUGH SPORTS CENTRE

The Kingborough Sports Centre (KSC) provides a range of sporting and recreational activities, catering for up to 5,000 users per week.

KEY ACHIEVEMENTS

Major activities include basketball, futsal, netball, volleyball, squash, table tennis and martial arts. A fully equipped Fitness Centre also provides a variety of services, group fitness classes and equipment to meet the needs of clients of all ages. The Centre maintains a close relationship with Kingston High School and various sporting clubs, associations and facilities at the site, including gymnastics and indoor cricket.

The High School has an agreement with Council for shared use of the original multi-court in the centre, as well as the Lightwood Park sports ground.

SPORTS CENTRE

The four multi-courts within the two main stadiums of the Sports Centre accommodated a number of major sporting and community events throughout the year. Each year (during the January school holidays) the timber stadium flooring receives a refresh with a light sand and varnish to keep them in pristine condition. This year also saw a refurbishment of the men's showers and change rooms in the original part of the building, which has been well received by patrons of the centre. A social club bar for evening activities was established this year, and is starting to become a popular place for teams to gather after games. A number of new events are being hosted by the centre to make it truly multi-use, including the

introduction of Dance and Cheer events, and fundraiser activities for charity groups. The Circus Studio also became a long term hirer in the centre, providing for new and interesting circus activities for people of all ages.

Continued upgrades within the Centre have included new, fresh-coloured paint work across the original stadium plus some improvements in the child minding space, including a separate play area for babies, new paint scheme and updated toys and equipment.

FITNESS CENTRE

The membership of the Fitness Centre has continued to grow, with many of group fitness classes exceeding more than 30 participants. This growth has been based upon offerings for both the senior age group and younger families, who value our provision of morning child minding services. This year, we were successful in obtaining grant funding from the Department of Health and Human Services via their Healthy Tasmania Innovations Fund, to provide an outreach program based upon health and fitness to the municipality's older residents and isolated communities. This is an extension of the in-house Empowering Seniors program, providing chair based group fitness activity that includes an educational aspect.

The Fitness Centre has also been involved in an education program for members of community, having hosted two workshops this financial year. 'Eat to Cheat Dementia' was the first session, with more than 80 people in attendance to listen to Ngaire Hobbins speak on the topic. The second workshop was conducted with Jane Barker, who spoke of continence health and the pelvic floor; and as a continuation of this session, the Fitness Centre ran a practical pelvic floor exercise session.



2.2 ENVIRONMENTAL SERVICES

The Environmental Services Department covers a wide range of public and environmental health aspects of the natural and built environment that may affect the health and well-being of the community.

Key functions and responsibilities include education, monitoring and regulatory management of food safety and surveillance, public health risk activities, immunisation programs, notifiable disease investigation, water quality monitoring, wastewater, noise management and air quality.

2.2.1 ENVIRONMENTAL HEALTH

KEY ACHIEVEMENTS

FOOD SAFETY AND SURVEILLANCE

There were over 560 permanent, mobile and temporary food businesses licenced in Kingborough during the 2017/18 financial year. Council officers conducted regular routine inspections of these food premises including at public events, fairs and markets. In addition to routine inspections, Council was also actively involved in the Tasmanian Food Safety Surveillance Program; a joint initiative between local Councils and the Department of Health. As part of the program Council conducted sampling, food safety surveys and monitoring at food premises, focussing specifically on bain marie foods, salmonella in raw chicken and risk classification systems. The results of surveys and sampling are used to guide food safety policy and procedure and in the development of educational material.

RECREATIONAL WATER QUALITY MONITORING

Council monitors recreational water quality at twenty beach locations from Taroona to Middleton and Bruny Island, and also monitors water quality at three public pools. Water quality monitoring at beach locations is conducted between December to March, reflecting seasonal use. Water quality was generally good during the 2017/18 summer season, with the exception of one location at the southern end of Blackmans Bay beach, where short-term strategies are being investigated to improve water quality. Kingborough's public pools are monitored year-round and Council staff were able to work closely with pool operators to make sure non-compliant results were acted upon and remedied swiftly to protect pool users.

IMMUNISATION PROGRAMS

Council continues to coordinate and implement a range of immunisation programs, including school-based immunisations, infant clinics and after-hours catch up clinics. The school immunisation program is conducted over several visits throughout the school year. The

2017/18 school program provided specifically for Grade 7 and 10 students, offering vaccines for Human Papillomavirus (HPV), diphtheria, pertussis, tetanus and Meningococcal strains ACW and Y. A total of 2,429 vaccines were administered via Council's 2017/18 immunisation programs.

2.2.2 PUBLIC HEALTH STATEMENT

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.

Council's public and environmental health functions are undertaken by the Environmental Health Unit; part of the Environmental Services Department. The Unit's organisational structure consists of a Manager Environmental Services, Senior Environmental Health Officer, three Environmental Health Officers, and an Administration and Immunisation Officer. A Medical Officer of Health and two Nurse Immunisers are employed on a casual basis.

Functions administered by the Unit in accordance with the provisions of the *Local Government Act 1993*, *Public Health Act 1997*, *Food Act 2003*, *Building Act 2016*, *Environmental Management and Pollution Control Act 1994*, *Burial and Cremation Act 2002* and other identified programs include:

- Food safety
- Notifiable diseases
- Immunisations
- Public health risk activities
- Unhealthy premises
- Water quality including recreational, bathing and private water suppliers
- Public health and environmental nuisances
- Public health education and promotion
- Emergency management
- Climate change
- Onsite wastewater management
- Private burials
- Pollution (air, land and water)

Operational statistics reflecting core environmental health activities undertaken during 2017/18 include:

ENVIRONMENTAL HEALTH ACTIVITY	
Registered food businesses	209
Registered mobile food businesses	60
Registered temporary food businesses	294
Notifiable disease notifications/ investigations	17
Vaccines administered at Council immunisation clinics (including School Immunisation Program)	2,429
Registered public health risk activities	6
Registered water carters	7
Food handlers attending Council- coordinated workshops	20
Recreational water samples	214
Plumbing permits (on-site wastewater)	115



2.2.3 NATURAL RESOURCE MANAGEMENT

The core work of the program involves developing and protecting a network of healthy natural areas in the Kingborough municipality and promoting environmental sustainability throughout Council and the community. The services delivered by the NRM Program include:

- Building community capacity and connection in caring for the natural environment.
- Protecting and managing biodiversity, remnant vegetation and high value habitat areas.
- Threatened species recovery.
- Managing the Kingborough Environmental Fund.
- Facilitating catchment management and conservation planning.
- Improving the health of creeks, wetlands and rivers.
- Weed management.
- Supporting environmental volunteers, including landcare and coastcare groups.
- Bushfire management for council reserves.
- Promoting responsible cat management.
- Regulating native tree removal on private land.
- Creating wildlife corridors through revegetation of cleared land.

Council's NRM Program partners with a number of organisations to build a coalition of support and action for responsible environmental management and practice. These partners include; the Derwent Estuary Program, D'Entrecasteaux and Huon Collaboration, NRM South, Landcare Tasmania, Conservation Volunteers Australia and the Tasmanian Government.

KEY ACHIEVEMENTS

MANAGING BUSHFIRE RISK ON COUNCIL LAND

Bushfire is recognised as a significant risk in the Kingborough local government area. Bushfire risk mitigation is a shared responsibility between state and local government agencies and private landowners. During 2017/18, Council has continued to invest in bushfire risk mitigation planning and works. This includes the development of a new Bushfire Mitigation Strategy which sets out Council litigation planning and works. This includes the development of a shared responsibility between state and local governments.

A priority action of the strategy was to undertake bushfire risk modelling to assess the relative risk across bushland reserves and the Council road network. This modelling, completed in over the year determined a priority ordering for risk mitigation activities by bush land reserve and identified key fire corridors for bushfires crossing into Kingborough.

A range of risk mitigation activities have now been completed for priority reserves including the development of bushfire management plans for five reserves, the creation of a fuel break program and fuel reduction burns in Denison Street Reserve and Boronia Hill Reserve.

A new policy has been developed to provide a framework to manage requests from the public to incorporate public reserves into bushfire hazard management areas on private land.

SUPPORTING ENVIRONMENTAL VOLUNTEERS

Supporting people to be involved and connected with nature is a key area of delivery for the NRM program. There are many benefits to individuals, the community and the environment from volunteering in nature. By working together with the community we share and gain knowledge, connection to place and each other. With more hands on deck there is a greater capacity to get the restoration work done.

Council supports 24 Landcare groups in the municipality, covering group insurance costs and providing access to correctional services work groups and Council weed crews. Council undertakes joint initiatives with Landcare Tasmania to build skills across groups, providing training workshops for group members and participating in Landcare Tasmania's member outreach barbeques. Council grows plants for group planting projects in its nursery and also provides plant guards, stakes and weed mats. Council officers regularly attend group meetings and provide technical advice and source materials for landowners as required.

Council's Landcare support program was recognised both at the 2018 Tasmanian Landcare Awards and National Landcare Awards, receiving a highly commended in the Australian Government Partnerships category.

Opportunities for both regular volunteers and people who wish to participate when they can are provided by Council. A range of reserve working bees and citizen science activities were offered to volunteers this year including National Tree Day at Longley, a marine debris cleanup at Alonnah and monitoring Rainbow Lorikeet populations in Kingston and Blackmans Bay.

In partnership with the Bookend Trust, Council hosted an Extinction Matters Bioblitz at Browns River in Kingston. A Bioblitz is a festival of science in nature with the aim to engage the community in surveys led by scientists and naturalists to discover and record as many of the plants and animals in a place over a weekend. Hundreds of members of the public worked together as citizen scientists with 19 science based organisations and 300 students from 11 schools. By the end of the event 425 species had been identified, many of which had never been recorded before in this area. Targeted restoration activities in 2017/18 have included erosion protection and revegetation of Coffee Creek in Huntingfield and weed removal and revegetation in twelve creeks including Whitewater Creek in Kingston, Platypus Creek in Allan's Rivulet, Snug River and Margate Rivulet.

These activities have helped protect numerous threatened species such as the Forty-spotted Pardalote, Tasmanian Devils, the Swift Parrot and iconic species such as platypus and quolls.

2.2.4 CLIMATE CHANGE

Council continues to strive to reduce its corporate and community carbon footprint, as well as planning for the inevitable impacts of climate change that will affect Kingborough's population, economy and ecosystems.

KEY ACHIEVEMENTS

CLIMATE CHANGE ADAPTATION

Three key case study sites where it has been identified that communities may be significantly impacted by climate change in the future continue to be Council's focus. These are at Kingston Beach, Snug and Adventure Bay. Detailed information is being compiled on the potential risk posed by future coastal damage and inundation due to sea level rise, storm surge and flooding as well as the evaluation of potential adaptation and response options for each of these localities.

Council has participated in the Climate Resilient Councils Project facilitated by the Tasmanian Climate Change Office. Every council in Tasmania was offered a no cost evaluation of their climate change readiness status with regards governance and business management. Kingborough received a largely positive report and is considered well placed in relation to other councils Australia wide.

COASTAL VULNERABILITY

Coastal erosion works projects have been completed at Coningham Beach, Dennes Point and Esplanade in Margate. Significant damage had occurred at each of these sites and works were completed to provide long term protection to assets.

GREENHOUSE GAS AND ENERGY

In response to the Greenhouse and Energy Audit for Kingborough, Council is focusing on the key issues of vehicle fleet management and waste reduction for potentially significant carbon footprint reduction, as well as solar and gas energy production at the Barretta Waste Management Facility.

ALTERNATIVE ENERGY

Council facilitated the installation of a 20 kW solar power installation at the Dennes Point Community Centre. This system will significantly reduce power costs for the centre and pay for itself in just over five years.

Council has over 100kW of solar power installations on key buildings which produce approximately eight per cent of the power for the facilities.

2.3 DEVELOPMENT SERVICES

Development Services has the responsibility for strategic and statutory land use planning, development engineering, building and plumbing.

While the sections work collaboratively, each section controls specific areas and legislation relevant to their particular focus.

KEY ACHIEVEMENTS

MEETING STATUTORY REQUIREMENTS

Council continued to implement quality assurance safeguards that ensured statutory planning and building requirements were met and that the Kingborough community was provided with an efficient development approval service. The Pathway process management system ensured that all timeframes and mandatory referrals were observed and assessment protocols followed.

An internal restructure was continued through the department which included the introduction of new positions and roles to appropriately adjust to the change in statutory requirements and increase of development occurring within the municipality. The restructure and additional resources enables the department to work more effectively to ensure better outcomes and compliance with legislative requirements.

Routine audits were carried out by senior staff and all assessments and permits issued were independently vetted and endorsed by senior staff prior to issue.

All planning appeals, applications received and permits issued were routinely reported to the Council. Staff represented Council at a number of Resource Management and Planning Appeals Tribunal and the Tasmanian Planning Commission hearings during the year.

KINGBOROUGH PLANNING SCHEME REVIEW

The existing *Kingborough Interim Planning Scheme 2015* will in the near future be replaced by a new scheme in accordance with the legislated Tasmanian Planning Scheme requirements. A review of the existing scheme commenced during this year, in conjunction with various changes to the *Land Use Planning and Approvals Act 1993* and the release of the State Planning Provisions.

Council has commenced work on the Local Provisions Schedule. This will involve the conversion of the existing zones and other provisions in the planning scheme to the amended format.

A number of initial strategic investigations were conducted during the year, including the commencement of a thorough review of the Kingborough Land Use Strategy. Council staff met regularly with planners from other southern Tasmanian councils at meetings of the Southern Technical Reference Group. The changes involved in preparing the new scheme are particularly complex and will need to be justified and publicly

explained. They will dictate where and how development will occur in future within the municipality.

As part of the Planning Scheme review staff carried out public consultation regarding a new Specific Area Plan (SAP) in the Blackmans Bay Bluff area, which had a high level of response.

INITIATED THE STATUTORY PLANNERS

REFERENCE GROUP

Kingborough Council initiated a reference group for Southern region Councils to discuss Statutory Planning matters, interpretations, applications or other benchmarking levels between Councils. The group is supported by the Local Government Association of Tasmania and all Southern councils have become part of the group.

DEVELOPMENT SERVICES ENFORCEMENT

The department has worked in partnership with the Compliance Unit to deliver a more formal approach to enforcement related to building, plumbing and planning. New systems have been developed and additional resources have been allocated to resolve many outstanding issues.

2.3.1 PLANNING SERVICES

Planning Services is responsible for the assessment of development applications, issuing planning permits and monitoring compliance in accordance with the *Land Use Planning and Approvals Act 1993* and the *Kingborough Interim Planning Scheme 2015*.

This includes consultation, referral and assessment of planning applications, preparation of planning reports, recommendations and, where appropriate, delegated approvals. Officers are also responsible for the subsequent enforcement of planning permit conditions. Planning staff conduct strategic reviews of the planning scheme and process any amendment applications, as well as represent Council at hearings of the Resource Management and Planning Appeals Tribunal and the Tasmanian Planning Commission.

2.3.2 DEVELOPMENT ENGINEERING

Development Engineering staff assess the infrastructure requirements of development applications and monitor the requirements of conditions in approved planning permits, particularly in regard to works associated with sub-division developments and road works.

These officers provide a link between the regulatory planning area of Council and Engineering Services, as well as external referral agencies such as TasWater and the Department of State Growth. They ensure that the public infrastructure within private developments is constructed to the appropriate standard.

2.3.3 BUILDING SERVICES

Building Services administers the Building Permit Authority function of Council, as well as providing external Building Surveying services.

These officers are responsible for the implementation of legislation controlling building and construction within the municipality, ensuring compliance with the *Building Act 2016*, Building Regulations 2016 and the National Construction Code.

2.3.4 PLUMBING SERVICES

Plumbing Services works closely with Building Services and is responsible for the legislated Plumbing Permit Authority function of Council.

Plumbing staff are responsible for the implementation of plumbing related aspects within the *Building Act 2016*, including the role of Plumbing Surveyors who inspect plumbing works during construction and also prepare and maintain house connection details of all plumbing installations.

2.3.5 KINGSTON PARK DEVELOPMENT

KEY ACHIEVEMENTS

This year has significant on-ground progress made in the implementation of Council's Kingston Park project. This

project aims to both provide a range of much needed community facilities whilst also stimulating an increased level of investment and activity across the whole of central Kingston. It is therefore vitally important for Kingborough's social and economic future. Kingborough is one of the state's fastest growing areas and local residents need to be provided with more local attractions and services.

Goshawk Way, the main road through the site, was substantially constructed during the year, together with the installation of associated services to enable adjoining site developments. Skipper Lane is also well underway, which will be a new road linking Goshawk Way to John Street.

A pedestrianised 'promenade' is being designed, which starts from Channel Court, passes through the existing Council parking area on John Street and past the proposed new health centre and new Community Hub. This will be called Pardalote Parade and it will extend through to the walkway under the Southern Outlet.

Construction of both the Community Hub and the new Kingston Health Centre commenced – with both due to be fully completed early in 2019. Online community engagement forums have been launched to ask for suggestions on what the community would like to use the Hub for, along with ideas for what people would like to see in the public open space. Further engagement opportunities will be organised once a contractor is engaged to design the public open space.

Council also called for expressions of interest from private developers – as about half of the site will be a mixed development of residential, commercial and entertainment related uses. Further project details and progress updates are published on the Kingston Park website. www.kingstonparktas.com.au.



2.4 ENGINEERING SERVICES

Council aims to provide services for all the community to enjoy. An important part of this objective is the maintenance, operation and construction of Council's infrastructure assets at a sustainable level that is acceptable and affordable for the community, and meets statutory requirements.

Engineering Services is responsible for the municipality's roads, reserves, stormwater systems and waste management. In order to make sure these assets meet community needs, a mixture of planned and reactive works is carried out. These works are a combination of on-going maintenance work, as well as new developments.

2.4.1 ENGINEERING AND MAJOR CAPITAL WORKS

The department is responsible for a wide range of functions which includes asset management, engineering investigation and pre- project planning, conceptual and detailed design of a wide range of infrastructure projects, contract management, project management, traffic management, urban landscape design, programming and delivery of Council infrastructure works for both maintenance and capital and waste management.

KEY ACHIEVEMENTS

MAJOR CAPITAL WORKS PROGRAM

There were 100 capital projects for the 2017/18 financial year, with the majority of these completed on time and to budget.

STORMWATER

Council maintains 257.7 kilometres of stormwater drainage systems that includes open drains, culverts, piped stormwater drains and pits. Council maintains a number of controls over stormwater discharge with gross pollutant traps on many major outlets or vegetated cleansing swales in discrete locations. These collect rubbish washed into stormwater systems, which significantly prevents pollution entering the environment.

Flood modelling for the Snug River catchment and several other smaller catchments commenced and continues the on-going program of identifying flood risk areas and the development of Stormwater Master Drainage Schemes for priority catchments. Council considers options to improve the environmental qualities of stormwater outflows by improving wetlands, controlling system outfalls and making sure

new developments apply environmentally sensitive stormwater systems.

Major stormwater construction projects included:

- Culvert upgrades on Adventure Bay Road, Bruny Island.
- Drainage improvements on Kaoota Road, Kaoota.
- Table drains and culvert improvements on Besters and Clarks Roads, Lower Longley.
- Culvert upgrade and new open channel on Moodys Road, Allens Rivulet.
- Upgrades to the drainage channel on Beach Road, Middleton.
- Stage 2 drainage works on Taronga Road, Bonnet Hill.
- Stage 2 stormwater upgrade on Illawarra Road, Blackmans Bay.
- Flood gauge installation for Browns River.
- Stormwater upgrade on Blowhole Road, Blackmans Bay.

Work was also completed on two significant coastal erosion issues on the Esplanade in Margate.

ROADS, FOOTPATHS AND BRIDGES

Council is responsible for approximately 523 kilometres of road, of which 250 kilometres are sealed and 273 kilometres unsealed.

There are 71 bridges in the road network and approximately 205 kilometres of footpaths. Council needs to carefully manage this large portfolio of assets to ensure appropriate services can be delivered to all. Planning and prioritising maintenance, asset renewals, and provision of new assets are critical functions of the department. Physical construction works are undertaken by external contractors or by Council's own workforce.

Major road and bridge projects for 2017/18 included:

- Approximately \$900,000 of road reseals for a variety of sealed roads.
- Approximately \$800,000 of gravel road re-sheets.
- Dru Point Esplanade, Margate reconstruction.
- Blanche Avenue, Blackmans Bay reconstruction.
- Construction of a turning circle for Kelvedon Avenue, Taroom.
- Stage 2 of the Kingston Beach Foreshore works upgrade.
- Rehabilitation of Kunama Drive, Kingston Beach; Morris Avenue, Taroom; and Powell Road, Blackmans Bay.
- Continuing upgrade works on Pelverata Road, Pelverata.
- Embankment failure repairs on Summerleas Road, Kingston.
- Reconstruction of Mountain Road, Allens Rivulet.
- Road safety improvements on Lighthouse Road, Bruny Island and Palmers Road in Oyster Cove.

2.4.2

MAINTENANCE & MINOR CAPITAL WORKS

Council's Works Department manages maintenance of infrastructure assets. This includes the maintenance of roads, bridges, reserves, tracks, and stormwater systems and Council's plant, vehicles and machinery.

The extreme weather event in May caused significant damage to infrastructure in Kingborough. Council's crews and contractors worked throughout May and June to repair roads and clear associated stormwater infrastructure. Major repair works on specific roads and stormwater infrastructure will be on-going into the next financial year. Extensive damage to bridges and footpaths and final repair works are expected to take several months. Although most roads and tracks have been made safe for use, Whitewater Creek Track suffered severe damage to footbridges and this will take longer to repair, along with the restoration of the creek itself.

FOOTPATHS, ROADS AND DRAINAGE

Council provides a high level of service on the extensive network of unsealed roads, using three main types of treatments; grading only for roads requiring general correction, grade and gravel for pothole and/or rutting repair and gravel re-sheeting to replenish surfaces. The type and extent of work is based on need and priority. Council also undertakes general maintenance for the Department of State Growth (DSG) on the Main Road, Bruny Island. In the 2017/18 financial year a large number of private works have been carried out for DSG on Bruny Island with a focus on gravel resheeting, drainage upgrades and tree maintenance and removal. A structured street-sweeping program is undertaken to keep stormwater pits free from debris. The Kingston central business district and major urban areas are swept weekly, with all other areas swept as required.

Below are some specific examples of maintenance and minor capital works that have been achieved in the 2017/18 financial year:

- Replacement of isolated sections of kerb and channel in various locations.
- Replaced sections of footpath due to trip hazards in various locations.
- Access ramps/footpath upgrades: Redwood Road and Redwood Road to Willow Lane in Kingston; and Pearl Place to Opal Drive in Blackmans Bay.
- Drainage upgrades at a variety of locations including:
 - Aberys Road, Sandfly
 - Moodys Road, Allens Rivulet
 - Besters and Clarks Road, Lower Longley
 - Channel Highway, Middleton
 - Combes Road, Longley
 - Kaoota Road, Kaoota
 - Pelverata Road, Pelverata

- Adventure Bay Road, Bruny Island
- Huon Road, Leslie Vale
- Dallas Avenue, Taroona
- Tree removal and drainage maintenance on a number of rural unsealed roads.
- Roadside slashing and spraying program completed.
- Bridge, jetty and boat ramp maintenance carried out on relevant structures.

