

Kingborough

ANNUAL REPORT | 2018 - 2019



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We acknowledge and pay our respects to the Traditional Custodians, who have walked upon and cared for this land for thousands of years.

We respect the deep spiritual connection and relationship of the Tasmanian Aboriginal people to this country and commit ourselves to the ongoing journey of Reconciliation.

SECTION 1 COUNCIL



1.1 MAYOR'S MESSAGE

I am pleased to present the 2018/19 Annual Report for Kingborough Council.

It was an honour to be elected Mayor of Kingborough in October 2018. The election result was positive in that we maintained corporate knowledge and experience while adding new Councillors, who are already adding fresh ideas and contributing to our vision for our area.

Our community is thriving in several ways. House prices have gone up by over 50 per cent in some cases, the economy is strong and Bond University has recognised Kingborough as being the smartest local government area in Tasmania.

But we know there are challenges and opportunities both for our community and for Council.

The City Deal was signed in early 2019 which is a plan between the Australian, Tasmanian and four metro Hobart councils to prioritise and deliver projects that improve liveability for Hobart. Focus areas are housing and transport and we were delighted to secure \$20.8 million from the State Government to deliver congestion-busting infrastructure. This is a significant opportunity for our Council.

Likewise, the *Greater Hobart Act 2019* carried by Parliament, will provide a much-needed framework to support collaborative decision making between the Greater Hobart councils of Clarence, Glenorchy, Hobart and Kingborough; and the Tasmanian Government.

As our population approaches 40,000, along with significant growth in the Huon Valley, there is no doubt that our working population is feeling the pinch of added travel time and congestion as they commute into the city.

The \$20.8 million will contribute towards finally providing an appropriate bus interchange in Kingston, as well as satellite park and ride facilities in the area. Getting more people on buses as they commute is undoubtedly a key to alleviating congestion, but not the only solution.

We are determined to attract a major employer to Kingston. The flow on economic impacts from the loss

of Vodafone have been felt by other businesses and it has undoubtedly caused more congestion. We know that over 80 per cent of our working population commutes into the city for work. Creating more employment opportunities locally has to be part of the congestion solution.

Council selected Traders in Purple as its development partner for Kingston Park. The company has an impressive track record across Australia and has joined with us to deliver our vision for Kingston Park. We expect development applications for stage one of its housing development soon, while we build the best playground in southern Tasmania.

Finally, while all our staff make a significant contribution to our municipality every year, I want to particularly acknowledge our staff members who responded to bushfires in Kingborough and the Huon Valley over summer. On Christmas Eve 2018, a deliberately lit fire on Bruny Island burned 122 hectares and required the evacuation of holidaymakers and residents. Our staff attended Alonnah Hall to provide support to evacuees and emergency services on Christmas day and in the days following.

This incident heralded the start of the 2018-19 fire season in Tasmania – in terms of hectares burned, the largest since at least 1967. Our staff were called upon to help neighbouring Huon Valley Council and emergency services by assisting with communications and evacuation of residents in the area. With fires being fought for weeks at a time, our staff's willingness to support our neighbouring council was something our whole community should be proud of.

There is a lot of work to do in 2019-20 and we are enthusiastically approaching all of the challenges and opportunities that the year will bring.



Dean Winter
MAYOR



Current Kingborough Councillors as from August 2019

1.2 GENERAL MANAGER'S REPORT

The Annual Report provides an informative overview of Council's operations and performance over the past twelve months.

Council has in place a robust and integrated process of long term financial planning, annual budgeting and performance monitoring that ensures that Council's financial position remains strong with \$674,188,000 of community assets under Council's stewardship.

During the year highlights included:

- Construction of the Community Hub at Kingston Park was completed.
- The first stage of Goshawk Way, the main road through Kingston Park, was completed.
- Council adopted a Recreational Water Quality Management Strategy to provide direction and priority focus to Blackmans Bay Beach South.
- Council undertook 907 recreational water quality samples at our beaches throughout the year.
- Council conducted three free meningococcal vaccination clinics.
- Council approved a new Dog Management Policy
- Council introduced the Bruny Island Cat By-Law to facilitate management of domestic and stray cats on Bruny Island.

As the tier of government closest to the community we continue to utilise a range of ways to engage with our community. We have continued to step up our presence on social media.

The Council posts content on Facebook daily and this has allowed us to connect closer with our community and beyond. It is a great tool not only to promote events and Council programs but to report issues.

These tools provide another way our community can raise issues, find out information or simply contact us. We will continue to explore cost-effective ways to further increase opportunities for our community to engage with Council.

We continue to provide a safe and flexible work place for our staff, through staff surveys, career development, the return to work and injury prevention programs and workforce management.

I extend my thanks to the Mayor and Councillors, my corporate leadership team colleagues and all the talented Kingborough Council staff for their efforts in meeting the challenges of the past year and the continued commitment to making Kingborough a vibrant and sustainable community.



Gary Arnold
GENERAL MANAGER



1.3 YOUR COUNCILLORS



Mayor Dean Winter

T: 6211 8274
E: cr.deanwinter@kingborough.tas.gov.au

Councillor: July to November 2018
Mayor and Councillor: November 2018 to present



Councillor Flora Fox

T: 6267 2851
E: cr.florafox@kingborough.tas.gov.au

Councillor: July 2018 to present



Deputy Mayor Jo Westwood

T: 0410 693 823
E: cr.jowestwood@kingborough.tas.gov.au

Deputy Mayor and Councillor: November 2018 to present



Councillor Amanda Midgley

T: 0410 695 728
E: cr.amandamidgley@kingborough.tas.gov.au

Councillor: November 2018 to present



Councillor Richard Atkinson

Councillor: July 2018 to June 2019



Councillor Michael Percey

Councillor: July to November 2018



Councillor Sue Bastone

T: 0407 099 747
E: cr.suebastone@kingborough.tas.gov.au

Councillor: July 2018 to present



Councillor Christian Street

T: 0438 296 232
E: cr.christianstreet@kingborough.tas.gov.au

Councillor: November 2018 to present



Councillor Dr Graham Bury

Councillor: July to November 2018



Councillor Steve Wass

T: 0412 634 647
E: cr.stevewass@kingborough.tas.gov.au

Mayor and Councillor: July to November 2018
Councillor: November 2018 to present



Councillor Paul Chatterton

Councillor: July to November 2018



Councillor Paula Wriedt

T: 6229 4045
E: cr.paulawriedt@kingborough.tas.gov.au

Deputy Mayor and Councillor: July to November 2018
Councillor: November 2018 to present



Councillor David Grace

M: 0438 679 200
E: cr.davidgrace@kingborough.tas.gov.au

Councillor: July 2018 to present

1.4 COUNCIL'S VISION

OUR VISION

Our community is at the heart of everything we do

OUR PURPOSE

To make Kingborough a great place to live

OUR VALUES

Accountability, respect, excellence and inclusiveness

1.5 COUNCIL MEETINGS

Council meetings are held on the second and fourth week of each month. Meetings are held on Mondays at 5.30pm, unless there is a public holiday in which case the meeting will be held on the next available business day. There are no additional committee meetings, as all matters are included on the Council agenda.

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.

1.6 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
Bruny Island Advisory Committee	Section 24 Special Committee	Cr Percey (July to October 2018) Cr Bastone (October 2018 to January 2019)
Channel Heritage Museum	Community	Cr Fox
Cycling South	Regional	Cr Atkinson
Kingborough Access Advisory Committee	Section 24 Special Committee	Cr Wriedt (Chair)
Kingborough Bicycle Users Group	Section 24 Special Committee	Cr Atkinson (Chair to May 2019) Cr Fox (Chair from May 2019)
Kingborough Community Enterprise Centre	Community	Cr Bastone
Kingborough Community Safety Committee	Community	Deputy Mayor Westwood (Chair)
Kingborough Municipal Emergency Planning	Statutory	Cr Wass (July to October 2018) Mayor Winter (October 2018 to present)
Kingborough Road Safety Committee (Committee end date)	Section 24 Special Committee	Cr Chatterton (Chair July to October 2018)
Local Government Association of Tasmania	Statewide	Cr Wass (July to October 2018) Mayor Winter (October 2018 to present)
Southern Tasmanian Councils' Authority	Regional	Cr Wass (July to October 2018) Mayor Winter (October 2018 to June 2019) General Manager
Southern Waste Strategy Authority	Regional	Cr Wass (July to October 2018) Mayor Winter (October 2018 to present) Cr Bastone (Proxy)
TasWater	Statewide	Cr Wass (July to October 2018) Mayor Winter (October 2018 to present)

1.7 COUNCILLORS' ATTENDANCE AT MEETINGS

The following table details Councillors' attendance at Council Meetings, S.23 Committees and workshops from 1 July 2018 to 6 November 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	8	8	0	0	2	2	11	11	
Deputy Mayor Cr Wriedt	8	8	0	0	2	0	11	9	
Cr Atkinson *	8	7	0	0	2	2	11	10	
Cr Bastone	8	7	0	0	2	0	11	6	9/7/2018 - 20/7/2018; 17/9/2018 - 20/9/2018
Cr Dr Bury	8	7	0	0	2	0	11	7	26/7/2018 - 6/8/2018; 6/9/2018 - 14/9/2018
Cr Chatterton	8	8	0	0	2	0	11	10	
Cr Fox	8	8	0	0	2	1	11	11	
Cr Grace	8	6	0	0	2	0	11	7	
Cr Percey *	8	6	0	0	2	1	11	7	10/8/2018 - 3/9/2018
Cr Winter	8	8	0	0	2	0	11	7	

* Audit Panel Member

The following table details Councillors' attendance at Council Meetings, S.23 Committees and workshops from 7 November 2018 to 30 June 2019

	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 Dean Winter	15	15	2	2	2	0	17	16	1/4/2019 - 7/4/2019
Deputy Mayor Cr Jo Westwood	15	15	2	2	2	0	17	17	27/12/2018 - 6/1/2019
Cr Richard Atkinson	15	12	2	1	2	0	17	13	27/11/2018 - 1/12/2018; 19/2/2019 - 24/2/2019; 27/3/2019 - 31/3/2019; 10/4/2019 - 24/4/2019; 11/5/2019 - 16/6/2019
Cr Sue Bastone	15	15	2	2	2	0	17	12	20/1/2019 - 28/1/2019; 1/4/2019 - 2/4/2019
Cr Flora Fox *	15	14	2	2	2	2	17	14	18/6/2019 - 28/6/2019
Cr David Grace	15	13	2	2	2	0	17	6	28/5/2019 - 30/6/2019
Cr Amanda Midgley	15	14	2	2	2	0	17	17	27/5/2019 - 28/5/2019
Cr Christian Street *	15	13	2	1	2	1	17	14	6/12/2018 - 10/12/2018; 5/4/2019 - 8/4/2019
Cr Steve Wass	15	12	2	1	2	0	17	13	13/5/2019 - 11/6/2019
Cr Paula Wriedt	15	11	2	1	2	0	17	9	19/11/2018 - 20/11/2018; 10/1/2019 - 2/2/2019; 23/3/2019 - 31/3/2019; 4/4/2019 - 7/4/2019; 5/9/2019 - 9/9/2019

* Audit Panel Member

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.

1.8 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 2018 to 30 June 2019

	Mayoral Allowance	Deputy Mayoral Allowance	Councillor Allowance	Councillor Expenses						Total
				Mileage Claimed	Mayor's Vehicle Mileage	Bruny Ferry	Internet & Telephone	Child Care	Conference & Meeting Attendance	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Mayor Cr Winter	47,787	-	29,181	506	3,020	38	-	-	1,182	\$ 81,713
Deputy Mayor Cr Westwood	-	13,282	19,116	53	-	-	205	94	724	\$ 33,474
Cr Atkinson	-	-	29,181	-	-	-	-	-	773	\$ 29,954
Cr Bastone	-	-	29,181	-	-	304	-	-	1,728	\$ 31,213
Cr Fox	-	-	29,181	2,132	-	61	1,245	-	923	\$ 33,542
Cr Grace	-	-	29,181	2,990	-	398	1,274	-	773	\$ 34,615
Cr Midgley	-	-	19,116	-	-	-	-	-	-	\$ 19,116
Cr Street	-	-	19,116	-	-	-	-	-	-	\$ 19,116
Cr Wass	24,958	-	29,181	191	1,387	82	-	-	-	\$ 55,800
Cr Wriedt	-	6,937	29,181	-	-	-	-	-	-	\$ 36,118
Cr Dr Bury	-	-	9,983	-	-	-	-	-	-	\$ 9,983
Cr Chatterton	-	-	9,983	-	-	-	-	-	773	\$ 10,756
Cr Percy	-	-	9,983	68	85	32	195	-	773	\$ 11,136
TOTAL	\$ 72,744	\$ 23,650	\$ 288,134	\$ 5,941	\$ 4,492	\$ 915	\$ 2,919	\$ 94	\$ 7,648	\$ 406,537

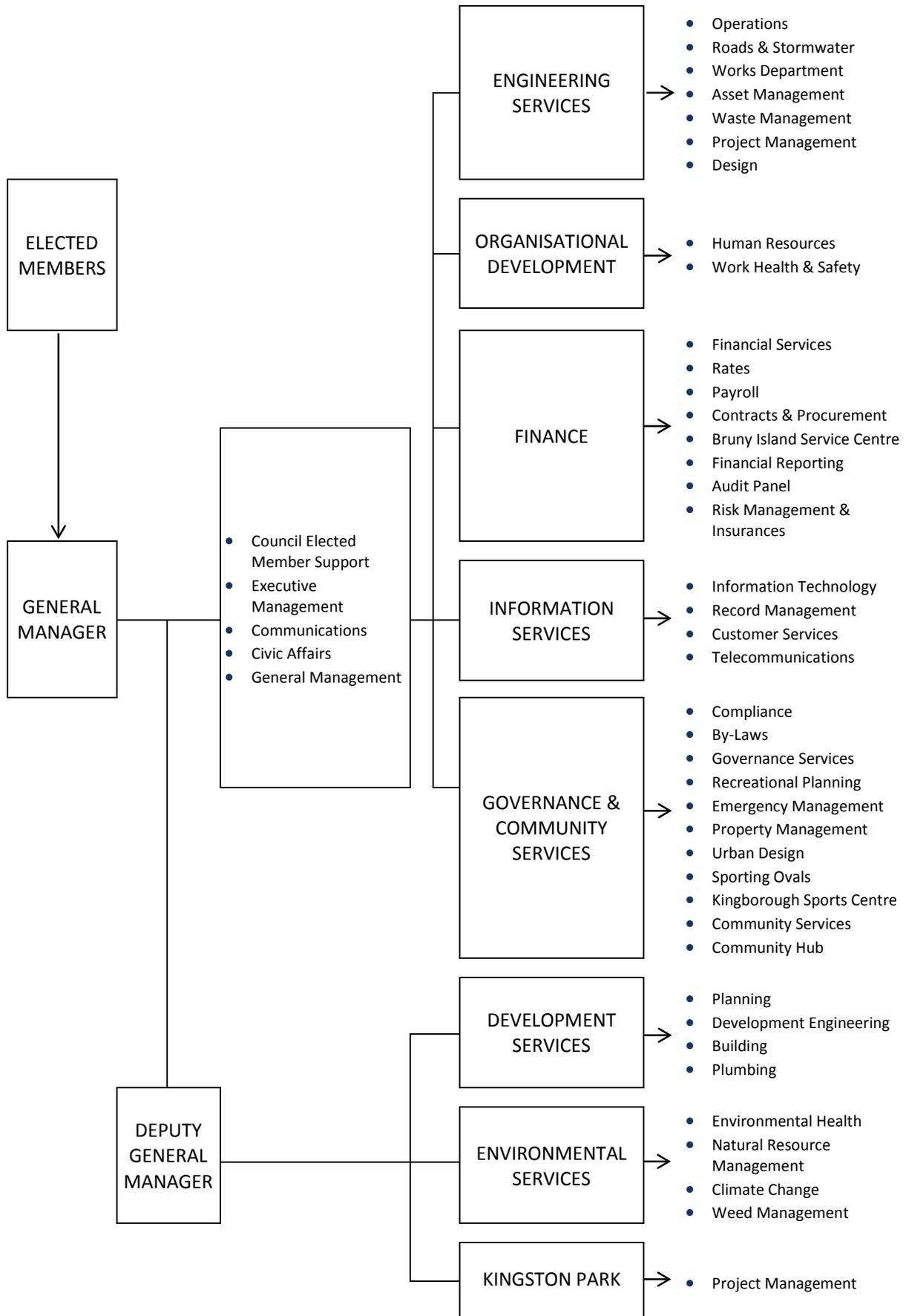
Code of Conduct Complaints for the period 1 July 2018 to 30 June 2019 (added post publication)

There were four code of conduct complaints determined by the Code of Conduct Panel. All were dismissed and no costs were incurred within the 2018-19 Financial Year as invoices were raised after 30 June 2019.

SECTION 2 KEY SERVICES



2.1 ORGANISATIONAL STRUCTURE



2.2 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.

2.2.1 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 variety of infrastructure projects, contract management, project management, traffic management, programming and delivery of Council infrastructure works for both maintenance and capital and waste management.

KEY ACHIEVEMENTS

MAJOR CAPITAL WORKS PROGRAM

There were over 100 capital projects for the 2018/19 financial year, with the majority of these completed on time and to budget. The delivery of the program was hindered by the need to manage the effects of a major stormwater event that occurred in May 2018. This event, which is one of the most severe ever to impact southern Tasmania, caused widespread damage to roads, tracks and trails, stormwater systems and coastal areas.

The effect of this has driven a number of unplanned capital repairs/upgrades including:

- Whitewater Creek including two badly damaged footbridges and rock armouring required for sections of the creek.
- Nierrina Creek footbridge repairs.
- Major landslip repairs on Old Huon Road.
- Redwood Village dam repairs.
- Kingston Beach breakwater repairs.
- Quarry Creek bridge repairs.
- Betts Road Bridge repairs.

STORMWATER

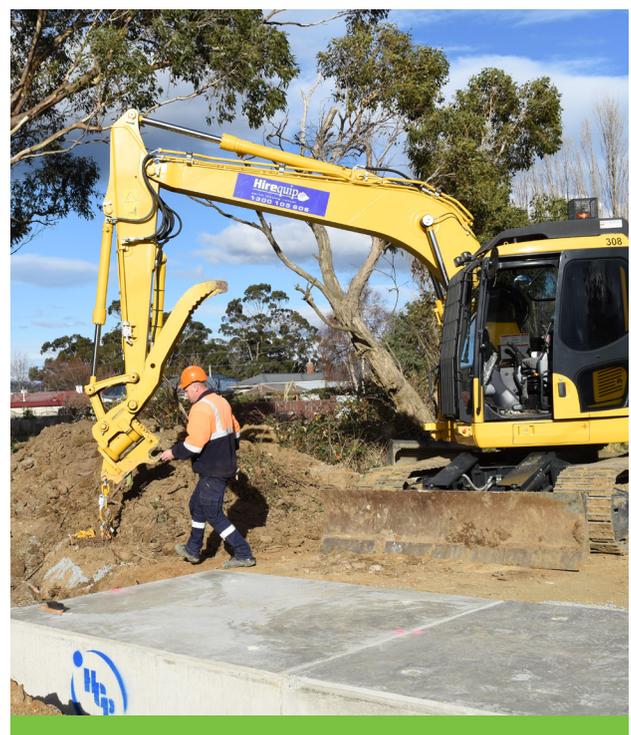
Council maintains 260 kilometres of stormwater drainage systems that includes open drains, culverts, piped stormwater drains and pits. Council maintains a number of controls over stormwater discharge with gross pollutant traps on many major outlets or vegetated cleansing swales in discrete locations. These collect rubbish washed into stormwater systems, which significantly prevents pollution entering the environment.

