

MINUTES OF A MEETING OF THE CLARENCE CITY COUNCIL HELD AT THE COUNCIL CHAMBERS, BLIGH STREET, ROSNY PARK, ON MONDAY 5 OCTOBER 2015

HOURLY CALLED: 7.30pm

PRESENT: The meeting commenced at 7.30pm with the Acting Mayor (Ald N M Campbell) in the Chair and with Aldermen:

H	Chong
P	Cusick
D	Doust
D	Hulme
R H	James
P K	McFarlane
J	Peers
D	Thurley
J	Walker; present.

1. APOLOGIES	D C	Chipman (Leave of Absence)
	S	von Bertouch (Leave of Absence)

ORDER OF BUSINESS Items 1 – 13

IN ATTENDANCE

General Manager
(Mr A Paul)

Acting Group Manager Asset Management
(Mr R Graham)

Corporate Secretary
(Mr A van der Hek)

Manager City Planning
(Mr R Lovell)

Co-ordinator Council Support
(Ms J Ellis)

The Meeting closed at 10.04pm.

COUNCIL MEETING
MONDAY 5 OCTOBER 2015

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1. ATTENDANCE AND APOLOGIES

Refer to cover page.

2. CONFIRMATION OF MINUTES

(File No 10/03/01)

RECOMMENDATION:

That the Minutes of the Council Meeting held on 14 September 2015, as circulated, be taken as read and confirmed.

Decision: **MOVED** Ald Chong **SECONDED** Ald McFarlane

“That the Minutes of the Council Meeting held on 14 September 2015, as circulated, be taken as read and confirmed”.

CARRIED UNANIMOUSLY

3. MAYOR'S COMMUNICATION

Nil.

4. COUNCIL WORKSHOPS

In addition to the Aldermen's Meeting Briefing (workshop) conducted on Friday immediately preceding the Council Meeting the following workshops were conducted by Council since its last ordinary Council Meeting:

PURPOSE	DATE
NBN Update	
Community Garden - Warrane	
Mobile Food Vans	
Pavement – Rosny Bus Mall	21 September
Hobart Airport Master Plan	
Additional Flags	
Presentation Sporting Clubs	
State Fire Commission Nominations	28 September

RECOMMENDATION:

That Council notes the workshops conducted.

Decision: **MOVED** Ald Peers **SECONDED** Ald Cusick

“That the Recommendation be adopted”.

CARRIED UNANIMOUSLY

5. DECLARATIONS OF INTERESTS OF ALDERMAN OR CLOSE ASSOCIATE
(File No)

In accordance with Regulation 8 of the Local Government (Meeting Procedures) Regulations 2015 and Council's adopted Code of Conduct, the Mayor requests Aldermen to indicate whether they have, or are likely to have a pecuniary interest (any pecuniary benefits or pecuniary detriment) or conflict of interest in any item on the Agenda.

INTEREST DECLARED: **NIL.**

6. TABLING OF PETITIONS
(File No. 10/03/12)

Nil.

7. PUBLIC QUESTION TIME

Public question time at ordinary Council meetings will not exceed 15 minutes. An individual may ask questions at the meeting. Questions may be submitted to Council in writing on the Friday 10 days before the meeting or may be raised from the Public Gallery during this segment of the meeting.

The Chairman may request an Alderman or Council officer to answer a question. No debate is permitted on any questions or answers. Questions and answers are to be kept as brief as possible.

7.1 PUBLIC QUESTIONS ON NOTICE

(Seven days before an ordinary Meeting, a member of the public may give written notice to the General Manager of a question to be asked at the meeting). A maximum of two questions may be submitted in writing before the meeting.

Questions on notice and their answers will be included in the minutes.

Nil.

7.2 ANSWERS TO QUESTIONS ON NOTICE

The Mayor may address Questions on Notice submitted by members of the public.

Nil.

7.3 ANSWERS TO PREVIOUS QUESTIONS TAKEN ON NOTICE

Nil.

7.4 QUESTIONS WITHOUT NOTICE

The Chairperson may invite members of the public present to ask questions without notice.

Questions are to relate to the activities of the Council. Questions without notice will be dependent on available time at the meeting.

When dealing with Questions without Notice that require research and a more detailed response the Chairman may require that the question be put on notice and in writing. Wherever possible, answers will be provided at the next ordinary Council Meeting.