MAINTENANCE OF OUR PARKS AND RESERVES

Council undertakes an extensive maintenance program for our parks, reserves and playgrounds and prioritises works to make sure the best outcome is achieved for the community.

In 2017/18, Council carried out a number of maintenance projects including:

- Upgrades to tables and seating at Kingston Beach.
- Upgrade to the French Memorial in Gordon.
- Various track upgrades across Kingborough.
- Various tree works completed to remove dangerous trees in specific areas.

PLANT AND FLEET MANAGEMENT REPLACEMENT

Council manages a substantial amount of plant and fleet, including the maintenance and replacement of plant attached to Bruny Island and Kingborough Waste Services (KWS). A large number of the light and medium truck fleet has been replaced along with various light vehicles and smaller plant items. A new front-end loader was purchased as a replacement of an older tractor. A new JCB backhoe was purchased as a replacement for the older Komatsu backhoe. A new purpose built Flocon road maintenance unit has been purchased and is now in use. A second-hand 20 tonne excavator was purchased to replace the traxcavator at KWS. The Twin Ovals purchased a replacement tilt tray truck and Toro reel mower.



2.4.3 WASTE MANAGEMENT

Council provides a number of services to the community in the area of waste management including the following:

- Weekly domestic garbage collection to approximately 13,000 properties throughout the municipality.
- Fortnightly recycling collection to approximately 13,000 properties throughout the municipality.
- Free green waste weekends.
- Two waste transfer stations, the main facility at Barretta and a smaller facility on Bruny Island.
- Various litter bins spread throughout Council's parks, roads and sporting facilities.
- Support for waste minimisation at Council events.

During the year Council prepared a draft Waste Management Strategy and will consult with the community to achieve its goals.

RECYCLING AND GARBAGE COLLECTION

Council's recycling and garbage collection is managed by a contractor. Garbage is transported to the Barretta Waste Transfer station for sorting to separate out any reusable items prior to transport and disposal at the Copping landfill site. Recyclable items are transported to the SKM recycling facility at Lutana for sorting and packing before being further transported to Victoria for recycling.

2.4.4 COPPING REFUSE DISPOSAL SITE

Southern Waste Solutions (SWS) is a waste management authority jointly owned by Clarence City, Kingborough, Sorell and Tasman councils. The Authority's objectives include the management and operation of the refuse disposal site at Copping, in accordance with the approved development proposal and environmental management plan for the site.



2.4.5 KINGBOROUGH WASTE SERVICES

In 2011, Council established Kingborough Waste Services (KWS) as a corporation, in accordance with the Section 21 of the *Local Government Act 1993*.

KWS is responsible for operating the Barretta Waste Management Facility (including the waste transfer station, weighbridge and Re-Use Shop) and the Bruny Island Waste Transfer Station. In establishing KWS, Council determined that an independent Board would be appointed to manage the company's operations.

In 2017/18 the Board consisted of two independent non-executive directors, the Chair, Mr Peter Shelley and Independent non-executive Director, Ms Debra MacKeen (Appointed in October 2017) and two Council staff (the Deputy General Manager and Executive Manager Engineering Services).

The Board met bi-monthly and reported to Council on all operational and financial matters. KWS currently employs ten permanent employees and two casual employees at the Barretta site and one permanent employee at the Bruny Island Waste Transfer Station.

KEY ACHIEVEMENTS

- An operating surplus for the 2017/18 financial year.
- Repayment of the KWS Council loan.
- Participation in the 2017 Garage Sale Trail Program.
- Participation in Council's Zero Waste Expo.
- Improvements to the structure and staffing of the Re-Use Shop which has enabled greater recovery of items from the timber and metal waste streams.
- The Shop had an \$88,665 increase on sales over Budget and an increase of \$85,665 over the 2017/18 Financial Year sales.
- Increasing the range of recycling options available at Barretta to include collection bins and signage for the recycling of fluorescent tubes and globes, household batteries and X-rays.
- Introduction of the Paintback recycling scheme to Bruny Island.



2.5 GOVERNANCE AND PROPERTY SERVICES

The Governance and Property Services Department is responsible for the management of a coordinated program of corporate governance that includes the administration of Council's property portfolio.

This includes the management of leases, licence agreements, land acquisitions, transfers, exchanges, easements and sales, along with the maintenance and development of Council's sporting facilities and building assets. The Compliance Unit has responsibility for the implementation of relevant State Government legislation, along with Council's own By-Laws. The Department also includes Council's emergency management function.

2.5.1 GOVERNANCE

A review and update of a number of Corporate Governance policies was undertaken during the year and new policies developed for the sale, leasing and licensing of Council-owned land and for fee exemptions and reductions. Delegations were arranged in accordance with Council's Delegated Authority Policy and permits were issued in accordance with Council's By-Laws. Meetings of the Bruny Island Advisory Committee were facilitated on a bi-monthly basis and recommendations reported to Council.

2.5.2 COMPLIANCE

Council's Compliance Unit is tasked with managing and conducting investigations in relation to breaches of legislation, ranging from the *Dog Control Act 2000*, *Traffic Act 1925*, *Local Government Act 1993*, *Land Use Planning Approvals Act 1993* and Council By-Laws.

Council's Dog Management Policy was reviewed during the year, with public submissions assessed.

A new position of a Planning and Building Compliance Officer was successfully implemented. The position involves a proactive approach to enforcing and maintaining compliance with various legislation such as *Land Use Planning Approvals Act 1993* and the *Building Act 2016*, By-Laws, statutory requirements and conditions of approval.

Over the course of 2017/18, the Unit has:

- Issued 2633 Infringement notices;
- Lodged 16 briefs of evidence;
- Attended to 2604 requests by the public;
- Impounded 123 dogs;
- Obtained registrations for over 6,200 dogs;

- Investigated 80 dog attacks;
- Investigated 102 nuisance complaints;
- Conducted 39 proactive fire inspections;
- Removed 123 abandoned vehicles; and
- Extinguished 50 open air fires.

ANNUAL FIRE ABATEMENT PROGRAM

Like most of Tasmania, bushfire is Kingborough's most likely natural disaster threat, with about 90 per cent of properties (10,000 properties) potentially exposed.

The Compliance Unit manages the administrative and operational aspects of the municipality's annual fire hazard abatement program. The program allows for the majority of properties, where a fire risk has been identified, to be abated either voluntarily or by compliance measures, in order to minimise the overall fire hazard within an acceptable time frame.

2.5.3 EMERGENCY MANAGEMENT

Council's Emergency Management procedures were put to the test in May 2018 with an extreme weather event causing localised flash flooding. An interim Emergency Centre was established at the direction of the State Emergency Service and the Community Recovery Response Team was activated. Assistance was provided to eight families who were required to evacuate from their homes as a result of the flood. The Community Recovery Coordinator attended three flood related Social Recovery meetings and provided assistance to 60 residents seeking support after the event. A Flood Recovery Expo was organised on 5 June at the Kingston Beach Hall to provide a forum for information and advice for those still in need of support. Over 120 people took advantage of this opportunity. Council's Emergency Management Coordinator attended a number of briefing meetings held by the SES both during and after the event and maintained contact with emergency services networks throughout the year.



2.5.4 PROPERTY

Referrals were assessed for a range of development applications involving Council owned land or adjacent to Council owned land. Various easements and rights of way were negotiated with private land owners to allow the installation of Council infrastructure and to facilitate public access where necessary. Lease agreements were negotiated for the Taroona Scout Hall, Woodbridge Fire Station, Kingston Surf Club, Channel Men's Shed, Twin Ovals Pavilion and Kingston Tennis Club. The sale of land to TasWater to accommodate the expansion of the Waste Water Treatment Plant at Blackmans Bay was finalised, along with the acquisition of land at Dennes Point for the purpose of public recreation. A licence was obtained from the Crown over Taroona and Hinsby Beaches.

2.5.5 BUILDING MAINTENANCE

Implementation of the Kingborough Public Toilet Strategy commenced with planning for the replacement of the facility at Coningham Beach. The waste disposal system at the Sandfly Hall was upgraded and floors were resurfaced at Margate and Lunawanna Halls. An extension was provided to the gymnasium at Kingston Beach Oval and improvements made to the changerooms. Internal renovations were undertaken in the Civic Centre following the flood event in May. Discussions were held with representatives of the Dennes Point Hall Management Committee regarding the installation of acoustic panels.

2.5.6 RECREATIONAL PLANNING

Masterplans for the Dru Point Reserve and Lightwood Park were developed to guide future development of these areas. A draft Open Space Strategy was prepared to assist in the planning for suitable areas of public open space for community use. A successful application was lodged with the Department of State Growth for a Cycle Tourism Grant for the final section of Snug to Margate shared path. Meetings were held with the Trail Riders Action Committee to discuss proposed trail development and an easement was acquired over land in Crofton Drive, Sandfly to connect existing tracks. Preliminary planning commenced for the development of an additional turf wicket sportsground in Kingborough.

2.5.7 SPORTS GROUNDS

The Twin Ovals facility hosted an AFL pre-season match in February between Melbourne and North Melbourne. A new training ground with lights was developed at Lightwood Park and lights provided to accommodate matches on the LP1 ground. New cricket nets at the Woodbridge Oval were constructed and planning undertaken for the provision of the same at Kingston Beach Oval. The cricket training nets at the Twin Ovals were extended. Work was completed on the expansion of the centre wicket square on the Cricket Oval at the Twin Ovals.



3. KEY CORPORATE FUNCTIONS

3.1 CORPORATE

Council aims to provide professional corporate support services across the organisation through strong financial management and human resources practices, as well as responsive and flexible information systems.

KEY ACHIEVEMENTS

TOURISM

Council again commissioned Destination Southern Tasmania (DST) to deliver a regional tourism marketing service, in conjunction with Huon Valley Council and the local tourism industry. The Southern Trove brand formed the cornerstone of this marketing effort and the region was promoted by way of a number of different media. The published visitors guide and map continued to be very popular and the website was upgraded. A concerted effort was made to have a stronger digital promotional presence for Kingborough, with increased blog posts and associated social media activity. DST has conducted a number of local industry forums in order to increase the awareness of the support that is available and the benefits of coordinated tourism development and marketing.

Both the Channel and Bruny Island areas have benefited economically from increased visitor levels. The continued popularity of Bruny Island does place some high demands on the existing infrastructure and Council has been liaising closely with the State Government in this regard. Council and the Government jointly funded the Bruny Life community survey and this was completed during the year. This will now provide a rich source of information to assist the local Bruny Island community in identifying priorities for the improved delivery of local services and infrastructure.

The Bruny Island Destination Action Plan is in place and the leadership group has been meeting regularly. Its focus has been on improving the roadside signage on the Island and in implementing a local works program that is jointly funded by the State Government, Pennicott Wilderness Journeys and Council. In regard to the works program, local visitor infrastructure is provided to meet visitor needs in those cases not normally funded by Council or the State Government agencies. Examples of completed works include, walking track upgrades, interpretation signage, improved foreshore carparks and picnic furniture.

3.2 ORGANISATIONAL DEVELOPMENT

The Organisational Development Department is responsible for the development of Council's corporate communications and employee development programs. This area develops and implements strategies, policies and procedures through the provision of human resources and industrial relations services.

KEY ACHIEVEMENTS

STAFFING

Council employed a staff of 194 effective full-time equivalent employees as at 30 June 2018, including Kingborough Waste Services (KWS). Recruitment was undertaken in accordance with Council's recruitment policies. During the year, 31 new employees were recruited, including permanent, temporary, casual and fixed-term employees. Thirty-one employees terminated their employment during the year. Three Family Day Care employees transitioned to Blackmans Bay Childrens Services as part of a transmission of business arrangement. Council also hosted three apprentices and trainees through group training work arrangements.

TRAINING AND DEVELOPMENT

Council is committed to supporting staff in furthering their careers and learning opportunities. Staff engaged in a wide range of training and vocational studies with a focus on compliance and work health and safety. Twelve employees were enrolled in vocational qualifications including Certificate III to Diploma level.

During the year, Works Department employees and new employees attended in-house training sessions on anti-discrimination delivered by training staff from Equal Opportunity Tasmania. New employees also undertook training on ethical decisions at work, based on a training module developed by the Integrity Commission.

INDUSTRIAL RELATIONS

Council's employment conditions for Award based employees are negotiated through an enterprise agreement process. Enterprise bargaining negotiations between Council management and the Australian Services Union and Council employees commenced in March 2017. A new Enterprise Agreement was approved by Council staff in a ballot in December 2017. The *Kingborough Council Enterprise Agreement No 9 of 2017* was ratified by the Fair Work Commission in April 2018. The *Kingborough Waste Services Enterprise Agreement No. 1 of 2013* continues to cover Award based employees engaged by Kingborough Waste Services Pty Ltd.

WORK HEALTH AND SAFETY (WHS)

Council is committed to providing a safe and healthy work environment for its employees. Incidents and work health and safety performance statistics were reviewed regularly by Council's Executive Management Team and the KWS Board. There were 18 workers compensation claims lodged during the year. The lost time injury frequency rate (LTIFR) was 28.55. LTIFR is the frequency of injuries involving one or more lost workdays per million hours worked.

A WHS Systems Audit was undertaken by Council's auditors, Wise, Lord and Ferguson and the results were reviewed by Council's Audit Panel. The review considered the processes implemented within the Council to ensure compliance with the Work Health and Safety legislation. Overall, the report found that structures and processes surrounding WHS governance within the Council were sound and met the requirements of the *Work Health and Safety Act (2012) Tas*, with Council demonstrating a strong commitment to WHS.

Specialist safety training has continued to be a priority to ensure that Council is meeting its duty of care obligations. Council's WHS Advisor assisted Managers and Supervisors to ensure that all incidents are reported, investigated and preventative actions implemented to minimise the risk of recurrence.

Fifteen managers and supervisors attended a session on Leading Health and Safety. Other safety training included accredited training for WHS employee representatives, manual handling, first aid and general training on health issues such as suicide prevention and ergonomic assessments for office based staff. Council also conducted random alcohol and drug testing program across the workforce. Regular hearing checks were undertaken for 40 staff as part of Council's risk management program for reducing the impact of noise induced hearing loss.

CORPORATE COMMUNICATIONS

The Corporate Communications Strategy was reviewed and endorsed by Council. Actions included the development of a Public Participation Framework. Council is working with a community engagement consultancy to develop this framework, along with staff, community members and Councillors.

Council implemented a new online engagement platform, which is providing an effective and efficient engagement forum and reporting mechanism. The new platform has been used for the Dog Management Policy consultation, Bruny Island Airstrip feedback, Kingston Park ideas and surveys such as the Kingston Beach one-way traffic trial.

Council communicates with the community and stakeholders through a variety of channels including print media, social media, Council's website, electronic newsletters, meetings and posters. Social media channels include Facebook, Twitter, Instagram and Flickr. Engagement continues to increase across these platforms and Council is exploring social media management tools to improve the consistency and evaluation of this communication.

Publications continued to be an important means of communication with the community. These include the Council News and Snapshot on Kingborough, which are paid advertisements printed in the local Kingborough community newspapers, as well as published on the website, social media and sent via email to subscribers. Media releases highlighting Council events and programs are regularly distributed to local print media and radio outlets.

Council produced a range of information sheets, brochures and notices on specific topics, as well as its corporate documents such as the Annual Report and specific strategies.



3.3 INFORMATION SERVICES

Information Services is responsible for the delivery of information technology, information management and customer service functions.

Key activities include records management, provision and maintenance of Information Technology (IT) hardware and application software, website management, helpdesk support and telecommunications.

The Customer Services Unit provides a range of services for both external and internal customers, including the provision of general Council information, lodgement of service requests, pre-assessment of building and planning applications, facilities bookings, cashiering and a range of internal administrative activities.

KEY ACHIEVEMENTS

INFORMATION AND COMMUNICATIONS TECHNOLOGY

A number of information technology activities were undertaken over the year including:

- Upgrade of networking infrastructure at Civic Centre.
- Migration of legacy enquiry systems to virtual environments enabling decommission of old hardware.
- Completed migration of all services to the NBN.
- On-going upgrades of various corporate applications.
- Responded to the May flooding of the Civic Centre by redeploying ICT services to alternative accommodation and participated in the redesign and provision of ICT services to the repaired area.
- Upgraded Civic Centre Security System.

INFORMATION MANAGEMENT

- Completed various business improvements utilising the replacement Finance and Assets system including distributed order processing, jobs and contract management and improved financial asset management reporting.
- Continued development of system integrations with GIS, Customer Requests and Content Management Systems.
- Completed testing of the Employee Self Service Kiosk, which is to be rolled out within the first quarter of the 2018/19 financial year.
- Deployed the ability to manage e-petitions via Council's web site.
- Responded to various Right To Information and information requests.

CUSTOMER SERVICE

- Carried out an internal audit of organisational customer service activities.
- Creation of School Holiday Program online booking system.

- Provided additional payment methods for Development Applications.
- Creation of knowledge base (Customer Service Portal) for quick access to information.
- Implemented a number of audit recommendations including improved escalation mechanism for customer enquiries and improved monitoring of customer interaction types to better resource those areas.

Council received 31 written complaints (in accordance with the definition contained within Council's Customer Service Charter) during 2017/18, which are categorised in the below table

NATURE OF COMPLAINT	NO.
Kerbside Collection	10
Compliance	8
Road Projects	5
KWS	2
Trees and Reserves	2
Delayed response to correspondence	1
Fire Hazard	1
Planning	1
Stormwater	1
Total	31

3.4 FINANCE

The Finance Department is responsible for the provision of financial reporting, ensuring the application of appropriate governance controls and the provision of support services for Council.

Finance is also responsible for the management of Council's financial assets including the investment of surplus funds, placement and operation of all insurance policies, procurement practices across the Council and the operation of the Bruny Island Service Centre, which includes an Australia Post branch.

KEY ACHIEVEMENTS

AUDIT PANEL

Council's Audit Panel is responsible for ensuring good governance and financial management through the frequent review of Council's policies, processes and systems. The Panel, appointed by Council for a maximum term of four years, consists of five members, including three independent members and two Councillors.

One of the members is also appointed by Council as Chairperson. Throughout the 2017/18, the members of the Audit Panel were:

Nick Burrows	Independent Chair
Robert Hogan	Independent Member

Paul McTaggart	Independent Member
Councillor Mike Percy	Councillor Member
Councillor Richard Atkinson	Councillor Member

The primary objective of the Audit Panel is to support and assist Council in providing a transparent and independent review process for its financial and risk management practices to ensure accountability to the community in the governance, management and allocation of resources.

The Audit Panel ensures that there is an adequate and effective system of internal controls throughout Council.

In executing its responsibilities the Audit Panel, with its independent members, Councillor representatives and with support from Management, work together in a cooperative manner for the benefit of the Council and the community.

The Audit Panel's main responsibilities include reviewing Council's Performance through considering:

- Whether the annual financial statements of the Council accurately represent the state of affairs of the Council.
- Whether the strategic plan, annual plan, long-term financial management plan, or long-term strategic asset management plan are integrated and supported by sound formulation processes and assumptions.
- The accounting, internal control, anti-fraud, anti-corruption and risk management policies, systems and controls that the Council has in relation to safeguarding its long-term financial position.
- Whether the Council is complying with the provisions of the Act and any other relevant legislation.
- Whether the Council has taken any action in relation to previous recommendations provided by the Audit Panel to the Council and, if it has taken action, what that action was and its effectiveness.
- Reviewing accounting principles, policies and practices adopted in the preparation of financial information.
- Reviewing of procedures relating to financial controls including internal audit related plans and reports with management.
- Reviewing with external auditors of the scope and results of their audit.
- Reviewing and approving the external auditor fees.
- Recommending to Council the approval of risk management policies and processes.

Council re-appointed WLF Accounting and Advisory as Internal Auditors during 2017/18. Consistent with best practice, the 2017/18 Internal Audit Program was once again structured to address a blend of both strategic and compliance related areas. During 2017/18, the internal audit program consisted of a review of Customer Service, Workplace Health and Safety and Finance processes and Payroll. A number of improvement opportunities were identified and are being implemented. The Audit Panel reviewed and was comfortable with Management's actions and timelines and considered them appropriate.

Council's External Auditors are the Tasmanian Audit Office who conduct an audit of the 2017/18 Financial Statements and provide an Independent Auditor's Report and Final Management Letter to the Audit Panel.

Other Audit Panel 2017/18 activity focus areas also encompassed undertaking a comprehensive review of their Charter (available on Council's website), assisting in risk management framework and risk appetite oversight, continuing best practice reviews of Council Policies and protocols in a variety of areas, monitoring the implementation of Council's new Financial Management Information System and reviewing the Council's processes and ongoing developments with respect to refreshing its long term strategic and financial planning framework.

LONG TERM FINANCIAL PLAN

Council has developed a Long Term Financial Plan (LTFP) which is an important component of Council's financial management framework and ensures Council can deliver on the strategies contained within the Strategic Plan 2017 – 2026.

The key principles underpinning the LTFP are:

- Maintain a fair and equitable rating structure;
- Maintain current service levels;
- Continuous improvement in Council's financial performance, so as to achieve an operating surplus;
- Progressively increase funding for asset maintenance and renewal; and
- Continuous improvement in Council's financial position.

The LTFP covers a 10-year planning horizon from 2017-2026 and was updated in June 2018.

ANNUAL BUDGET

The Council held a number of workshops in early 2018 to discuss the annual budget for 2018/19. The key change to the budget was the loss of \$600,000 in dividend from TasWater from 2018/19 onwards. A number of options to cut services to provide an offset savings were considered by Council during the budget workshops. Council approved an annual budget that was in line with the long term financial plan and no cuts to existing services at its meeting on 13 June 2018.

3.5 LEGISLATIVE FRAMEWORK

Council is required to operate within the legislative framework established for local government in Tasmania and is required to appoint a General Manager for a term not exceeding five years.

The Local Government Act 1993 outlines the roles of the General Manager. Sections 62 and 63 detail the functions and powers of the General Manager which, in essence, are to manage and direct the human and financial resources of the Council to achieve optimum use of the public monies and the most effective uses of the organisation's business assets and human resources. The General Manager's role is to make sure the Council is provided with professional advice and support in its strategic and policy making roles.

3.6 SENIOR STAFF

Section 72 of the *Local Government Act 1993* requires that a statement be provided relating to the total annual remuneration paid to senior members of staff.

The annual remuneration is:

- the total of the salary payable;
- employer superannuation contributions;
- the value of private use of any motor vehicle; and
- any other benefits.

For the purposes of this statement an arbitrary benefit value of \$10,000 has been used for employees who have private use of a Council vehicle. In all instances these vehicles are available for specific or 'pooled' use.

Total Remuneration	Number of Employees
\$240,000 - \$260,000	1
\$220,000 - \$240,000	-
\$200,000 - \$220,000	-
\$180,000 - \$200,000	1
\$160,000 - \$180,000	1
\$140,000 - \$160,000	3



3.7

CONTRACTS FOR THE SUPPLY OF GOODS AND SERVICES

During the year, the public tender process was applied in all instances where the value of the works or goods was in excess of \$100,000 (excluding GST), which is the amount prescribed in the *Local Government (General) Regulations 2005*.