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.

Council continued its program of developing flood models for at risk catchments such as the Snug River catchment. Several other catchments were identified for future investigation driven by the major flood event in May 2018.

Major stormwater construction projects for 2018/19 included:

- Coffee Creek rehabilitation stage 2.
- Nebraska Road Coastal erosion works.
- Drysdale Creek stabilisation works.
- Beach Road, Kingston stormwater upgrade.
- Woodbridge Hill Road stormwater upgrade.
- Beach Road, Middleton, table drain renewal.
- Bundalla Road culvert replacement.
- Continued work on a regional project to install rain gauges across the greater Hobart area.



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 manages this large portfolio of assets to make sure appropriate services are delivered. 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 2018/19 included:

- Approximately, \$1,100,000 of road reseals for a variety of sealed roads.
- Approximately \$900,000 of gravel road re-sheets.
- Oxleys Road reconstruction.
- Morris Avenue rehabilitation.
- Parish Lane upgrade.
- Reconstruction of Powell Road, Blackmans Bay.
- Continuing upgrade works on Pelverata Road, Pelverata.
- Rehabilitation of Beach Road, Margate.
- Sealing of Tinderbox Reserve car park.
- Various road safety and accessibility improvement projects.

2.2.2 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 2018 caused significant damage to infrastructure. Council's crews and contractors continued to work on repairing roads and clearing associated stormwater infrastructure. Despite the extra work caused by this extreme event Council crews continued on with other tasks including repair of pavement failures/potholes, stormwater pit replacement program, upgrading of tracks and trails and maintenance of various reserves and playground equipment.

FOOTPATHS, ROADS AND DRAINAGE

Council provides a high level of service on our 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 Bruny Island.

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 keeps stormwater pits free from debris. The Kingston central business district and major urban areas are swept weekly, with all other areas swept as required.

KEY ACHIEVEMENTS

- Replacement of isolated sections of kerb and channel in various locations.
- Replaced sections of footpath due to trip hazards in various locations.
- Access ramps: Redwood Road, Hiern Road and Baynton Street
- Footpath and pit repair at Patriarch Drive, Riverdowns Drive, Aldinga Street and Oak Court.
- Drainage upgrades at a variety of locations including:
 - Hinsby Road culvert upgrade.
 - Taronga Road stormwater upgrade.
 - Whitewater Creek culvert repair.
 - Ritchie Street provision of new drainage.
 - Tree removal and drainage maintenance on number of rural unsealed roads.
 - Roadside slashing and spraying program.
 - Bridge, jetty and boat ramp maintenance carried out on relevant structures.

MAINTENANCE OF OUR PARKS AND RESERVES

Council carries out 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 2018/19, Council carried out a number of maintenance projects including:

- Tarooma foreshore playground renewal.
- Upgrade to the Adventure Bay Hall playground equipment.
- Painting of various toilet facilities.
- 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. A large number of the light and medium truck fleet has been replaced along with various light vehicles and smaller plant items. Some of the larger plant that was purchased for 2018/19 to replace other equipment that had reached the end of its life included a new grader, a tip truck and a spray unit for the Twin Ovals.

2.2.3 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.

RECYCLING AND GARBAGE COLLECTION

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

2.2.4 COPPING REFUSE DISPOSAL SITE

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.

2.2.5 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 early 2019, Council agreed that KWS would take on a wider role and manage the implementation of various other waste services including:

- Kerbside collection of waste and recyclables;
- Collection services for public place bins; and
- Community education and awareness forums for matters relating to waste management.

In establishing KWS, Council determined that an independent Board would be appointed to manage the company's operations.

In 2018/19 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 eleven 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 2018/19 financial year.
- Investigated and reported on a proposed kerbside collection extension to the Kettering area.
- Participation in the 2018 Garage Sale Trail Program.
- Mapping of Bruny Island and mainland public place bins.
- 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 Re-Use Shop had a \$53,093 increase on sales over Budget and an increase of \$30,238 over the 2017/18 Financial Year sales.
- Creation and distribution of a Waste and Recycling Guide.
- Investigated and reported on the introduction of a kerbside green waste service.
- Participation in the development of a joint Expression of Interest with Hobart City and Glenorchy City council's for a regional organics waste processing facility.
- Continued participation in the Tyrecycle, Paintback, Tech Collect and CMA Ecocycle recycling programs.



2.3 GOVERNANCE AND COMMUNITY SERVICES

The Governance and Community Services Department is responsible for the management of a coordinated program of corporate governance that includes the administration of Council's property portfolio. It also aims to deliver a diverse range of services, programs and facilities necessary to maintain and build a healthy and sustainable community.

The Governance Team cover a range of duties including 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 and urban design functions.

2.3.1 EMERGENCY MANAGEMENT

Following the floods in May 2018, Council applied for several community recovery and resilience grants from the State Government and was subsequently successful in receiving the following:

- Emergency Management Roadshows (in partnership with Hobart, Derwent Valley and Glenorchy City Councils, \$20,000
- Kingborough Emergency Volunteer Team, \$19,000
- Kingston CBD Resilience Program, \$35,135
- Community Survey, \$21,750
- Whitewater Creek Flood Study, \$56,800

The Kingborough Emergency Management Committee met on a quarterly basis throughout the year to review and update the Municipal Emergency Management Plan, 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.

2.3.2 COMPLIANCE

Council's Compliance Unit is delegated with the management and administration of Council's legislative investigative capability.

This includes undertaking investigations regarding, but not limited to:

- *Dog Control Act 2000*;
- *Local Government Act 1993*;
- *Land Use Planning Approvals Act 1993*; and
- Council By-Law.

ANNUAL FIRE ABATEMENT PROGRAM

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.

DOG MANAGEMENT

Council has been successful in adopting a Dog Management Policy that will promote responsible dog ownership throughout the municipality until 2023. Council, in partnership with the Kingborough Dog Walking Association and Dr Katrina Ward, has also published a Dog Owners Handbook. The Handbook provides information to help owners or prospective owners of dogs, enjoy their canine friend.

KEY OUTCOMES

- 2913 Infringement notices issued
- 6 Briefs of evidence lodged
- 2846 Attendances to requests by the public
- 113 Dogs impounded
- 6200 + Dog registrations obtained
- 69 Dog attacks investigated
- 124 Nuisance complaints investigated
- 44 Proactive fire inspections conducted
- 191 Abandoned vehicles removed
- 24 Open air fires extinguished

2.3.3 PROPERTY & RECREATION

PROPERTY

Referrals were assessed for a range of development applications involving Council owned land or adjacent to Council owned land. 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 finalised for the Taroona, Blackmans Bay and Kingston Scout Halls and negotiations for a new lease over the Dru Point Kiosk were commenced. Land was acquired by negotiation for multi-use trails in Sandfly, whilst the Blackmans Bay Blowhole Reserve was the subject of a compulsory acquisition.

RECREATIONAL PLANNING

An Open Space Strategy was endorsed by Council to assist in planning for suitable areas of public open space for community use. A review of the Kingborough Sports Precinct Masterplan was commenced to provide an update on the 2010 document. Work was undertaken on the development of a Playground Strategy to prioritise the development of play spaces throughout Kingborough.

The Dru Point Reserve Masterplan was endorsed by Council and work commenced on the implementation of priority actions. The popular Kingborough Tracks booklet has been updated and printed and is now up to the sixth edition. The Kingston Mountain Bike Park has received two much needed staged upgrades to the track and dirt jumps, with new signage, ongoing planting and mulching and is getting increased usage.

SPORTS GROUNDS

The Twin Ovals facility hosted Tasmania and Queensland in a 2nd XI four day cricket match in October, as well as hosting the Brisbane Lions training camp for a week in January.

New grandstands have been built on both the AFL and cricket grounds at the Twin Ovals. Lightwood Park played host to a practice match with A League soccer side Central Coast Mariners. New LED training lights have been installed at Kingston Beach Oval along with widening of the cricket wicket at the ground. New Cricket nets have also been constructed at Kingston Beach.

Work is currently underway at Margate Oval to install a new drainage system along with a fence extension on Van Morey Road. Irrigation and drainage work on Lightwood Park No.3 is to follow the Margate project. New cricket net fencing has been installed at Alonnah oval.

2.3.4 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

The Kingborough Sports Centre continues to provide a major focal point for community health and well-being with some 2,500 people passing through its doors each week. 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.

Visit www.kingborough.tas.gov.au/ksc for more information.

2.3.5 KINGBOROUGH COMMUNITY HUB

The Kingborough Community Hub offers a range of meeting rooms, exhibition and event spaces, with a large multi-purpose community hall.

Set on the grounds of the former Kingston High School, the new heart of Kingborough, the Kingborough Community Hub, officially opened its doors on 29 March 2019 following a successful grant from the Federal Government's Building Better Regions Fund. The Community Hub is a striking building in the heart of Kingston Park, and the building design is the result of an architectural design competition conducted in partnership with the Australian Institute of Architects in 2016.

The Community Hub is a flexible facility with varied spaces including meeting rooms, a co-working space, and the multi-purpose hall which is able to host a variety of community and cultural activities, events and exhibitions. Since opening the Community Hub has hosted multiple exhibitions such as Salvaged Art, Endemic Earth, and Women's Word, citizenship ceremonies, public meetings, concerts, training courses, and film nights including Tropfest and 2040.

Visit www.kingborough.tas.gov.au/kch for more information.

2.3.6 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, social planning and facilitation of a broad range of arts and cultural related activities. The department also develops recreational facilities and programs, liaises with a wide range of groups on local community issues and conducts referrals to specialist support services.

KEY ACHIEVEMENTS

ARTS

ART AND CULTURE STRATEGY

Council endorsed an Arts and Cultural Strategy during the year to revitalise and reposition Council's role in the cultural and creative life of the Kingborough community.

ABEL TASMAN ART PRIZE

The Tasmanian component of the Abel Tasman Art prize opened on Friday, 30 November 2018, with 16 finalists selected from grade 11 and 12 students across Tasmania. Photography, painting, drawing and textile works were submitted. This year the major prize went to Katelyn Geard from Don College for her graphite and charcoal 'Self-Portrait' exploring her anxiety disorder. The Highly Commended went to Lilith Dombrovskis for her large scale paired photograph series 'Fragility'.

ARTS HUB

There have been a number of new workshops at the Arts Hub, as well as a number of exhibitions. Art Therapist Mikailah Lehmann exhibited a solo show and workshops, and The Tasmanian Art Group held their group show in early November. Tassie Felters continue to use the space on a regular basis, along with a range of workshops, including weaving, basket making, jewellery making, an introduction to Essential Oils and a bonsai workshop. The new Kingborough Community Hub has provided an ideal venue for larger art exhibitions and hosted the Australian Ceramics Endemic Earth Exhibition in May 2019.

KINGBOROUGH MAKERSPACE SCULPTURE

The final aspect of the Makerspace funded project was the Sculpture of Lost and Found Objects. The students were asked to create a sculpture based on a request received from Kingston Beach residents, who had come to Council to ask for a place for lost property, to help those who have left behind their belongings at Kingston Beach.

STARRY SEAS TWILIGHT MARKET

A new monthly twilight market over the summer months was introduced from December 2018 to March 2019 in Blackmans Bay. The market showcased the work of talented local artists, makers and food producers and was a successful family friendly event.

COMMUNITY DEVELOPMENT

ACCESS ADVISORY COMMITTEE

The Committee has provided valuable feedback and suggestions for improvement for the new Kingborough Community Hub, which will benefit all users and visitors. The Committee has had a number of guests to share information and raise awareness of challenges facing people with disability. Destination Southern Tasmania representative Alex Heroys and Fiona Strahan from Disability Voices Tasmania were among the key guests exploring issues in tourism and how to give a greater voice to those experiencing disability.

The Committee hosted the screening of four short films by Tasmanian production company Rummin Films. Two of the films focused on major physical projects undertaken by people with disabilities.

GRAFFITI REDUCTION PROGRAM

Regular meetings have been held with Council staff members, community members and police representatives to discuss and respond to graffiti vandalism and to develop strategies for minimising graffiti in the future. Local businesses, community organisations and Council are working to remove graffiti promptly. Public art projects have been carried out, along with the development of crime prevention strategies as longer term responses.

LEARNING FOR LIFE

This program provided a range of workshops with topics such as how to reduce the use of plastics and packaging, making bees wax wraps, yoga and dance, and mental health sessions for children and adults.

REALLY REALLY FREE MARKET

The first Really Really Free market was held in November, attracting over 500 people. This initiative supports the reduction of waste through reuse, recycling and reducing consumption. The event is also based on the concepts of giving and generosity.

RECYCLING DIFFICULT ITEMS

Permanent stations were set up in the Kingborough Civic Centre and Kingborough Sports Centre to provide a venue for the recycling of items such as X-Rays, household batteries, coffee capsules, media waste, mobile phones and oral care products.

SENIORS

POSITIVE AGEING – BE CONNECTED PROGRAM

In partnership with Council of the Ageing, a pilot session of the Be Connected program was trialled at Snug Village. The program has a peer education focus where older volunteers with technology skills assisted others to better understand the capabilities of the electronic device such as laptops, phones and tablets. A second session was hosted on Bruny Island in June.

COMMUNITY CONNECTIONS

This program reaches out to socially-isolated older residents via a youth hospitality education program. The program runs each Friday of the school term with a function held at the end of the school term. Socially isolated older people are either self-referred, referred via friends or neighbours or by service providers. Up to 15 older people can be accepted into the program each term.

SENIORS WEEK

A presentation and afternoon tea was held on Bruny Island Bruny Island. Over 30 people attended the presentation by Council and representatives from Council of the Ageing who provided advice on accessing home support via My Aged Care and other services.

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 102 years of age) were provided volunteer support from the 65 wonderful volunteers during 2018/19. Support was requested and provided to clients for transport to medical and personal appointments, as well as volunteer support with grocery and general shopping, gardening and walking client's pets as well as 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 and continues to be recognised for the valuable contributions this program provides to the community.

TUESDAY TALKS

Held on the first Tuesday of the month, this program aims to inform and connect older residents with the many services and programs which exist to support and encourage a positive ageing experience. A request for detailed information on the legalities of funerals led to a follow up session for people seeking ways to reduce the cost of funerals whilst staying within the relevant regulations. Sessions are well attended and are community-led in that the community selects the issues for discussion at the Talks.



YOUTH SERVICES

YOUTH STRATEGY 2018-22

Over 700 responses were received to 'Our Say, Our Space' youth consultation 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 form part of the actions featured in the 2018-22 Youth Strategy.

WORKSHOPS AT YSPACE

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 as well as parents to make sure the programs meet the needs of the community. The most popular workshops were barista training, first aid training, art from trash and construction sessions.

YOUTH OUTREACH

Youth outreach programs were delivered throughout the year including a regular Youth Activities Program at Kingston Neighbourhood House 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. Love Bites is a Respectful Relationships Program developed by National Association Prevention Child Abuse and Neglect (NAPCAN). This full day program was delivered over ten sessions to all grade 10 students at Taroona High School in a partnership with Youth Services, school health nurses and Pulse Youth Health Services.

YOUNG MEN'S/WOMEN'S PROGRAMS

Council's Youth Services, in partnership with Kingston High School, 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. The 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 over six weeks at yspace with support from youth outreach services to improve their well-being.

SCHOOL HOLIDAY PROGRAM

A school holiday program was organised in each of the four holiday periods, with activities at yspace and excursions offsite. Activities included indoor rock climbing, going to the movies and the theatre, surfing, outdoor recreation, cooking, art and construction workshops. Activities are well attended with many new participants joining in.

YOUTH ACTION KINGBOROUGH (YAK)

A new cohort of YAK met on a regular basis throughout the year, providing advice to staff in relation to program and activity development. Members focused on issues important to young people in Kingborough such as green waste collection and sustainable living. YAK also helped to organise the Colour Festival; celebrating young people at the end of their school year.



2.4 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 ensure 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 also 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. Council has continued to prepare the Local Provisions Schedule throughout the year. This will involve the conversion of the existing zones and other provisions in the planning scheme to the amended format, based on the State Planning Provisions. The way that the future use and development will be assessed under the new scheme will need to be publicly explained during the upcoming advertising period.

A number of related strategic investigations were conducted during the year, including a thorough review of the Kingborough Land Use Strategy, which was subsequently endorsed by Council.

Council staff met regularly with planners from other southern Tasmanian councils at meetings of the Southern Technical Reference Group. In addition to this, Kingborough Council initiated a reference group for southern 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 are actively involved.

EXPIRING BUILDING AND PLUMBING PERMITS

As an outcome of State Government's introduction of changes in legislation relating to Building and Plumbing Permits Kingborough Council has undertaken a proactive program to assist the public in either finalising outstanding developments or extending the life of permits. This has been undertaken with a comprehensive communications plan and resourced accordingly to avoid the public getting caught out by the change in legislation that would have significant implications on their ability to complete development and avoid significant costs and stress.

DEVELOPMENT SERVICES ENFORCEMENT

Development Services has continued to develop the compliance framework for both Land Use Planning and Building to ensure compliance with the relevant Acts and to ensure that development is fair and equitable, as well as protecting the safety of our community.

Development Services, in conjunction with Council's Compliance team, has been successful in achieving compliance with the legislation through a number of means including obtainment of approvals, compliance with conditions, education or penalty to encourage change of behaviour in addition to a number of successful matters at the Magistrates Court where prosecution has been required.

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.

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 subdivision 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.

BUILDING SERVICES

Building Services administers the Building Permit Authority function of Council.

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.

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.

2.4.1 KINGSTON PARK

This year has seen significant on-ground progress for Council's Kingston Park project. This project aims to both provide a range of much needed community facilities whilst also stimulating 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.

The first stage of Goshawk Way, the main road through the site, was constructed, together with Skipper Lane (a new road linking Goshawk Way to John Street) and the installation of associated services to enable adjoining site developments. The construction of both the Community Hub and the new Kingston Health Centre were also completed during the year. The Community Hub was officially opened and has since proven to be a popular venue for a range of activities and events.

Council commissioned Playstreet consultants to prepare the designs for a large children's playground, the balance of the public open space area and Pardalote Parade – a pedestrian corridor linking Kingston Park with the Channel Court precinct. The playground has attracted a great deal of community interest and there was extensive public consultation during the year.