8. DEPUTATIONS BY MEMBERS OF THE PUBLIC

(File No 10/03/04)

(In accordance with Regulation 38 of the Local Government (Meeting Procedures) Regulations 2015 and in accordance with Council Policy, deputation requests are invited to address the Meeting and make statements or deliver reports to Council)

FOOTWAY AT 36C KENTON ROAD, GEILSTON BAY

Mr Stephen Harrop addressed the Meeting regarding the above matter.

9. MOTIONS ON NOTICE**9.1 NOTICE OF MOTION – ALD JAMES
FOOTWAY AT 36C KENTON ROAD, GEILSTON BAY**
(File No k009-36A)

In accordance with Notice given it was:

Decision: **MOVED** Ald James **SECONDED** Ald Cusick

“That the General Manger be requested to prepare a report to Council regarding the possible closure and disposal of the footway at 36c Kenton Road, Geilston Bay”.

CARRIED UNANIMOUSLY

**9.2 NOTICE OF MOTION – ALD HULME
OPENING STATEMENT FOR COUNCIL MEETING**
(File No 10-03-05)

In accordance with Notice given it was:

Decision: **MOVED** Ald Hulme **SECONDED** Ald McFarlane

“That following prayers at each Council meeting, the chair of the meeting make the following declaration:

‘I acknowledge the Tasmanian Aboriginal Community as the traditional custodians of the land on which we meet today, and pay respect to elders, past and present’”.

CARRIED

FOR

Ald Chong
Ald Cusick
Ald Hulme
Ald McFarlane
Ald Peers
Ald Thurley
Ald Walker

AGAINST

Ald Campbell
Ald James
Ald Doust (abstained)

10. REPORTS FROM OUTSIDE BODIES

This agenda item is listed to facilitate the receipt of both informal and formal reporting from various outside bodies upon which Council has a representative involvement.

10.1 REPORTS FROM SINGLE AND JOINT AUTHORITIES

Provision is made for reports from Single and Joint Authorities if required

Council is a participant in the following Single and Joint Authorities. These Authorities are required to provide quarterly reports to participating Councils, and these will be listed under this segment as and when received.

- **SOUTHERN TASMANIAN COUNCILS AUTHORITY**

Representative: Ald Doug Chipman, Mayor or nominee

Quarterly Reports

June Quarterly Report pending.

Representative Reporting

- **COPPING REFUSE DISPOSAL SITE JOINT AUTHORITY**

Representatives: Ald Jock Campbell
(Ald Peter Cusick, Deputy Representative)

Quarterly Reports

March and June Quarterly Reports pending.

Representative Reporting

- **SOUTHERN WASTE STRATEGY AUTHORITY**

Representative: Ald Richard James
(Ald Sharyn von Bertouch, Proxy)

Quarterly Reports

Ald James tabled the Quarterly Report for the period ending June 2015, which will be included in the Agenda for the next Council Meeting.

Representative Reporting

Ald James tabled the Minutes of a Meeting held on 15 July 2015 and the Financial Statements for the period ending 30 June 2015.

- **TASWATER CORPORATION**

10.2 REPORTS FROM COUNCIL AND SPECIAL COMMITTEES AND OTHER REPRESENTATIVE BODIES**AUDIT COMMITTEE**

(File No 07/02/12)

Chairperson's Report 38 – September 2015

The Audit Committee met on 23 September 2015 attached was a copy of the draft Minutes of the Meeting for tabling at Council's Meeting.

The Committee was fully briefed on the Financial Statements for 2014-2015 which will form part of Council's Annual Report. The Statements, together with the Auditor General's Audit Report and Management Report were distributed to Committee Members prior to the Committee meeting.

The Deputy Auditor General Mr Ric De Santi and Principal Financial Auditor Andrew Eiszelle were in attendance for this briefing. Mr De Santi advised that there were no matters arising in respect to the annual audit. The Committee also took the opportunity to meet with the Auditor General's staff without Council Management being present and no matters of concern were raised.

Further, Mr De Santi extended his thanks to the Council's staff for their co-operation and assistance throughout the process. The Committee also thanked management for the proficient completion of the annual accounts and audit.

The Committee received an update on the progress of earlier Audit Projects and noted the following:

Project 35 - Effectiveness of Council's IT Solutions - The Council will shortly commence a 2 stage tendering process for suitable new IT platforms for the Council operations and that Consultant Mr Carr has been engaged to assist in this process. The Audit Committee has requested regular updates on this strategic project.