CONTRACT	PERIOD	VALUE OF TENDER	CONTRACTOR
Kingston Park Community Hub Construction	03/18 – 12/18	\$5,378,589.50	Hutchinson Builders 235 Murray Street, Hobart
Kingston Park Road Construction Stage 1	01/18 – 08/18	\$2,470,365.29	Spectran Contracting 4-6 Birdwood Avenue, Moonah
Powell Road Reconstruction	07/17 – 12/17	\$1,020,783.00	Bullock Civil Contracting PO Box 74, Brighton
Margate to Snug Shared Path	06/18 – 11/18	\$935,238.00	Stornoway Maintenance 1-37 Tasma Street, North Hobart
Kingston Beach Foreshore Upgrade	08/17 – 01/18	\$508,368.44	Specialised Landscaping Services 14-16 Hale Street, Derwent Park
Oxleys Road Pave and Seal	03/18 – 08/18	\$491,175.00	Bullock Civil Contracting PO Box 74, Brighton
Illawarra Road Stormwater and Pavement Upgrades	07/17 – 10/17	\$442,593.00	Bullock Civil Contracting PO Box 74, Brighton
Nebraska Road, Dennes Point Stabilisation	06/18 – 09/18	\$290,890.41	Andrew Walter Constructions PO Box 5, Claremont
Margate Esplanade Coastal Restoration	01/18 – 04/18	\$281,884.72	Duggans 8420 Channel Highway, Cradoc
Morris Avenue Reconstruction	03/18 – 07/18	\$274,481.76	MMS Tas Civil 16 Barrett Street, Glenorchy
Playing Lights Lightwood Park Oval	11/17 – 04/18	\$250,803.00	RBD Contracting 2/6 Lampton Avenue, Derwent Park
Lightwood Park Oval Extension	09/17 – 04/18	\$243,860.00	Total Turf Care 32 Harvest Lane, Old Beach
Tinderbox Reserve Car Park Upgrades	06/18 – 10/18	\$226,155.50	JRV Civil Construction 12 Myuna Road, Blackmans Bay
Training Lights Kingston Beach Oval	11/17 – 07/18	\$210,224.00	Contact Electrical 48 New Town Road, Hobart
Supply of Loader/Tool Carrier	12/17 – 02/18	\$172,734.00	Komatsu Australia 268-272 Georgetown Road, Rocherlea
Supply of Backhoe Loader	11/17 – 01/18	\$165,850.00	JF Machinery 288 George Town Road, Rocherlea
Blanche Avenue Reconstruction	12/17 – 03/18	\$162,825.00	Statewide Earthworks 52 Atkins Road, Granton
Supply of 11 Tonne Tilt Tray Truck	10/17 – 04/18	\$131,341.00	Webster Trucks 8c Lampton Avenue, Derwent Park
Blackmans Bay Playground Development	06/18 – 08/18	\$116,260.00	Specialised Landscaping Services 14-16 Hale Street, Derwent Park
Drysdale Creek Rehabilitation	03/18 – 08/18	\$110,000.00	Syrinx Environmental Pty Ltd 12 Monger Street, Perth
Kerbside Collection Services for Household Waste and Recycling	10/18 – 10/23	\$5,340,000.00	Veolia Environmental Services (Aust) 95 Kennedy Drive, Cambridge
Provision of Internal Audit Services	07/18 – 06/22	\$140,000.00	Wise Lord Ferguson 160 Collins Street, Hobart

3.8

SUPPORT FOR COMMUNITY EVENTS

The Works Department supported a variety of community organised events throughout the year by providing on-ground support such as the supply of bins, waste disposal, traffic control and preparing event sites. This table does not include administrative or organisational support provided by Council Officers from other departments.

Event	Support Supplied	Cost
Alonnah Easter Carnival	Bin supply	\$47.05
ANZAC Day	Staff costs, bin supply, waste disposal, traffic control	\$1,108.75
A Day On The Beach	Staff costs, bin supply, waste disposal, traffic control	\$3,485.46
Kingborough Sports Centre (Netball Tournament)	Staff costs, bin supply, waste disposal	\$82.38
Extinction Matters BioBlitz	Staff costs, signage	\$587.96
French Memorial Rededication, Gordon	Staff costs for chair collection	\$358.41
Bupa Kidfit	Staff costs, bin supply, waste disposal, traffic control	\$1,385.98
Middleton Fair	Prepare hall and landscape, seat supply, bin supply, waste disposal, traffic control	\$3,680.72
Oliebollen Festival, Calvin Christian School	Staff costs, bin supply, waste disposal	\$538.85
Remembrance Day	Staff costs, prepare site	\$237.89
Scouts Regatta, Snug	Staff costs, prepare facilities and site, bin supply	\$3,122.73
Youth Services, Art Project on Bruny Island	Staff costs	\$137.02
TOTAL		\$14,766.63

3.9

FINANCIAL ASSISTANCE AND GRANTS

For Period 1 July 2017 to 30 June 2018

NAME	AMOUNT	DESCRIPTION
Kingborough Community Enterprise Centre	\$35,000.00	Yearly funding instalment
Dept Primary Industries, Parks, Water and Environment	\$25,847.00	Contribution - Derwent Estuary Program
Charitable Organisations	\$16,021.55	Rate Remissions 2017/18
Taroona Bowls Club	\$11,867.90	Financial assistance
Channel Heritage Centre	\$11,000.00	Grant 2017
Channel Heritage Centre	\$11,000.00	Grant 2017/18
Conservation Covenants	\$ 9,908.50	Rate Remissions 2017/18
Kingborough Bowls Club	\$ 8,720.25	Financial assistance
John Wallis Foundation	\$ 3,000.00	Community Grants - 2017/18
Transistor Films	\$ 3,000.00	Community Grants - 2017/18
Channel Men's Shed	\$ 3,000.00	Community Grants - 2017/18
Tas Conservation Trust	\$ 3,000.00	Community Grants - 2017/18
Boronia District Girl Guides	\$ 2,750.00	Community Grants - 2017/18
Kingston Beach Golf Club	\$ 2,727.27	Community Grants - 2017/18
Kingborough Community Enterprise Centre	\$ 2,727.27	Community Grants - 2017/18
Kingborough Lions United Football Club	\$ 2,727.27	Community Grants - 2017/18
Derwent Estuary Program	\$ 2,250.00	Community Grants - 2017/18
Multiple Sclerosis Ltd	\$ 2,227.00	Community Grants - 2017/18
Woodbridge School	\$ 2,000.00	Community Grants - 2017/18
Kingborough Gymnastics Association	\$ 2,000.00	Community Grants - 2017/18
Kugatsu Judo Club	\$ 2,000.00	Community Grants - 2017/18
Wildcare Inc	\$ 1,820.00	Community Grants - 2017/18
Bruny Island SES Unit	\$ 1,300.00	Community Grants - 2017/18
West Winds Community Association	\$ 1,230.00	Community Grants - 2017/18
Taroona Volunteer Fire Brigade	\$ 1,200.00	Community Grants - 2017/18
Dementia Friendly Tasmania	\$ 875.00	Community Grants - 2017/18
Taroona Tennis Club	\$ 500.00	Contribution - lighting upgrade
Kingston Croquet Club	\$ 500.00	Contribution - Croquet Tournament
Beehive Playcentre	\$ 409.09	Community Grants - 2017/18
Bruny Island Primary Industry Carnival Account	\$ 400.00	Contribution - Easter Carnival
Kingborough Community Garden & Shed Inc	\$ 387.00	Community Grants - 2017/18
Lions Club of Kingborough Inc	\$ 350.00	Anzac Day Sports Contribution
Bruny Island Library Committee	\$ 350.00	Telephone Operating Costs
Sharing Tree	\$ 229.15	Contribution towards costs
Mr Chris Hay	\$ 200.00	Contribution - Cricket Tour to Sri Lanka
Amber French	\$ 200.00	Contribution - Trans Tasman & New Zealand National Trampolining Championships
Matthew French	\$ 200.00	Contribution - Trans Tasman & New Zealand National Trampolining Championships
Ruby Smee	\$ 200.00	Contribution - World School Sports Cross Country Championships (France)
Askamute Pty Ltd	\$ 145.45	Community Grants - 2017/18
Rob Sheers	\$ 110.20	Contribution - Bike Treasure Hunt
Miss Hannah Sheers	\$ 100.00	Contribution - 2018 Pizzey Cup National Tennis Championships
Bec Kovacic	\$ 100.00	Contribution - Australian All Schools Athletic Championships

NAME	AMOUNT	DESCRIPTION
Riley Griggs	\$ 100.00	Contribution - Australian Little Athletics Championships
Olivia McHugh	\$ 100.00	Contribution – Australian Made Foundation Tennis Cup
Luke Wells	\$ 100.00	Contribution - Australasian Scooter Championships
Martyn Szoke	\$ 100.00	Contribution - Interstate Sporting Competition
Aaron Schwesinger	\$ 100.00	Contribution - National Indoor Cricket Competition 2017
Bradley Grimsey	\$ 100.00	Contribution - National Indoor Cricket Competition 2017
Cameron Wheatley	\$ 100.00	Contribution - National Indoor Cricket Competition 2017
Daniel Schofield	\$ 100.00	Contribution - National Indoor Cricket Competition 2017
Josh Oliver	\$ 100.00	Contribution - National Indoor Cricket Competition 2017
Morgan McGuire	\$ 100.00	Contribution - National Indoor Cricket Competition 2017
Rowan Shelton	\$ 100.00	Contribution - National Indoor Cricket Competition 2017
Sam Oliver	\$ 100.00	Contribution - National Indoor Cricket Competition 2017
Tim Schofield	\$ 100.00	Contribution - National Indoor Cricket Competition 2017
Miss Taya Stevenson	\$ 100.00	Contribution - National Basketball Competition
Flynn Caro	\$ 100.00	Contribution - National Clubs Carnival
Dillon Dickson-Jaques	\$ 100.00	Contribution – 2018 Australian Junior Athletics Championships
Timothy Lattimore	\$ 100.00	Contribution - National Student Leadership Forum
Ruby Smee	\$ 100.00	Contribution - National Track & Field Championships (Sydney)
Lola De Kramer	\$ 100.00	Contribution - Tasmanian U/15 Girls State Hockey
Anika De Kramer	\$ 100.00	Contribution - Tasmanian U/18 Womens State Hockey
Finn Stevenson	\$ 100.00	Contribution - U/14 Ruby
Blackmans Bay Primary School	\$ 100.00	School Citizenship Award 2017
Bruny Island District School	\$ 100.00	School Citizenship Award 2017
Calvin Christian School	\$ 100.00	School Citizenship Award 2017
Calvin Christian School	\$ 100.00	School Citizenship Award 2017
Channel Christian School	\$ 100.00	School Citizenship Award 2017
Illawarra Primary School	\$ 100.00	School Citizenship Award 2017
Kingston High School	\$ 100.00	School Citizenship Award 2017
Kingston Primary School	\$ 100.00	School Citizenship Award 2017
Margate Primary School	\$ 100.00	School Citizenship Award 2017
Snug Primary School	\$ 100.00	School Citizenship Award 2017
Southern Christian College	\$ 100.00	School Citizenship Award 2017
St Aloysius Catholic College	\$ 100.00	School Citizenship Award 2017
St Aloysius Catholic College	\$ 100.00	School Citizenship Award 2017
Taroona High School	\$ 100.00	School Citizenship Award 2017
Taroona Primary School	\$ 100.00	School Citizenship Award 2017
Woodbridge School	\$ 100.00	School Citizenship Award 2017

\$ 177,279.90

3.10 PUBLIC INTEREST DISCLOSURES

The *Public Interest Disclosures Act 2002* provides a mechanism to manage and regulate disclosures made to and against a public body in the public interest. It also protects those who make bona fide disclosures.

In compliance with the Act, Council has a policy and procedures to deal with such disclosures which may be obtained from Council's website www.kingborough.tas.gov.au or at the Civic Centre. Pursuant to the requirements of Section 86 of the *Public Interest Disclosures Act 2002*, Council provides the following information relating to actions taken under the Act during the 2016/17 financial year.

Section of PID Act	Disclosure Requirement	Reportable matters
86(b)	Number and types of disclosures made to the public body during the year and the number of those disclosures that the public body determines to be public interest disclosures.	Nil
86(c)	Number of disclosures determined by the public body to be public interest disclosures that it investigated during the year.	Nil
86(d)	Number and types of disclosed matters referred to the public body during the year by the Ombudsman.	Nil
86(e)	Number and types of disclosed matters referred during the year by the public body to the Ombudsman to investigate.	Nil
86(f)	Number and types of investigations of disclosed matters taken over by the Ombudsman from the public body during the year.	Nil
86(g)	Number and types of disclosed matters that the public body has decided not to investigate during the year.	Nil
86(h)	Number and types of disclosed matters that were substantiated on investigation and the action taken on completion of the investigations.	Nil
86(i)	Any recommendations of the Ombudsman under this Act that relate to the public body.	Nil

4. FINANCIAL RESULTS FOR THE YEAR – ANALYSIS OF ANNUAL FINANCIAL REPORT

The Annual Financial Report for 30 June 2018 is attached as an Appendix to the Annual Report.

The Financial Report meets the requirements of the *Local Government Act 1993* and Australian Accounting Standards, and has been audited by the Tasmanian Audit Office.

When evaluating the financial performance of the Council, it's important to distinguish between recurring income and expenditure versus capital income and expenditure, to get a true picture of the underlying financial performance.

The Statement of Comprehensive Income shows a net surplus for 2017/18 of \$9.4 million, before other comprehensive income adjustments. If capital and non-recurring income and expenses of \$9.0 million are eliminated, the underlying financial performance is a surplus of \$0.4 million.

The results for the previous year 2016/17 show a deficit of \$0.9 million based on the underlying financial performance.

The improved financial performance highlights the benefits of sticking to the Long Term Financial Plan (LTFP) which has resulted in an underlying surplus for 2017/18 while charging one of the lowest levels of rates amongst the large Councils in the state. In June 2018, Council adopted an updated Long Term Financial Plan (LTFP) and a Long Term Asset Management Plan (LTAMP). The LTFP covers a 10-year planning horizon from 2016/17 to 2025/26, and is an important part of Council's overall financial management framework. The LTFP and LTAMP will be updated in 2019.

The LTFP aims to improve Council's overall financial sustainability into the future. The key principles underpinning the LTFP are:

- maintaining a fair and equitable rating structure;
- maintaining current service levels;
- continuous improvement in Council's financial performance, so as to achieve operating surpluses;
- progressively increasing funding for asset maintenance and renewal; and
- continuous improvement in Council's financial position.

The LTFP and LTAMP can be downloaded from Council's websitor obtained from the Civic Centre.

The Statement of Financial Position at 30 June 2018 shows an increase in total assets from \$606.3 million to \$637.0 million. This increase was primarily due to the revaluation of the Council's infrastructure assets, as well as new capital expenditure, which increased assets by \$27.2 million.

The Statement of Cash Flows shows a cash increase of \$0.6 million during 2017/18 increasing cash to \$10.2 million.

The cash from operating activities was \$2.8 million greater than the previous year, while cash outflows from investment activities was \$6.6 million greater than 2016/17 and the level of capital grants was \$0.4 million below last year. Loan funds of \$2.7 million were received in June 2018 to fund the capital expenditure at the Kingston Park.

APPENDIX I: ANNUAL FINANCIAL REPORT



Independent Auditor's Report

To the Councillors of Kingborough Council

Report on the Audit of the Consolidated Financial Report

Opinion

I have audited the financial report of Kingborough Council (Council) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2018 and consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification by the General Manager.

In my opinion, the accompanying financial report:

- (a) presents fairly, in all material respects, the Group's financial position as at 30 June 2018 and its financial performance and its cash flows for the year then ended
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards.

Basis for Opinion

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

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

My audit responsibility does not extend to the budget figures included in the consolidated statement of comprehensive income, the asset renewal funding ratio disclosed in note 43, nor the Significant Business Activities disclosed in note 42 to the financial report and accordingly, I express no opinion on them.

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

Responsibilities of the General Manager for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Group audit. I remain solely responsible for my audit opinion.

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



Stephen Morrison
Assistant Auditor-General
Delegate of the Auditor-General

Tasmanian Audit Office

28 September 2018
Hobart

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Kingborough

KINGBOROUGH COUNCIL

ANNUAL FINANCIAL REPORT

For the Year Ended 30 June 2018



kingborough.tas.gov.au

Certification of the Consolidated Financial Report For the Year Ended 30 June 2018

The consolidated financial report presents fairly the financial position of the Kingborough Council as at 30 June 2018, the results of its operations for the year then ended and the cash flows of the Council, in accordance with the *Local Government Act 1993* (as amended), Australian Accounting Standards (including interpretations) and other authoritative pronouncements issued by the Australian Accounting Standards Board.



Tony Ferrier
Acting General Manager

28-Sep-18

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Consolidated Statement of Comprehensive Income For the Year Ended 30 June 2018

		Budget	Actual	Restated*
	Note	2018	2018	Actual
		\$'000	\$'000	2017
				\$'000
Income from continuing operations				
Recurrent Income				
Rates and fire levies	3	26,548	26,758	25,310
Statutory fees and fines	4	1,629	1,784	1,790
User fees	5	2,472	2,745	2,449
Grants - operating	6(a)	3,917	3,504	4,820
Contributions - cash	7(a)	603	791	844
Interest	8	144	220	192
Other income	9	1,931	2,497	2,114
Investment revenue from Water Corporation	10	1,848	1,848	1,848
		39,092	40,147	39,367
Capital Income				
Capital grants received specifically for new or upgraded assets	6(b)	800	1,417	1,854
Contributions - non-monetary assets	7(b)	200	7,963	2,710
Initial recognition of infrastructure assets	7(c)	-	69	-
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	11(a)	-	74	(103)
Carrying amount of assets retired	11(b)	(600)	(1,157)	(1,040)
Share of net profits/(losses) of investment in associate	17	-	117	192
Total income from continuing operations		39,492	48,630	42,980
Expenses from continuing operations				
Employee benefits	12	(14,940)	(14,961)	(14,646)
Materials and services	13	(9,162)	(9,218)	(9,182)
Depreciation and amortisation	14(a)	(9,544)	(9,683)	(9,213)
Finance costs	14(b)	(240)	-	-
Other expenses	15(a)	(3,755)	(3,860)	(4,015)
Fire levies	15(b)	(1,485)	(1,527)	(1,437)
Total expenses from continuing operations		(39,126)	(39,249)	(38,492)
Net surplus / (deficit)	16	366	9,381	4,488
Other comprehensive income				
Items that will not be reclassified to surplus or deficit				
Fair value adjustment to investment in Water Corporation	18	-	1,216	610
Net asset revaluation increment (decrement)	28	-	14,550	27,934
Comprehensive result		366	25,147	33,032

The above statement should be read in conjunction with the accompanying notes.

* - Certain numbers shown do not correspond to the 2016-17 Financial Statements.

For details regarding the restated balances, please refer to Note 46.

Consolidated Statement of Financial Position As at 30 June 2018

	Note	2018 \$'000	Restated* 2017 \$'000
Assets			
Current assets			
Cash and cash equivalents	19	10,194	9,571
Trade and other receivables	20	2,020	830
Other assets	21	24	69
Total current assets		12,239	10,470
Non-current assets			
Investment in associates	17	1,461	1,024
Investment in Water Corporation	18	94,892	93,676
Trade and other receivables	20	379	375
Property, infrastructure, plant and equipment	22	527,867	500,624
Intangible assets	23	120	164
Total non-current assets		624,718	595,863
Total assets		636,956	606,333
Liabilities			
Current liabilities			
Trade and other payables	24	5,321	3,228
Trust funds and deposits	25	1,873	1,418
Provisions	26	2,209	1,905
Total current liabilities		9,403	6,551
Non-current liabilities			
Provisions	26	581	729
Interest-bearing loans and borrowings	27	2,700	-
Total non-current liabilities		3,281	729
Total liabilities		12,684	7,280
Net Assets		624,273	599,053
Equity			
Accumulated surplus		263,599	258,953
Reserves	28	360,674	340,100
Total Equity		624,273	599,053

The above statement should be read in conjunction with the accompanying notes.

* - Certain numbers shown do not correspond to the 2016-17 Financial Statements.

For details regarding the restated balances, please refer to Note 46.

Consolidated Statement of Cash Flows For the Year Ended 30 June 2018

		2018 Inflows/ (Outflows) \$'000	2017 Inflows/ (Outflows) \$'000
	Note		
Cash flows from operating activities			
Rates and fire levies		26,504	25,217
Statutory fees and fines		1,784	1,790
User fees		2,745	2,449
Grants		3,504	4,820
Other cash inflows, incl. reimbursements		1,575	2,879
Investment revenue from Water Corporation		1,848	1,848
Interest		220	192
Payments to suppliers		(10,534)	(14,381)
Payments to employees		(14,820)	(14,896)
Payments of fire levies		(1,527)	(1,437)
Net cash provided by operating activities	29	11,299	8,481
Cash flows from investing activities			
Proceeds from sale of property, infrastructure, plant and equipment		1,114	269
Investment in associates		(320)	-
Developer contributions		791	844
Payments for property, infrastructure, plant and equipment		(16,383)	(9,319)
Net cash used in investing activities		(14,798)	(8,206)
Cash flows from financing activities			
(Advances) repayments for community organisation loans		-	34
Proceeds from interest bearing loans and borrowings		2,700	-
Capital grants		1,417	1,854
Net cash provided by financing activities		4,117	1,888
Net increase (decrease) in cash and cash equivalents		619	2,164
Cash and cash equivalents at the beginning of the financial year		9,571	7,407
Cash and cash equivalents at the end of the financial year	19	10,190	9,571
Financing arrangements	31		
Restrictions on cash assets	19		

The above statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity **For the Year Ended 30 June 2018**

			Accumulated	Asset	Fair Value	Other
	Note	Total	Surplus	Revaluation	Reserve	Reserves
2018		2018	2018	2018	2018	2018
		\$'000	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year		599,054	258,953	349,556	(18,056)	8,601
Surplus / (deficit) for the year		9,381	9,381	-	-	-
Other Comprehensive Income:						
Fair value adjustments for financial assets at fair value		-	-	-	-	-
Net asset revaluation increment(decrement)	28	14,550	-	14,550	-	-
Fair value adjustment to investment in TasWater	18	1,216	-	-	1,216	-
Transfers between reserves and accumulated surplus		-	(4,808)	-	-	4,808
Retained equity in subsidiary		73	73	-	-	-
Balance at the end of the financial year		624,273	263,599	364,106	(16,840)	13,409

			Accumulated	Asset	Fair Value	Other
		Total	Surplus	Revaluation	Reserve	Reserves
Restated*		2017	2017	2017	2017	2017
2017		\$'000	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year		566,712	255,876	321,621	(18,666)	7,881
Adjustment due to prior period error	46	(771)	(771)	-	-	-
Adjusted balance at beginning of the financial year		565,941	255,105	321,621	(18,666)	7,881
Surplus / (deficit) for the year		4,488	4,488	-	-	-
Other Comprehensive Income:						
Fair value adjustments for financial assets at fair value		-	-	-	-	-
Net asset revaluation increment(decrement)	28	27,934	-	27,934	-	-
Fair value adjustment to investment in TasWater	18	610	-	-	610	-
Transfers between reserves and accumulated surplus		-	(720)	-	-	720
Retained equity in subsidiary	32	80	80	-	-	-
Balance at the end of the financial year		599,053	258,953	349,556	(18,056)	8,601

The above statement should be read in conjunction with the accompanying notes.