Expressions of interest were sought from private developers to join with Council in the future development in accordance with a previously adopted Development Plan. Traders in Purple were chosen to provide a mixed development of residential, commercial and entertainment related uses over about half of the site. They have subsequently progressed the detailed design of the first stages of the residential components and submitted the associated development applications. This private development is particularly critical in revitalising central Kingston and addressing the need for additional community services and employment opportunities within the municipality.



2.5 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.

2.5.1 ENVIRONMENTAL HEALTH

KEY ACHIEVEMENTS

FOOD SAFETY AND SURVEILLANCE

There were over 520 permanent, mobile and temporary food businesses licenced in Kingborough during the 2018/2019 financial year. Council Environmental Health Officers (EHOs) 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 including allergen statement compliance, sulphites in mince meat and the microbiological quality of packaged ice. The results of surveys and sampling are used to guide food safety policy and procedure and in the development of educational material.

The Tasmanian Government recently developed a new Food Business Risk Classification System for adoption in Tasmania; a state-wide system for classifying food businesses based on their inherent food safety risk and which provides a framework for managing food safety into the future. This is a national framework and ensures consistency in risk classification and inspection frequency across the State.

To prepare for this implementation, EHOs were required to undertake a complete review of the risks for all food businesses in Kingborough. This system now focuses on the business sector, food and process and is more of a science-based analysis. This was an extensive project to make sure risk classifications were both accurate and current before the new system was implemented

RECREATIONAL WATER QUALITY MONITORING

Council monitors recreational water quality at 20 beach locations from Taroona to Middleton and Bruny Island, and also monitors water quality at five public pools. Water quality monitoring at beach locations is conducted between December and March, reflecting seasonal use. Kingborough's privately-owned pools are monitored year-round and Council EHOs work closely with pool operators to make sure any non-compliance is quickly remedied.

WATER QUALITY INVESTIGATIONS

Council adopted a Recreational Water Quality Management Strategy to provide direction and priority to this important public health issue. This has a particular focus on the southern end of Blackmans Bay Beach with the aim of improving both the current grading and the quality of the water long-term. Council has carried out an intensive investigation into this issue in the last 12 months including:

- Ongoing weekly beach and stormwater sampling program, including the beach and stormwater outfalls. EHOs have undertaken sampling on 51 occasions as part of this program.
- Source tracking of contamination.
- Identification and rectification of a number of illegal domestic cross-connections.
- The formation of a Joint Investigative Team between Council and TasWater.
- Collaboration with TasWater to identify damaged sewer infrastructure within the catchment area.
- Working with TasWater for approval to divert low-flows of stormwater to sewer.
- Monitoring the number and location of seagulls at the beach.
- Sand sediment sampling.
- Engagement of a consultant with a specialist background in water quality issues and particularly the Derwent Estuary.
- Active participation in a Source Tracking Working Group with the Department of Health (DoH), TasWater, Environment Protection Authority (EPA), Derwent Estuary Program (DEP), City of Hobart and the Clarence City Council.
- Commitment to a permanent full-time Stormwater Investigation Officer position to focus on stormwater impacts on recreational water quality.

Council will continue to actively prioritise this issue, regularly inform the community and work with TasWater, the DoH, DEP and the EPA. Further information on the low-flow diversion can be found under Engineering Services.

Key environmental health activities for the year include:

ENVIRONMENTAL HEALTH ACTIVITY	
Registered food businesses	197
Registered mobile food businesses	63
Registered temporary food businesses	264
Notifiable disease notifications/ investigations	20
Vaccines administered at Council immunisation clinics (including School Immunisation Program)	2613
Registered public health risk activities	5
Registered water carters	7
Food handlers attending Council- coordinated workshops	90
Recreational water samples	907
Plumbing permits (on-site wastewater)	148



2.5.2 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 carried out 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).

SMOKE-FREE AREAS – KINGSTON COMMUNITY HUB

The first declaration of a smoke-free area within Kingston Park was made with the completion of the Kingborough Community Hub in March 2019. The Hub buildings and immediate surrounds have been declared smoke-free under the *Public Health Act 1997*. Further Council owned areas of Kingston Park will follow as construction continues.

2.5.3 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.
- Supporting threatened species recovery actions.
- 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.

BUSHLAND AND BIODIVERSITY

This year bush regeneration and management has occurred across many of Council's natural area reserves. Key actions from reserve management plans have been implemented including; weed control, native plantings and threatened species and wildlife monitoring in Algona Reserve, Wattle Street Reserve, Boronia Beach Reserve and Hawthorn Reserve.

An area in Boronia Hill Reserve in Kingston was restored using native plants following the removal of unauthorised bike jumps. This rehabilitation project will continue over the next few years. Restoration works have begun in new reserves at Spring Farm and Wattle Street.

Council continued to support the volunteer work of twenty environmental groups who are working to restore their local reserves and links. This year we provided specialist coastal monitoring training to the Derwent Avenue Group at Margate to allow them to track the rate of retreat of the shoreline in their area. Our annual convenors conference was well received with Landcare volunteers hearing from a broad range of speakers about emerging weeds, funding opportunities, the new road kill app and a session on communicating with influence.

NATURAL HAZARDS

Implementation of the Bushfire Risk Reduction Strategy and associated delivery plan continues with the development of a number of new fire trails and breaks, fire break maintenance, three fuel reduction burns and the provision of information to build a more resilient community.



COMMUNITY EDUCATION AND ACTION

Council led fourteen community events in natural reserves including National Tree Day beside North West Bay River at Longley, bat walks and a seniors walk at Sandfly Reserve. Eight community events were run in partnership with the Parks and Wildlife Service over the summer on Bruny Island. They engaged people in woodland birds and their specialised habitats, marine debris and responsible cat management.

KINGBOROUGH ENVIRONMENTAL FUND

The Kingborough Environmental Fund has been receiving financial offsets for the removal of vegetation since 2004. Its aim is to balance the loss of biodiversity from development and tree removals over recent years. There is over \$900,000 to invest in local environmental projects and new reserves on private land over the next four years.

Program highlights this year include the development of an Implementation Plan to guide project delivery and the initiation of a unique partnership with the Tasmanian Land Conservancy. The partnership aims to work with landowners to secure conservation outcomes for a range of high priority vegetation communities and species that have been impacted by past clearing.

CREEKS AND THE COAST

Creek stabilisation works using a range of soft engineering techniques were completed at Coffee Creek Reserve and Drysdale Reserve. The works have repaired areas of bank erosion and created a series of pool and riffle structures to improve water quality and flow.

Clean up and reconstruction work has continued in a number of waterways and stormwater wetlands systems following the floods of May 2018. An extensive amount of debris and plastic continues to be removed from creeks and constructed wetlands including Whitewater Creek, Huntingfield and Coffee Creek. Large quantities of woody debris deposited in the creek systems following the flood have been removed to minimise the risk to infrastructure in future flood events.

Actions to improve the health of our two key waterways, the Derwent Estuary and the D'Entrecasteaux Channel, continued through river partnership programs. Working with the Derwent Estuary Program and local volunteers, we carried out monitoring of the nationally threatened saltmarsh at Browns River in Kingston to understand its current health and issues affecting this important area. Council is active in progressing a range of coastal protection works at key sites where erosion is impacting assets including Blackmans Bay, Tyndall Beach and Snug Beach.



SECTION 3 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 South 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 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. This has included obtaining substantial infrastructure funding for Bruny Island (from the Government's Visitor Economy Roads Package) and participation on the Bruny Island Ferry Reference Group.

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. During this year all of the unauthorized roadside advertising signs were removed, mainly as a result of the positive cooperation of the Bruny Island tourism businesses.

CORPORATE COMMUNICATIONS

Council endorsed a new Community Engagement Framework, which was developed in consultation with community members and staff.

The Framework has been developed to provide a consistent approach to engagement across all aspects of Council. By implementing this framework, Council aims to better inform the community on matters, considerations, innovations and projects that impact them and will make sure members of the community are heard and their views considered as part of Council's decision making process.

Council is committed to ensuring effective engagement is achieved, and that Council is encouraging active and authentic participation with the community. To deliver on this, both Engagement Plan and Engagement Evaluation Templates have been developed to support project managers in the implementation of this framework.

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 and Instagram. Engagement continues to increase across these platforms along with the online engagement platform, Our Say.

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.



3.2 ORGANISATIONAL DEVELOPMENT

The Organisational Development Department is responsible for employee development programs and work health and safety practices. 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 198.2 effective full-time equivalent employees as at 30 June 2019, including Kingborough Waste Services.

Recruitment was undertaken in accordance with Council's recruitment policies. During the year, 36 new employees were recruited, including permanent, temporary, casual and fixed-term employees. Council hosted four Trainees through group training 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.

During the year, employees attended a refresher training session on anti-discrimination delivered by Equal Opportunity Tasmania. Other training programs included Communicating in Plain English workshops delivered by the 26TEN program and customer service training. The Integrity Commission also delivered training on identifying and managing conflict of interest for staff working in Compliance, Development Services and Engineering.

INDUSTRIAL RELATIONS

Council's employment conditions for Award based employees are negotiated through an enterprise agreement process. Council's office based and operational employees currently work under the Kingborough Council Enterprise Agreement No 9 of 2017. The Kingborough Waste Services Enterprise Agreement No. 1 of 2013 continues to cover Award based employees engaged by Kingborough Waste Services Pty Ltd. Negotiations commenced in February 2019 for a new Agreement to cover employees working at the Kingborough Sports Centre.

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 7 workers compensation claims lodged during the year. The lost time injury frequency rate (LTIFR) was 15.87 (compared to 28.55 for 2017/18). LTIFR is the frequency of injuries involving one or more lost workdays per million hours worked. 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. Safety worksite assessments were also undertaken by Council's WHS consultants.

WHS training included training for employee Health and Safety representatives, first aid, asbestos awareness, manual handling and ergonomic assessments for office based staff. Council also conducted a random alcohol and drug testing program across the workforce. Regular hearing checks were undertaken for employees as part of Council's risk management program for reducing the impact of noise induced hearing loss.

Council initiated an Employee Community Action Plan for mental health and suicide prevention with the support of Relationships Australia.



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:

- Installation of the Kingborough Community Hub Networks.
- Phone System upgrade.
- Server Upgrades.
- Disaster Recovery Servers.
- Ongoing upgrades of various corporate applications.

INFORMATION MANAGEMENT

- Implemented Employee Self-service Kiosk.
- Continued development of system integrations with GIS, upgrade of MapInfo, Customer Requests and Content Management Systems.
- Responded to various Right to Information and information requests.

CUSTOMER SERVICE

- Participated in the LGAT 2019 Community Satisfaction Survey to explore community satisfaction with the performance of Local Government.
- Participated heavily in the roll out of the telephony upgrade system including rolling out the call centre aspects.
- Introduced new EFTPOS terminals for a faster and more seamless customer experience.
- Presented the Award for Excellence in recognition of the team’s commitment to providing a professional service to the Kingborough Community and to the organisation.

Council received 13 written complaints during 2018/19 (in accordance with the definition contained within Council’s Customer Service Charter) as categorised below:

NATURE OF COMPLAINT	NO.
Compliance	3
Road Projects	2
KWS	1
Trees and Reserves	1
Infrastructure	1
Youth Activity	1
Planning	2
Stormwater	2
Total	13



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 2018/19, the members of the Audit Panel were:

- Nick Burrows - Independent Chair
- Robert Hogan - Independent Member (Resigned December 2018)
- Paul McTaggart - Independent Member
- John Hills - Independent Member (Appointed January 2019)
- Cr Mike Percey - Councillor Member (Resigned November 2018)
- Cr Richard Atkinson - Councillor Member (Resigned November 2018)
- Cr Flora Fax - Councillor Member (Appointed – November 2018)
- Cr Christian Street - Councillor Member (Appointed November 2018)

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 management of procedures relating to financial controls including internal audit related plans and reports.
- 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.

WLF Accounting and Advisory continued their internal audit program during 2018/19. Consistent with best practice, the Internal Audit Program was once again structured to address a blend of both strategic and compliance related areas. During 2018/19, the internal audit program consisted of a high level review of the Kingston Park financial model, integration of key plans and controls around asset management. Also a targeted review was conducted on superannuation and taxation aspects of payroll compliance. A number of improvement opportunities were identified and are being implemented. The Audit Panel reviewed and was comfortable with all Management's actions and timelines.

Council's External Auditors are the Tasmanian Audit Office who conduct an audit of the 2018/19 Financial Statements and provide an Independent Auditor's Report and Final Management Letter to the Audit Panel.

Other Audit Panel 2018/19 activity focus areas also encompassed undertaking a review of the Audit Panel 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.

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.

The annual remuneration for Senior Staff is shown in Note 37(iii) of the Notes of the Financial Report for the Year Ended 30 June 2019 of the Annual Report.



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 \$250,000 (excluding GST), which is the amount prescribed in the *Local Government (General) Regulations 2015*. Contracts awarded with a value above \$100,000 are listed below.

CONTRACT	PERIOD	VALUE OF TENDER	CONTRACTOR
Provision of Traffic Management Services	10/18 – 09/21	\$1,564,629.00	Statewide Earthworks 52 Atkins Road, Granton
Provision of Public Toilets, BBQs and Halls Cleaning Services	02/19 – 01/24	\$1,093,330.00	Kleen N Bright PO Box 349, Claremont
Kingston Beach Amenities Replacement	12/18 – 07/19	\$678,849.00	Macquarie Builders Pty Ltd 278 Macquarie Street, Hobart
Brightwater Road Reconstruction including Stormwater	02/19 – 08/19	\$567,740.45	Duggans 8420 Channel Highway, Cradoc
Provision of Public Waste Bin Emptying Services Portion 2 - Bruny Island	02/19 – 01/22	\$529,347.00	Spectran Contracting 4-6 Birdwood Avenue, Moonah
Supply of Motor Grader	10/18 – 04/19	\$432,000.00	William Adams Pty Ltd PO Box 164, Clayton
Barretta Landfill Gas System Extension	10/18 – 06/19	\$339,322.35	Run Energy Pty Ltd 199C Osborne Avenue Clayton South
Provision of Public Waste Bin Emptying Services Portion 1 - Mainland Kingborough	02/19 – 01/22	\$284,094.72	KJC Industrial Pty Ltd T/A Nivlek 21 Kulbara Road, Electrona
Kingston Park Open Space and Pardalote Parade Design	10/18 – 11/19	\$223,695.00	Playstreet Landscape Architecture 68 Brisbane Street, Hobart
Supply of 24 GVM Tip Truck	02/19 – 06/19	\$204,804.00	FRM Materials Handling 9a Lampton Avenue, Derwent Park
Barretta Landfill Gas Monitoring	07/19 – 06/22	\$130,371.00	Run Energy Pty Ltd 199C Osborne Avenue, Clayton South
Central Kingston Traffic Plan	07/18 – 02/19	\$119,000.00	GHD Pty Ltd 2 Salamanca Square, Hobart
Beach Road Stormwater Upgrade	02/19 – 06/19	\$108,040.00	de Kleine Constructions Pty Ltd 130 Cudjee Road, Mountain River
Supply of Toro Multi Pro Spray Unit	08/18 – 08/18	\$101,540.90	Pellows Saws & Mowers PO Box 7450, Launceston
D&C Coningham Public Toilet	03/19 – 10/19	\$100,500.00	Landmark Products Pty Ltd Suite G251, 442 Auburn Road Hawthorn

3.8 FINANCIAL ASSISTANCE AND GRANTS

From 1 July 2018 to 30 June 2019:

NAME	AMOUNT	DESCRIPTION
Kingborough Community Enterprise Centre	\$ 35,000.00	Yearly funding instalment
Dept Primary Industries, Parks, Water and Env.	\$ 26,364.00	Derwent Estuary Program Contribution
Conservation Covenants	\$ 11,715.77	2018/19 Rate Remissions
Channel Heritage Centre	\$ 11,000.00	2018/19 Grant
Charitable Organisations	\$ 8,793.44	2018/19 Rate Remissions
Kingborough Bowls Club	\$ 7,264.98	Financial assistance
Taroona Bowls Club	\$ 3,693.38	Financial assistance
Woodbridge Community Association Inc	\$ 3,000.00	Community Grant 2018/19
Bruny Island Arts Inc	\$ 3,000.00	Community Grant 2018/19
Kingston Neighbourhood House	\$ 3,000.00	Community Grant 2018/19
Dementia Friendly Tasmania	\$ 3,000.00	Community Grant 2018/19
Kingborough Lions United Football Club	\$ 3,000.00	Community Grant 2018/19
West Winds Community Association	\$ 2,925.00	Community Grant 2018/19
Kingston Beach Sailing Club	\$ 2,727.27	Community Grant 2018/19
Kingborough Little Athletics Centre Inc	\$ 2,613.64	Community Grant 2018/19
Channel Football Club Inc	\$ 2,500.00	Community Grant 2018/19
Kingborough Gymnastics Association	\$ 1,829.55	Community Grant 2018/19
Tas Fire Service	\$ 1,750.00	Community Grant 2018/19
Kingston Beach Regatta Association	\$ 1,684.00	Community Grant 2018/19
Bruny Island Arts Inc	\$ 1,590.91	Community Grant 2018/19
Huntingfield Pony & Riding Club	\$ 1,500.00	Community Grant 2018/19
Scouts Australia - Tasmania Branch	\$ 1,500.00	Community Grant 2018/19
Taroona Community Association	\$ 1,445.45	Community Grant 2018/19
Woodbridge Hall Management Committee	\$ 1,434.00	Community Grant 2018/19
Kingborough Community Enterprise Centre	\$ 1,238.18	Community Grant 2018/19
Rotary Club of Kingston	\$ 1,150.00	Community Grant 2018/19
Kingston Beach Surf Live Saving Club Inc	\$ 921.00	Community Grant 2018/19
Illawarra Primary School Association	\$ 818.18	Community Grant 2018/19
Woodbridge Community Association Inc	\$ 759.10	2018/19 Rate Remissions
Oh La La & Co. Inc	\$ 734.32	Community Grant 2018/19
Kingborough Community Missions	\$ 500.00	Mayor's Contribution - 2019 Food Aid Program
Bruny Island Primary Industry Carnival Account	\$ 400.00	Contribution - Prizes at Easter Carnival
Woodbridge Hall Management Committee	\$ 368.18	Community Grant 2018/19
Sing Australia Kingston	\$ 363.64	Community Grant 2018/19
Lions Club of Kingborough Inc	\$ 350.00	Anzac Day Sports Contribution
Bruny Island Library Committee	\$ 350.00	Telephone Operating Costs
Taroona High School Association	\$ 300.00	Contribution - Establishment of THS Alumni
Education for Sustainability Tasmania	\$ 250.00	Tas Youth Climate Leaders Conference
Illawarra Primary School Association	\$ 220.00	Rights to Screen a Movie for Fundraising
Taroona High School	\$ 200.00	Contribution - 2019 SRC Scholarship Program
Bruny Island Community Association	\$ 200.00	Contribution - Community BBQ
Kingborough Helping Hands	\$ 195.00	Donation - Storage Bin Purchase

NAME	AMOUNT	DESCRIPTION
Robert Sheers	\$ 109.15	Donation - Bike Treasure Hunt
Rebecca Rogers	\$ 100.00	Contribution - 2018 Intraschool Show Jumping
Miss Holly Benn	\$ 100.00	Contribution - 2018 National Youth Soccer Championships
Miss Kate Benn	\$ 100.00	Contribution - 2018 National Youth Soccer Championships
Jessie Holt	\$ 100.00	Contribution - 2018 Tasmanian U15 Rugby Girls Team
Miss Hollie Nash	\$ 100.00	Contribution - 2019 Aus Country Junior Basketball
Miss Niamh Bawle	\$ 100.00	Contribution - 2019 Aus Country Junior Basketball
Miss Brooke Jones	\$ 100.00	Contribution - AIM Overseas Program in Portugal
Richard McMinn	\$ 100.00	Contribution - Australian Ocean Racing Series
Bruny Island Environment Network Inc	\$ 100.00	Contribution - Bird Festival
Mr Joe Ojwiya	\$ 100.00	Contribution - FFA National Youth Championships
Miss Kate Benn	\$ 100.00	Contribution - FFA National Youth Championships
Miss Holly Benn	\$ 100.00	Contribution - FFA National Youth Championships
Bruny Island District School	\$ 100.00	Contribution - Students 2018 Canberra Trip
Maverick Smalley	\$ 100.00	Contribution - U12 AFL National Schoolboy Champs
Max Larkin	\$ 100.00	Contribution - U16 Aust School Hockey Championships
Olivia McHugh	\$ 100.00	Contribution - U18 National Tennis Competition
Jack Elkington	\$ 100.00	Contribution - Windward Bound Youth Challenge
Miss Taryn Bennet	\$ 100.00	Contribution - World Scout Jamboree
Miss Hollie Nash	\$ 100.00	Contribution Towards U14 Aust Basketball Champions
Kingston High School	\$ 100.00	Contribution Towards Vietnam & Cambodia Project
Blackmans Bay Primary School	\$ 100.00	School Citizenship Award 2018
Bruny Island District School	\$ 100.00	School Citizenship Award 2018
Calvin Christian School	\$ 100.00	School Citizenship Award 2018
Calvin Christian School	\$ 100.00	School Citizenship Award 2018
Channel Christian School	\$ 100.00	School Citizenship Award 2018
Illawarra Primary School	\$ 100.00	School Citizenship Award 2018
Kingston High School	\$ 100.00	School Citizenship Award 2018
Kingston Primary School	\$ 100.00	School Citizenship Award 2018
Margate Primary School	\$ 100.00	School Citizenship Award 2018
Snug Primary School	\$ 100.00	School Citizenship Award 2018
St Aloysius Catholic College	\$ 100.00	School Citizenship Award 2018
St Aloysius Catholic College	\$ 100.00	School Citizenship Award 2018
Taroona High School	\$ 100.00	School Citizenship Award 2018
Taroona Primary School	\$ 100.00	School Citizenship Award 2018
Woodbridge School	\$ 100.00	School Citizenship Award 2018
Southern Christian College	\$ 100.00	School Citizenship Award 2018

\$ 155,358.14

3.9 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 2019/19 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

SECTION 4 FINANCIAL RESULTS



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

The Annual Financial Report for 30 June 2019 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 2018/19 of \$6.9 million, before other comprehensive income adjustments. If capital and non-recurring income and expenses of \$7.5 million are eliminated, the underlying financial performance is a deficit of \$0.6 million.

The results for the previous year 2017/18 show a surplus of \$0.3 million based on the underlying financial performance.

The main reason for the declining financial performance was the reduction in the dividend from TasWater of \$0.6 million for 2018/19 and future years.

Council's Long Term Financial Plan (LTFP) shows a return to a sustainable underlying surplus from 2020/21. This is despite Council charging one of the lowest levels of rates amongst the large Councils in the state. In February 2019, 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 2018/19 to 2028/29, and is an important part of Council's overall financial management framework. The LTFP and LTAMP will be updated in 2020.

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

- Council's finances are managed responsibly on behalf of the residents and ratepayers of Kingborough.
- Resources are allocated to activities and services which generate maximum community benefit.
- Future population growth is supported by an infrastructure renewal program and development of new infrastructure.
- A strong municipal economy supports business activity and facilitates higher commercial rate revenue.
- Unexpected events are mitigated by risk management practices and by maintaining a robust financial position.
- Accountability, transparency and good governance underpin the development, implementation and reporting on fiscal objectives.

The Statement of Financial Position at 30 June 2019 shows an increase in total assets from \$635.2 million to \$674.2 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 \$26.4 million.

The Statement of Cash Flows shows a cash decrease of \$1.9 million during 2018/19 reducing cash to \$8.3 million.

The cash from operating activities was \$2.8 million less than the previous year, while cash outflows from investment activities was \$3.6 million greater than 2017/18 and the level of capital grants was \$1.4 million above last year. Loan funds of \$5.2 million were received in June 2019 to fund the capital expenditure at 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 2019 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 2019 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 financial report, the asset renewal funding ratio disclosed in note 43(f), nor the Significant Business Activities disclosed in note 42 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.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. These matters were addressed in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Why this matter is considered to be one of the most significant matters in the audit	Audit procedures to address the matter included
<p>Property, Infrastructure, Plant and Equipment <i>Refer to notes 14(a), 22 and 44</i></p>	
<p>Property, infrastructure, plant and equipment at 30 June 2019 includes land, buildings and infrastructure assets including roads and bridges, stormwater and minor infrastructure valued at fair value totalling \$508.66m. The fair values of land are derived from observable market information while the fair values of buildings and infrastructure assets are based on current replacement cost. Council undertakes formal revaluations on a regular basis to ensure valuations represent fair value. Indexation is applied to fair values between formal valuations.</p> <p>In 2018-19 Council indexed the carrying values of land, buildings, roads and bridges, stormwater and minor infrastructure assets. The valuations are highly dependent upon a range of assumptions, including estimated unit rates.</p> <p>The calculation of depreciation requires estimation of asset useful lives, which involves a high degree of subjectivity. Changes in assumptions and depreciation policies can significantly impact the depreciation charged</p> <p>Capital payments in 2018–19 totalled \$19.76m on a number of significant programs to upgrade and maintain assets. Capital projects can contain a combination of enhancement and</p>	<ul style="list-style-type: none"> • Evaluating the appropriateness of the valuation methodology applied to determine fair values. • Assessing assumptions, including indexation rates, and other key inputs in the valuation model. • Testing, on a sample basis, the mathematical accuracy of the valuation model’s calculations. • Evaluating management’s assessment of the useful lives. • Performing substantive analytical procedures on depreciation expenses. • Testing, on a sample basis, significant expenditure on maintenance and capital works to corroborate appropriate treatment. • Testing, on a sample basis, capital work-in-progress to ensure that active projects will result in usable assets and that assets commissioned are transferred in a timely manner. • Evaluating the adequacy of disclosures made in the financial report, including those regarding key assumptions used.

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Why this matter is considered to be one of the most significant matters in the audit	Audit procedures to address the matter included
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maintenance activity which are not distinct and therefore the allocation of costs between capital and operating expenditure is inherently judgemental.

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 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.

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- 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 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.

From the matters communicated with the General Manager, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Leigh Franklin
Assistant Auditor-General, Financial Audit Services
Delegate of the Auditor-General

Tasmanian Audit Office

16 October 2019
Hobart

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Kingborough

KINGBOROUGH COUNCIL

ANNUAL FINANCIAL REPORT

For the Year Ended 30 June 2019

kingborough.tas.gov.au



Certification of the Consolidated Financial Report For the Year Ended 30 June 2019

The consolidated financial report presents fairly the financial position of the Kingborough Council as at 30 June 2019, 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.



Gary Arnold
General Manager

15-Oct-19

Kingborough Council Consolidated Financial Report Table of Contents

CONSOLIDATED FINANCIAL REPORT

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**Consolidated Statement of Comprehensive Income
For the Year Ended 30 June 2019**

	Note	Budget 2019 \$'000	Actual 2019 \$'000	Restated* Actual 2018 \$'000
Income from continuing operations				
Recurrent Income				
Rates and fire levies	3	28,640	28,609	26,758
Statutory fees and fines	4	1,724	2,036	1,784
User fees	5	2,668	2,645	2,745
Grants - operating	6(a)	2,974	3,019	3,504
Contributions - cash	7(a)	635	463	791
Interest	8	168	202	220
Other income	9	1,767	2,623	2,497
Investment revenue from Water Corporation	10	1,240	1,232	1,848
		39,816	40,828	40,147
Capital Income				
Capital grants received specifically for new or upgraded assets	6(b)	1,400	2,839	1,417
Contributions - non-monetary assets	7(b)	200	4,049	7,963
Initial recognition of infrastructure assets	7(c)	-	638	69
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	11(a)	-	(334)	74
Carrying amount of assets retired	11(b)	(500)	(585)	(1,157)
Share of net profits/(losses) of investment in associate	17	200	609	117
Total income from continuing operations		41,116	48,044	48,630
Expenses from continuing operations				
Employee benefits	12	(15,436)	(15,559)	(14,961)
Materials and services	13	(8,941)	(9,450)	(9,218)
Depreciation and amortisation	14(a)	(9,766)	(10,351)	(9,814)
Finance costs	14(b)	(200)	(24)	-
Impairment of receivables	14(c)	-	(16)	-
Other expenses	15(a)	(4,085)	(4,193)	(3,860)
Fire levies	15(b)	(1,605)	(1,584)	(1,527)
Total expenses from continuing operations		(40,033)	(41,178)	(39,380)
Net surplus / (deficit)	16	1,083	6,866	9,250
Other comprehensive income				
Items that will not be reclassified to surplus or deficit				
Fair value adjustment on equity investment assets	18	-	13,689	1,216
Net asset revaluation increment (decrement)	28	-	14,475	14,550
Comprehensive result		1,083	35,029	25,016

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

* - Certain numbers shown do not correspond to the 2017-18 Financial Statements.

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

**Consolidated Statement of Financial Position
As at 30 June 2019**

	Note	2019 \$'000	Restated* 2018 \$'000
Assets			
Current assets			
Cash and cash equivalents	19	8,287	10,194
Trade and other receivables	20	1,873	2,020
Other assets	21	45	24
Total current assets		10,205	12,239
Non-current assets			
Investment in associates	17	2,070	1,461
Investment in Water Corporation	18	108,581	94,892
Trade and other receivables	20	349	379
Property, infrastructure, plant and equipment	22	552,472	526,072
Intangible assets	23	511	120
Total non-current assets		663,983	622,923
Total assets		674,188	635,162
Liabilities			
Current liabilities			
Trade and other payables	24	3,815	5,321
Trust funds and deposits	25	2,121	1,873
Provisions	26	2,169	2,209
Total current liabilities		8,105	9,403
Non-current liabilities			
Provisions	26	665	581
Interest-bearing loans and borrowings	27	7,912	2,700
Total non-current liabilities		8,577	3,281
Total liabilities		16,682	12,684
Net Assets		657,506	622,479
Equity			
Accumulated surplus		273,475	263,942
Reserves	28	384,031	358,537
Total Equity		657,506	622,479

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

* - Certain numbers shown do not correspond to the 2017-18 Financial Statements.

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

Consolidated Statement of Cash Flows For the Year Ended 30 June 2019

	Note	2019 Inflows/ (Outflows) \$'000	2018 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and fire levies		28,820	26,504
Statutory fees and fines		2,036	1,784
User fees		2,645	2,745
Grants		3,019	3,504
Other cash inflows, incl. reimbursements		2,459	1,575
Investment revenue from Water Corporation		1,232	1,848
Interest		202	220
Payments to suppliers		(14,841)	(10,534)
Payments to employees		(15,514)	(14,820)
Finance costs		(24)	-
Payments of fire levies		(1,584)	(1,527)
Net cash provided by operating activities	29	8,448	11,299
Cash flows from investing activities			
Proceeds from sale of property, infrastructure, plant and equipment		857	1,114
Investment in associates		0	(320)
Developer contributions		463	791
Payments for property, infrastructure, plant and equipment		(19,757)	(16,383)
Net cash used in investing activities		(18,437)	(14,798)
Cash flows from financing activities			
(Advances) repayments for community organisation loans		30	-
Proceeds from interest bearing loans and borrowings		5,212	2,700
Capital grants		2,839	1,417
Net cash provided by financing activities		8,081	4,117
Net increase (decrease) in cash and cash equivalents		(1,907)	619
Cash and cash equivalents at the beginning of the financial year		10,194	9,571
Cash and cash equivalents at the end of the financial year	19	8,287	10,194
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 2019**

	Note	Asset				Other Reserves
		Total	Accumulated Surplus	Revaluation Reserve	Fair Value Reserve	
2019		2019 \$'000	2019 \$'000	2019 \$'000	2019 \$'000	2019 \$'000
Balance at beginning of the financial year		622,476	263,939	361,969	(16,840)	13,409
Surplus / (deficit) for the year		6,866	6,866	-	-	-
Other Comprehensive Income:						
Net asset revaluation increment(decrement)	28	14,475	-	14,475	-	-
Fair value adjustment on equity investment assets	18	13,689	-	-	13,689	-
Transfers between reserves and accumulated surplus		-	2,670	-	-	(2,670)
Balance at the end of the financial year		657,506	273,475	376,443	(3,151)	10,739

		Asset				Other Reserves
		Total	Accumulated Surplus	Revaluation Reserve	Fair Value Reserve	
Restated* 2018		2018 \$'000	2018 \$'000	2018 \$'000	2018 \$'000	2018 \$'000
Balance at beginning of the financial year		599,054	258,953	349,556	(18,056)	8,601
Adjustment due to prior period error		(1,663)	474	(2,137)	-	-
Surplus / (deficit) for the year		9,250	9,250	-	-	-
Other Comprehensive Income:						
Net asset revaluation increment(decrement)	28	14,550	-	14,550	-	-
Fair value adjustment on equity investment assets	18	1,216	-	-	1,216	-
Transfers between reserves and accumulated surplus		-	(4,808)	-	-	4,808
Retained equity in subsidiary	32	70	70	-	-	-
Balance at the end of the financial year		622,476	263,939	361,969	(16,840)	13,409

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

* Certain numbers shown do not correspond to the 2017-18 Financial Statements.

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

**Notes to the Financial Report
For the Year Ended 30 June 2019**

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 2019**

Note 1 Overview

(b) Basis of accounting (cont.)

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 2019.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

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).

2019	Governance and Administration \$'000	Transport \$'000	Public Services \$'000	Community Amenities \$'000	Recreation & Culture \$'000	Environmental Health \$'000	Welfare \$'000	Other Not Attributed \$'000	Total \$'000
REVENUES									
Rates & Levies	0	0	1,583	3,895	0	0	0	23,131	28,609
Grants & Subsidies	5,138	0	187	154	50	326	0	0	5,858
Other	8,203	73	494	2,786	1,114	319	101	488	13,578
Total	13,341	73	2,264	6,835	1,164	645	101	23,619	48,044
EXPENSES									
	7,868	10,894	1,299	8,448	6,855	1,698	983	3,133	41,178
Net Result	5,473	(10,821)	965	(1,613)	(5,691)	(1,053)	(882)	20,486	6,867
ASSETS	5,557	334,788	0	79,549	53,649	0	0	203,353	676,896
2018									
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	254,054	92	75,917	26,378	0	60	274,865	636,958

Notes to the Financial Report For the Year Ended 30 June 2019

Note 2 Functions/Activities of Council (cont.)

(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 2019**

	2019	2018
	\$'000	\$'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	23,131	22,043
Stormwater Rate	1,064	1,011
Garbage charge	2,832	2,177
Total rates	27,026	25,230
Volunteer brigade fire district service levy	873	841
Permanent brigade fire district service levy	393	389
General land fire service levy	316	298
Total fire levies	1,583	1,528
Total rates and fire levies	28,609	26,758

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. Since that date, the Valuer-General has advised biennial adjustment factors, which have been applied as at 1 July each year of issue.

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	328	331
Building & plumbing fees	630	475
Property & rating certificates	289	291
Planning & subdivision fees	566	490
Health fees & licenses	122	104
Recovered legal & collection costs	102	93
Total statutory fees and fines	2,036	1,784

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 2019**

	2019 \$'000	2018 \$'000
Note 5 User fees		
Revenues from Kingborough Sports Centre	926	963
Waste disposal charges	1,291	1,187
Rentals & leasing fees	185	216
Family Day Care	-	61
Other charges	244	318
Total user fees	2,645	2,745

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 or the payment is received, whichever first occurs. A provision for impairment is recognised when collection in full is no longer probable.

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.

Note 6 Grants

Grants were received in respect of the following:

(a) Operational Grants

Financial Assistance Grants	2,281	2,204
Family Day Care Scheme	-	376
Manor Gardens Day Care Centre	154	462
Bruny Island Cat Management	190	187
Regional Cat Management	120	120
Bruny Island Liveability Study	-	25
Bruny Island Destinations Action Plan	-	50
Community Development	-	4
Community Connections	-	10
Bushfire Risk Modelling	7	20
Empowering Seniors	-	21
Sports Grounds Feasibility Study	-	25
Community Recovery Grants	188	-
Kingborough Sports Precinct Future Directions Plan	50	-
Community Road Safety Grant	20	-
National Disaster Resilience Grant	9	-
Total operational grants	3,019	3,504

**Notes to the Financial Report
For the Year Ended 30 June 2019**

	2019	2018
	\$'000	\$'000
<p>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 2019, the first two instalments of the 2019-20 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 2018-19 by \$1.15 million. This was offset by the early payment of \$1.09 million in 2018/19 grant funds in June 2018. The impact on the Statement of Comprehensive Income resulting in the Net surplus/(deficit) from continuing operations being higher by \$49,000.</p>		

(b) Capital grants received specifically for new or upgraded assets

Commonwealth 'Roads to Recovery' Fund	-	794
Kingston Beach Oval Cricket Net Replacement	-	49
Allonah Hall Upgrade	150	-
KSC LED Light Upgrade	-	45
Snug to Margate Trail	84	90
Community Hub	2,301	219
Lightwood Park Soccer Ground	-	209
Kingston Beach Oval Gymnasium	-	10
Kingborough Evacuation Centre Power Resilience	15	-
Taroona Crescent Footpath Improvements	100	-
Margate Sports Ground Drainage	113	-
Safer Communities Funding - CCTV	66	-
Woodbridge Hall Kitchen Upgrade	11	-
Total capital grants	2,839	1,417
Total Grants	5,858	4,921

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	76	116
Community Connections	-	6
Empowering Seniors	9	19
Sports Grounds Feasibility Study	-	25
Bruny Destinations Action Plan	-	38
Bruny Island Cat Management	8	-
Kingborough Sports Precinct Future Directions Plan	50	-
Community Recovery Grants	188	-
Community Road Safety Grant	20	-
National Disaster Resilience Grant	9	-
Total	360	204

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	38	12
Lightwood Park Soccer Ground	-	15
Dru Point Master Plan	-	25
Regional Cat Management	40	-
Sports Grounds Feasibility Study	25	-
Empowering Seniors	10	-
Community Connections	6	-
	119	65

*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 2019**

2019
\$'000 2018
\$'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	64	229
Payments in lieu of Public Open Space	170	230
Tree Preservation	140	158
Manor Gardens Club	68	120
Family Day Care Service	-	3
Natural resource management	22	2
Engineering	-	15
KSC Stadium	-	1
Twin Ovals Precinct	-	33
Total	463	791

(b) Non-monetary assets

Roads & footpaths	2,498	6,634
Stormwater piping	1,551	1,329
Total	4,049	7,963
Total contributions	4,512	8,754

(c) Non-monetary assets

Initial recognition of infrastructure assets	638	69
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**Notes to the Financial Report
For the Year Ended 30 June 2019**

2019
\$'000

2018
\$'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	202	220
	Total	202	220

Accounting policy

Interest income
Interest is recognised progressively as it is earned.