* Certain numbers shown do not correspond to the 2016-17 Financial Statements.

For details regarding the restated balances, please refer to Note 46.

Notes to the Financial Report For the Year Ended 30 June 2018

Note 1 Overview

(a) Reporting Entity

- (i) The Kingborough Council was established in 1908 by an Order of the Governor in Council and is a body corporate with perpetual succession and a common seal. Council's main office is located at 15 Channel Highway, Kingston.
- (ii) The functions of Council in accordance with the *Local Government Act 1993* are to:
 - provide for the health, safety and welfare of the community;
 - to represent and promote the interests of the community;
 - provide for the peace, order and good governance in the municipal area.

(b) Basis of accounting

This financial report is a general purpose financial report that consists of a Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Local Government Act 1993 (LGA1993)* (as amended). 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.

This financial report has been prepared on the accrual and going concern basis.

All amounts are presented in Australian dollars and unless stated, have been rounded to the nearest thousand dollars.

This financial report has been prepared under the historical cost convention, except where specifically stated.

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives (Note 46).

All entities controlled by Council that have material assets or liabilities, such as Special Committees of Management and material subsidiaries and joint ventures, have been included in this financial report. All transactions between these entities and Council have been eliminated in full. Details of entities not included in this financial report based on their materiality are detailed in note 40.

Consolidation

The financial report has been prepared as a consolidated report to include all the external transactions for Kingborough Waste Services Pty Ltd. Full provision to accommodate AASB 10 Consolidated Financial Statements has not been applied due to immateriality.

Judgements and Assumptions

In the application of Australian Accounting Standards, Council is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The 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.

Council has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. Judgements made by Council that have significant effects on the Financial Report are disclosed in the relevant notes as follows:

Employee entitlements

Assumptions are utilised in the determination of Council's employee entitlement provisions. These assumptions are discussed in note 12 and note 26.

Defined benefit superannuation fund obligations

Actuarial assumptions are utilised in the determination of Council's defined benefit superannuation fund obligations. These assumptions are discussed in note 33.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

Note 1 Overview

(b) Basis of accounting (con't)

Fair value of property, infrastructure, plant & equipment

Assumptions and judgements are utilised in determining the fair value of Council's property, plant and equipment including useful lives and depreciation rates. These assumptions are discussed in notes 14 (a) and in note 22.

Investment in water corporation

Assumptions utilised in the determination of Council's valuation of its investment in TasWater are discussed in note 10 and in note 18.

Landfill / Tip Rehabilitation

Assumptions and judgements are utilised in determining the close down and rehabilitation costs that are incurred after operations have ceased. A requirement of the cessation of operations of a landfill facility is to undertake a rehabilitation of the site. The rehabilitation of the site is completed and no provision has been set aside at 30 June 2018. The detail is in note 26.

Notes to the Financial Report For the Year Ended 30 June 2018

Note 2 Functions/Activities of the Council

(a) Revenues, expenses and assets have been attributed to the following functions. Details of those functions are set out in Note 2(b).

2018	Governance and Administration \$'000	Transport \$'000	Public Services \$'000	Community Amenities \$'000	Recreation & Culture \$'000	Health \$'000	Welfare \$'000	Other Not Attributed \$'000	Total \$'000
REVENUES									
Rates & Levies	0	0	1,528	3,188	0	0	0	22,042	26,758
Grants & Subsidies	2,279	1,494	0	0	46	317	851	0	4,990
Other	12,811	0	445	1,249	1,239	131	204	803	16,882
Total	15,090	1,494	1,973	4,437	1,285	448	1,055	22,846	48,631
EXPENSES									
	10,175	10,458	1,185	6,124	6,034	1,721	1,770	1,782	39,249
Net Result	4,915	(8,964)	788	(1,687)	(4,749)	(1,273)	(715)	21,064	9,383
ASSETS	5,591	254,867	92	75,152	26,378	0	60	274,865	637,006
2017	Governance and Administration \$'000	Transport \$'000	Public Services \$'000	Community Amenities \$'000	Recreation & Culture \$'000	Health \$'000	Welfare \$'000	Other Not Attributed \$'000	Total \$'000
REVENUES									
Rates & Levies	0	0	1,441	3,008	0	0	0	20,861	25,310
Grants & Subsidies	3,183	1,854	0	0	0	24	1,610	0	6,674
Other	896	530	320	1,058	958	295	302	7,237	11,596
Total	4,079	2,384	1,761	4,066	958	319	1,912	28,098	43,580
EXPENSES									
	6,968	4,082	2,237	11,719	6,794	569	2,601	4,567	39,537
Net Result	(2,889)	(1,698)	(477)	(7,653)	(5,836)	(250)	(689)	23,531	4,045
ASSETS	5,194	241,878	92	69,339	19,542	0	60	271,713	607,818

Notes to the Financial Report For the Year Ended 30 June 2018

Note 2 Functions/Activities of Council (*continued*)

(b) The activities of Council are categorised into the following broad functions:

Governance and Administration

Operation and maintenance of the Civic Centre, corporate services, governance, and the servicing of Council and Council Committee meetings.

Transport

Maintenance and cleaning of roads, bridges, nature-strips, footpaths, street lighting, boat ramps and jetties.

Public Services

Fire abatement, animal control and emergency services.

Community Amenities

Collection and disposal of refuse, maintenance of the stormwater drainage system, development planning and control, building services, public cemeteries, and the provision and maintenance of facilities.

Recreation & Culture

Operation and maintenance of public halls, natural reserves, sporting facilities, horse trails and walking track and operations of the Kingborough Sports Centre.

Environmental Health

Environmental and community health activities including food control and immunisation services.

Environmental management including strategies and programs for the protection of the environment.

Welfare

Co-ordination of the Family Day Care Scheme, the Manor Gardens Day Respite Centre, youth work and community projects.

Other Not Attributed

General Rate and General Purpose Grants not attributed to specific functions.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

	2018 \$'000	2017 \$'000
Note 3 Rates and fire levies		
Council uses Capital Value (CV) as the basis of valuation of all properties in the municipality.		
An assessed capital valuation is an assessment of the property value, at a specific date and in accordance with legislation. The Valuer-General determines the CV under the <i>Valuation of Land Act 2001</i> .		
General rate	22,043	20,861
Stormwater Rate	1,011	960
Garbage charge	2,177	2,048
Total rates	25,230	23,869
Volunteer brigade fire district service levy	841	790
Permanent brigade fire district service levy	389	366
General land fire service levy	298	284
Total fire levies	1,528	1,441
Total rates and fire levies	26,758	25,310

The date of the latest general revaluation of land for rating purposes within the municipality was 1 July 2014, and the valuation was first applied in the rating year commencing 1 July 2015.

Accounting Policy

Rates and charges income

Rates Income is recognised as revenues when Council obtains control over the assets comprising these receipts.

Control over assets acquired from rates is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

A provision for impairment on rates has not been established as unpaid rates represents a charge against the rateable property that will be recovered when the property is next sold.

Note 4 Statutory fees and fines

Dog registration fees & fines	331	320
Building & plumbing fees	475	483
Property & rating certificates	291	315
Planning & subdivision fees	490	508
Health fees & licenses	104	107
Recovered legal & collection costs	93	57
Total statutory fees and fines	1,784	1,790

Accounting Policy

Statutory fees and fine income

Fines and fees are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

A provision for impairment is recognised when collection in full is no longer probable.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

	2018	2017
	\$'000	\$'000
Note 5 User fees		
Revenues from Kingborough Sports Centre	963	888
Waste disposal charges	1,187	1,085
Rentals & hiring fees	216	242
Family Day Care	61	172
Other charges	318	63
Total user fees	2,745	2,449

Ageing analysis of contract receivables

Refer to note 36 for the ageing analysis of contract receivable.

Accounting Policy

User fees income

User fees income is recognised as revenue when the service has been provided, the payment is received, whichever first occurs. A provision for impairment is recognised when collection in full is no longer probable.

Note 6 Grants

Grants were received in respect of the following:

(a) Grants - Recurrent

State Grants Commission	2,204	3,183
Family Day Care Scheme	376	1,118
Manor Gardens Day Care Centre	462	480
Bruny Island Cat Management	187	-
Regional Cat Management	120	-
Bruny Island Liveability Study	25	-
Bruny Island Destinations Action Plan	50	-
Community Development	4	-
Community Connections	10	-
Bushfire Risk Modelling	20	-
Empowering Seniors	21	-
Sports Grounds Feasibility Study	25	-
Sports Centre School Holiday Program	-	12
Arts	-	9
Community Services	-	18
Total recurrent grants	3,504	4,820

The Australian Commonwealth Government provides Financial Assistance Grants to Council for general purpose use and the provision of local roads. The Government decided to bring forward for payment to all councils in June 2018, the first two instalments of the 2018-19 grant pool. In accordance with AASB1004 Contributions, Council recognises these grants as revenue when it receives the funds and obtains control. The effects of the early receipt of instalments has resulted in Commonwealth Government Financial Assistance Grants being above the originally budgeted in 2017-18 by \$1.109 million. This was offset by the early payment of \$1.049 million in 2017/18 grant funds in June 2017. The impact on the Statement of Comprehensive Income resulting in the Net surplus/(deficit) from continuing operations being higher by \$60,000.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

	2018	2017
	\$'000	\$'000
(b) Capital grants received specifically for new or upgraded assets		
Commonwealth 'Roads to Recovery' Fund	794	1,420
Kingston Beach Oval Cricket Net Replacement	49	-
Community Support Grant	-	85
KSC LED Light Upgrade	45	-
Snug to Margate Trail	90	300
Community Hub	219	-
Lightwood Park Soccer Ground	209	-
Kingston Beach Oval Gymnasium	10	-
Kingston Beach Hall	-	49
Total capital grants	1,417	1,854
Total Grants	4,921	6,674
Conditions on Grants		
Grants recognised as revenue during the year that were obtained on condition that they be expended in a specified manner that had not occurred at balance date were:		
Regional Cat Management	116	-
Community Connections	6	-
Empowering Seniors	19	-
Sports Grounds Feasibility Study	25	-
Maker Space Program	-	13
Bruny Destinations Action Plan	38	50
Lightwood Park Soccer Hub Feasibility Study	-	15
Dru Point Master Plan	-	25
Total	204	103
Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:		
Maker Space Program	13	-
Bruny Destinations Action Plan	12	-
Lightwood Park Soccer Hub Feasibility Study	15	-
Dru Point Master Plan	25	-
Coastcare	-	3
Penguin Colonies Community Action	-	5
Youth Enterprise Scheme	-	4
Hospitality Program	-	17
Stronger Communities	-	12
Emergency Management (CAT Trial)	-	8
Planning for Healthy Communities	-	5
Community Based Wildlife	-	2
Youth Enterprise Scheme	-	4
Family Day Care	-	27
	65	87

*Note that debit balances may arise as a result of amounts paid prior to the receipt of grant funds.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

	2018 \$'000	2017 \$'000
Accounting Policy		
Grant income - operating and capital		
Grant income is recognised as revenue when Council obtains control over the assets comprising the receipt.		
Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.		
Where grants recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant is also disclosed. The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.		
A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at balance date and conditions include a requirement to refund unused contributions. Revenue is then recognised as the various performance obligations under an agreement are fulfilled. Council does not currently have any reciprocal grants.		
Unreceived contributions over which Council has control are recognised as receivables.		

Note 7 Contributions

(a) Cash

Capital works projects	229	93
Payments in lieu of Public Open Space	230	159
Tree Preservation	158	305
Manor Gardens Club	120	81
Family Day Care Service	3	14
Natural resource management	2	192
Engineering	15	-
KSC Stadium	1	-
Twin Ovals Precinct	33	-
Total	791	844

(b) Non-monetary assets

Roads & footpaths	6,634	1,809
Stormwater piping	1,329	901
Total	7,963	2,710
Total contributions	8,754	3,554

(c) Non-monetary assets

Initial recognition of infrastructure assets	69	-
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**Notes to the Financial Report
For the Year Ended 30 June 2018**

	2018	2017
	\$'000	\$'000

Accounting policy

Contribution income

Revenue is recognised when Council obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to Council and the amount of the contribution can be measured reliably. Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

Where contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused contribution is also disclosed. The note also discloses the amount of unused contribution from prior years that was expended on Council's operations during the current year.

Unreceived contributions over which Council has control are recognised as receivables.

Non-monetary contributions (including developer contributions) with a value in excess of the recognition thresholds, are recognised as revenue and as non-current assets.

Note 8

Interest

Interest on financial assets	220	192
Total	220	192

Accounting policy

Interest income

Interest is recognised progressively as it is earned.

Note 9

Other income

Charges for external works	481	556
Refund of motor tax	217	191
Other revenues	676	315
Pensioner Rate Remissions (State Government)	1,124	1,053
Total other income	2,497	2,114

Accounting policy

Charges for external works

Income from external works is recorded as revenue once the external works have been completed and payment is due or received.

Other income

Income from other revenue sources is recorded as revenue on the receipt of funds.

Operating leases as lessor

Council is a lessor and enters into agreements with a number of lessees. These include commercial and non-commercial agreements.

Where leases are non-commercial agreements, these are generally with not for profit, such as sporting, organisations. In these cases subsidised or peppercorn rents are charged because Council recognises part of its role is community service and community support. In these situations, Council records lease revenue on an accruals basis and records the associated properties as part of land and buildings within property, plant and equipment. Buildings are recognised at depreciated replacement cost.

Where leases are commercial agreements, but properties leased are part of properties predominantly used by Council for its own purposes, Council records lease revenue on an accruals basis and records the associated properties as part of land and buildings within property, plant and equipment. Buildings are recognised at depreciated replacement cost.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

	2018	2017
	\$'000	\$'000
Note 10 Investment revenue from water corporation		
Dividend revenue	1,140	1,198
Guarantee fee	163	93
Taxation equivalent	545	557
Total investment revenue from water corporation	1,848	1,848

Accounting policy

Investment revenue

Dividends and other investment revenue is recognised when Council's right to receive payment is established.

Note 11 Net gain/(loss) on disposal of property, infrastructure, plant and equipment

(a) Proceeds of sale:

Plant & vehicles	359	258
Land	755	11
Total	1,114	269

Written down value of assets disposed

Plant & vehicles	188	140
Land	852	231
Computers	-	1
Total	1,040	372

Net Gain (Loss)	74	(103)
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(b) Carrying amount of assets retired

Land	-	(17)
Road pavements	(1,157)	(401)
Stormwater drainage	-	(164)
Buildings	-	(55)
Total	(1,157)	(637)

Accounting policy

Gains and losses on asset disposals

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

Note 12 Employee benefits

Wages and salaries	12,821	12,133
Workers compensation	324	297
Annual leave and long service leave	267	274
Superannuation	1,507	1,421
Payroll Tax	862	828
Other	44	41
Total	15,825	14,995

Less: Capitalised amounts	(864)	(349)
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Total employee benefits	14,961	14,646
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**Notes to the Financial Report
For the Year Ended 30 June 2018**

	2018	2017
	\$'000	\$'000
Accounting policy		
Employee benefits		
Expenses are recognised in the Consolidated Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.		
Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.		
The Employee benefits capitalised shows the amount of salary and wages included in capital projects.		

Note 13 Materials and services

Building maintenance	114	183
Child care payments	292	1,000
Consultants	228	193
Contract and materials	6,484	5,233
Fuel and oil	326	301
IT consumables	307	415
Plant and vehicles maintenance	228	716
Utilities	1,239	1,140
Total materials and services	9,218	9,182

Accounting policy		
Materials and services expense		
Expenses are recognised in the Consolidated Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.		
Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.		

Note 14(a) Depreciation and amortisation

Roads and Bridges	6,397	6,099
Stormwater	1,008	946
Buildings	932	917
Plant, Machinery and Equipment	791	767
Minor Infrastructure	402	350
Fixtures, Fittings, Furniture, and Computers	29	27
Computers and telecommunications	80	75
Total depreciation	9,639	9,181
Intangible assets		
Intangible assets	44	32
Total depreciation and amortisation	9,683	9,213

**Notes to the Financial Report
For the Year Ended 30 June 2018**

	2018 \$'000	2017 \$'000
Accounting policy		
Depreciation and amortisation expense		
Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.		
Buildings, plant and equipment, infrastructure and other assets having limited useful lives are systematically depreciated over their useful lives to Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.		
Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and remaining values and a separate depreciation rate is determined for each component.		
Land assets are not depreciated on the basis that they are assessed as not having a limited useful life.		
Straight line depreciation is charged based on the residual useful life as determined each year.		
During 2016/17 Council componentised its drainage assets. This resulted in the drainage assets being split into the components of pits and pipes. The impact on depreciation of this change was not material.		
Major depreciation periods used are listed below:		
		Period
Buildings		
buildings		15 - 100 years
Plant and Equipment		
plant, machinery and equipment		8 - 10 years
fixtures, fittings and furniture		8 - 15 years
computers and telecommunications		4 - 5 years
Roads		
road pavements and seals		10 - 30 years
road substructure		50 - 100 years
road formation and earthworks		200 years
road kerb, channel and minor culverts		80 years
Bridges		
timber		30 years
bridges concrete and steel		100 years
Stormwater		
pits		100 years
pipes		100 years
Other Infrastructure		
footpaths		80 years
recreational, leisure and community facilities		20 - 40 years
parks, open space and streetscapes		20 - 40 years
off street car parks		20 - 30 years
Intangible assets		
intangible assets		5 - 10 years

**Notes to the Financial Report
For the Year Ended 30 June 2018**

	2018	2017
	\$'000	\$'000
Note 14(b) Finance Costs		
Interest - Borrowings	3	-
Total	3	-
Less capitalised borrowings on qualifying assets	3	-
Total finance costs	-	-
Rate used to capitalise finance costs	3.43%	

Accounting policy

Finance expense

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

Finance costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised. Borrowing costs capitalised during the period totalled \$2,791.

Borrowing costs include interest on bank overdrafts, interest on borrowings, unwinding of discounts, and finance lease charges.

Note 15 Other expenses and Levies to State Government

(a) Other expenses

Councillors Allowances & Expenses (refer Note 39)	421	414
Land Tax	238	230
Liability and Property Insurance	350	334
Rate Remissions	26	53
Government funded rate remissions	1,087	1,007
Legal Fees	167	198
Tourism	56	56
Valuation Fees	90	56
Advertising & Marketing	114	63
Bank Charges	81	75
Subscriptions	92	110
Postage	89	85
Other expenses	1,048	1,334
Total other expenses	3,860	4,015

(b) Levies to State Government

Tasmanian Fire Service Contribution	1,527	1,437
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Accounting policy

Other expenses

Expenses are recognised in the Consolidated Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

	2018 \$'000	2017 \$'000
Note 16 Underlying result		
Council's underlying result for the period is calculated by excluding items included in the operating surplus (deficit) which are either capital in nature, non-recurring, or the result of contributions received in advance.		
Surplus / (Deficit)	9,381	4,488
<i>exclude</i>		
Capital grants	(1,417)	(1,854)
Contributions - non-monetary assets	(7,963)	(2,710)
Initial recognition of infrastructure assets	(69)	-
Write-down in the carrying amount of assets retired for land	-	231
Storm Damage	541	-
<i>Grant received in advance</i>		
Grants paid in 2016/17 relating to 2017/18	1,049	(1,049)
Grants paid in 2017/18 relating to 2018/19	(1,109)	-
Underlying Surplus (Deficit)	413	(894)
Note 17 Investment in associates		
Investments in associates accounted for by the equity method are:		
Copping Refuse Disposal Site Joint Authority (CRDSJA) - 20%	1,163	1,024
Investment in Copping C-Cell Pty Ltd as Trustee (Trust) - 8%	298	-
Total	1,461	1,024
<i>Background</i>		
Council has a 20% ownership interest in the Authority, being a landfill refuse disposal facility.		
During 2017/18 Council invested \$320,008 in Copping C-Cell Pty Ltd to purchase an 8% ownership interest.		
Summarised financial information on CRDSJA:		
Current assets	4,346	3,790
Non-current assets	13,448	11,488
Total assets	17,794	15,278
Current liabilities	(2,987)	(3,534)
Non-current liabilities	(7,504)	(5,106)
Total liabilities	(10,491)	(8,640)
Net Assets	7,303	6,638
Minority Interests	(1,493)	(1,567)
Equity Attributable to Owners	5,810	5,071
Share of associates' net assets	1,162	1,014
Total Income	7,395	6,689
Net result	484	666
Share of associates' result after tax	97	140
Additional equity injection	20	258
Share of associates' additional equity	21	52
Total adjustment in Statement of Comprehensive Income	139	192

**Notes to the Financial Report
For the Year Ended 30 June 2018**

	2018 \$'000	2017 \$'000
Note 17 Investment in associates (cont.)		
Summarised financial information on the Trust:		
Current assets	234	-
Non-current assets	6,712	-
Total assets	6,946	-
Current liabilities	(70)	-
Non-current liabilities	(3,146)	-
Total liabilities	(3,216)	-
Net Assets	3,730	-
Share of associates' net assets	298	-
 Total Income	 -	 -
Net result	(185)	-
Share of associates' result after tax	(15)	-
Additional equity injection	-	-
Share of associates' previous loss	(7)	-
Total adjustment in Statement of Comprehensive Income	(22)	-

Accounting policy

Accounting for investments in associates

Council's investment in associates is accounted for by the equity method as Council has the ability to influence rather than control the operations of the entities. The investment is initially recorded at the cost of acquisition and adjusted thereafter for post-acquisition changes in Council's share of the net assets of the entities. Council's share of the financial result of the entities is recognised in the Consolidated Statement of Comprehensive Income.

Note 18 Investment in water corporation

Opening Balance	93,676	93,066
Change in fair value of investment	1,216	610
Total investment in water corporation	94,892	93,676

Council's investment in TasWater at 30 June 2018 has increased due to an increase in the value of TasWater assets.

Council has derived returns from the water corporation as disclosed at note 10.

Council does not have significant influence to allow it to use the equity method to account for this interest.

Accounting policy

Investment assets

Council's investment in TasWater is valued at its fair value at balance date. Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date. At 30 June 2018, Council held a 5.91% (2017: 5.91%) ownership interest in TasWater which is based on Schedule 2 of the Corporation's Constitution which reflects the council's voting rights. Council has an ownership interest of 6.16% in the corporation. Any unrealised gains and losses are recognised through the Statement of Comprehensive Income to a Financial assets available for sale reserve each year (refer note 28).

Council has classified this asset as an Available-for-Sale financial asset as defined in AASB 139 Financial Instruments: Recognition and Measurement and has followed AASB 132 Financial Instruments: Presentation and AASB 7 Financial Instruments: Disclosures to value and present the asset in the financial report.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

	2018	2017
	\$'000	\$'000
On 1 May 2018 TasWater and the State Government announced a memorandum of understanding under which the State Government will inject \$20 million per year for the next ten years into TasWater and in return will become a shareholder of TasWater. As a shareholder the State Government will not receive any dividend distributions. The partnership provides for a reduction in forecast price increases, accelerated infrastructure upgrades and a joint focus on major projects. As at the date of these financial statements, the owner councils and the State Government were working together on the nature of the future reforms.		