Note 9	Other income		
	Charges for external works	563	481
	Refund of motor tax	219	217
	Other revenues	727	676
	Pensioner Rate Remissions (State Government)	1,112	1,124
	Total other income	2,623	2,497

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.

Note 10	Investment revenue from water corporation		
	Dividend revenue	908	1,140
	Guarantee fee	166	163
	Taxation equivalent	158	545
	Total investment revenue from water corporation	1,232	1,848

Accounting policy

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

**Notes to the Financial Report
For the Year Ended 30 June 2019**

	2019	2018
	\$'000	\$'000
Note 11 Net gain/(loss) on disposal of property, infrastructure, plant and equipment		
(a) Proceeds of sale:		
Plant & vehicles	348	359
Land & Buildings	509	755
Total	857	1,114
 Written down value of assets disposed		
Plant & vehicles	425	188
Land & Building	745	852
Furniture	21	-
Total	1,191	1,040
 Net Gain (Loss)	(334)	74
 (b) Carrying amount of assets retired		
Road pavements	(368)	(1,157)
Stormwater drainage	(217)	-
Total	(585)	(1,157)

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	12,975	12,821
Workers compensation	321	324
Annual leave and long service leave	355	267
Superannuation	1,632	1,507
Payroll Tax	887	862
Other	60	44
Total	16,229	15,825
 Less: Capitalised amounts	 (670)	 (864)
Total employee benefits	15,559	14,961

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.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

	2019	2018
	\$'000	\$'000
Note 13 Materials and services		
Building maintenance	84	114
Child care payments	0	292
Consultants	218	228
Contract and materials	6,812	6,484
Fuel and oil	355	326
IT consumables	378	307
Plant and vehicles maintenance	357	228
Utilities	1,246	1,239
Total materials and services	9,450	9,218

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	6,823	6,491
Stormwater	1,085	1,022
Buildings	899	945
Plant, Machinery and Equipment	858	791
Minor Infrastructure	470	412
Fixtures, Fittings, Furniture, and Computers	35	29
Computers and telecommunications	84	80
Total depreciation	10,254	9,770
Intangible assets		
Intangible assets	97	44
Total depreciation and amortisation	10,351	9,814

**Notes to the Financial Report
For the Year Ended 30 June 2019**

2019 2018
\$'000 \$'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.	
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 2019**

	2019	2018
	\$'000	\$'000
Note 14(b) Finance Costs		
Interest - Borrowings	70	3
Total	<u>70</u>	<u>3</u>
Less capitalised borrowings on qualifying assets	46	3
Total finance costs	<u>24</u>	<u>-</u>
Rate used to capitalise finance costs	3.47%	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 \$45,519.

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

Note 14(c) Impairment of receivables

Other Debtors	16	-
Total impairment of receivables	<u>16</u>	<u>-</u>

Accounting policy

Impairment expense

Expenses are recognised in the Statement of Comprehensive Income.

Note 15 Other expenses and Levies to State Government

(a) Other expenses

Councillors Allowances & Expenses (refer Note 39)	628	421
Land Tax	246	238
Liability and Property Insurance	389	350
Rate Remissions	20	26
Government funded rate remissions	1,127	1,087
Legal Fees	271	167
Tourism	56	56
Valuation Fees	72	90
Advertising & Marketing	111	114
Bank Charges	89	81
Subscriptions	104	92
Postage	87	89
Other expenses	993	1,048
Total other expenses	<u>4,193</u>	<u>3,860</u>

**Notes to the Financial Report
For the Year Ended 30 June 2019**

	2019	2018
	\$'000	\$'000
(b) Levies to State Government		
Tasmanian Fire Service Contribution	1,584	1,527

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.

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)	6,866	9,250
<i>exclude</i>		
Capital grants	(2,839)	(1,417)
Contributions - non-monetary assets	(4,049)	(7,963)
Initial recognition of infrastructure assets	(638)	(69)
Storm Damage	146	541
<i>Grant received in advance</i>		
Grants paid in 2017/18 relating to 2018/19	1,109	1,049
Grants paid in 2018/19 relating to 2019/20	(1,158)	(1,109)
Underlying Surplus (Deficit)	(563)	282

**Notes to the Financial Report
For the Year Ended 30 June 2019**

	2019	2018
	\$'000	\$'000
Note 17 Investment in associates		
Investments in associates accounted for by the equity method are:		
Copping Refuse Disposal Site Joint Authority (CRDSJA) - 20%	1,751	1,163
Investment in Copping C-Cell Pty Ltd as Trustee (Trust) - 8%	319	298
Total	2,070	1,461
<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	7,403	4,346
Non-current assets	13,397	13,448
Total assets	20,800	17,794
Current liabilities	(2,980)	(2,987)
Non-current liabilities	(7,364)	(7,504)
Total liabilities	(10,344)	(10,491)
Net Assets	10,456	7,303
Minority Interests	(1,596)	(1,493)
Equity Attributable to Owners	8,860	5,810
Share of associates' net assets	1,772	1,162
Total Income	9,882	7,395
Net result	1,907	484
Share of associates' result after tax	381	97
Additional equity injection	207	20
Share of associates' additional equity	-	21
Total adjustment in Statement of Comprehensive Income	589	139
Summarised financial information on the Trust:		
Current assets	568	234
Non-current assets	6,715	6,712
Total assets	7,283	6,946
Current liabilities	(118)	(70)
Non-current liabilities	(3,174)	(3,146)
Total liabilities	(3,292)	(3,216)
Net Assets	3,991	3,730
Share of associates' net assets	319	298
Total Income	792	-
Net result	259	(185)
Share of associates' result after tax	21	(15)
Additional equity injection	-	-
Share of associates' previous loss	-	(7)
Total adjustment in Statement of Comprehensive Income	21	(22)

**Notes to the Financial Report
For the Year Ended 30 June 2019**

2019 2018
\$'000 \$'000

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	94,892	93,676
Change in fair value of investment	13,689	1,216
Total investment in water corporation	108,581	94,892

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 under AASB 9 - applicable from 1 July 2018

Equity Investment
As Council's investment in TasWater is held for long-term strategic purposes, Council has elected under AASB 9: Financial Instruments to irrevocably classify this equity investment as designated as fair value through other comprehensive income. Subsequent changes in fair value on designated investments in equity instruments are recognised in other comprehensive income (for fair value reserve, refer note 28) and not reclassified through the profit or loss when derecognised. Dividends associated with the equity investments are recognised in profit and loss when the right of payment has been established and it can be reliably measured.
Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date. At 30 June 2019, Council holds a 5.84% (2018: 5.91%) ownership interest in TasWater which is based on Schedule 2 of the Corporation's Constitution which reflects the Council's voting rights.

Accounting policy under AASB 139 - applicable for 2018 comparative

Equity Investment
Council's investment in TasWater is valued at its fair value determined by Council's ownership interest against the water corporation's net asset value at balance date. Any unrealised gains and losses are recognised through the Statement of Comprehensive Income to an Available-for-sale Fair value 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. Council's investment is not traded in an active market and is only sensitive to fluctuations in the value of TasWater's net assets.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

	2019	2018
	\$'000	\$'000
Note 19 Cash and cash equivalents		
Cash on hand	9	7
Cash at bank	1,590	4,937
Money market call account	6,687	5,250
Total cash and cash equivalents	8,287	10,194
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)	10,737	13,409
- Conditions on grants (note 6)	360	204
- Trust funds and deposits (Note 25)	2,121	1,873
Restricted Funds	13,218	15,486
Total unrestricted cash and cash equivalents	(4,931)	(5,292)

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	275	484
Loans and advances to community organisations	29	29
Other debtors	1,371	1,213
Provision for expected credit losses - other debtors	(16)	-
GST receivable	214	295
Total	1,873	2,020

Non-Current

Loans and advances to community organisations	349	379
Total	349	379

Total trade and other receivables

	2,221	2,399
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Accounting policy

Trade and other receivables

Accounting policy under AASB 9 - applicable from 1 July 2018

Trade receivables that do not contain a significant financing component are measured at amortised cost, which represents their transaction value. Impairment is recognised on an expected credit loss (ECL) basis. When determining whether the credit risk has increased significantly since initial recognition, and when estimating the ECL, Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience, an informed credit assessment and forward-looking information. Due to the low number of trade receivables with extended past due payments, Council reviews each debt to determine an appropriate impairment assessment.

For rate debtors, Council takes the view that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rate debtors, Council uses the presumptions that assets more than 30 days past due have an increase in credit risk and require review to determine whether a provision is required against the asset. Council writes off receivables when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

	2019	2018
	\$'000	\$'000

Accounting policy under AASB 139 - applicable for 2018 comparative
 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. 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 21 Other assets

Current

Inventories held for distribution	45	24
Total	45	24

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 2019**

Note 22	Property, infrastructure, plant and equipment	2019	2018
		\$'000	\$'000
	Summary		
	at cost	55,956	43,865
	Less accumulated depreciation	12,139	12,752
		<u>43,817</u>	<u>31,113</u>
	 at fair value	 800,812	 781,524
	Less accumulated depreciation	292,157	284,901
		<u>508,655</u>	<u>496,623</u>
	Total	<u>552,472</u>	<u>527,736</u>
	 Property		
	Land		
	at fair value at 30 June	54,733	51,434
		<u>54,733</u>	<u>51,434</u>
	 Land under roads		
	at fair value at 30 June	60,848	57,814
		<u>60,848</u>	<u>57,814</u>
	 Total Land	<u>115,581</u>	<u>109,248</u>
	 Buildings *		
	at fair value	71,208	77,522
	Less accumulated depreciation	17,560	17,218
		<u>53,649</u>	<u>60,304</u>
	 Total Property	<u>169,230</u>	<u>169,552</u>

* - Certain numbers shown do not correspond to the 2017-18 Financial Statements.
For details regarding the restated balances, please refer to Note 46.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

Note 22 (a) Property, infrastructure, plant and equipment (cont.)	2019	2018
	\$'000	\$'000
Plant and Equipment		
Plant, machinery and equipment		
at cost	8,565	9,531
Less accumulated depreciation	3,263	4,170
	<u>5,302</u>	<u>5,361</u>
Fixtures, fittings and furniture		
at cost	1,254	1,250
Less accumulated depreciation	1,128	1,125
	<u>126</u>	<u>125</u>
Computers and telecommunications		
at cost	1,049	940
Less accumulated depreciation	919	835
	<u>130</u>	<u>105</u>
Total Plant and Equipment	<u>5,557</u>	<u>5,591</u>
Infrastructure		
Roads and Bridges *		
at fair value	503,352	489,528
Less accumulated depreciation	243,475	238,843
	<u>259,877</u>	<u>250,685</u>
Stormwater		
at fair value	110,671	103,968
Less accumulated depreciation	31,122	28,830
	<u>79,549</u>	<u>75,138</u>
Minor infrastructure		
at fair value	20,892	10,710
Less accumulated depreciation	6,829	6,632
	<u>14,063</u>	<u>4,078</u>
Total Infrastructure	<u>353,489</u>	<u>329,901</u>
Work in Progress		
Buildings, at cost	6,564	517
Other Infrastructure, at cost	8,631	6,694
Roads and Bridges, at cost	6,967	10,818
Stormwater, at cost	2,035	2,999
	<u>24,197</u>	<u>21,028</u>
Total Property, Infrastructure, Plant and Equipment	<u>552,472</u>	<u>526,072</u>

* - Certain numbers shown do not correspond to the 2017-18 Financial Statements.
For details regarding the restated balances, please refer to Note 46.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

Note 22 Property, infrastructure, plant and equipment (cont.)

2019	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	51,434	2	6,157	-	(240)	-	(2,620)	54,733
Land under roads	57,814	325	-	-	-	-	2,709	60,848
Total land	109,248	327	6,157	-	(240)	-	89	115,581
Buildings	60,304	907	745	(899)	(505)	-	(6,903)	53,649
Total buildings	60,304	907	745	(899)	(505)	-	(6,903)	53,649
Total property	169,552	1,234	6,902	(899)	(745)	-	(6,814)	169,230
Plant and Equipment								
Plant, machinery and equipment	5,361	1,223	-	(858)	(425)	-	-	5,301
Fixtures, fittings and furniture	125	57	-	(35)	(21)	-	-	126
Computers and telecommunications	105	-	-	(84)	-	-	109	130
Total plant and equipment	5,591	1,280	-	(977)	(446)	-	109	5,557
Infrastructure								
Roads & Bridges	250,685	127	5,575	(6,823)	(368)	-	10,682	259,877
Stormwater	75,138	1,936	1,505	(1,085)	(217)	-	2,272	79,549
Minor infrastructure	4,078	1,401	493	(470)	-	-	8,561	14,063
Total infrastructure	329,901	3,464	7,573	(8,378)	(585)	-	21,515	353,489
Works in progress								
Buildings	517	7,531	-	-	-	-	(1,483)	6,564
Other Infrastructure	6,694	3,047	-	-	-	-	(1,110)	8,631
Roads	10,818	6,093	-	-	-	-	(9,944)	6,967
Stormwater	2,999	1,308	-	-	-	-	(2,272)	2,035
Total works in progress	21,028	17,979	-	-	-	-	(14,809)	24,197
Total property, infrastructure, plant and equipment	526,072	23,957	14,475	(10,254)	(1,776)	-	1	552,472

**Notes to the Financial Report
For the Year Ended 30 June 2019**

Note 22 Property, infrastructure, plant and equipment (cont.)

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	51,505	50	731	-	(852)	-	-	51,434
Land under roads	57,253	561	-	-	-	-	-	57,814
Total land	108,758	611	731	-	(852)	-	-	109,248
Buildings *	58,560	-	2,688	(945)	-	-	-	60,304
Total buildings	58,560	-	2,688	(945)	-	-	-	60,304
Total property	167,318	611	3,419	(945)	(852)	-	-	169,552
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	(6,491)	(1,157)	-	1,110	250,685
Stormwater *	71,372	2,212	3,269	(1,022)	-	-	(693)	75,138
Minor infrastructure *	5,308	-	(839)	(412)	-	-	21	4,078
Total infrastructure	320,062	7,185	11,298	(7,925)	(1,157)	-	438	329,901
Works in progress								
Buildings*	277	1,658	-	-	-	-	(1,418)	517
Other Infrastructure*	2,679	4,145	-	-	-	-	(130)	6,694
Roads*	2,947	7,454	-	-	-	-	417	10,818
Stormwater*	480	1,826	-	-	-	-	693	2,999
Total works in progress	6,383	15,083	-	-	-	-	(438)	21,028
Total property, infrastructure, plant and equipment	498,957	24,364	14,717	(9,770)	(2,197)	-	-	526,072

* - Certain numbers shown do not correspond to the 2017-18 Financial Statements.
For details regarding the restated balances, please refer to Note 46.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

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 44.

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 2019**

	2019	2018
	\$'000	\$'000
Note 23 Intangible assets		
Software	1,443	956
Less: Accumulated amortisation	(932)	(836)
Total	511	120
Total intangible assets	511	120

Reconciliation of intangible assets

	Software \$'000
Gross carrying amount	
Balance 1 July 2017	957
Additions	(1)
Balance 30 June 2018	956
Balance 1 July 2018	956
Additions	487
Balance 30 June 2019	1,443
Accumulated amortisation	
Balance 1 July 2017	(793)
Amortisation expense	(43)
Balance 30 June 2018	(836)
Balance 1 July 2018	(836)
Amortisation expense	(96)
Balance 30 June 2019	(932)
Net book value 30 June 2018	120
Net book value 30 June 2019	511

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	1,144	2,847
GST payable	-	1
Accrued expenses	2,374	2,246
Other	297	227
Total trade and other payables	3,815	5,321

Accounting policy

Trade and other payables

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.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

	\$'000	\$'000
Note 25 Trust funds and deposits		
Refundable building deposits and contract retentions	2,121	1,873
Total trust funds and deposits	2,121	1,873

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 leave	Total
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
2019					
Balance at beginning of the financial year	1,008	1,655	(0)	127	2,790
Additional provisions	1,202	358	-	390	1,950
Amounts used	(1,142)	(345)	-	(419)	(1,906)
Balance at the end of the financial year	1,068	1,668	(0)	98	2,834
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

	2019	2018
	\$'000	\$'000
Employee Provisions		
Current		
Annual leave	1,068	1,008
Long service leave	1,003	1,074
Other leave	98	127
	2,169	2,209
Non-current		
Long service leave	665	581
	665	581

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

Weighted average increase in employee costs	2.50%	2.50%
Weighted average discount rates	1.74%	1.85%
Weighted average settlement period	12	12

Current

All annual leave, long service leave and other 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	2,169	2,209
- 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.	665	581
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Employee numbers (Full Time Equivalents)	198	194
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**Notes to the Financial Report
For the Year Ended 30 June 2019**

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 and other 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 Tasplan Superannuation Fund (Tasplan). 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.