Note 19 Cash and cash equivalents

Cash on hand	7	7
Cash at bank	4,937	4,348
Money market call account	5,250	5,215
Total cash and cash equivalents	10,194	9,571
Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:		
- Reserve funds allocated for specific future purposes (Note 28c)	13,409	8,601
- Conditions on grants (note 6)	204	103
- Trust funds and deposits (Note 25)	1,873	1,418
Restricted Funds	15,486	10,122
Total unrestricted cash and cash equivalents	(5,292)	(552)

Accounting policy

Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

Note 20 Trade and other receivables

Current

Rates debtors	484	229
Loans and advances to community organisations	29	35
Other debtors	1,213	335
GST receivable	295	231
Total	2,020	830

Non-Current

Loans and advances to community organisations	379	375
Total	379	375

Total trade and other receivables	2,399	1,206
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Accounting policy

Trade and other receivables

Receivables are carried at amortised cost using the effective interest rate method. A provision for impairment is recognised when there is objective evidence that an impairment loss has occurred.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

	2018	2017
	\$'000	\$'000
Note 21 Other assets		
<i>Current</i>		
Inventories held for distribution	24	19
Sundry	-	50
Total	<u>24</u>	<u>69</u>

Accounting policy

Inventories

Inventories held for distribution are measured at cost adjusted when applicable for any loss of service potential. Other inventories are measured at the lower of cost and net realisable value.

Where inventories are acquired at no cost, or for nominal consideration, the cost shall be the current replacement cost as at the date of acquisition.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

Note 22	Property, infrastructure, plant and equipment	2018	2017
		\$'000	\$'000
	Summary		
	at cost	43,865	39,008
	Less accumulated depreciation	12,752	11,508
		31,113	27,500
	at fair value	781,524	743,837
	Less accumulated depreciation	284,770	269,424
		496,754	474,413
	Total	527,867	501,913
	Property		
	Land		
	at fair value at 30 June	52,692	52,763
		52,692	52,763
	Land under roads		
	at fair value at 30 June	57,814	57,253
		57,814	57,253
	Total Land	110,506	110,016
	Buildings *		
	at fair value	77,522	74,067
	Less accumulated depreciation	17,205	15,507
		60,317	58,560
	Total Property	170,823	168,576

**Notes to the Financial Report
For the Year Ended 30 June 2018**

Note 22 (a) Property, infrastructure, plant and equipment (continued)

	2018 \$'000	2017 \$'000
Plant and Equipment		
Plant, machinery and equipment		
at cost	9,531	9,374
Less accumulated depreciation	4,170	4,490
	5,361	4,884
Fixtures, fittings and furniture		
at cost	1,250	1,231
Less accumulated depreciation	1,125	1,106
	125	125
Computers and telecommunications		
at cost	940	939
Less accumulated depreciation	835	754
	105	185
Total Plant and Equipment	5,591	5,194
Infrastructure		
Roads and Bridges *		
at fair value	489,528	469,879
Less accumulated depreciation	238,749	226,498
	250,779	243,381
Stormwater		
at fair value	103,968	99,052
Less accumulated depreciation	28,816	27,680
	75,152	71,372
Minor infrastructure		
at fair value	10,710	10,489
Less accumulated depreciation	6,622	5,181
	4,088	5,308
Total Infrastructure	330,019	320,061
Work in Progress		
Buildings, at cost	559	319
Other Infrastructure, at cost	7,094	3,079
Roads and Bridges, at cost	10,795	2,924
Stormwater, at cost	2,986	467
	21,434	6,789
Total Property, Infrastructure, Plant and Equipment	527,867	500,620

* - Certain numbers shown do not correspond to the 2016-17 Financial Statements.

For details regarding the restated balances, please refer to Note 46.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

Note 22 Property, infrastructure, plant and equipment (continued)

2018	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (note 28)	Depreciation and amortisation (note 14)	Written down value of disposals	Impairment losses recognised in profit or loss	Transfers	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property								
Land	52,763	50	731	-	(852)	-	-	52,692
Land under roads	57,253	561		-		-	-	57,814
Total land	110,016	611	731	-	(852)	-	-	110,506
Buildings	58,560		2,688	(932)			-	60,316
Total buildings	58,560	-	2,688	(932)	-	-	-	60,316
Total property	168,576	611	3,419	(932)	(852)	-	-	170,822
Plant and Equipment								
Plant, machinery and equipment	4,884	1,456	-	(791)	(188)	-	-	5,361
Fixtures, fittings and furniture	125	29	-	(29)	-	-	-	125
Computers and telecommunications	185	-	-	(80)	-	-	-	105
Total plant and equipment	5,194	1,485	-	(900)	(188)	-	-	5,591
Infrastructure								
Roads & Bridges	243,382	4,973	8,868	(6,397)	(1,157)	-	1,110	250,779
Stormwater	71,372	2,212	3,269	(1,008)	-	-	(693)	75,152
Minor infrastructure	5,308	-	(839)	(402)	-	-	21	4,088
Total infrastructure	320,062	7,185	11,298	(7,807)	(1,157)	-	438	330,019
Works in progress								
Buildings	319	1,658	-	-	-	-	(1,418)	559
Other Infrastructure	3,079	4,145	-	-	-	-	(130)	7,094
Roads	2,924	7,454	-	-	-	-	417	10,795
Stormwater	467	1,826	-	-	-	-	693	2,986
Total works in progress	6,789	15,083	-	-	-	-	(438)	21,434
Total property, infrastructure, plant and equipment	500,621	24,364	14,717	(9,639)	(2,197)	-	-	527,866

**Notes to the Financial Report
For the Year Ended 30 June 2018**

Note 22 Property, infrastructure, plant and equipment (continued)

2017	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (note 28)	Depreciation and amortisation (note 14)	Written down value of disposals	Impairment losses recognised in profit or loss	Transfers	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property								
Land	48,095	278	1,912	-	(231)	-	-	50,054
Land under roads	57,253	-	2,726	-	(17)	-	-	59,962
Total land	105,348	278	4,638	-	(248)	-	-	110,016
Buildings *	51,037	-	6,914	(916)	(55)	-	1,580	58,560
Total buildings	51,037	-	6,914	(916)	(55)	-	1,580	58,560
Total property	156,385	278	11,552	(916)	(303)	-	1,580	168,576
Plant and Equipment								
Plant, machinery and equipment	4,589	1,202	-	(767)	(140)	-	-	4,884
Fixtures, fittings and furniture	99	53	-	(27)	-	-	-	125
Computers and telecommunications	211	50	-	(75)	(1)	-	-	185
Total plant and equipment	4,899	1,305	-	(869)	(141)	-	-	5,194
Infrastructure								
Roads *	236,612	1,809	8,741	(6,099)	(699)	-	3,018	243,382
Stormwater *	63,074	901	7,654	(945)	(268)	-	956	71,372
Minor infrastructure *	5,164	-	110	(349)	-	-	383	5,308
Total infrastructure	304,850	2,710	16,505	(7,393)	(967)	-	4,357	320,062
Works in progress								
Buildings*	1,261	1,205	-	-	-	-	(2,147)	319
Other Infrastructure*	3,350	155	-	-	-	-	(426)	3,079
Roads*	(44)	5,376	-	-	-	-	(2,408)	2,924
Stormwater*	569	854	-	-	-	-	(956)	467
Total works in progress	5,136	7,590	-	-	-	-	(5,937)	6,789
Total property, infrastructure, plant and equipment	471,270	11,883	28,057	(9,178)	(1,411)	-	-	500,621

* - Certain numbers shown do not correspond to the 2016-17 Financial Statements.

For details regarding the restated balances, please refer to Note 46.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

Note 22 Property, infrastructure, plant and equipment (continued)

Accounting policy

Recognition and measurement of assets

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

Property, infrastructure, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value is the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

The following classes of assets have been recognised. In accordance with Council's policy, the threshold limits detailed below have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year:

	Threshold \$
Land	1
Buildings	5,000
Plant and Equipment	1,000
Roads	5,000
Bridges	5,000
Other Infrastructure (paths, recreation, stormwater and community facilities)	5,000
Intangible assets	1,000

Revaluation

Council has adopted the following valuation bases for its non-current assets as noted in note 43.

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value in accordance with AASB 116 Property, Plant & Equipment and AASB 13 Fair Value Measurement. At balance date, Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset class materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date the class of asset was revalued.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis to ensure valuations represent fair value. The valuation is performed either by experienced Council officers or independent experts.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation surplus for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

Impairment of assets

Impairment losses are recognised in the consolidated statement of comprehensive income under other expenses.

Reversals of impairment losses are recognised in the statement of comprehensive income under other revenue.

Land under roads

Council recognised the value of land under roads it controls at fair value.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

	2018 \$'000	2017 \$'000
Note 23 Intangible assets		
Software	956	957
Less: Accumulated amortisation	(836)	(793)
Total	120	164
Total intangible assets	120	164

Reconciliation of intangible assets

	Software \$'000
Gross carrying amount	
Balance 1 July 2016	812
Additions	145
Balance 30 June 2017	957
Balance 1 July 2017	957
Additions	(1)
Balance 30 June 2018	956
Accumulated amortisation	
Balance 1 July 2016	(760)
Amortisation expense	(33)
Balance 30 June 2017	(793)
Balance 1 July 2017	(793)
Amortisation expense	(43)
Balance 30 June 2018	(836)
Net book value 30 June 2017	164
Net book value 30 June 2018	120

Accounting policy

Intangible assets

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The estimated useful lives for current and comparative periods are as follows:

Software	5 years
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Note 24 Trade and other payables

Trade payables	2,847	676
GST payable	1	32
Accrued expenses	2,246	2,230
Other	227	290
Total trade and other payables	5,321	3,228

**Notes to the Financial Report
For the Year Ended 30 June 2018**

	2018	2017
	\$'000	\$'000
Note 25 Trust funds and deposits		
Refundable building deposits and contract retentions	1,873	1,418
Total trust funds and deposits	1,873	1,418

Accounting policy

Tender deposits

Amounts received as building deposits and retention amounts controlled by Council are recognised as Trust funds until they are returned or forfeited.

Note 26 Provisions

	Annual leave	Long service leave	Expense Provision	Other	Total
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
2018					
Balance at beginning of the financial year	911	1,583	15	125	2,634
Additional provisions	1,149	312	-	367	1,828
Amounts used	(1,052)	(240)	(15)	(365)	(1,672)
Balance at the end of the financial year	1,008	1,655	(0)	127	2,790
2017					
Balance at beginning of the financial year	971	1,488	178	85	2,722
Additional provisions	850	375	-	146	1,371
Amounts used	(910)	(280)	(163)	(106)	(1,459)
Balance at the end of the financial year	911	1,583	15	125	2,634

	2018	2017
	\$'000	\$'000
Employee Provisions		
Current		
Annual leave	1,008	911
Long service leave	1,074	854
Other leave	127	125
	2,209	1,890
Non-current		
Long service leave	581	729
	581	729

The following assumptions were adopted in measuring the present value of employee benefits:

Weighted average increase in employee costs	2.50%	2.80%
Weighted average discount rates	1.85%	1.65%
Weighted average settlement period	12	12

Current

All annual leave and the long service leave entitlements representing 10 or more years of continuous service.

- Short-term employee benefits, that fall due within 12 months after the end of the period measured at nominal value	2,209	1,890
- Other long-term employee benefits that do not fall due within 12 months after the end of the period measured at present value	-	-

Non-current

Long service leave representing less than 10 years of continuous service measured at present value.	581	729
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Employee numbers (Full Time Equivalents)	194	196
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Notes to the Financial Report For the Year Ended 30 June 2018

Note 26 Provisions (cont)

Accounting policy

Employee benefits

i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits.

ii) Other long term employee benefit obligations

The liability for long service leave and annual leave which is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

iii) Sick leave

No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. Council does not make payment for untaken sick leave.

iv) Defined benefit plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the statement of financial position, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. However, when this information is not reliably available, Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans i.e as an expense when it becomes payable.

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund, which is a sub fund of the Quadrant Superannuation Scheme. The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 30(a) of AASB 119 Employee Benefits, Council does not use defined benefit accounting for these contributions.

v) Defined contribution plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

Note 26 Provisions (cont)

Other Provisions	2018	2017
Current	\$'000	\$'000
Remediation of Barretta landfill site	-	15
	<u>-</u>	<u>15</u>

Barretta land fill remediation

Close down and rehabilitation costs are a normal consequence of tip site operations, and the majority of that expenditure is incurred after operations have ceased. A requirement of the cessation of operations of a landfill facility is to undertake a rehabilitation of the site. Council received approval from the Environment Protection Authority for the Barretta Landfill Closure and Rehabilitation Plan and works are underway on the plan which will be comprised of a sealed capping layer, stormwater and leachate management systems and a gas capture system. The Project was completed in 2017/18.

Aggregate carrying amount of provisions:

Current	2,209	1,905
Non-current	581	729
	<u>2,790</u>	<u>2,634</u>

Note 27 Interest-bearing loans and borrowings

Current

Borrowings	-	-
	<u>-</u>	<u>-</u>

Non-current

Borrowings	2,700	-
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Total

	<u>2,700</u>	<u>-</u>
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Borrowings

Borrowings are secured by a Deed of Charge over the present and future receivables of the Council representing Council's general revenue from general rates, service rates, permit fees, rents and other charges imposed by Council.

The maturity profile for Council's borrowings is;

Not later than one year	-	-
Later than one year and not later than five years	2,700	-
Later than five years	-	-
Total	<u>2,700</u>	<u>-</u>

Accounting policy

Interest bearing liabilities

The borrowing capacity of Council is limited by the Local Government Act 1993. Interest bearing liabilities are initially recognised at fair value, net of transaction costs incurred. Subsequent to initial recognition these liabilities are measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Comprehensive Income over the period of the liability using the effective interest method.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

Note 28 Reserves

	2018	2017
	\$'000	\$'000
Asset revaluation reserve	364,106	349,556
Fair value reserve	(16,840)	(18,056)
Other reserves	13,409	8,601
Total	360,674	340,101

	Balance at beginning of reporting year \$'000	Increment / (decrement) \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting year \$'000
(a) Asset revaluation reserve				
2018				
Property				
Land and land under roads	93,884	14,550	-	108,434
Buildings	33,008	0	-	33,008
	126,892	14,550	-	141,442
Infrastructure				
Roads*	167,519	0	-	167,519
Bridges	12,304	0	-	12,304
Stormwater drainage	42,780	0	-	42,780
Minor infrastructure	60	0	-	60
	222,663	0	-	222,663
Total asset revaluation reserve	349,556	14,550	-	364,106
2017				
Property				
Land and land under roads	89,369	4,515	-	93,884
Buildings	26,094	6,914	-	33,008
	115,463	11,429	-	126,892
Infrastructure				
Roads	159,376	8,142	-	167,518
Bridges	11,705	599	-	12,304
Stormwater drainage	35,126	7,654	-	42,780
Minor infrastructure	(50)	110	-	60
	206,158	16,505	-	222,663
Total asset revaluation reserve	321,622	27,934	-	349,556

**Notes to the Financial Report
For the Year Ended 30 June 2018**

Note 28 Reserves (Continued)

	Balance at beginning of reporting year	Increment / (decrement)	Transfer to accumulated surplus	Balance at end of reporting year
	\$'000	\$'000	\$'000	\$'000
(b) Fair Value reserve				
2018				
Change in fair value of investments				
- Water Corporation	(18,056)	1,216	-	(16,840)
Total fair value reserve	(18,056)	1,216	-	(16,840)
2017				
Change in fair value of investments				
- Water Corporation	(18,666)	610	-	(18,056)
Total fair value reserves	(18,666)	610	-	(18,056)

The fair value reserve was introduced to record the change in value of the investment in the water corporation

	Balance at beginning of reporting year	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting year
	\$'000	\$'000	\$'000	\$'000
(c) Other reserves				
2018				
Specific purpose reserves	2,278	(273)	388	2,394
Asset replacement reserves	489	(585)	-	(96)
Unexpended capital reserves	5,834	21,658	(16,383)	11,111
Total other reserves	8,601	20,800	(15,994)	13,409
2017				
Specific purpose reserves	2,067	(327)	538	2,278
Asset replacement reserves	599	(110)	-	489
Unexpended capital reserves	5,216	9,938	(9,320)	5,834
Total other reserves	7,882	9,501	(8,782)	8,601

**Notes to the Financial Report
For the Year Ended 30 June 2018**

Note 28 Reserves (Continued)

	2018	2017
	\$'000	\$'000
Specific Purpose Reserves comprise of amounts set aside for the following purposes:		
Unexpended specific purpose grants	204	103
Acquisition of Public Open Space	1,215	1,359
Administrative	100	100
Emergency Purposes	7	6
Tree Preservation	811	653
Acquisition of Public Car Parking	46	46
Sundry Purposes	11	11
Balances at the end of the year	2,394	2,278
Movement in Specific Purpose Reserves:		
Balances at the beginning of the year	2,278	2,087
Additions:		
Balance of Grants (Unexpended Grants)	204	54
Contributions	388	465
Reductions:		
Grants Expended (Unexpended Grants)	(101)	-
Purchase and development of Public Open Space	(373)	(328)
Transfer to operational funds	-	-
Balances at the end of the year	2,396	2,278
 Asset Replacement Reserves have been established to provide for the orderly replacement of plant, vehicles, furniture and equipment.		
Balances at the beginning of the year	489	599
Additions:		
Transfers from operational funds	900	1,255
Reductions:		
Purchase of Plant & Vehicles	(1,456)	(1,202)
Capital Works	-	(110)
Purchase of Furniture & Equipment	(29)	(53)
Balances at the end of the year	(96)	489
 Unexpended Capital Reserves are those amounts that have been allocated to various capital works projects, but at the reporting date have not yet been expended.		
Balances at the beginning of the year	5,835	5,216
Additional funds allocated	21,658	9,938
Capital Projects completed	(16,383)	(9,319)
Balances at the end of the year	11,110	5,835

**Notes to the Financial Report
For the Year Ended 30 June 2018**

	2018 \$'000	2017 \$'000
Note 29 Reconciliation of cash flows from operating activities to surplus (deficit)		
Surplus/(Deficit)	9,381	5,007
Non cash items		
Depreciation/amortisation	9,683	9,097
(Profit)/loss on disposal of property, infrastructure, plant and equipment	(74)	103
Contributions - non monetary assets	(7,961)	(2,710)
Carrying Amount of assets retired	1,157	637
Share of net (profit)/loss of investment in associate	(117)	(192)
Initial recognition of infrastructure assets	(69)	-
Add (less) items classified as investing or financing included in Surplus/(Deficit)		
Capital grants received specifically for new or upgraded assets	(1,417)	(1,854)
Developer Contributions	(791)	(844)
Change in assets and liabilities:		
Decrease/(increase) in trade and other receivables	(1,196)	660
Decrease/(increase) in inventories	-	26
Increase/(decrease) in trade and other payables	2,551	(1,361)
Increase/(decrease) in provisions	156	(88)
Net cash provided by/(used in) operating activities	11,303	8,481
Note 29.1 Reconciliation of liabilities arising from financing activities		
Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Statement of Cash Flows as cash flows from financing activities.		
2018	Interest-bearing loans and borrowings \$'000	Lease liabilities \$'000
Changes from financing cash flows:		
Cash Received	2,700	-
Cash Repayments	-	-
Balance as at 30 June 2018	2,700	-
Note 30 Reconciliation of cash and cash equivalents		
Cash and cash equivalents (see note 19)	10,194	9,571
Total reconciliation of cash and cash equivalents	10,194	9,571
Note 31 Financing arrangements		
Business Card - Credit Limit	26	26
Total amount unused at reporting date	10	16

Notes to the Financial Report For the Year Ended 30 June 2018

Note 32 Subsidiaries

Kingborough Waste Services Pty Ltd

Kingborough Waste Services Pty Ltd (KWS) is an incorporated entity that has been formed by Kingborough Council to operate the Barretta Waste Transfer Station. KWS has operated and managed the Barretta Waste Transfer Station from 1 July 2011.

The directors of KWS were:

- Mr Peter Shelley (Independent Chairman)
- Ms Joanna Orr (Independent Director, July 2017-October 2017)
- Ms Debra Mackeen (Independent Director, from October 2017)
- Mr Tony Ferrier (Council employee)
- Mr David Reeve (Council employee)

Council has provided a financial guarantee to KWS to discharge any debt that KWS owes, where KWS is unable to pay the debt itself.

The KWS Chairman is remunerated \$7,500 per annum, and the independent director, \$5,500 per annum.

	2018 \$'000	2017 \$'000
Financial Performance		
Revenue		
User Charges	863	802
Recycling Sales	428	328
Council Charges	898	874
Sundry Charges	3	4
Total Revenue	2,192	2,008
Expenditure		
Employee Costs	873	849
Disposal Costs	470	487
Hire & Maintenance	277	256
Other Expenses	336	314
Total Expenses	1,956	1,906
Surplus / (Deficit)	236	102

Financial Position

Assets	576	306
Liabilities	318	284
Net Assets	258	22

The financial performance includes any internal transfers with Kingborough Council. Council provides corporate support to KWS and Council remains the owner of the infrastructure and equipment at the site. KWS charge Council a fee based on tonnage for garbage collection waste, recycling collection waste, and green waste disposed of at the Barretta Waste Transfer Station. Internal transfers are eliminated on consolidation.

Accounting Policy

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Council has control. Control is established when the Council is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Notes to the Financial Report For the Year Ended 30 June 2018

Note 33 Superannuation

	2018 \$'000	2017 \$'000
Superannuation contributions paid:		
Accumulated Benefits	1,457	1,357
Defined Benefits	50	64

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund (the Fund). The Fund was a sub fund of the Quadrant Superannuation Scheme (the Scheme) up to 30 November 2015. At this date the Quadrant Superannuation Scheme merged (via a Successor Fund Transfer) into the Tasplan Super and the Quadrant Defined Benefits Fund became a sub fund of Tasplan Super (Tasplan) from that date. The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 34 of AASB 119 *Employee Benefits*, Council does not use defined benefit accounting for these contributions.

For the year ended 30 June 2018 Council contributed 9.5% of employees' gross income to the Fund. Assets accumulate in the fund to meet member benefits as they accrue, and if assets within the fund are insufficient to satisfy benefits payable, Council is required to meet its share of the deficiency.

Rice Warner Pty Ltd undertook the last actuarial review of the Fund at 30 June 2017. The review disclosed that at that time the net market value of assets available for funding member benefits was \$58,940,000, the value of vested benefits was \$51,170,000, the surplus over vested benefits was \$7,770,000, the value of total accrued benefits was \$50,606,000, and the number of members was 134. These amounts relate to all members of the fund at the date of valuation and no asset or liability is recorded in the Tasplan Super's financial statements for Council employees.

The financial assumptions used to calculate the Accrued Benefits for the Fund were:

Net Investment Return	7.0% p.a.
Salary Inflation	4.0% pa
Price Inflation	n/a

The actuarial review concluded that:

1. The value of assets of the Fund was adequate to meet the liabilities of the Fund in respect of vested benefits as at 30 June 2017.
2. The value of assets of the Fund was adequate to meet the value of the liabilities of the Fund in respect of accrued benefits as at 30 June 2017.
3. Based on the assumptions used, and assuming the Employer contributes at the levels described below, the value of the assets is expected to continue to be adequate to meet the value of the liabilities of the Fund in respect of vested benefits at all times during the period up to 30 June 2017.