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 2019**

Note 27	Interest-bearing loans and borrowings	2019 \$'000	2018 \$'000
	Current		
	Borrowings	-	-
		<hr/>	<hr/>
	Non-current		
	Borrowings	7,912	2,700
		<hr/>	<hr/>
	Total	7,912	2,700
	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	7,912	2,700
	Later than five years	-	-
	Total	<hr/> 7,912 <hr/>	<hr/> 2,700 <hr/>

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 2019**

Note 28 Reserves

	2019	2018
	\$'000	\$'000
Asset revaluation reserve	376,443	361,969
Fair value reserve	(3,150)	(16,840)
Other reserves	10,737	13,409
Total	384,030	358,537

	Balance at beginning of reporting year	Increment / (decrement)	Transfer to accumulated surplus	Balance at end of reporting year
	\$'000	\$'000	\$'000	\$'000
(a) Asset revaluation reserve				
2019				
Property				
Land and land under roads	92,478	6,157	-	98,635
Buildings	35,696	745	-	36,441
	128,174	6,902	-	135,076
Infrastructure				
Roads*	175,590	5,240	-	180,829
Bridges	12,934	335	-	13,269
Stormwater drainage	46,049	1,505	-	47,554
Minor infrastructure	(779)	493	-	(286)
	233,794	7,573	-	241,367
Total asset revaluation reserve	361,969	14,475	-	376,443
2018				
Property				
Land and land under roads	91,747	731	-	92,478
Buildings	33,008	2,688	-	35,696
	124,755	3,419	-	128,174
Infrastructure				
Roads	167,519	8,238	(167)	175,590
Bridges	12,304	630	-	12,934
Stormwater drainage	42,780	3,269	-	46,049
Minor infrastructure	60	(839)	-	(779)
	222,663	11,298	(167)	233,794
Total asset revaluation reserve	347,420	14,717	(167)	361,969

**Notes to the Financial Report
For the Year Ended 30 June 2019**

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				
2019				
Change in fair value of investments				
- Water Corporation	(16,840)	13,690	-	(3,150)
Total fair value reserve	(16,840)	13,690	-	(3,150)
2018				
Change in fair value of investments				
- Water Corporation	(18,056)	1,216	-	(16,840)
Total fair value reserves	(18,056)	1,216	-	(16,840)

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				
2019				
Specific purpose reserves	2,394	(856)	580	2,118
Asset replacement reserves	(96)	2,253	(1,418)	739
Unexpended capital reserves	11,110	18,519	(21,749)	7,880
Total other reserves	13,408	19,916	(22,587)	10,737
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)	11,110
Total other reserves	8,601	20,800	(15,995)	13,408

**Notes to the Financial Report
For the Year Ended 30 June 2019**

Note 28 Reserves (Continued)

	2019	2018
	\$'000	\$'000
Specific Purpose Reserves comprise of amounts set aside for the following purposes:		
Unexpended specific purpose grants	360	204
Acquisition of Public Open Space	852	1,215
Administrative	-	100
Emergency Purposes	-	7
Tree Preservation	849	811
Acquisition of Public Car Parking	46	46
Sundry Purposes	11	11
Balances at the end of the year	2,118	2,394
Movement in Specific Purpose Reserves:		
Balances at the beginning of the year	2,394	2,278
Additions:		
Balance of Grants (Unexpended Grants)	276	204
Contributions	304	388
Reductions:		
Grants Expended (Unexpended Grants)	(119)	(101)
Purchase and development of Public Open Space	(530)	(375)
Transfer to operational funds	(207)	-
Balances at the end of the year	2,118	2,394
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	(96)	489
Additions:		
Transfers from operational funds	2,253	900
Reductions:		
Purchase of Plant & Vehicles	(1,288)	(1,456)
Capital Works	-	-
Purchase of IT Equipment	(73)	-
Purchase of Furniture & Equipment	(57)	(29)
Balances at the end of the year	739	(96)
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	11,110	5,835
Additional funds allocated	18,519	21,658
Capital Projects completed	(21,749)	(16,383)
Balances at the end of the year	7,880	11,110

**Notes to the Financial Report
For the Year Ended 30 June 2019**

	2019 \$'000	2018 \$'000
Note 29 Reconciliation of cash flows from operating activities to surplus (deficit)		
Surplus/(Deficit)	6,866	9,250
Non cash items		
Depreciation/amortisation	10,351	9,814
(Profit)/loss on disposal of property, infrastructure, plant and equipment	334	(74)
Contributions - non monetary assets	(4,049)	(7,961)
Carrying Amount of assets retired	585	1,157
Share of net (profit)/loss of investment in associate	(609)	(117)
Initial recognition of infrastructure assets	(638)	(69)
Add (less) items classified as investing or financing included in Surplus/(Deficit)		
Capital grants received specifically for new or upgraded assets	(2,839)	(1,417)
Developer Contributions	(463)	(791)
Change in assets and liabilities:		
Decrease/(increase) in trade and other receivables	148	(1,203)
Decrease/(increase) in inventories	(23)	-
Increase/(decrease) in trade and other payables	(1,258)	2,551
Increase/(decrease) in provisions	44	158
Net cash provided by/(used in) operating activities	8,448	11,299
Note 29a 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.		
2019	Interest-bearing loans and borrowings \$'000	Lease liabilities \$'000
Changes from financing cash flows:		
Cash Received	5,212	-
Cash Repayments	-	-
Balance as at 30 June 2019	7,912	-
2018		
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)	8,287	10,194
Total reconciliation of cash and cash equivalents	8,287	10,194
Note 31 Financing arrangements		
Business Card - Credit Limit	26	26
Total amount unused at reporting date	10	10

**Notes to the Financial Report
For the Year Ended 30 June 2019**

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 are:

- Mr Peter Shelley (Independent Chairman)
- Ms Joanna Orr (Independent Director)
- 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.

	2019 \$'000	2018 \$'000
Financial Performance		
Revenue		
User Charges	907	863
Recycling Sales	485	428
Council Charges	935	898
Sundry Charges	6	3
Total Revenue	2,333	2,192
Expenditure		
Employee Costs	937	873
Disposal Costs	490	470
Hire & Maintenance	176	277
Other Expenses	503	336
Total Expenses	2,106	1,956
Surplus / (Deficit)	227	236
Financial Position		
Assets	887	576
Liabilities	402	318
Net Assets	485	258

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

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control was obtained until the date control is lost. Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements.

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 2019**

Note 33 Superannuation

	2019	2018
	\$'000	\$'000
Superannuation contributions paid:		
Accumulated Benefits	1,630	1,457
Defined Benefits	2	50

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 2019 Council contributed 0.0% of employees' gross income to the Fund based on advice from the actuary. 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 2019

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 Dependants 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 \$1,680,000 .

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 2019**

Note 34 Commitments

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

	2019 \$'000	2018 \$'000
Capital commitments		
Road construction	7,168	1,569
Stormwater drainage	465	467
Recreation and reserves	-	342
Other infrastructure	324	176
Kingston Park	971	5,728
Total	8,928	8,282

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	29	41
Longer than one year and not longer than five years	5	3
Longer than five years	-	-
	34	44

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 Statement of Comprehensive Income 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.

		2019 \$'000	2018 \$'000
	Period	Future Commitment	Future Commitment
Public toilet, barbecue cleaning and hall cleaning	01/19 - 01/24	1,001	34
Kerbside Collection Service	10/18 - 10/23	4,364	37
Public waste bin collection - Bruny Island	02/19 - 01/22	470	19
Public waste bin collection - Other	02/19 - 01/22	234	224
Internal Audit Services	07/18 - 06/22	101	15
Total		6,170	329

**Notes to the Financial Report
For the Year Ended 30 June 2019**

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 does not act as guarantor for loans 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 2019**

**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 2.00% (1.85% in 2017/18).
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 expected credit loss 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 8.12% (8.72% in 2017/18). 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 1.3% (2.0% in 2017/18) 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. The weighted average interest rate on borrowings is 3.05%.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

Note 36 Financial instruments (cont.)

(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:

2019

	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	2.00%	8,287	-	-	-	-	8,287
Trade and other receivables	8.71%	275	-	-	-	1,963	2,238
Investment in Water Corporation		-	-	-	-	108,581	108,581
<i>Total financial assets</i>		8,561	-	-	-	110,544	119,105
Financial liabilities							
Trade and other payables		-	-	-	-	3,815	3,815
Trust funds and deposits		-	-	-	-	2,121	2,121
Interest-bearing loans and borrowings	3.05%	-	-	7,912	-	-	7,912
<i>Total financial liabilities</i>		-	-	7,912	-	5,936	13,848
Net financial assets (liabilities)		8,561	-	(7,912)	-	104,608	105,257

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>		10,678	-	-	-	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)		10,678	-	(2,710)	-	89,613	97,581

**Notes to the Financial Report
For the Year Ended 30 June 2019**

Note 36 Financial Instruments (cont.)

(c) Fair Values

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

Financial Instruments	Total carrying amount as per Statement of Financial Position		Aggregate net fair value	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<i>Financial assets</i>				
Cash and cash equivalents	8,287	10,194	8,287	10,194
Investment in Water Corporation	108,581	94,892	108,581	94,892
Trade and other receivables	2,238	2,399	2,238	2,399
Total financial assets	119,105	107,485	119,105	107,485
<i>Financial liabilities</i>				
Trade and other payables	3,815	5,321	3,815	5,321
Trust funds and deposits	2,121	1,873	2,121	1,873
Interest-bearing loans and borrowings	7,912	2,710	8,247	2,710
Total financial liabilities	13,848	9,904	14,183	9,904

(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 2019**

Note 36 Financial Instruments (cont.)

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.

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 35.

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
2019				
Cash and cash equivalents	8,287	-	-	8,287
Trade and other receivables	-	-	2,238	2,238
Total contractual financial assets	8,287	-	2,238	10,525

**Notes to the Financial Report
For the Year Ended 30 June 2019**

Note 36 Financial Instruments (cont.)

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

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:

	2019 \$'000	2018 \$'000
Current (not yet due)	2,602	2,166
Past due by up to 30 days	176	30
Past due between 31 and 60 days	10	95
Past due between 61 and 90 days	2	23
Past due by more than 90 days	58	85
Total Trade & Other Receivables	2,848	2,399

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.

2019	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	3,815	-	-	-	-	3,815	3,815
Trust funds and deposits	2,121	-	-	-	-	2,121	2,121
Interest-bearing loans and borrowings	-	-	-	7,912	-	7,912	7,912
Total financial liabilities	5,936	-	-	7,912	-	13,848	13,848

**Notes to the Financial Report
For the Year Ended 30 June 2019**

Note 36 Financial Instruments (cont.)

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

(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
2019	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets:					
Cash and cash equivalents	8,287	(83)	(83)	83	83
Trade and other receivables	2,238	-	-	-	-
Financial liabilities:					
Interest-bearing loans/borrowings	7,912	79	79	79	79
Trust funds and deposits	2,121	-	-	-	-
Trade and other payables	3,815	-	-	-	-
2018					
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	-	-	-	-

**Notes to the Financial Report
For the Year Ended 30 June 2019**

Note 37 Auditor's remuneration	2019	2018
	\$'000	\$'000
Audit fee to conduct external audit - Tasmanian Audit Office	46	45
	46	45

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:

Councillors	Name	Position	Period of Appointment
	D Winter	Mayor	2018-19
	J Westwood	Deputy Mayor	Nov 18-June 19
	R Atkinson	Councillor	2018 - 19
	S Bastone	Councillor	2018 - 19
	F Fox	Councillor	2018 - 19
	D Grace	Councillor	2018 - 19
	A Midgley	Councillor	Nov 18-June 19
	C Street	Councillor	Nov 18-June 19
	S Wass	Councillor	2018 - 19
	P Wreidt	Councillor	2018 - 19
	G Bury	Councillor	Jul 18-Nov 18
	P Chatterton	Councillor	Jul 18-Nov 18
	M Percey	Councillor	Jul 18-Nov 18

(ii) **Council Remuneration**

2019	Short term employee benefits		Post employment benefits			Total allowances and expenses
	Allowances	Vehicles ²	Super-annuation ¹	Total Compensation AASB 124	Expenses ³	
	\$	\$	\$	\$	\$	\$
Mayor	101,926	-	-	101,926	4,746	106,672
Deputy Mayor	48,910	-	-	48,910	1,660	50,570
Councillors	233,693	-	-	233,693	15,602	249,295
Total	384,529	-	-	384,529	22,008	406,537

Council Remuneration

2018	Short term employee benefits		Post employment benefits			Total allowances and expenses
	Allowances	Vehicles ²	Super-annuation ¹	Total Compensation AASB 124	Expenses ³	
	\$	\$	\$	\$	\$	\$
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

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 2019**

(iii) **Key Management Personnel Remuneration**

2019

Remuneration band	Number of employees	Short term employee benefits			Post employment benefits			Total \$
		Salary ¹ \$	Vehicles ² \$	Other Allowances and Benefits ³ \$	Super-annuation ⁴ \$	Termination Benefits ⁵ \$	Non-monetary Benefits ⁶ \$	
\$140 001 - \$160 000	4*	509,518	40,000	1,819	58,927	-	9,663	619,927
\$160 001 - \$180 000	1	141,258	10,000	-	17,545	-	3,608	172,411
\$200,001 - \$240,000	1	166,893	10,000	323	20,862	-	4,176	202,254
\$260 001 - \$280 000	1	229,556	10,000	-	21,808	-	5,739	267,103
Total		1,047,225	70,000	2,142	119,142		23,186	1,261,695

*The Executive Management Team was increased by one manager in 2018/19.

Key Management Personnel Remuneration

2018

Remuneration band	Number of employees	Short term employee benefits			Post employment benefits			Total \$
		Salary ¹ \$	Vehicles ² \$	Other Allowances and Benefits ³ \$	Super-annuation ⁴ \$	Termination Benefits ⁵ \$	Non-monetary 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
\$260 001 - \$280 000	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

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

6 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 2018/19.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

(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)	\$ -	\$ -	\$ 935	\$ 82

Transactions with associates

Council received \$207k in income tax equivalents from the Copping Refuse Disposal Site Joint Authority during 2018/19.

Council agreed to reinvest these payments back into the Authority.

(vi) Transactions with related parties

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

(vii) 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	3,010	2,217	2,283
Kettering Hall & Recreation Committee	8,587	6,825	17,310
Lower Longley Hall Committee	799	769	8,408
Lunawanna Hall Committee	1,555	1,082	1,398
North Bruny Community Centre Committee	8,436	6,670	6,299
Snug Hall Management Committee	4,416	3,522	8,640
Taroona Hall Management Comm	9,900	9,360	8,115
Woodbridge Hall Management Comm	12,232	11,275	8,706

**Notes to the Financial Report
For the Year Ended 30 June 2019**

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 2019**

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

(g) Adoption of new and amended accounting standards

(i) In the current year, Council has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. These include:

(ii) *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 Council's business model for holding the particular asset and its contractual cash flows.

Council has applied this standard from 1 July 2018 using a retrospective approach with cumulative catch-up. This does not require Council to restate comparative figures, but does require the presentation of both qualitative and quantitative disclosures for affected items, along with a corresponding adjustment to the opening balance of Accumulated surpluses for transitional effects of re-measurement.

Adopting AASB 9 as at 1 July 2018 has no impact on Trade and Other Receivables or the Accumulated Surplus as no assets were impaired at that date.

The nature of adjustments are described below.

(a) Classification and measurement

The financial assets of Council have been reclassified into one of the following categories on adoption of AASB 9. The classifications are primarily based on Council's business model in which a financial asset is managed and its contractual cash flow characteristics. The main effects resulting from reclassification are as follows:

- Trade and other receivables - classified as 'Loans and receivables' as at 30 June 2018, these are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as Financial assets at 'Amortised cost' beginning 1 July 2018.
- Investment in water corporation - classified as an 'Available-For-Sale' financial asset as at 30 June 2018. As Council does not hold this equity investment for trading purposes, it has made an irrevocable election for this equity instrument to present any subsequent changes in fair value in Other comprehensive income. Under this approach only dividends are recognised in profit or loss. Council's Investment in water corporation is classified and measured as an 'Equity instrument at fair value through other comprehensive income' beginning 1 July 2018.
- Council did not designate any financial assets as at fair value through profit or loss.
- Council has not designated any financial liabilities at fair value through profit or loss. There are no changes in the classification and measurement for Council's financial liabilities.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

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

In summary, upon the adoption of AASB 9, Council had the following required (or elected) reclassifications as at 1 July 2018:

AASB 139 Category and carrying amount			AASB 9 Category and carrying amount			
			Amortised Cost \$'000	Fair value through profit or loss \$'000	Fair value through OCI \$'000	Equity instrument at fair value through OCI \$'000
	Note	\$'000				
Loans and receivables						
Trade and other receivables	20	2,399	2,399	-	-	-
Available-for-sale						
Investment in water corporation	18	94,892	-	-	-	94,892
			2,399	-	-	94,892

(b) Impairment of financial assets

The adoption of AASB 9 has fundamentally changed Council's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach, with a forward-looking expected credit loss (ECL) approach. AASB 9 requires Council to recognise an allowance for ECLs for all financial assets not held at fair value through profit or loss.

Upon adoption of AASB 9, Council did not recognise any additional impairment on Trade and other receivables.

(h) Pending Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2019 reporting periods. Council's assessment of the impact of the relevant new standards and interpretations is set out below.

(i) AASB 15 Revenue from Contracts with Customers

The standard has been deferred by AASB 2016-7 Deferral of AASB15 for Not-for-Profit Entities, until the 2019-20 reporting period.

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.

Notes to the Financial Report For the Year Ended 30 June 2019

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

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, \$360,000, 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.

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

This standard has been deferred until the 2019-20 reporting period.

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.

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 22 Peppercorn leases, which without incurring significant cost, it is difficult to determine the amount of right-of-use lease assets and remaining lease liability.

AASB 1058 also encompasses non-contractual statutory income such as rates, taxes and fines. Council currently recognises income when received. Under AASB 1058, income is recognised when the taxable event has occurred. An impact for Council is that prepaid rates received prior to the beginning of a rating period, will now be recognised as a financial liability until the commencement of that rating period. The impact to Council will be that revenue recognised when received from Rates and charges in advance as disclosed in note 2.1, will now be recorded as a liability, with revenue deferred until the commencement of the applicable 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)

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. Council will apply the standard from 1 July 2019. Exemptions allow councils to apply AASB 117 for the 30 June 2019 reporting year.

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. Councils existing lease commitments are disclosed in Note 34.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

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

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.

- (iv) *AASB 2017-5 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Correction*, 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.

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 2019**

Note 42 Significant Business Activities

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

	Sports Centre		Manor Gardens*		Family Day Care	
	2019	2018	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Revenue</i>						
User Changes	873	904	67	117	0	61
Grants	50	21	154	462	0	376
Other revenues	55	59	0	0	0	3
Total Revenue	978	984	221	579	0	440
<i>Expenditure</i>						
<i>Direct</i>						
Materials, Contracts, Employee Costs	1,170	1,111	237	488	0	403
Other expenses	8	11	3	40	0	12
<i>Indirect</i>						
Engineering & Administration	0	0	16	48	0	16
Total Expenses	1,178	1,122	256	576	0	431
<i>Notional cost of free services received</i>						
<i>Capital Costs</i>						
Depreciation and amortisation	521	516	3	3	0	3
Opportunity cost of capital	1,032	1,032	1	1	0	1
Total Capital Costs	1,553	1,548	4	4	0	4
<i>Competitive neutrality adjustments</i>						
Rates and land tax	16	16	3	3	0	0
Loan guarantee fees	0	0	0	0	0	0
	16	16	3	3	0	0
Calculated Surplus/(Deficit)	(721)	(654)	(38)	(0)	0	6
Competitive neutrality costs	(1,769)	(1,702)	(42)	(4)	0	5

* Manor Gardens was transferred to another operator in November 2018.