The Actuary recommended that the Council contribute 9.5% of salaries in 2017/18, and 0.0% of salaries from 1 July 2018 to 30 June 2021.

The Actuary will continue to undertake a brief review of the financial position the Fund at the end of each financial year to confirm that the contribution rates remain appropriate. The next full triennial actuarial review of the Fund will have an effective date of 30 June 2020 and is expected to be completed late in 2020.

Council also contributes to other accumulation schemes on behalf of a number of employees; however Council has no ongoing responsibility to make good any deficiencies that may occur in those schemes.

During the year Council made the required superannuation contributions for all eligible employees to an appropriate complying superannuation fund as required by the *Superannuation Guarantee (Administration) Act 1992*.

As required in terms of paragraph 148 of AASB 119 *Employee Benefits*, Council discloses the following details:

The 2017 actuarial review used the "aggregate" funding method. This is a standard actuarial funding method. The results from this method were tested by projecting future fund assets and liabilities for a range of future assumed investment returns. The funding method used is different from the method used at the previous actuarial review in 2014.

Under the aggregate funding method of financing the benefits, the stability of the Councils' contributions over time depends on how closely the Fund's actual experience matches the expected experience. If the actual experience differs from that expected, the Councils' contribution rate may need to be adjusted accordingly to ensure the Fund remains on course towards financing members' benefits.

In terms of Rule 27.4 of the Tasplan Trust Deed (Trust Deed), there is a risk that employers within the Fund may incur an additional liability when an Employer ceases to participate in the Fund at a time when the assets of the Fund are less than members' vested benefits. Each member of the Fund who is an employee of the Employer who is ceasing to Participate is required to be provided with a benefit at least equal to their vested benefit in terms of Rule 27.4 (b) (A). However, there is no provision in the Trust Deed requiring an employer to make contributions other than its regular contributions up to the date of cessation of contributions. This issue can be resolved by the Trustee seeking an Actuarial Certificate in terms of Rule 26.5 identifying a deficit and the Trustee determining in terms of Rule 26.3(c) that the particular employer should make the payment required to make good any shortfall before the cessation of participation is approved.

Notes to the Financial Report For the Year Ended 30 June 2018

Note 33 Superannuation

The application of Fund assets on Tasplan being wound-up is set out in Rule 41.4. This Rule provides that expenses and taxation liabilities should have first call on the available assets. Additional assets will initially be applied for the benefit of the then remaining members and/or their Dependents in such manner as the Trustee considers equitable and appropriate in accordance with the Applicable Requirements (broadly, superannuation and taxation legislative requirements and other requirements as determined by the regulators).

The Trust Deed does not contemplate the Fund withdrawing from Tasplan. However it is likely that Rule 27.4 would be applied in this case (as detailed above).

The Fund is a defined benefit Fund.

The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. Thus the Fund is not able to prepare standard AASB119 defined benefit reporting.

During the next reporting period the expected amount of contributions to be paid to defined benefits schemes is \$0 , and the amount to be paid to accumulation schemes is \$1,495,000 .

As reported on the first page of this note, Assets exceeded accrued benefits as at the date of the last actuarial review, 30 June 2017. Favourable investment returns, since that date, make it quite probable that this is still the position. The financial position of the Fund will be fully investigated at the actuarial review as at 30 June 2020.

An analysis of the assets and vested benefits of Funds participating in the Scheme, prepared by Rice Warner Pty Ltd as at 30 June 2017, showed that the Fund had assets of \$58.9 million and members' Vested Benefits were \$51.2 million. These amounts represented 0.7% and 0.6% respectively of the corresponding total amounts for Tasplan.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

Note 34 Commitments

The Council has entered into the following commitments which are due and payable in the next twelve months.

	2018 \$'000	2017 \$'000
Capital commitments		
Road construction	1,569	1,657
Stormwater drainage	467	213
Recreation and reserves	342	146
Plant and equipment	-	290
Bridges and jetties	-	75
Other infrastructure	176	423
Kingston Park	5,728	-
Total	<u>8,282</u>	<u>2,804</u>

Operating lease commitments

Council as lessee has entered into a leasing arrangement for equipment at the Kingborough Sports Centre.

Operating lease commitments at the reporting date
not recognised in liabilities:

Not longer than one year	41	41
Longer than one year and not longer than five years	3	48
Longer than five years	-	-
	<u>44</u>	<u>89</u>

Accounting policy

Leases

ii) Operating leases as lessee

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

Contractual Commitments

Contractual commitments for operational expenditure at end of financial year but not recognised in the financial report are as follows and are due and payable in accordance with the periods stated.

		2018 \$'000 Future Commitment	2017 \$'000 Future Commitment
	Period		
Public toilet and barbecue cleaning	12/13 - 12/17	34	26
Rubbish/litter collection	12/13 - 12/17	37	28
Public hall cleaning	12/13 - 12/17	19	14
Kerbside household waste and recycling collection	09/13 - 09/18	224	990
Dru Point Kiosk Operation	10/16 - 09/18	15	75
Kingston Park Land Release Strategy	11/16 - 06/20	44	112

Notes to the Financial Report For the Year Ended 30 June 2018

Note 35 Contingent liabilities

Council is presently involved in several confidential legal matters, which are being conducted through Council's solicitors.

As these matters are yet to be finalised, and the financial outcomes are unable to be reliably estimated, no allowance for these contingencies has been made in the financial report.

Guarantees for Loans to other entities

Council has ceased acting as guarantor for loans (2016/17 - \$97,000) raised by a sporting clubs operating from Council's properties.

Council is not aware of any incident or action that may cause a future liability to be created. All existing claims against Council are covered by policies of insurance, and the maximum limits of the liability as set out in those policies, is believed to be adequate to meet all contingencies of those claims without further financial liability on Council.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

Note 36 Financial Instruments

(a) Accounting Policy, Terms and Conditions

Recognised financial instruments	Note	Accounting Policy	Terms and Conditions
Financial assets			
Cash and cash equivalents	19	Cash on hand and at bank and money market call account are valued at face value.	On call deposits returned a floating interest rate of 1.85% (2.56% in 2016/17).
Interest is recognised as it accrues.			
Trade and other receivables			
Other debtors	20	Receivables are carried at amortised cost using the effective interest method. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred. Collectability of overdue accounts is assessed on an ongoing basis.	General debtors are unsecured. Rate arrears attract an interest rate of 8.72% (8.40% in 2016/17). Credit terms are based on 30 days.
Investment in Taswater	18	The investment in TasWater is valued at its fair value at balance date. Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date.	Investment in TasWater provided return of 2.0% (2.0% in 2016/17) excluding unrealised gains/losses
Financial Liabilities			
Trade and other payables	24	Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received.	General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.
Interest-bearing loans and borrowings	27	Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and recognised as part of payables.	Borrowings are secured by way of mortgages over general rates of Council. Council currently has no borrowings. The weighted average interest rate on borrowings is 3.43%.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

Note 36 Financial instruments (continued)

(b) Interest Rate Risk

The exposure to interest rate risk and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

2018

	Weighted average interest rate	Floating interest rate \$'000	Fixed interest maturing in:			Non-interest bearing \$'000	Total \$'000
			1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
Financial assets							
Cash and cash equivalents	1.85%	10,194	-	-	-	-	10,194
Trade and other receivables	8.72%	484	-	-	-	1,915	2,399
Investment in Water Corporation		-	-	-	-	94,892	94,892
<i>Total financial assets</i>		10,677	-	-	-	96,807	107,485
Financial liabilities							
Trade and other payables		-	-	-	-	5,321	5,321
Trust funds and deposits		-	-	-	-	1,873	1,873
Interest-bearing loans and borrowings	3.43%	-	-	2,710	-	-	2,710
<i>Total financial liabilities</i>		-	-	2,710	-	7,194	9,904
Net financial assets (liabilities)		10,677	-	(2,710)	-	89,612	97,580

2017

	Weighted average interest rate	Floating interest rate \$'000	Fixed interest maturing in:			Non-interest bearing \$'000	Total \$'000
			1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
Financial assets							
Cash and cash equivalents	2.56%	9,571	-	-	-	-	9,571
Trade and other receivables	8.40%	229	-	-	-	977	1,206
Investment in Water Corporation		-	-	-	-	93,676	93,676
<i>Total financial assets</i>		9,799	-	-	-	94,653	104,452
Financial liabilities							
Trade and other payables		-	-	-	-	3,228	3,228
Trust funds and deposits		-	-	-	-	1,418	1,418
Interest-bearing loans and borrowings		-	-	-	-	-	-
<i>Total financial liabilities</i>		-	-	-	-	4,646	4,646
Net financial assets (liabilities)		9,799	-	-	-	90,007	99,806

**Notes to the Financial Report
For the Year Ended 30 June 2018**

Note 36 Financial Instruments (continued)

(c) Fair Values

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

	Total carrying amount as per Statement of Financial Position		Aggregate net fair value	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Financial Instruments				
<i>Financial assets</i>				
Cash and cash equivalents	10,194	9,571	10,194	9,571
Investment in Water Corporation	94,892	93,676	94,892	93,676
Trade and other receivables	2,399	1,206	2,399	1,206
<i>Total financial assets</i>	<u>107,485</u>	<u>104,453</u>	<u>107,485</u>	<u>104,453</u>
<i>Financial liabilities</i>				
Trade and other payables	5,321	3,228	5,321	3,228
Trust funds and deposits	1,873	1,418	1,873	1,418
Interest-bearing loans and borrowings	2,710	-	2,710	-
<i>Total financial liabilities</i>	<u>9,904</u>	<u>4,646</u>	<u>9,904</u>	<u>4,646</u>

(d) Credit Risk

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is represented by the carrying amount of those assets as indicated in the Statement of Financial Position.

(e) Risks and mitigation

The risks associated with Council's main financial instruments and the policies for minimising these risks are detailed below.

Market risk

Market risk is the risk that the fair value or future cash flows of Council's financial instruments will fluctuate because of changes in market prices. Council's exposures to market risk are primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk. Components of market risk to which Council is exposed are discussed below.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that we use. Non derivative interest bearing assets are predominantly short term liquid assets. Interest rate liability risk arises primarily from long term loans and borrowings at fixed rates, however with minor holdings, there is limited exposure to this risk for Council.

Notes to the Financial Report For the Year Ended 30 June 2018

Note 36 Financial Instruments (continued)

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1993*. We manage interest rate risk by adopting an investment policy that ensures:

- conformity with State and Federal regulations and standards,
- capital protection,
- appropriate liquidity,
- diversification by credit rating, financial institution and investment product,
- monitoring of return on investment,
- benchmarking of returns and comparison with budget.

Maturity will be staggered to provide for interest rate variations and to minimise interest rate risk.

Interest charged on outstanding rate debtors is regulated by the *Local Government Act 1993* and contains a component of the official 10-year long-term bond rate.

Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council has exposure to credit risk on some financial assets included in our Statement of Financial Position. To help manage this risk:

- we have a policy for establishing credit limits for the entities we deal with;
- we may require collateral where appropriate; and
- we only invest with financial institutions which have a recognised credit rating specified in our Investment policy.

Credit risk arises from Council's financial assets, which comprise cash and cash equivalents, and trade and other receivables. Council's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable policy note. Council generally trades with recognised, creditworthy third parties, and as such collateral is generally not requested, nor is it Council's policy to securitise its trade and other receivables.

It is Council's policy that some customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their credit rating, financial position, past experience and industry reputation. In addition, receivable balances are monitored on an ongoing basis with the result that Council's exposure to bad debts is not significant.

Investments are made in accordance with a Council Policy that provides for a spread of investments in banking institutions and fund managers with an emphasis on security of the principal value. Council's bank is the Commonwealth Bank of Australia.

Receivables comprise of rates receivable, GST receivable and sundry debtors. In relation to amounts owing to Council in respect of unpaid rates, no credit risk is recognised as the *Local Government Act 1993* empowers Council to sell properties to recover such outstanding amounts.

We may also be subject to credit risk for transactions which are not included in the Statement of Financial Position, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in note 34.

Credit quality of contractual financial assets that are neither past due nor impaired

	Financial Institutions (AA credit rating)	Government agencies (BBB credit rating)	Other Appd creditors	Total
2018				
Cash and cash equivalents	10,194	-	-	10,194
Trade and other receivables	-	-	2,399	2,399
Total contractual financial assets	10,194	-	2,399	12,593

**Notes to the Financial Report
For the Year Ended 30 June 2018**

Note 36 Financial Instruments (continued)

Credit quality of contractual financial assets that are neither past due nor impaired

	Financial Institutions (AA credit rating)	Government agencies (BBB credit rating)	Other Appd creditors	Total
2017				
Cash and cash equivalents	9,571	-	-	7,407
Trade and other receivables	-	-	1,206	1,901
Total contractual financial assets	9,571	-	1,206	9,308

Ageing of Trade and Other Receivables

At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's Trade & Other Receivables was:

	2018 \$'000	2017 \$'000
Current (not yet due)	2,166	1,182
Past due by up to 30 days	30	4
Past due between 31 and 60 days	95	-
Past due between 61 and 90 days	23	16
Past due by more than 90 days	85	2
Total Trade & Other Receivables	2,399	1,204

Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements:

- we will not have sufficient funds to settle a transaction on the date;
- we will be forced to sell financial assets at a value which is less than what they are worth; or
- we may be unable to settle or recover a financial asset at all.

To help reduce these risks we:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds be invested various liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue.

Council's objective is to maintain a balance between continuity of funding determined through forecasting of expected cash flows, and income generation through the investment of surplus funds in short-term investments. Income streams from rates, user charges and grants are considered to be highly stable and reliable. Investments are spread between secure financial institutions in marketable financial products that can be converted to cash at short notice.

The Council's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The table below lists the contractual maturities for Financial Liabilities.

These amounts represent undiscounted gross payments including both principal and interest amounts.

2018	6 mths or less	6-12 months	1-2 years	2-5 years	>5 years	Contracted Cash Flow	Carrying Amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Trade and other payables	5,321	-	-	-	-	5,321	5,321
Trust funds and deposits	1,873	-	-	-	-	1,873	1,873
Interest-bearing loans and borrowings	-	-	-	2,700	-	2,700	2,700
Total financial liabilities	7,194	-	-	2,700	-	9,894	9,894

**Notes to the Financial Report
For the Year Ended 30 June 2018**

Note 36 Financial Instruments (continued)

2017	6 mths	6-12	1-2	2-5	>5	Contracted	Carrying
	or less	months	years	years	years	Cash Flow	Amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Trade and other payables	3,228	-	-	-	-	3,228	3,228
Trust funds and deposits	1,418	-	-	-	-	1,418	1,418
Interest-bearing loans and borrowings	-	-	-	-	-	-	-
Total financial liabilities	4,646	-	-	-	-	4,646	4,646

(f) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Council believes the following movements are 'reasonably possible' over the next 12 months (Base rates are sourced from Reserve Bank of Australia):

- A parallel shift of + 1% and -1% in market interest rates (AUD) from year-end rates of 4.4%.

The table below discloses the impact on net operating result and equity for each category of financial instruments held by Council at year-end, if the above movements were to occur.

		Interest rate risk			
		-1 %		+1	
		-100 basis points		+100 basis points	
		Profit	Equity	Profit	Equity
2018	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets:					
Cash and cash equivalents	10,194	(102)	(102)	102	102
Trade and other receivables	2,399	-	-	-	-
Financial liabilities:					
Interest-bearing loans/borrowings	2,700	27	27	27	27
Trust funds and deposits	1,873	-	-	-	-
Trade and other payables	5,321	-	-	-	-

2017					
Financial assets:					
Cash and cash equivalents	9,571	(96)	(96)	96	96
Trade and other receivables	1,206	-	-	-	-
Financial liabilities:					
Interest-bearing loans/borrowings	-	-	-	-	-
Trust funds and deposits	1,418	-	-	-	-
Trade and other payables	3,228	-	-	-	-

**Notes to the Financial Report
For the Year Ended 30 June 2018**

Note 37 Auditor's remuneration	2018 \$'000	2017 \$'000
Audit fee to conduct external audit - Tasmanian Audit Office	45	41
	45	41

Note 38 Events occurring after balance date

There are no events occurring after balance date that impact upon Council's activities and results.

Note 39 Related party transactions

(i) Responsible Persons

Names of persons holding the position of a Responsible Person at the Council at any time during the year are:

			Period of Appointment
Councillors	S Wass	Mayor	2017 - 18
	P Wreidt	Deputy Mayor	2017 - 18
	R Atkinson	Councillor	2017 - 18
	S Bastone	Councillor	2017 - 18
	Dr G Bury	Councillor	2017 - 18
	P Chatterton	Councillor	2017 - 18
	F Fox	Councillor	2017 - 18
	D Grace	Councillor	2017 - 18
	M Percey	Councillor	2017 - 18
	D Winter	Councillor	2017 - 18

(ii) Council Remuneration

	Short term employee benefits		Post employment benefits			
	Allowances	Vehicles ²	Super- annuation ¹	Total Compensatio n AASB 124	Expenses ³	Total allowances and expenses
2018	\$	\$	\$	\$	\$	\$
Mayor	99,844	-	-	99,844	4,206	104,050
Deputy Mayor	48,350	-	-	48,350	105	48,455
Councillors	228,221	-	-	228,221	13,032	241,253
Total	376,416	-	-	376,416	17,342	393,758

Council Remuneration

	Short term employee benefits		Post employment benefits			
	Allowances	Vehicles ²	Super- annuation ¹	Total Compensatio n AASB 124	Expenses ³	Total allowances and expenses
2017	\$	\$	\$	\$	\$	\$
Mayor	97,755	-	-	97,755	4,651	102,406
Deputy Mayor	47,339	-	-	47,339	143	47,482
Councillors	223,448	-	-	223,448	13,993	237,441
Total	368,542	-	-	368,542	18,787	387,329

1 Superannuation means the contribution to the superannuation fund of the individual.

2 Includes total cost of providing and maintaining vehicles provided for private use, including registration, insurance, fuel and other consumables, maintenance cost and parking (including notional value of parking provided at premises that are owned or leased and fringe benefits tax).

3. Expenses relate to the reimbursement of costs such as internet, telephone, mileage, conference and meeting attendance costs.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

(iii) **Key Management Personnel: Key Management Personnel Remuneration**

2018

Remuneration band	Number of employees	Short term employee benefits			Post employment benefits			Non-monetary Benefits ⁷	Total
		Salary ¹	Vehicles ²	Other Allowances and Benefits ³	Super-annuation ⁴	Other Long-Term Benefits ⁵	Termination Benefits ⁶		
		\$	\$	\$	\$	\$	\$	\$	\$
\$140 001 - \$160 000	3	347,590	30,000	1,819	65,098	-	-	16,989	461,496
\$160 001 - \$180 000	1	139,028	10,000	-	17,586	-	-	5,091	171,705
\$180 001 - \$200 000	1	162,823	10,000	323	20,353	-	-	2,109	195,608
\$240 001 - \$260 000	1	218,129	10,000	-	29,560	-	-	5,563	263,252
Total		867,570	60,000	2,142	132,597			29,752	1,092,061

Key Management Personnel Remuneration

2017

Remuneration band	Number of employees	Short term employee benefits			Post employment benefits			Non-monetary Benefits ⁷	Total
		Salary ¹	Vehicles ²	Other Allowances and Benefits ³	Super-annuation ⁴	Other Long-Term Benefits ⁵	Termination Benefits ⁶		
		\$	\$	\$	\$	\$	\$	\$	\$
\$140 001 - \$160 000	3	366,786	30,000	1,819	45,848	-	-	9,215	453,668
\$160 001 - \$180 000	1	137,382	10,000	-	17,173	-	-	2,156	166,711
\$180 001 - \$200 000	1	159,001	10,000	323	19,875	-	-	3,827	193,026
\$240 001 - \$260 000	1	216,131	10,000	-	27,017	-	-	11,617	264,765
Total		879,300	60,000	2,142	109,913			26,815	1,078,170

1 Gross Salary includes all forms of consideration paid and payable for services rendered, compensated absences during the period and salary sacrifice amounts.

2 Includes total cost of providing and maintaining vehicles provided for private use, including registration, insurance, fuel and other consumables, maintenance cost and parking (including notional value of parking provided at premises that are owned or leased and fringe benefits tax).

3 Other benefits includes all other forms of employment allowances (excludes reimbursements such as travel, accommodation or meals), payments in lieu of leave, and any other compensation paid and payable.

4 Superannuation means the contribution to the superannuation fund of the individual.

5 Other long-term employee benefits, including long-service leave or sabbatical leave, jubilee or other long-service benefits, long-term disability benefits and, if they are not payable wholly within twelve months after the end of the period, profit-sharing, bonuses and deferred compensation; other non-monetary benefits (such as housing, subsidised goods or services etc).

6 Termination benefits include all forms of benefit paid or accrued as a consequence of termination.

7 Other non-monetary benefits include annual and long service leave movements.

(iv) **Remuneration Principles**

Councillors

Section 340A of the *Local Government Act 1993* entitles councillors to allowances prescribed in regulations. Mayors and Deputy Mayors are entitled to allowances in addition to those payable to them as councillors.

The Local Government Division of the Department of Premier and Cabinet publish each year a table of allowances. These allowances are applied to Councillors from 1 November of each year.

Executives

Remuneration levels for key management personnel are set in accordance with market forces. The remuneration of the General Manager is periodically reviewed by an independent consultants.

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

The performance of each senior executive, including the General Manager, is reviewed annually which includes a review of their remuneration package. The terms of employment of each senior executive, including the General Manager, contain a termination clause that requires the senior executive or Council to provide a minimum notice period of up to 6 months prior to termination of the contract. Whilst not automatic, contracts can be extended.

Termination benefits

There were no termination benefits paid to key management personnel in 2017/18.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

(v) Transactions with subsidiaries, associates and joint ventures

Council's interests in subsidiaries, associates and joint ventures are detailed in note 17 and 32.

Transactions with subsidiaries

The group consists of Council and Kingborough Waste Services.

The following transactions occurred with subsidiaries:

Subsidiary	Grant and subsidies provided by council	Goods and services supplied by council, on normal terms and conditions		
		Rental accommodation	Commercial rates and charges	Other
Kingborough Waste Services \$(000)	\$ -	\$ -	\$ 898	\$ 80

Transactions with associates

Council received \$19k in income tax equivalents from the Copping Refuse Disposal Site Joint Authority during 2017/18.

Council agreed to reinvest these payments back into the Authority.

(iv) Transactions with related parties

During the period Council did not enter into any transactions with related parties.

(v) Transactions with related parties that have not been disclosed

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

- Payment of rates on a primary residence
- Dog registration
- Use of Council's gymnasium

Council has not included these types of transaction in its disclosure, where they are made on the same terms and conditions available to the general public.

Note 40 Special committees and other activities

As they are not considered to be of a material nature, the accounts and cash assets of the following Special Committees have not been consolidated into the financial statements of Council.

	Income	Expenditure	Cash
	\$	\$	\$
Adventure Bay Hall Committee	3,367	3,548	1,490
Kettering Hall & Recreation Committee	5,516	4,453	15,549
Lower Longley Hall Committee	1,245	1,049	8,378
Lunawanna Hall Committee	1,308	1,321	923
North Bruny Community Centre Committee	14,619	14,034	4,533
Snug Hall Management Committee	5,049	6,701	7,548
Taroona Hall Management Committee	12,649	13,561	7,575
Woodbridge Hall Management Committee	5,498	4,067	8,198

Notes to the Financial Report For the Year Ended 30 June 2018

Note 41 Other significant accounting policies and new accounting standards

(a) Taxation

Council is exempt from all forms of taxation except Fringe Benefits Tax, Payroll Tax and the Goods and Services Tax.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(b) Impairment of assets

At each reporting date, Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the Statement of Profit or Loss and Other Comprehensive Income, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset. For non-cash generating assets of Council such as roads, drains, public buildings and the like, value in use is represented by the deprival value of the asset approximated by its written down replacement cost.

(c) Allocation between current and non-current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next twelve months, being Council's operational cycle, or if Council does not have an unconditional right to defer settlement of a liability for at least 12 months after the reporting date.

(d) Financial guarantees

Financial guarantee contracts are recognised as a liability at the time the guarantee is issued. The liability is initially measured at fair value, and if there is material increase in the likelihood that the guarantee may have to be exercised, at the higher of the amount determined in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation, where appropriate. In the determination of fair value, consideration is given to factors including the probability of default by the guaranteed party and the likely loss to Council in the event of default.

(e) Contingent assets, contingent liabilities and commitments

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Commitments are not recognised in the Statement of Financial Position. Commitments are disclosed at their nominal value inclusive of the GST payable.

(f) Budget

The estimated revenue and expense amounts in the Statement of Profit or Loss and Other Comprehensive Income represent revised budget amounts and are not audited.

Notes to the Financial Report For the Year Ended 30 June 2018

Note 41 Other significant accounting policies and new accounting standards (cont)

(g) Adoption of new and amended accounting standards

- (i) Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2017 reporting periods. Council's assessment of the impact of the relevant new standards and interpretations is set out below. (Note: standards are applicable to reporting periods beginning on or after to effective date referred to below).

- (ii) *AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107*

This standard is applicable to annual reporting periods beginning on or after 1 January 2017.

Amendments to AASB 107 require additional disclosures to enable the reader to evaluate changes in liabilities arising from financing activities. These disclosures include both cash flows and non-cash changes between the opening and closing balance of the relevant liabilities. Council has included a reconciliation of liabilities arising from financing activities in the Statement of Cash Flows at note 29.1.

(h) Pending Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2018 reporting periods. Council's assessment of the impact of the relevant new standards and interpretations is set out below.

- (i) *AASB 9 Financial Instruments*

This standard replaces the existing standard, AASB139: *Financial Instruments: Recognition and Measurement*, and revises classification, measurement and disclosure of financial assets and liabilities. It reduces the number of categories for financial assets and simplifies the measurement choices, including the removal of impairment testing of assets measured at fair value. Classification of financial assets is determined by an entities business model for holding the particular asset and its contractual cash flows.

The amortised cost model is available for debt assets meeting both a business model and cash flow characteristics tests. Amortised cost is to be used for assets with contractual terms giving rise to principal and interest payments. Where the business model is achieved by both collecting the contractual cash flows and from selling the financial asset, it may be classified as fair value through other comprehensive income. Any financial asset not held in either of these classifications, or where designated, will be classified as fair value through profit or loss. Gains or losses on financial assets at fair value are to be recognised in profit and loss unless the asset is part of a hedging relationship or, where the financial asset is an equity instrument not held for trading, and an irrevocable election is made to present all movements in other comprehensive income.

When adopted, the standard requires Council to reclassify all financial assets. This includes Council's classification and accounting for its significant investment in TasWater which is an available-for-sale financial asset. Council currently recognises changes in the fair value of its available-for-sale assets through other comprehensive income. Under AASB9 Council will make an irrevocable election for its equity investment in TasWater as 'fair value through other comprehensive income' and therefore the adoption of this standard will not impact the way movements in the fair value are accounted for.

The standard also introduces a new impairment model that requires impairment provisions to be based on expected credit losses, rather than incurred credit losses. Based on assessments to date, Council expects a small increase to impairment losses, however the standard is not expected to have a material impact overall. Council has reviewed and assessed other impacts on the classification, measurement and disclosure of financial instruments and determined that no material impact will occur.

Notes to the Financial Report For the Year Ended 30 June 2018

Note 41 Other significant accounting policies and new accounting standards (cont)

Council will apply the standard from 1 July 2018 using a retrospective approach with cumulative catch-up. This does not require Council to restate comparative figures, but will require a reconciliation of changes in classification of financial assets and financial liabilities.

(ii) AASB 15 *Revenue from Contracts with Customers*

The standard is applicable to annual reporting periods beginning on or after 1 January 2019.

AASB 15 introduces a five-step process for revenue recognition, with the core principle of the new standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.

Accounting policy changes will arise in the timing of revenue recognition, treatment of contracts costs and contracts which contain a financing element.

Council has analysed the new revenue recognition requirements noting that future impacts include:

- Depending on the respective contractual terms, the new requirements of AASB 15 may result in a change to the timing of revenue from sales of goods and services such that some revenue may need to be deferred as a liability to a later reporting period to the extent that Council has received cash, but has not met its associated performance obligations, (a promise to transfer a good or service).
- Grants received to construct non-financial assets controlled by Council will be recognised as a liability, and subsequently recognised progressively as revenue as Council satisfies its performance obligations under the grant. At present, such grants are recognised as revenue upfront.
- Other grants presently recognised as revenue upfront may be eligible to be recognised as revenue progressively as the associated performance obligations are satisfied, but only if the associated performance obligations are enforceable and sufficiently specific.
- Grants that are not enforceable and/or not sufficiently specific, will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled. Council receives several grants for which there are no sufficiently specific performance obligations, for example the Commonwealth Financial Assistance Grants. These grants are will continue being recognised as revenue upfront assuming no change to the current grant arrangements.

For Council there will be a significant effect in the treatment of all grants with sufficiently specific performance obligations, but where the conditions have yet to be fulfilled at year end. Council currently presents unexpended grant income received in note 6. Council's assessment is that the majority of the amounts received unexpended for the year, 267,000, will be deferred as a liability under AASB15 and progressively recorded as income as performance obligations are fulfilled.

Council will apply the standard from 1 July 2019 using a retrospective approach with cumulative catch-up with an adjustment to Accumulated surpluses for the difference in accounting treatment on initial adoption.

(iii) AASB 1058 *Income of Not-for-Profit Entities*

This standard is applicable to annual reporting periods beginning on or after 1 January 2019.

AASB 1058 supersedes all the income recognition requirements relating to councils, previously in AASB 1004 *Contributions*. The timing of income recognition under AASB 1058 depends on whether a transaction gives rise to a liability or other performance obligation, or a contribution by owners, related to an asset (such as cash or another asset) received.

Notes to the Financial Report For the Year Ended 30 June 2018

Note 41 Other significant accounting policies and new accounting standards (cont)

AASB 1058 applies when Council receives volunteer services or enters into other transactions in which the consideration to acquire an asset is significantly less than the fair value of the asset, and where the asset is principally to enable Council to further its objectives. In cases where Council enters into other transactions, Council recognises and measures the asset at fair value in accordance with the applicable Australian Accounting Standard (e.g. AASB 116 *Property, Plant and Equipment*).

If the transaction is a transfer of a financial asset to enable Council to acquire or construct a recognisable non-financial asset to be controlled by council (i.e. an in-substance acquisition of a non-financial asset), Council recognises a liability for the excess of the fair value of the transfer over any related amounts recognised. Council will recognise income as it satisfies its obligations under the transfer, similarly to income recognition in relation to performance obligations under AASB 15 as discussed above.

Where the asset acquired is leased at a "Peppercorn" rate, Council is required to recognise the leased asset at its fair value, the remaining lease liability and the balance as income. These leased right-of-use assets have not previously been recognised. Council currently has 17 Peppercorn leases, which will result in the recognition of an immaterial amount of right-of-use lease assets and a remaining lease liability of \$6,516. There will be no adjustment against Accumulated surpluses.

AASB 1058 also encompasses non-contractual statutory income such as rates, taxes and fines. Council currently recognises income when rates are generated, which is in line with the requirements of AASB 1058. Rates paid in advance are recorded as a financial liability until the commencement of the rating period.

AASB 1058 requires the recognition of Volunteer services where they would have been purchased if not donated and the fair value of those services can be reliably measured. Council has assessed these requirements and determined that Council would not have purchased the services if they had not been donated and therefore will not be recognising Volunteer services.

Council will apply the standard from 1 July 2019 using a retrospective approach with cumulative catch-up with an adjustment to Accumulated surpluses for the difference in accounting treatment on initial adoption.

(iii) AASB 16 Leases (effective from 1 January 2019)

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

AASB 16 will result in most of Council's operating leases being brought onto the statement of financial position. There are limited exceptions relating to short-term leases and low-value assets which may remain off the balance sheet. Council's existing lease commitments are disclosed in Note 34.

The calculation of the lease liability will take into account appropriate discount rates, assumptions about the lease term, and increases in lease payments. A corresponding right to use assets will be recognised, which will be amortised over the term of the lease. Rent expense will no longer be shown. The profit and loss impact of the leases will be through amortisation and interest charges. Council's current operating lease expenditure is shown at Note 15. In the Statement of Cash Flows lease payments will be shown as cash flows from financing activities instead of operating activities.

Lessor accounting under AASB 16 remains largely unchanged. For finance leases, the lessor recognises a receivable equal to the net investment in the lease. Lease receipts from operating leases are recognised as income either on a straight-line basis or another systematic basis where appropriate.

Council will apply the standard from 1 July 2019 using a retrospective approach with cumulative catch-up with an adjustment to Accumulated surpluses for the difference in accounting treatment on initial adoption.

Notes to the Financial Report For the Year Ended 30 June 2018

Note 41 Other significant accounting policies and new accounting standards (cont)

- (v) *AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture, AASB 2015-10 Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB10 and AASB12 and AASB 2017-5 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*

This standard is applicable to annual reporting periods beginning on or after 1 January 2022.

The amendments address an acknowledged inconsistency between the requirements in AASB10, and those in AASB128 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

AASB 2017-5 defers the effective date of AASB 2014-10 to 1 January 2022

This standard is not expected to have a material impact on Council.

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

**Notes to the Financial Report
For the Year Ended 30 June 2018**

Note 42 Significant Business Activities

The operating capital and competitive neutrality costs of the Council's

	Sports Centre		Manor Gardens		Family Day Care	
	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Revenue</i>						
User Changes	904	826	117	81	61	186
Grants	21	12	462	480	376	1,116
Other revenues	59	62	0	0	3	2
Total Revenue	984	925	579	530	440	1,448
<i>Expenditure</i>						
<i>Direct</i>						
Materials, Contracts, Employee Costs	1,111	1,129	488	540	403	1,315
Other expenses	11	20	40	2	12	17
<i>Indirect</i>						
Engineering & Administration	0	0	48	60	16	60
Total Expenses	1,122	1,219	576	597	431	1,457
<i>Notional cost of free services received</i>						
<i>Capital Costs</i>						
Depreciation and amortisation	516	366	3	3	3	3
Opportunity cost of capital	1,032	1,097	1	1	1	1
Total Capital Costs	1,548	1,463	4	5	4	4
<i>Competitive neutrality adjustments</i>						
Rates and land tax	16	13	3	3	0	0
Loan guarantee fees	0	0	0	0	0	0
	16	13	3	3	0	0
<i>Calculated Surplus/(Deficit)</i>	(654)	(660)	(0)	(70)	6	(12)
Competitive neutrality costs	(1,702)	(1,770)	(4)	(75)	5	(13)

Accounting policy

Significant business activities

Council is required to report the operating, capital and competitive neutrality costs in respect of each significant business activity undertaken by the Council. Council's disclosure is reconciled above. Council has determined, based upon materiality that the Sports Centre, Family Day Care and Manor Gardens as defined above are considered significant business activities. Competitive neutrality costs include notional costs i.e. income tax equivalent, rates and loan guarantees. In preparing the information disclosed in relation to significant business activities, the following assumptions have been applied:

- The opportunity cost is based on applying a 4% earnings on funds invested in the activities.
- Materials, Contracts and employee costs are based on actual expenditure on each activity.
- Loan guarantee fees are not included as Council believes that no material advantage is obtained.
- Tax calculation has not been included as it is considered to be not material.
- Depreciation is based on assets associated with the activity.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

Note	43	Management indicators	Benchmark	2018 \$'000	2017 \$'000	2016 \$'000	2015 \$'000
(a) Underlying surplus or deficit							
		Net result for the year		9,381	5,007	7,159	709
		Less non-operating income:					
		capital grants		(1,417)	(1,854)	(1,304)	(722)
		contributions-non-monetary assets		(7,963)	(2,710)	(4,055)	(245)
		initial recognition of infrastructure assets		(69)	-	(6,348)	-
		land fill restoration		-	-	-	(1,035)
		Add non-operating expenses					
		write down of carrying assets retired-prior periods		-	231	1,377	956
		grants received in advance in 2016/17		1,049	- 1,049	1,007	(1,007)
		grants received in advance in 2017/18		(1,109)			
		Storm Damage Expenditure		541			
		Underlying surplus/deficit	0	413	(375)	(2,164)	(1,344)

The intent of the underlying result is to show the outcome of a council's normal or usual day to day operations. In 2017/18, Council delivered an underlying surplus for the year, which represents a 1% underlying surplus ratio.

(b) Underlying surplus ratio

<u>Underlying surplus or deficit</u>		413	(375)	(2,164)	(1,344)
Recurrent income*		39,121	35,615	35,615	34,358
Underlying surplus ratio %	0%	1%	-1%	-6%	-4%

This ratio serves as an overall measure of financial operating effectiveness.

The ratio highlights the continuing improved financial performance of Council over the past few years.

(c) Net financial liabilities

Liquid assets less		12,215	10,401	9,308	11,717
total liabilities		12,684	7,280	8,729	8,590
Net financial liabilities	0	-469	3,121	579	3,127

This measure shows whether Council's total liabilities can be met by its liquid assets. An excess of total liabilities over liquid assets means that, if all liabilities fell due at once, additional revenue would be needed to fund the shortfall.

This indicator indicates that the Council is not in a position to cover its total liabilities from its liquid assets. This outcome is not a concern to Council as a proportion of the liabilities will not mature for five years.

(d) Net financial liabilities ratio

<u>Net financial liabilities</u>		-469	3,121	579	3,127
Recurrent income*		39,121	35,615	35,615	34,358
Net financial liabilities ratio %	0% - (50%)	-1%	9%	2%	9%

This ratio indicates the net financial obligations of Council compared to its recurrent income.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

43

Management indicators (cont.)

**Notes to the Financial Report
For the Year Ended 30 June 2018**

The council is currently targeting renewal funding at 80% of depreciation.

43 Management indicators (cont.)	2018	2017	2016	2015
	\$'000	\$'000	\$'000	\$'000
(g) Asset sustainability ratio				
<u>Capex on replacement/renewal of existing assets</u>	<u>7,875</u>	<u>6,251</u>	<u>6,031</u>	<u>4,442</u>
Annual depreciation expense	9,683	9,097	8,560	6,977
Asset sustainability ratio %	100% 81%	69%	70%	64%

This ratio calculates the extent to which Council is maintaining operating capacity through renewal of their existing asset base.

The capital expenditure on the replacement/renewal of existing assets has fluctuated between 64% and 84% over the past four years, depending on asset renewal plans.

	Capital renewal expenditure	Capital new /upgrade expenditure	Total Capital Expenditure
By asset class			
Land	-	89	89
Buildings	346	2,253	2,599
Infrastructure	6,009	6,103	12,112
Plant & Equipment	1,520	60	1,580
Total	7,875	8,505	16,380

**Notes to the Financial Report
For the Year Ended 30 June 2018**

Note 44 Fair Value Measurements

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

- Investment in water corporation
- Property, infrastructure plant and equipment
 - Land and land under roads
 - Buildings
 - Roads, including footpaths & cycleways
 - Bridges
 - Stormwater
 - Minor infrastructure

(a) Fair Value Hierarchy

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

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

The table below shows the assigned level for each asset and liability held at fair value by the Council. The table presents the Council's assets and liabilities measured and recognised at fair value at 30 June 2018.

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

As at 30 June 2018

	Note	Level 1	Level 2	Level 3	Total
		\$'000	\$'000	\$'000	\$'000
Recurring fair value measurements					
Investment in water corporation	18	-	-	94,892	94,892
Land and land under roads	22 (a)	-	-	110,506	110,506
Buildings	22 (a)	-	-	77,522	77,522
Roads (including bridges & footpaths)	22 (a)	-	-	489,528	489,528
Bridges	22 (a)	-	-	-	-
Stormwater	22 (a)	-	-	103,968	103,968
Minor Infrastructure	22 (a)	-	-	10,710	10,710
		-	-	887,125	887,125

**Notes to the Financial Report
For the Year Ended 30 June 2018**

44 Fair Value Measurements

As at 30 June 2017

	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Recurring fair value measurements					
Investment in water corporation	18	-	-	93,676	93,676
Land and land under roads	22 (a)	-	-	110,016	110,016
Buildings	22 (a)	-	-	73,086	73,086
Roads (including footpaths & cycleways)	22 (a)	-	-	463,756	463,756
Bridges	22 (a)	-	-	-	-
Stormwater	22 (a)	-	-	96,979	96,979
Minor Infrastructure	22 (a)	-	-	9,572	9,572
		-	-	847,085	847,085

Transfers between levels of the hierarchy

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

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

(b) Highest and best use

All assets valued at fair value are being used for their highest and best use. Due to the restrictions on the use of council assets, they are considered to be being used for their highest and best use.

(c) Valuation techniques and significant inputs used to derive fair values

Council has adopted AASB 13 *Fair Value Measurement* in relation to its recurring fair value measurement. There have been no changes in valuation techniques over the past year.

Investment in water corporation

Refer to Note 18 for details of valuation techniques used to derive fair values.

Land

During 2014/15 the Valuer-General undertook the revaluation of all properties in Kingborough, with the exception of certain non-rateable properties. The revaluation determined values as at 1st July 2014.

During 2016/17, land values were escalated by 5.0%. For 2017/18 land values were not escalated based on advice from the Valuer General.

The average municipal value of land is derived by multiplying the area of land by the municipal unit site value. The municipal unit site value is calculated by dividing the total land value of properties in the municipality, as determined by the Valuer-General, by the total area of those properties. The most significant input into this valuation approach is price per square metre.

Land under roads

Land under roads is valued at the average municipal rate as described above.

All land is classified as Level 3 in the fair value hierarchy due to the significant unobservable estimates required to provide the value.

Notes to the Financial Report For the Year Ended 30 June 2018

44 Fair Value Measurements

Buildings

Buildings were independently revalued in November 2016 by Exsto Management. Exsto Management have advised that their internal data, based on tenders received and ongoing collaboration with the major contractors in the Hobart area, that for the 2017/18 year a 4.66% average increase in building value has occurred. Buildings acquired during the year have been valued at their acquisition cost.

Council has determined their remaining useful life as the basis for future depreciation.

While the unit rates based on square metres can be supported by market evidence (level 2), the estimates of residual value and useful life that are used to calculate accumulated depreciation comprise unobservable inputs (level 3). As these other inputs are significant to the valuation the overall valuation has been classified as level 3.

Infrastructure assets

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

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

The unit rates (labour and materials) and quantities applied to determine the CRC of an asset or asset component were based on a 'modern day equivalent' assumption meaning that the CRC was determined as the full cost of replacement with a new asset including components that may not need to be replaced, such as earthworks.

The level of accumulated depreciation for infrastructure assets was determined based on the age of the asset and the useful life adopted by Council for the asset type. Estimated useful lives and residual values are disclosed in Note 14.

The calculation of CRC involves a number of inputs that require judgement and are therefore classed as unobservable. While these judgements are made by qualified and experienced staff, different judgements could result in a different valuation.

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

Roads (including footpaths & cycleways)

Council categorises its road infrastructure into urban and rural roads and then further sub-categorises these into sealed and unsealed roads. Roads are managed in segments based on the installed or renewed length and are categorised into a road hierarchy based on the type of road and vehicle numbers. Roads are valued based on typical construction type (pavement, seal, kerb etc) for the given width and hierarchical classification of the road. Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

Notes to the Financial Report For the Year Ended 30 June 2018

44 Fair Value Measurements

CRC is based on the road area multiplied by a unit price; the unit price being an estimate of labour and material inputs, services costs, and overhead allocations. For internal construction estimates, material and services prices are based on existing supplier contract rates or supplier price lists and labour wage rates are based on Council's Enterprise Bargaining Agreement (EBA). Where construction is outsourced, CRC is based on the actual cost of the works for the first year, and standard replacement rates thereafter. Construction costs were escalated by 3.66% for the 2017/18 year, which represents the average increase over the past three years as advised by Exsto Management.

Bridges

A full valuation of bridges assets was undertaken by independent valuers, AusSpan, effective 30 June 2014. As a result of this valuation, there was no change in existing values. Each bridge is assessed individually and componentised into sub-assets representing the deck and sub-structure. The valuation is based on the material type used for construction and the deck and sub-structure area. Costs were escalated by 3.66% for 2017/18, which represents the average increase over the past three years as advised by Exsto Management.

Drainage

Drainage infrastructure was revalued and componentised during the year into its major segments of pits and pipes. The revaluation and componentisation was undertaken by Council Engineers and effective from 1 July 2016.

Consistent with roads, Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment and that a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials. Costs were escalated by 3.66% for 2017/18, which represents the average increase over the past three years as advised by Exsto Management.

CRC is based on the unit price for the component type. For pipes, the unit price is multiplied by the asset's length. The unit price for pipes is based on the construction material as well as the depth the pipe is laid.

Minor Infrastructure

Other infrastructure is not deemed to be significant in terms of Council's Statement of Financial Position and is valued on a CRC basis.

(d) Unobservable inputs and sensitivities

Investment in water corporation

Carrying amount (at fair value)	Key unobservable inputs	Expected range of inputs	Description of how the change in inputs will affect fair value
\$94.86 million	Council's percentage holding in the Water Corporation, currently 5.91%	None	Any percentage increase or decrease in the ownership interest of the Water Corporation will have the same direct percentage impact on Council's investment in the Water Corporation.
	Net assets of the Water Corporation	Variable based on the net asset value of the Water Corporation at balance date	Any percentage increase or decrease in the ownership interest of the Water Corporation will have the same direct percentage impact on Council's investment in the Water Corporation.

Refer Note18 for further details.

Notes to the Financial Report For the Year Ended 30 June 2018

44 Fair Value Measurements

(e) Changes in recurring level 3 fair value measurements

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

The following table analyses the movements in the available for sale financial assets.

	2018	2017
	\$'000	\$'000
Reconciliation of Level 3 Fair Value Movements		
Opening balance	93,676	93,066
Change in fair value movement in Water Corporation	1,216	610
Closing balance	<u>94,892</u>	<u>93,676</u>

(f) Valuation processes

Council's current policy for the valuation of property, infrastructure, plant and equipment and investment in water corporation (recurring fair value measurements) is set out in note 18 and 22.