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 and Manor Gardens as defined above are considered significant business activities. Council ceased to operate the Family Day Care business in early 2018 and therefore no activity costs are provided for 2018/19. 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 2019**

Note 43	Management indicators	Benchmark	2019 \$'000	2018 \$'000	2017 \$'000	2016 \$'000
	(a) Underlying surplus or deficit					
	Net result for the year		6,866	9,250	5,007	7,159
	Less non-operating income:					
	capital grants		(2,839)	(1,417)	(1,854)	(1,304)
	contributions-non-monetary assets		(4,049)	(7,963)	(2,710)	(4,055)
	initial recognition of infrastructure assets		(638)	(69)	-	(6,348)
	Add non-operating expenses					
	write down of carrying assets retired-prior periods		-	-	231	1,377
	grants received in advance in 2016/17		1,109	1,049	(1,049)	1,007
	grants received in advance in 2017/18		(1,158)	(1,109)	-	-
	Storm Damage Expenditure		146	541	-	-
	Underlying surplus/deficit	0	<u>(563)</u>	<u>282</u>	<u>(375)</u>	<u>(2,164)</u>

The intent of the underlying result is to show the outcome of a council's normal or usual day to day operations. In 2018/19, Council delivered an underlying deficit for the year, which represents a -1% underlying surplus ratio.

(b) Underlying surplus ratio

<u>Underlying surplus or deficit</u>		<u>(563)</u>	<u>282</u>	<u>(375)</u>	<u>(2,164)</u>
Recurrent income*		40,469	39,121	35,615	34,358
Underlying surplus ratio %	0%	-1%	1%	-1%	-6%

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

The ratio for 2018/19 resulted from the loss of \$600k in dividends from Council's investment in the water corporation (Note 10).

(c) Net financial liabilities

Liquid assets less		10,160	12,215	10,401	9,308
total liabilities		16,682	12,684	7,280	8,729
Net financial liabilities	0	<u>-6,522</u>	<u>-469</u>	<u>3,121</u>	<u>579</u>

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>		<u>-6,522</u>	<u>-469</u>	<u>3,121</u>	<u>579</u>
Recurrent income*		40,469	39,121	35,615	34,358
Net financial liabilities ratio %	0% - (50%)	-16%	-1%	9%	2%

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 2019**

43 Management indicators (cont.)		2019	2018	2017	2016
		\$'000	\$'000	\$'000	\$'000
(e) Asset consumption ratio					
An asset consumption ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.					
<i>Road Infrastructure</i>					
	<u>Depreciated replacement cost</u>	259,877	250,685	237,494	230,823
	Current replacement cost	503,352	489,528	463,756	434,771
Asset consumption ratio %	50% - 80%	52%	51%	51%	53%
<i>Buildings</i>					
	<u>Depreciated replacement cost</u>	53,649	60,304	57,594	50,457
	Current replacement cost	71,208	77,522	73,086	63,622
Asset consumption ratio %	50% - 80%	75%	78%	79%	79%
<i>Drainage</i>					
	<u>Depreciated replacement cost</u>	79,549	75,138	69,339	61,855
	Current replacement cost	110,671	103,968	96,979	85,685
Asset consumption ratio %	50% - 80%	72%	72%	71%	72%

This ratio indicates the level of service potential available in Council's existing asset base.

All ratios indicate a high level of service potential is available in the Council's existing asset base.

(f) Asset renewal funding ratio

An asset renewal funding ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.

<i>Road Infrastructure</i>					
	<u>Projected capital funding outlays**</u>	4,367	4,094	4,000	3,500
	Projected capital expenditure funding***	5,458	5,118	4,000	3,500
Asset renewal funding ratio %	90-100%	80%	80%	100%	100%
<i>Buildings</i>					
	<u>Projected capital funding outlays**</u>	575	596	366	366
	Projected capital expenditure funding***	719	746	366	366
Asset renewal funding ratio %	90-100%	80%	80%	100%	100%
<i>Stormwater</i>					
	<u>Projected capital funding outlays**</u>	694	645	766	491
	Projected capital expenditure funding***	868	806	766	491
Asset renewal funding ratio %	90-100%	80%	80%	100%	100%

** Current value of projected capital funding outlays for an asset identified in Council's long-term financial plan.

*** Value of projected capital expenditure funding for an asset identified in Council's long-term strategic asset management plan.

This ratio measures Council's capacity to fund future asset replacement requirements.

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

**Notes to the Financial Report
For the Year Ended 30 June 2019**

43 Management indicators (cont.)	2019	2018	2017	2016
	\$'000	\$'000	\$'000	\$'000
(g) Asset sustainability ratio				
<u>Capex on replacement/renewal of existing assets</u>	9,608	7,875	6,251	6,031
Annual depreciation expense	10,351	9,814	9,097	8,560
Asset sustainability ratio %	100%	93%	80%	69%

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 69% and 88% over the past four years, depending on asset renewal plans.

	Capital renewal expenditure	Capital new /upgrade expenditure	Total Capital Expenditure
By asset class			
Land	-	327	327
Buildings	1,240	7,198	8,438
Infrastructure	6,600	2,625	9,225
Plant & Equipment	1,768	-	1,768
Total	<u>9,608</u>	<u>10,150</u>	<u>19,758</u>

**Notes to the Financial Report
For the Year Ended 30 June 2019**

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 2019.

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 2019

	Note	Level 1	Level 2	Level 3	Total
		\$'000	\$'000	\$'000	\$'000
Recurring fair value measurements					
Investment in water corporation	18	-	-	108,581	108,581
Land and land under roads	22 (a)	-	54,733	60,848	115,581
Buildings	22 (a)	-	-	53,649	53,649
Roads (including bridges & footpaths)	22 (a)	-	-	259,877	259,877
Stormwater	22 (a)	-	-	79,549	79,549
Minor Infrastructure	22 (a)	-	-	14,063	14,063
		-	54,733	576,567	631,300

**Notes to the Financial Report
For the Year Ended 30 June 2019**

44 Fair Value Measurements (cont.)

As at 30 June 2018

	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Recurring fair value measurements					
Investment in water corporation	18	-	-	94,892	94,892
Land and land under roads	22 (a)	-	51,434	57,814	109,248
Buildings	22 (a)	-	-	60,304	60,304
Roads (including footpaths & cycleways)	22 (a)	-	-	250,685	250,685
Stormwater	22 (a)	-	-	75,138	75,138
Minor Infrastructure	22 (a)	-	-	4,078	4,078
		-	51,434	542,911	594,345

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

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

(b) Highest and best use

AASB 13 Fair Value Measurement, requires the fair value of non-financial assets to be calculated based on their "highest and best use". All assets valued at fair value in this note are being used for their highest and best use.

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

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 2018/19, land values were escalated based on the adjustment factor as provided by 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.

Land under roads is classified as Level 3 in the fair value hierarchy due to the significant unobservable estimates required to provide the value.

Unobservable inputs including average municipal rate impact on the fair value of land and land under roads. An increase in municipal rates would increase the value of land under roads.

Notes to the Financial Report For the Year Ended 30 June 2019

44 Fair Value Measurements (cont.)

Buildings

Buildings were independently revalued in November 2016 by Exsto Management. For 2018/19, buildings have been escalated by the Council Cost Index three year average (2016 to 2018), leading to a 1.93% increase in value. 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.

Unobservable inputs including useful life impact on the fair value of buildings. An increase in useful life would increase the value of buildings.

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.

Unobservable inputs including useful life and unit rates to construct infrastructure assets impact on the fair value of roads, bridges and drainage assets. An increase in useful life or unit rates would increase the value of infrastructure.

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 2019**

44 Fair Value Measurements (cont.)

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 1.93% for the 2018/19 year, which represents the average increase over the past three years (2016 to 2018) of the Council Cost Index.

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 2.16% for 2018/19, which represents the average increase over the past five years (2014 to 2018) of the Council Cost Index.

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 1.93% for 2018/19, which represents the average increase over the past three years (2016 to 2018) of the Council Cost Index.

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) \$'000	Key unobservable inputs	Expected range of inputs	Description of how the change in inputs will affect fair value
108,581	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.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

Refer Note 18 for further details.

44 Fair Value Measurements (cont.)

(e) Changes in recurring level 3 fair value measurements

The changes in level 3 assets with recurring fair value measurements are detailed in note 22 (Property, infrastructure, plant and equipment) and note 18 (Investment in water corporation). There have been no transfers between level 1, 2 or 3 measurements during the year.

(f) Valuation processes

Council's current policy for the valuation of property, 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)

Council borrowings are measured at amortised cost with interest recognised in profit or loss when incurred. The fair value of borrowings disclosed in note 36 is provided by Tascorp (level 2).

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

Notes to the Financial Report For the Year Ended 30 June 2019

Note 45 Material Budget Variations

Council's original budget was adopted by the Council in June 2018. 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 Statutory fees and fines

The positive variance of \$312,000 (+18%) relates to statutory fees and fines for planning and building services being well over budget due to significant increases in building activity in Kingborough.

3 Contributions (Cash)

The negative variance of \$136,000 (+21%) primarily relates to the receipt of funds for public open space and tree preservation projects being under budget due to a reduction in the new subdivisions during the year.

5 Interest

The variance of \$34,000 (+20%) relates to cash balances remaining higher than expected due to delays in expenditure on capital projects.

6 Other Income

The increase of \$856,000 (+18%) relates primarily to increase income from external works for the State Government, reimbursement of storm damage costs and the receipt of carbon credits.

7 Capital Grants Received

The increase of \$1.403 million (+100%) relates to grants for the Community Hub building, Allonah Hall upgrade and Margate sports ground drainage.

8 Contributions - Non Monetary Assets

The increase of \$3.85 million (+1,924%) relates to the contribution of assets resulting from the completion of major subdivisions.

9 Carrying Amount of Assets Retired

The increase of \$0.31 million (+61%) primarily relates to the write-off of a higher than expected amount of infrastructure assets.

Expenses

1 Finance Costs

Finance Costs were \$0.18 million under budget due to the usage of interest free loans from the State Government to fund works on Kingston Park.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

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 2018/19, Council continued work to bring the Asset Management system up to date by capitalising work in progress on assets with installation dates prior to 30 June 2018. This work resulted in depreciation of \$130,555 being expensed that related to the period before 1 July 2018.

In addition, a number of work-in-progress assets were reviewed and an amount of \$405,080 was expensed that related to the period prior to 1 July 2017.

Also there was a review of Council's land assets against the Valuer Generals listing resulting in a \$2.137 m write-down in land assets. Council also recognised \$0.878 m in land assets associated with land over which Council has a 99 year lease. These adjustments relate to the period before June 2017.

As these 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 adjustment are detailed below, with the Statement of Comprehensive Income and Statement of Financial Position balances as at 30 June 2018 restated as follows:

Statement of Comprehensive Income

* Depreciation expense for 2017/18 was increased by \$130,555 due to the impact on depreciation for the year resulting from the prior period error.

Statement of Financial Position

* Infrastructure assets were reduced by \$535,635 due to the impacts on asset values and accumulated depreciation.

* Accumulated surplus was reduced by \$535,635 due to expenditure attributed to the period to June 2018.

* Infrastructure assets were reduced by \$1.258m (\$2.137m - \$0.879m) due to de-recognition of land assets prior to June 2017.

* Accumulated surplus was reduced by \$1.258m due to write-downs attributed to the period to June 2017.

The following tables disclose the impact on the 2017-18 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

	2018 (unadjusted)	2018 (adjusted)	Prior year error adjustment
	\$'000	\$'000	\$'000
Carrying Amount			
Roads & Bridges			
At fair value	489,528	489,528	-
less: accumulated depreciation	238,749	238,843	(94)
Total	250,779	250,685	(94)
Buildings			
At fair value	77,522	77,522	-
less: accumulated depreciation	17,205	17,218	(13)
Total	60,317	60,304	(13)

**Notes to the Financial Report
For the Year Ended 30 June 2019**

Note 46 Correction of Prior Period Error (cont.)

	2018 (unadjusted) \$'000	2018 (adjusted) \$'000	Prior year error adjustment \$'000
Minor Infrastructure			
At fair value	10,710	10,710	-
less: accumulated depreciation	6,622	6,632	(10)
Total	4,088	4,078	(10)
Stormwater			
At fair value	103,968	103,968	-
less: accumulated depreciation	28,816	28,830	(14)
Total	75,152	75,138	(14)
Land	51,434	50,176	(1,258)
Work in Progress	21,433	21,028	(405)
Total - property, Infrastructure, Plant & Equipment	463,203	461,409	(1,794)

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 2017	500,624	498,961	(1,663)
Additions	24,364	24,364	-
Written down value of disposals	(2,197)	(2,197)	-
Revaluation increments (decrements)	14,717	14,717	-
Depreciation/amortisation	(9,639)	(9,770)	(131)
Carrying value as at 30 June 2018	527,869	526,075	(1,794)

Accumulated Surplus

- reconciliation of accumulated surplus

	Accumulated Surplus (unadjusted) \$'000	Accumulated Surplus (adjusted) \$'000	Prior year error adjustment \$'000
Balance at 30 June 2017	258,953	259,427	474
Transfer to Accumulated Surplus	4,643	4,512	- 131
Balance at 30 June 2018	263,596	263,939	343

**Notes to the Financial Report
For the Year Ended 30 June 2019**

Note 46 Correction of Prior Period Error (cont.)

Asset Revaluation Reserve

- reconciliation of asset revaluation reserve

	Asset Revaluation Reserve (unadjusted) \$'000	Asset Revaluation Reserve (adjusted) \$'000	Prior year error adjustment \$'000
Balance at 30 June 2017	349,556	347,419	(2,137)
Transfer to Asset Revaluation Reserve	14,550	14,550	-
Balance at 30 June 2018	364,106	361,969	(2,137)

APPENDIX II: SUMMARY ACTION REPORT

Key to Status Symbols			
—	●	✓	➔
None	On Target	Ahead of Schedule	Ongoing

DESCRIPTION	FREQ.	UOM	RESULT			RESULT			COMMENT	
			TARGET	ACTUAL	STATUS	TARGET	ACTUAL	STATUS		
Community and Recreational Services Community Services 2015 – 2020										
1.1.1.1 Provide an annual community grant program	Quarterly	%	100	100	●	100	100	●	Community grant program provided	
1.1.1.2 Review contemporary statistical information	Quarterly	%	100	100	●	100	100	●	Statistical information reviewed as part of strategy development	
1.1.2.1 Assess the capacity of local communities	Quarterly	%	100	100	●	100	100	●	Assessed as part of emergency management planning.	
1.1.2.2 Continue Volunteer Program	Quarterly	%	100	100	●	100	100	●	Volunteer Program continues to operate successfully.	
1.1.3.1 Recognise volunteer contribution	Quarterly	%	100	100	●	100	100	●	Volunteers are recognised through the Kingborough Awards program.	
1.1.3.2 Conduct annual volunteer celebration	Quarterly	%	100	100	●	100	100	●	Celebration held during National Volunteer Week.	
1.1.4.2 Celebrate cultural diversity	Quarterly	%	100	100	●	100	100	●	Council participates in Harmony Day	
1.2.1.2 Encourage other organisations to support young people	Quarterly	%	100	100	●	100	100	●	Communication is held with external agencies providing youth services.	
1.2.2.2 Operate Manor Gardens day respite centre	Quarterly	%	100	0	➔	100	0	➔	Service transferred to Masonic Care Tasmania	
1.2.3.2 Develop a range of family-focused activities	Quarterly	%	100	100	●	100	100	●	The Learning for Life Program provides family focussed activities.	
1.2.3.3 Initiate programs for child friendly city principles	Quarterly	%	100	100	●	100	100	●	Addressed through the Kids Allowed Program.	
1.2.4.1 Support young people remaining in education system	Quarterly	%	100	100	●	100	100	●	Vocational education programs offered through Yspace.	
1.2.4.2 Conduct training at Youth Centre	Quarterly	%	100	100	●	100	100	●	A range of programs are provided at Yspace.	
1.3.1.4 Promote healthy and local fresh food	Quarterly	%	100	0	➔	100	0	➔	Action associated with a project for which grant funding has ended.	
1.3.2.1 Operate Kingborough Sports Centre	Quarterly	%	100	100	●	100	100	●	KSC operates on an ongoing basis.	
1.3.2.6 Provide and support community events	Quarterly	%	100	100	●	100	100	●	Council provides and supports a range of community events.	
1.3.2.7 Encourage outdoor recreational and awareness activities	Quarterly	%	100	100	●	100	100	●	Tracks and Trails brochure update during the year.	
1.5.1.1 Maximise usage of Kingborough Performing Arts Centre	Quarterly	%	100	100	●	100	100	●	Deed of Agreement reviewed during the year.	
1.5.2.2 Identify opportunities to display public art features	Quarterly	%	100	100	●	100	100	●	Opportunities identified in Kingston Park.	
1.5.2.3 Support community artistic endeavours	Quarterly	%	100	100	●	100	100	●	Supported through actions in the Arts & Cultural Strategy.	
1.5.3.2 Develop event management guidelines	Quarterly	%	100	100	●	100	100	●	Guidelines developed.	
3.2.3.7 Facilitate improved recycling at community events	Quarterly	%	100	100	●	100	100	●	Policy developed and promoted.	
4.1.2.4 Support focus on creative and artistic products	Quarterly	%	100	100	●	100	100	●	Supported through the Arts & Culture Strategy.	
4.1.3.1 Facilitate farmers market within Kingborough	Quarterly	%	0	50	—	0	50	✓		