(g) Assets and liabilities not measured at fair value but for which fair value is disclosed

Council has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in other notes. (refer note 36)

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

Notes to the Financial Report For the Year Ended 30 June 2018

Note 45 Material Budget Variations

Council's original budget was adopted by the Council in June 2017. The original projections on which the budget was based have been affected by a number of factors. These include State and Federal Government decisions including new grant programs, changing economic activity and decisions made by the Council. No budget is estimated for expenditure included in Other Comprehensive Income due to the uncertain nature of the outcomes. Material variations of more than 10% are explained below:

Revenues

1 User Fees

The positive variance of \$273,000 (+11%) relates to user fees for planning and compliance being well over budget.

2 Grants

The negative variance of \$0.41 million (-11%) primarily relates to the transfer of the Family Day Care business to another provider.

3 Contributions (Cash)

The increase of \$188,000 (+31%) primarily relates to the receipt of funds for capital projects and public open space projects.

5 Interest

The variance of \$76,000 (+53%) relates to cash balances remaining higher than expected due to delays in expenditure on capital projects until later in the year.

6 Other Income

The increase of \$567,000 (+29%) relates to increase income from external works for the State Government, reimbursement of storm damage costs and rate remissions being above expectations.

7 Capital Grants Received

The increase of \$0.62 million (+76%) relates to grants for the Snug to Margate trail, the Community Hub construction, the Kingston Beach oval cricket net replacement and the LED light upgrade at the sports centre.

8 Contributions - Non Monetary Assets

The increase of \$7.76 million (+3,881%) relates to the contribution of assets resulting from the completion of major subdivisions.

9 Carrying Amount of Assets Retired

The increase of \$1.56 million (+261%) primarily relates to the write-off of infrastructure assets relating to the period before 2017/18.

Expenses

1 Finance Costs

Finance Costs were \$0.24 million under budget due to delays in capital projects at Kingston Park resulting in borrowings commencing in late June 2018.

Notes to the Financial Report For the Year Ended 30 June 2017

Note 46 Correction of Prior Period Error

Comparative figures have been restated in the Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity. These changes are a result of prior period errors in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

During 2017/18, Council undertook extensive work to bring the Asset Management system up to date by capitalising work in progress on assets with installation dates prior to 30 June 2017. This work resulted in depreciation of \$284,130 being expensed that related to the period before 1 July 2017. Also the carrying amount of assets retired of \$1,006,849 was expensed which related to assets commissioned in the period before 1 July 2017.

As this adjustment reflected characteristics of assets that existed in the prior period, an adjustment to the prior period balances has been made. This is classified as an error in accordance with AASB 108. The prior period adjustments are detailed below, with the Statement of Comprehensive Income and Statement of Financial Position balances as at 30 June 2017 restated as follows:

Statement of Comprehensive Income

* Depreciation expense for 2016/17 was increased by \$116,652 due to the impact on depreciation for the year resulting from the prior period error.

* Carrying amount of assets retired for 2016/17 was increased by \$402,739 due to the impact for the year resulting from the prior period error.

The remaining adjustment of \$771,588 is an adjustment to the opening accumulated surplus figure as it represents adjustments from the period before 2016/17.

Statement of Financial Position

* Infrastructure asset values were decreased by \$1,290,979 due to the impacts on asset values and accumulated depreciation.

* An amount of \$11.1 million was transferred from work in progress to building and infrastructure assets to recognise the capitalisation of assets.

* Accumulated surplus was reduced by \$1,290,979 due to expenditure attributed to the period to June 2017.

The following tables disclose the impact on the 2016-17 notes that have been restated for the adjustment of prior period errors discussed above.

Due to the minor nature of the prior period error, Council has chosen to disclose the error by using a note in the accounts rather than producing an additional column in the financial reports.

Adjustment: Note 22 - Property, Infrastructure, Plant & Equipment

	2017 (unadjusted)	2017 (adjusted)	Prior year error adjustment
	\$'000	\$'000	\$'000
(a) Carrying Amount			
Roads & Bridges			
At fair value	463,756	469,880	6,124
less: accumulated depreciation	(226,292)	(226,498)	(206)
Total	237,464	243,382	5,918
Buildings			
At fair value	73,086	74,067	981
less: accumulated depreciation	(15,492)	(15,507)	(15)
Total	57,594	58,560	966

**Notes to the Financial Report
For the Year Ended 30 June 2017**

Note 46 Correction of Prior Period Error (cont.)

Minor Infrastructure

At fair value	9,572	10,489	917
less: accumulated depreciation	(5,158)	(5,181)	(23)
Total	4,414	5,308	894

Stormwater

At fair value	96,979	99,052	2,073
less: accumulated depreciation	(27,640)	(27,680)	(40)
Total	69,339	71,372	2,033

Work in Progress

17,982	6,880	(11,102)
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Total - property, Infrastructure, Plant & Equipment

368,811	369,095	(1,291)
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Adjustment: Note 22 - Property, Infrastructure, Plant & Equipment (PIPE)

- reconciliation of movements (including fair value levels)

	PIPE (unadjusted) \$'000	PIPE (adjusted) \$'000	Prior year error adjustment \$'000
Carrying value as at 1 July 2016	472,046	471,275	(771)
Written down value of disposals	(1,008)	(1,411)	(403)
WIP net transfers	-	-	-
Revaluation increments (decrements)	28,057	28,057	-
Depreciation/amortisation	(9,061)	(9,178)	(117)

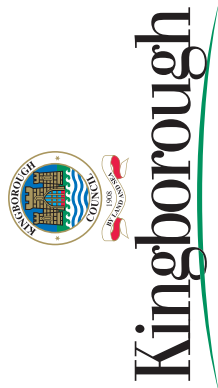
Accumulated Surplus

- reconciliation of consolidated statement of change of equity

	Accumulated Surplus (unadjusted) \$'000	Accumulated Surplus (adjusted) \$'000	Prior year error adjustment \$'000
Balance at 1 July 2016	255,876	255,105	(771)
Increments / Decrements	(640)	(640)	-
Transfer to Accumulated Surplus	5,007	4,487	(520)
Balance at 30 June 2017	260,243	258,952	(1,291)

APPENDIX II: PERFORMANCE MANAGER

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Key to Status Symbols:

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 = Ongoing

					RESULT			YTD RESULT			
	DESCRIPTION	FREQ.	UOM	TARGET	ACTUAL	STATUS	TARGET	ACTUAL	STATUS	COMMENT	
COMMUNITY AND RECREATIONAL SERVICES											
Community Services 2015 - 2020											
1.1.1.1	Provide an annual community grant program	Quarterly	%	100	100	<div></div>	100	100	<div></div>		
1.1.1.2	Review contemporary statistical information	Quarterly	%	100	100	<div></div>	100	100	<div></div>		
1.1.2.1	Assess the capacity of local communities	Quarterly	%	100	100	<div></div>	100	100	<div></div>		
1.1.2.2	Continue Volunteer Program	Quarterly	%	100	100	<div></div>	100	100	<div></div>		
1.1.2.3	Prepare volunteer management strategy	Quarterly	%	100	10	<div></div>	100	10	<div></div>	Initial research conducted to start this document	
1.1.3.1	Recognise volunteer contribution	Quarterly	%	100	100	<div></div>	100	100	<div></div>		
1.1.3.2	Conduct annual volunteer celebration	Quarterly	%	100	100	<div></div>	100	100	<div></div>	Volunteer recognition and support occurs regularly, regardless of the fact that we do not yet have a formal volunteer management strategy in place.	
1.1.4.2	Celebrate cultural diversity	Quarterly	%	100	100	<div></div>	100	100	<div></div>		
1.2.1.2	Encourage other organisations to support young people	Quarterly	%	100	100	<div></div>	100	100	<div></div>		
1.2.2.2	Operate Manor Gardens day respite centre	Quarterly	%	100	100	<div></div>	100	100	<div></div>		
1.2.3.2	Develop a range of family-focused activities	Quarterly	%	100	100	<div></div>	100	100	<div></div>		
1.2.3.3	Initiate programs for child friendly city principles	Quarterly	%	100	100	<div></div>	100	100	<div></div>		
1.2.4.1	Support young people remaining in education system	Quarterly	%	100	100	<div></div>	100	100	<div></div>		

















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1.2.4.2	Conduct training at Youth Centre	Quarterly	%	100	100	100	100	100	100		
1.3.1.3	Prepare Health & Wellbeing Plan	Quarterly	%	100	100	100	100	100	10		Initial research underway to assess the value of such a plan
1.3.1.4	Promote healthy and local fresh food	Quarterly	%	100	100	100	100	100	100		
1.3.2.1	Operate Kingborough Sports Centre	Quarterly	%	100	100	100	100	100	100		
1.3.2.6	Provide and support community events	Quarterly	%	100	100	100	100	100	100		
1.3.2.7	Encourage outdoor recreational and awareness activities	Quarterly	%	100	100	100	100	100	100		
1.5.1.1	Maximise usage of Kingborough Performing Arts Centre	Quarterly	%	100	100	50			50		Understood that Kingston High School manage a good level of use at KPAC. Whilst there may be capacity for improvement, this will require staff resources and further analysis of availability of the space outside of school hours.
1.5.2.2	Identify opportunities to display public art features	Quarterly	%	100	100	100			100		
1.5.2.3	Support community artistic endeavours	Quarterly	%	100	100	100			100		
1.5.3.2	Develop event management guidelines	Quarterly	%	100	100	75			75		Event management guidelines in relation to waste minimisation have been completed. Further work is being done on operational systems/checklists for running community events (and resourcing for same).
3.2.3.7	Facilitate improved recycling at community events	Quarterly	%	100	100	75			75		The Waste Wise at Events Policy and guidelines have been completed and approved. Once the Waste Management Officer starts with KWS, there will be room for improving public education about recycling and minimising waste at events (and in general).



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4.1.2.4	Support focus on creative and artistic products	Quarterly	%	100	75	↑	100	75	↑	The focus on this area will improve once the new Arts and Events Officer is employed to continue this work.
4.1.3.1	Facilitate farmers market within Kingborough	Quarterly	%	0	100	✓	0	100	✓	
DEVELOPMENT SERVICES 2015- 2020										
2.1.1.1	Review Kingborough Land Use Strategy	Quarterly	%	0	100	✓	0	100	✓	Land Use Strategy was fully reviewed.
2.3.1.1	Provide information to public on Kingborough Planning Scheme	Quarterly	%	100	80	↑	100	80	↑	It is intended to take the report to the Council meeting in October 2018. Currently waiting for new Strategic Planner to start in mid-September
2.3.1.4	Assess applications to continually improve service levels	Quarterly	%	100	90	↑	100	90	↑	This is always ongoing
3.4.2.3	Review Planning Scheme as Climate Change data changes	Quarterly	%	0	50	✓	0	50	✓	we are limited in the control over this however, the Manager Development Services is going to attend climate change and land use planning forum in September.
6.3.1.2	Review Council's regulatory activities	Quarterly	%	100	80	↑	100	80	↑	This is always ongoing.
6.3.2.3	Establish compliance system for planning permits	Quarterly	%	100	95	↑	100	95	↑	Excellent progress has been made on this. We have had our first case completed at the Magistrates Court and it was a win for Kingborough. An additional resource has been added this month which helps with investigation and work.
6.3.2.5	Review and update Council information sheets	Quarterly	%	100	90	↑	100	90	↑	This is always ongoing.



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ENVIRONMENTAL SERVICES																				
Environmental Services 2015- 2020																				
1.3.1.1	Coordinate and implement immunisation program	Quarterly	%	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	Program undertaken in accordance with schedule
1.3.1.2	Work with stakeholders in regard to public health awareness	Quarterly	%	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	Program undertaken in accordance with workplan
1.3.3.2	Undertake food surveillance program	Quarterly	%	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	Program undertaken in accordance with workplan
1.6.1.3	Develop and implement Public Health Emergency Sub-plan	Quarterly	%	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	Undertaken and updated routinely
1.6.2.1	Implement climate change strategy based on case studies	Quarterly	%	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	Program initiatives being advanced by Strategy still being developed
2.1.1.5	Climate change data linkage to asset management planning	Quarterly	%	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	Being provided as accessed
2.3.1.6	Maintain Council's contaminated sites register	Quarterly	%	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	Completed
3.1.1.1	Implement catchment management plans	Quarterly	%	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	NW Bay River Plan update nearing completion
3.1.1.2	Undertake recreational water sampling	Quarterly	%	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	Being undertaken in partnership
3.1.1.3	Monitor onsite wastewater management systems	Quarterly	%	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	Being undertaken in prioritised manner
3.1.2.1	Prepare & implement management plans for bushland & coastal reserves	Quarterly	%	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	Progression on target with workplan
3.1.2.2	Increase public awareness of values protected in Council reserves	Quarterly	%	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	Being undertaken in accordance with workplan
3.1.3.1	Implement Kingborough Weed Management Strategy	Quarterly	%	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	Undertaken routinely
3.1.3.2	Manage weeds on Council reserves	Quarterly	%	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	Being undertaken in accordance with plan
3.1.3.3	Participate in state-wide response to invasive species	Quarterly	%	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	Being undertaken in partnership






















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3.1.3.4	Facilitate Kingborough Cat Management Program	Quarterly	%	100	100	100	100	100	100		Being undertaken
3.1.4.1	Supportive community engagement in marine and coastal issues	Quarterly	%	100	100	100	100	100	100		Being done in accordance with workplan
3.1.4.3	Identify coastal areas that require rehabilitation	Quarterly	%	100	100	100	100	100	100		Prioritisation methodology being developed
3.1.5.1	Work with State Government to initiate recovery actions	Quarterly	%	100	100	100	100	100	100		Being undertaken and programs arise
3.1.5.2	Audit road-kill hotspots on Council roads	Quarterly	%	100	100	100	100	100	100		Being undertaken informally
3.1.6.1	Develop strategies to manage climate change risks to Council	Quarterly	%	100	100	100	100	100	75		Valuation and prioritisation program being developed
3.2.1.1	Support Derwent Estuary Program	Quarterly	%	100	100	100	100	100	100		Occurring routinely
3.2.1.2	Support D'Entrecasteaux & Huon Collaboration	Quarterly	%	100	100	100	100	100	100		Occurring routinely
3.2.2.1	Provide information on regulatory requirements vegetation clearance	Quarterly	%	100	100	100	100	100	100		Being undertaken
3.2.2.3	Preparation information on environmental conservation	Quarterly	%	100	100	100	100	100	100		Being undertaken as per workplan
3.2.2.4	Review practices to minimise potential for environmental impact	Quarterly	%	100	100	100	100	100	75		Largely informal at this stage
3.3.1.1	Support local community care groups	Quarterly	%	100	100	100	100	100	100		Being undertaken routinely
3.3.1.2	Coordinate environmental education programs	Quarterly	%	100	100	100	100	100	100		Being undertaken in accordance with workplan
3.3.1.3	Promote use of native plants	Quarterly	%	100	100	100	100	100	100		Being undertaken routinely
3.3.2.1	Coordinate Antarctic Experience program	Quarterly	%	100	100	100	100	100	100		Program completed
3.3.2.2	Interpretive sign and promotional material depicting natural values	Quarterly	%	100	100	100	100	100	100		Undertaken at a number of sites



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3.3.2.3	Increase public awareness in the care of local bush land and coastal areas	Quarterly	%	100	100	100		100		100		Undertaken in accordance with workplan
3.4.1.2	Further investigate coastal erosion and sea level rise	Quarterly	%	100	100	100		100		100		Progressing in a structured manner
3.4.2.1	Improve public awareness of potential impacts of Climate Change	Quarterly	%	100	100	75		100		75		Not undertaken in a structured manner
4.1.2.3	Support opportunities generation of renewable energy	Quarterly	%	100	100	100		100		100		Being advanced as opportunities arise
5.1.4.1	Develop program of energy efficiency improvements	Quarterly	%	100	100	100		100		100		Being advanced strategically
5.1.4.2	Show benefits of incorporating strong environmental sustainability	Quarterly	%	100	100	75		100		75		Occurring informally
5.1.4.3	Delivery projects to participate in 'citizen science'	Quarterly	%	100	100	75		100		75		Greater attention needed to this
5.2.1.3	Opportunities to progress strategic and legislative reform for coastal management	Quarterly	%	100	100	100		100		100		Occurring in a strategic manner
6.1.1.3	Review opportunities for climate change mitigation and adaptation	Quarterly	%	0	100	75		0		75		Strategy needs to be completed and presented to Council
6.1.1.4	Review Kingborough Climate Change Adaptation Policy	Quarterly	%	100	100	100		100		100		Completed
6.2.2.1	Review internal environmentally sustainable practices	Quarterly	%	100	100	75		100		75		Greater emphasis required on this
ENGINEERING SERVICES												
Engineering Services 2015- 2020												
1.1.4.3	Support Access Advisory Committee	Quarterly	%	100	100	100		100		100		Continue to provide advice to the committee and action requests as required
1.4.2.2	Upgrade and maintain existing walking trails	Quarterly	%	100	100	100		100		100		Most efforts diverted to flood recovery for this quarter but included reinstatement of trails such as Whitewater Creek and Nierinna trail



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1.4.2.3	Identify opportunities for additional children's playgrounds	Quarterly	%	100	100	100	100		100		Presented option of Snug play space to Council for consideration; undertook various minor playground works and commenced the Blackmans Bay playground upgrade
2.1.1.2	Review Long Term Asset Management Plan	Quarterly	%	0				—		—	
2.1.1.3	Manage asset management data base	Quarterly	%	100	100	100	100		100		Continue to transition to new AMS and continue to work on reducing Works in Progress
2.1.1.4	Prepare Development Contributions Policy	Quarterly	%	100	0	100	100		0		Further work required from Planning
2.1.2.2	Design future critical road links	Quarterly	%	0	100				100		Continue to design various future works and for roads designs on some of the major roads in Kingston Park and the CBD were underway. Designs overall 6 months ahead of schedule
2.2.1.1	Implement efficient road and drainage maintenance practices	Quarterly	%	100	100	100	100		100		Continue to undertake maintenance on our road and drainage system, this was heavily impinged by a storm event in May 2018
2.2.1.3	Identify sub-standard road junctions	Quarterly	%	100	100	100	100		100		Upgraded Palmers Road intersection
2.2.1.5	Review maintenance arrangements State roads Bruny Island	Quarterly	%	0				—		—	
2.2.2.1	Prepare stormwater management plans	Quarterly	%	100	100	100	100		100		Some work was undertaken on a stormwater strategy and work continued on Kingston Beach and Snug flood studies
2.2.3.1	Opportunities for additional bike lanes or bike paths	Quarterly	%	100	100	100	100		100		Continued work on the Margate to Snug shared path and achieved an additional grant to support construction
2.2.3.2	Opportunities to improve pedestrian and cycling links	Quarterly	%	100	100	100	100		100		Upgraded a number of footpaths throughout the municipality.



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2.2.4.2	Review parking requirements Kingston Beach, Margate & Snug	Quarterly	%	100	10	100	100	↑	↑	Minimal work undertaken on this aspect, although the intention is to undertake a detailed study on the CBD and Kingston Beach in upcoming quarters
2.2.6.2	Prepare strategies for toilets, halls, playgrounds and sporting pavilions	Quarterly	%	100				—	—	
2.3.2.3	Improve all town entrances	Quarterly	%	100	100	100	100	●	●	
3.2.3.1	Manage kerbside collection services	Quarterly	%	100	100	100	100	●	●	Issues with contractor that were eventually resolved and new tender for waste and recycling awarded to Veolia
3.2.3.4	Facilitate introduction of waste levy	Quarterly	%	100	0	100	100	↑	↑	This sits with the State Government and does not appear to be a priority for them
3.2.3.5	Increase resource recovery	Quarterly	%	100	100			●	●	Continued to have a good year at Barretta with a substantial percentage of items recovered from the walking floor for re-use and sale. Continued stewardship initiatives with paint back tech collect, tyre recycle and recycling of hard to dispose of products
3.2.3.6	Encourage Kingborough Waste Services	Quarterly	%	100	100	100	100	●	●	
EXECUTIVE SERVICES										
Executive Services 2015- 2020										
2.2.5.1	Liaise with Metro Tas for improved bus services	Quarterly	%	100	100	100	100	●	●	Ongoing liaison has been occurring with both Metro and DSG
4.1.1.2	Identify site that have significant development potential	Quarterly	%	100	100	100	100	●	●	Key sites identified within the completed Land Use Strategy
4.1.2.1	Support Kingborough Community Enterprise Centre	Quarterly	%	100	100	100	100	●	●	Ongoing support has been provided
4.1.2.2	Prepare investment prospectus for Kingborough	Quarterly	%	100	25	100	100	↑	↑	A prospectus has not been prepared (other than for Kingston park)
4.2.1.3	Investigate opportunities to promote Kingborough	Quarterly	%	100	50	100	100	↑	↑	Promotion of Kingborough has occurred through the tourism marketing program



















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4.2.2.3	Liaise with Government to improve ferry terminal infrastructure	Quarterly	%	100	100	100	100	100		Good progress has been made as part of the new Bruny ferry arrangements
4.3.2.1	Coordinate construction of essential infrastructure within former High School Site	Quarterly	%	100	100	100	100	100		Ongoing implementation of the Kingston park project
4.3.2.2	Construction of the Community Hub and public open space areas	Quarterly	%	100	100	100	100	100		Good progress made with Community Hub construction
4.3.2.3	Provide information on redevelopment of former High School site	Quarterly	%	100	100	100	100	100		Part of the ongoing implementation of Kingston Park project
4.3.3.1	Ensure opportunities for further development within suburb and town centres	Quarterly	%	100	100	100	100	100		Part of the ongoing review of the planning scheme
4.3.3.2	Liaise with investors and businesses regarding development opportunities	Quarterly	%	100	100	100	100	100		Assistance provided on an ongoing basis
5.1.3.1	Implement program of local community consultation	Quarterly	%	100	100	100	100	100		About to commence roll out of Your Say Community Engagement Platform
5.2.1.1	Actively participate in STCA and LGAT	Quarterly	%	100	100	100	100	100		Ongoing task, meetings regularly attended
5.2.1.2	Identify 'cost shifting' and communicate publicly	Quarterly	%	100	100	100	100	100		Ongoing task
5.2.2.1	Explore resource sharing opportunities	Quarterly	%	100	100	100	100	100		Meetings held with Huon Valley Council
5.2.2.2	Publicly outline Council's position on amalgamations	Quarterly	%	100	100	100	100	100		Communicated following Council resolution to pursue a strategic alliance with Hobart, Clarence and Glenorchy Councils
5.2.3.1	Develop priority list of lobbying strategies for Mayor and General Manager to implement	Quarterly	%	100	100	100	100	100		Ongoing task
5.2.3.2	Advocate for improved NBN services within Kingborough	Quarterly	%	0	0	0	0	0		



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6.1.1.1	Develop and maintain strategic and operational planning processes	Quarterly	%	100	100		100		100		The strategic delivery plan and other related operational plans are being maintained together with the production of the Annual Plan and Annual Report.
6.1.3.1	Maintain policies	Quarterly	%	100	100		100		100		Towards the end of the year a thorough review of all policies and a program implemented to ensure they are all up to date.
6.2.2.3	Support outcomes of 2016 staff engagement survey	Quarterly	%	100	100		100		100		These recommendations have been implemented, particularly in regard to improved internal communication and review of service delivery.
6.3.3.1	Provide training and support to elected members	Quarterly	%	100	100		100		100		This training is provided on an ongoing basis and as specific opportunities arise (e.g. LGAT conferences and training).



Kingborough

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