Key to Status Symbols			
—	●	✓	➔
None	On Target	Ahead of Schedule	Ongoing

DESCRIPTION	FREQ.	UOM	RESULT			RESULT			COMMENT
			TARGET	ACTUAL	STATUS	TARGET	ACTUAL	STATUS	
Development Services Development Services 2015 – 2020									
2.1.1.1 Review Kingborough Land Use Strategy	Quarterly	%	0	100	✓	0	100	✓	Review completed
2.3.1.1 Provide information to public on Kingborough Planning Scheme	Quarterly	%	100	90	➔	100	90	➔	Continual progress through Council's website and face to face
2.3.1.4 Assess applications to continually improve service levels	Quarterly	%	100	90	➔	100	90	➔	Ongoing
3.4.2.3 Review Planning Scheme as Climate Change data changes	Quarterly	%	0	50	✓	0	50	✓	Staff partaking in State Government forums
6.3.2.5 Review and update Council information sheets	Quarterly	%	100	90	➔	100	90	➔	Ongoing with changes in legislation
Environmental Services Environmental Services 2015 – 2020									
1.3.1.1 Coordinate and implement immunisation program	Quarterly	%	100	100	●	100	100	●	Completed in accordance with schedule
1.3.1.2 Work with stakeholders in regard to public health awareness	Quarterly	%	100	100	●	100	100	●	Undertaken in accordance with workplan
1.3.3.2 Undertake food surveillance program	Quarterly	%	100	75	➔	100	75	➔	Behind schedule due to key issues that arose eg: recreational beaches
1.6.1.3 Develop and implement Public Health Emergency Sub-plan	Quarterly	%	100	100	●	100	100	●	Completed
1.6.2.1 Implement climate change strategy based on case studies	Quarterly	%	100	100	●	100	100	●	Being progressed in accordance with plan
2.1.1.5 Climate change data linkage to asset management planning	Quarterly	%	100	100	●	100	100	●	Being progressed appropriately
3.1.1.1 Implement catchment management plans	Quarterly	%	100	100	●	100	100	●	Focus on finalisation of North West Bay River CMP
3.1.1.2 Undertake recreational water sampling	Quarterly	%	100	100	●	100	100	●	Being undertaken and reported
3.1.1.3 Monitor onsite wastewater management systems	Quarterly	%	100	100	●	100	100	●	Being undertaken in a targeted manner
3.1.2.1 Prepare & implement management plans for bushland & coastal reserves	Quarterly	%	100	100	●	100	100	●	Being progressed in accordance with NRM workplan
3.1.2.2 Increase public awareness of values protected in Council reserves	Quarterly	%	100	100	●	100	100	●	Program undertaken in accordance with NRM workplan
3.1.3.1 Implement Kingborough Weed Management Strategy	Quarterly	%	100	100	●	100	100	●	Being undertaken
3.1.3.2 Manage weeds on Council reserves	Quarterly	%	100	100	●	100	100	●	Being undertaken in accordance with NRM workplan
3.1.3.3 Participate in state-wide response to invasive species	Quarterly	%	100	100	●	100	100	●	Being undertaken as opportunities arise
3.1.3.4 Facilitate Kingborough Cat Management Program	Quarterly	%	100	100	●	100	100	●	Being undertaken in partnership with TCT

Key to Status Symbols			
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None	On Target	Ahead of Schedule	Ongoing

DESCRIPTION	FREQ.	UOM	RESULT			RESULT			COMMENT
			TARGET	ACTUAL	STATUS	TARGET	ACTUAL	STATUS	
3.1.4.1 Supportive community engagement in marine and coastal issues	Quarterly	%	100	100	●	100	100	●	Being undertaken as opportunities arise
3.1.4.3 Identify coastal areas that require rehabilitation	Quarterly	%	100	100	●	100	100	●	Being undertaken via risk based approach
3.1.5.1 Work with State Government to initiate recovery actions	Quarterly	%	100	100	●	100	100	●	Being undertaken as opportunities arise
3.1.5.2 Audit road-kill hotspots on Council roads	Quarterly	%	100	50	➔	100	50	➔	Not occurring as often as expected
3.1.6.1 Develop strategies to manage climate change risks to Council	Quarterly	%	100	50	➔	100	50	➔	Some progress being made via Climate Change Plan actions
3.2.1.1 Support Derwent Estuary Program	Quarterly	%	100	100	●	100	100	●	Being undertaken
3.2.1.2 Support D'Entrecasteaux & Huon Collaboration	Quarterly	%	100	100	●	100	100	●	Being undertaken
3.2.2.1 Provide information on regulatory requirements vegetation clearance	Quarterly	%	100	100	●	100	100	●	Being undertaken
3.2.2.3 Preparation information on environmental conservation	Quarterly	%	100	50	➔	100	50	➔	Requires more resources to meet original expectations
3.3.1.1 Support local community care groups	Quarterly	%	100	100	●	100	100	●	Being undertaken routinely
3.3.1.2 Coordinate environmental education programs	Quarterly	%	100	100	●	100	100	●	Being undertaken in accordance with NRM workplan
3.3.1.3 Promote use of native plants	Quarterly	%	100	100	●	100	100	●	Being undertaken routinely
3.3.2.1 Coordinate Antarctic Experience program	Quarterly	%	100	100	●	100	100	●	Finalised
3.3.2.2 Interpretive sign and promotional material depicting natural values	Quarterly	%	0	100	✓	0	100	✓	Completed
3.3.2.3 Increase public awareness in the care of local bush land and coastal areas	Quarterly	%	100	100	●	100	100	●	Being undertaken in accordance with NRM workplan
3.4.1.2 Further investigate coastal erosion and sea level rise	Quarterly	%	100	100	●	100	100	●	Being progressed in a risk based manner
3.4.2.1 Improve public awareness of potential impacts of Climate Change	Quarterly	%	100	50	➔	100	50	➔	Needs focussed attention and a communication's plan
4.1.2.3 Support opportunities generation of renewable energy	Quarterly	%	100	100	●	100	100	●	Being undertaken as opportunities arise
5.1.4.1 Develop program of energy efficiency improvements	Quarterly	%	100	100	●	100	100	●	Being undertaken as resourcing allows
5.1.4.2 Show benefits of incorporating strong environmental sustainability	Quarterly	%	100	50	➔	100	50	➔	Only partially implemented due to other work pressures
5.1.4.3 Delivery projects to participate in 'citizen science'	Quarterly	%	100	25	➔	100	25	➔	Only partially implemented due to other work pressures
5.2.1.3 Opportunities to progress strategic and legislative reform for coastal management	Quarterly	%	100	100	●	100	100	●	Being progressed via Regional Climate Change Initiative (STCA)
6.1.1.3 Review opportunities for climate change mitigation and adaptation	Quarterly	%	0	100	✓	0	100	✓	Being progressed via Climate Change Plan

Key to Status Symbols			
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None	On Target	Ahead of Schedule	Ongoing

DESCRIPTION	FREQ.	UOM	RESULT			RESULT			COMMENT
			TARGET	ACTUAL	STATUS	TARGET	ACTUAL	STATUS	
6.1.1.4 Review Kingborough Climate Change Adaptation Policy	Quarterly	%	100	100	●	100	100	●	Completed
6.2.2.1 Review internal environmentally sustainable practices	Quarterly	%	100	50	➔	100	50	➔	Only partially implemented due to other work pressures
Engineering Services Engineering Services 2015 – 2020									
1.1.4.3 Support Access Advisory Committee	Quarterly	%	100	100	●	100	100	●	Continued to provide advice to Access Advisory Committee
1.4.2.2 Upgrade and maintain existing walking trails	Quarterly	%	100	100	●	100	100	●	Minor maintenance of various trails undertaken this quarter. Repaired Kettering Trail steps, undertook work on Whitewater creek track after flood damage.
1.4.2.3 Identify opportunities for additional children's playgrounds	Quarterly	%	100	100	●	100	100	●	Continued work on Snug Playground development
2.1.1.2 Review Long Term Asset Management Plan	Quarterly	%	100	100	●	100	100	●	A detailed review is scheduled for 2019/20
2.1.1.3 Manage asset management data base	Quarterly	%	100	100	●	100	100	●	Completed revaluation of car park assets, accounted for a substantial portion of outstanding WIP projects, added in new works and subdivisions.
2.1.2.2 Design future critical road links	Quarterly	%	0	100	✓	0	100	✓	Continued work on Channel Highway upgrade, and possible future extension of Spring Farm Road to connect with Kingston View Drive
2.2.1.1 Implement efficient road and drainage maintenance practices	Quarterly	%	100	100	●	100	100	●	Continued work on Brightwater Road and stormwater works, improved drainage for Tyndall carpark, rebuilt spillway from Redwood village dam after flood damage, completed reconstruction of Parish Lane
2.2.1.3 Identify sub-standard road junctions	Quarterly	%	100	100	●	100	100	●	No work undertaken this quarter
2.2.1.5 Review maintenance arrangements State roads Bruny Island	Quarterly	%	0		—			—	
2.2.2.1 Prepare stormwater management plans	Quarterly	%	100	50	➔	100	50	➔	Stormwater Management plan as required via the Urban Drain Act is being undertaken and is due to be completed November 2019
2.2.3.1 Opportunities for additional bike lanes or bike paths	Quarterly	%	100	100	●	100	100	●	Pursued in consultation with KBAC
2.2.3.2 Opportunities to improve pedestrian and cycling links	Quarterly	%	100	100	●	100	100	●	finalising acquisition details for the Snug to Margate path
2.2.4.2 Review parking requirements Kingston Beach, Margate & Snug	Quarterly	%	100	100	●	100	100	●	CBD parking plan completed by consultants, GHD
2.2.6.2 Prepare strategies for toilets, halls, playgrounds and sporting pavilions	Quarterly	%	100	75	➔	100	75	➔	Halls and playground strategies not yet complete

Key to Status Symbols			
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None	On Target	Ahead of Schedule	Ongoing

DESCRIPTION	FREQ.	UOM	RESULT			RESULT			COMMENT
			TARGET	ACTUAL	STATUS	TARGET	ACTUAL	STATUS	
2.3.2.1 Prepare local area plans to indicate future infrastructure improvements	Quarterly	%	100	100	●	100	100	●	No work undertaken this quarter
3.2.3.1 Manage kerbside collection services	Quarterly	%	100	100	●	100	100	●	Continue to have regular meetings with garbage and recycling contractor to look for improvements to service.
3.2.3.4 Facilitate introduction of waste levy	Quarterly	%	100	100	●	100	100	●	A waste levy is alluded to in the State government Draft Waste Management plan
3.2.3.5 Increase resource recovery	Quarterly	%	100	100	●	100	100	●	Continue to engage in stewardship schemes for various materials and to provide for the resale as of many materials as possible as diversion from the waste stream.
3.2.3.6 Encourage Kingborough Waste Services	Quarterly	%	100	100	●	100	100	●	Active Council officer involvement in assisting KWS to meet the requirements of the SLA between Council and KWS.
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
4.1.1.3 Promote "shop locally"	Quarterly	%	100		—			—	
4.1.2.1 Support Kingborough Community Enterprise Centre	Quarterly	%	100	100	●	100	100	●	Ongoing support provided
4.2.2.3 Liaise with Government to improve ferry terminal infrastructure	Quarterly	%	100	100	●	100	100	●	Ongoing liaison is occurring
4.3.1.1 Prepare a retail hierarchy plan for greater Kingston area	Quarterly	%	100	0	➔	100	0	➔	Not yet commenced
4.3.1.2 Investigate development opportunities within central Kingston	Quarterly	%	100	100	●	100	100	●	Ongoing
4.3.1.3 Liaise with business to explore marketing and future development	Quarterly	%	100	100	●	100	100	●	Ongoing
4.3.2.1 Coordinate construction of essential infrastructure within former High School Site	Quarterly	%	100	100	●	100	100	●	Work completed on schedule
4.3.2.2 Construction of the Community Hub and public open space areas	Quarterly	%	100	100	●	100	100	●	Hub constructed and POS about to commence
4.3.2.3 Provide information on redevelopment of former High School site	Quarterly	%	100	100	●	100	100	●	Ongoing information provided as necessary
4.3.3.1 Ensure opportunities for further development within suburb and town centres	Quarterly	%	100	100	●	100	100	●	Ongoing investigations are occurring
4.3.3.2 Liaise with investors and businesses regarding development opportunities	Quarterly	%	100	100	●	100	100	●	Ongoing liaison is occurring

Key to Status Symbols			
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DESCRIPTION	FREQ.	UOM	RESULT			RESULT			COMMENT
			TARGET	ACTUAL	STATUS	TARGET	ACTUAL	STATUS	
5.1.3.1 Implement program of local community consultation	Quarterly	%	100	100	●	100	100	●	Community Engagement Framework developed
5.2.1.1 Actively participate in STCA and LGAT	Quarterly	%	100	100	●	100	50	●	Council has withdrawn from the STCA
5.2.1.2 Identify 'cost shifting' and communicate publicly	Quarterly	%	100	100	●	100	100	●	Ongoing
5.2.2.1 Explore resource sharing opportunities	Quarterly	%	100	100	●	100	100	●	Ongoing
5.2.2.2 Publicly outline Council's position on amalgamations	Quarterly	%	100	100	●	100	100	●	This is done whenever necessary or when enquiries are made.
5.2.3.1 Develop priority list of lobbying strategies for Mayor and General Manager to implement	Quarterly	%	100	100	●	100	100	●	Done periodically and whenever necessary.
5.2.3.2 Advocate for improved NBN services within Kingborough	Quarterly	%	100	100	●	100	100	●	Opportunities to advocate are pursued when they arise
6.1.1.1 Develop and maintain strategic and operational planning processes	Quarterly	%	100	100	●	100	100	●	Ongoing function of Council and work has been done this year on the new Strategic Plan.
6.1.3.1 Maintain policies	Quarterly	%	100	100	●	100	100	●	Ongoing work done with regular reports to Council to keep all policies up to date.
6.2.2.3 Support outcomes of 2014 staff engagement survey	Quarterly	%	100	100	●	100	100	●	Each year a number of initiatives are taken to address issues identified in the staff survey.
6.3.3.1 Provide training and support to elected members	Quarterly	%	100	100	●	100	100	●	Ongoing function of Council.
Finance Financial Services 2015 – 2020									
6.1.1.2 Develop systems to minimise organisational risk	Quarterly	%	100	100	●	100	100	●	Audit Panel and internal auditors in place
6.1.3.2 Review procurement practices	Quarterly	%	100	100	●	100	100	●	Reviewed in an ongoing basis
6.1.5.1 Review Long Term Financial Plan	Quarterly	%	100	100	●	100	100	●	LTFP approved by Council in February 2019
6.1.5.2 Financial accountability is demonstrated	Quarterly	%	100	100	●	100	100	●	Financial responses provided to Council on a regular basis
Governance and Property Governance and Property 2015 – 2020									
1.3.2.2 Maximise use of recreational and sporting facilities	Quarterly	%	100	100	●	100	100	●	Multi-use and sharing of sportsgrounds is encouraged.
1.3.2.3 Review Sport and Recreation Strategy	Quarterly	%	100	100	●	100	100	●	Strategy is reviewed internally on an annual basis.
1.3.2.4 Review Kingborough Sports Complex Master Plan	Quarterly	%	100	100	●	100	100	●	Review undertaken by Inspiring Place consultants.
1.3.2.5 Review sports grounds policies	Quarterly	%	100	100	●	100	100	●	Policies reviewed internally on an annual basis.
1.3.3.1 Deliver professional animal management services	Quarterly	%	100	100	●	100	100	●	Delivered through Council's Compliance Unit.
1.4.1.1 Prepare public open space strategy	Quarterly	%	100	100	●	100	100	●	Strategy endorsed by Council.

Key to Status Symbols			
—	●	✓	➔
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DESCRIPTION	FREQ.	UOM	RESULT			RESULT			COMMENT
			TARGET	ACTUAL	STATUS	TARGET	ACTUAL	STATUS	
1.4.2.1 Review Tracks & Trails Action Plan	Quarterly	%	0	100	✓	0	100	✓	Plan reviewed during the year.
1.5.1.2 Prepare Community Hall Strategy	Quarterly	%	0	25	✓	0	25	✓	Commenced but awaiting appointment of new staff
1.6.1.1 Develop and implement an Emergency Management Plan	Quarterly	%	100	100	●	100	100	●	Emergency Management Plan reviewed and updated on an ongoing basis.
1.6.1.2 Coordinate an Emergency Management Committee	Quarterly	%	100	100	●	100	100	●	Committee meets on a quarterly basis.
1.6.1.4 Implement annual fire hazard abatement program	Quarterly	%	100	100	●	100	100	●	Program implemented on an ongoing basis each summer.
1.6.1.5 Implement a Kingborough Bushfire Hazard Management Policy	Quarterly	%	100	100	●	100	100	●	Policy implemented on an ongoing basis.
1.6.2.2 Community capacity to respond to natural disasters	Quarterly	%	100	100	●	100	100	●	Community Resilience Working Group facilitated by Council.
1.6.2.3 Maintain Resilience Kingborough website	Quarterly	%	100	0	➔	100	0	➔	Incorporated with KC website
3.3.3.1 Opportunities to further develop walking trails	Quarterly	%	100	100	●	100	100	●	Explored through Tracks and Trails Action Plan.
3.3.3.2 Further develop walking trail brochure	Quarterly	%	100	100	●	100	100	●	Updated during the year.
6.2.2.2 Review governance and corporate policies	Quarterly	%	100	100	●	100	100	●	Policies reviewed as scheduled.
6.3.1.1 Review legislation implemented by Council	Quarterly	%	0	100	●	100	100	●	Ongoing
Information Services Information Services 2015 – 2020									
3.4.1.1 Maintain comprehensive GIS database for natural hazards	Quarterly	%	100	100	●	100	100	●	A comprehensive spatial database for natural hazards has been developed and informs decision making in community and asset management planning.
5.1.1.3 Improve potential for community engagement	Quarterly	%	100	100	●	100	100	●	A number of community engagement tools are in use including e-Petitions, social media and a more formal electronic platform which is used for specific community engagement and consultation projects.
6.1.2.1 Maintain an Information & Communications Technology strategy	Quarterly	%	100	75	➔	100	75	➔	A review of the Council's Strategic Plan is underway. A Digital Strategy will be developed to support agreed strategic actions from the review.
6.1.2.2 Expand online services	Quarterly	%	100	100	●	100	100	●	Council continues to evaluate available technologies and apply these where appropriate to improve internal and external service delivery.
6.1.2.3 Utilise ICT User Group to develop ICT within Council	Quarterly	%	100	100	●	100	100	●	Ongoing

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DESCRIPTION	FREQ.	UOM	RESULT			RESULT			COMMENT
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6.2.1.1 Monitor customer service standards	Quarterly	%	100	100	●	100	100	●	This is an ongoing performance and complaint monitoring process. In addition Council intends to undertake a community satisfaction survey in the 2019/20 financial year.
6.2.1.2 Ensure website and counter information is current	Quarterly	%	100	100	●	100	100	●	Ongoing
Organisational Development Organisational Services 2015 – 2020									
1.1.4.1 Diversity & cultural awareness training	Quarterly	%	0	100	✓	0	100	✓	Equal Opportunity Tasmania delivered anti-discrimination refresher training for all staff in the second half of 2018.
1.1.4.4 Communication strategies implemented	Quarterly	%	100	100	●	100	100	●	Council has adopted the Community Engagement Framework.
5.1.1.1 Review Community Policy and Strategy	Quarterly	%	100	100	●	100	100	●	The Community Engagement Framework was approved by Council in early 2019.
5.1.2.2 Generate stories to emphasis Council's values and decisions	Quarterly	%	100	100	●	100	100	●	Council continues to engage with the community through various channels including print media and online.
6.2.3.1 Apply contemporary human resource conditions	Quarterly	%	100	100	●	100	100	●	Council's HR policies are reviewed on a two yearly basis. A staff engagement survey was conducted in October 2018.
6.2.3.2 Review and update human resource policies as required	Quarterly	%	100	100	●	100	100	●	HR Policies are reviewed and updated every 2 years.
6.2.3.4 Develop an annual Workforce Action Plan	Quarterly	%	100	100	●	100	100	●	The Workforce Action Plan was reviewed and updated in March 2019.
6.3.1.3 Drive safety and safety strategies within Council	Quarterly	%	100	100	●	100	100	●	WHS strategies and priorities are reviewed by the Executive Team annually.

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