WHS Accreditation Project - The Committee has been advised that Council's Work Health and Safety practices had attained accreditation and that work will continue in the further enhancement of the Council's WHS systems. The Committee noted that as there is considerable overlap between the Australian and international standards regarding WHS, that transition to international standard accreditation would not be very difficult to achieve.

The Committee received advice regarding the progress on approaching suitable service provider proposals for the audit projects in the Annual Audit Plan for 2015/16. Scope documentation was received and endorsed for the following projects:

- Project 46 – Council Business Continuity Plan (Consultant firm RXP Services); and
- Project 48 – Appropriate Use of Delegations (Governance Consultant, Carolyn Pillans).

Consultant firms have been invited to provide a detailed scope and project proposal for Project 47 - Corporate Induction Programme and Staff Exit Controls which will be considered at the Committee next meeting.

The Committee reviewed and endorsed a new Code for Contracts and Tenders and the update of Procurement Procedures which have been prepared in response to recent changes to the Regulations that now provide an increase in the threshold for calling of public tenders from the previous \$100,000 to \$250,000.

The Committee is next due to meet in November 2015. At that meeting it is anticipated that a provider for Project 47 - Corporate Induction Programme and Staff Exit Controls will have been appointed.

It is anticipated that work on the programme could commence before the end of the calendar year.

RECOMMENDATION:

That the Chairperson's Report be received.

Decision

MOVED Ald Chong **SECONDED** Ald McFarlane

“That the Chairperson's Report be received”.

CARRIED UNANIMOUSLY

On behalf of Council Ald Chong extended appreciation for Council staff in preparation of the Annual accounts and obtaining an unqualified Audit Report.

**REPORTS FROM COUNCIL AND SPECIAL COMMITTEES AND OTHER
REPRESENTATIVE BODIES /contd...**

Richmond Advisory Committee

- Ald Chong tabled the Minutes of Meetings held on 21 July 2015 and 18 August 2015.

Clarence Senior Citizens Centre Management Committee

- Ald Thurley tabled the Minutes of a Meeting held on 22 September 2015.

11. REPORTS OF OFFICERS**11.1 WEEKLY BRIEFING REPORTS**

(File No 10/02/02)

The Weekly Briefing Reports of 14, 21 and 28 September 2015 have been circulated to Aldermen.

RECOMMENDATION:

That the information contained in the Weekly Briefing Reports of 14, 21 and 28 September 2015 be noted.

Decision: **MOVED** Ald Chong **SECONDED** Ald Thurley

“That the Recommendation be adopted”.

CARRIED UNANIMOUSLY

11.2 DETERMINATION ON PETITIONS TABLED AT PREVIOUS COUNCIL MEETINGS**11.2.1 PETITION – WALKING TRACK ROKEBY TO LAUDERDALE FORESHORE ROUTE**

(File No 04-04-03)

EXECUTIVE SUMMARY**PURPOSE**

To consider the petition presented at Council's Meeting on 14 September 2015 from 238 signatories in support of the creation of a multi-use foreshore trail to provide a safe, attractive walking and cycling route between Rokeby and Lauderdale.

RELATION TO EXISTING POLICY/PLANS

Not applicable.

LEGISLATIVE REQUIREMENTS

Section 60 of the Local Government Act, 1993 requires Council to formally consider petitions within 42 days of receipt.

CONSULTATION

Meetings have been held with the 5 property owners as directed by Council. An on-line survey has been conducted resulting in 544 responses by the closing date of 27 March 2015.

The Minister for Police and Emergency Services has written to Council in response to the proposed foreshore track through the Police Academy denying permission for the tracks' construction on or bordering the property.

FINANCIAL IMPLICATIONS

Not applicable.

RECOMMENDATION:

- A. That Council notes the intent of the petition.
- B. That Council advises the petitioners that the matter raised in the petition relating to the Clarence Foreshore Trail from Rokeby to Lauderdale be further raised with the Minister for Police and Emergency Services to resolve the issue of security at the Police Academy.
- C. That Council advises the petitioners that Council will continue to liaise with the Department of State Growth relating to options for cycling and walking opportunities within the South Arm Highway road corridor.

/ Refer to Page 17 for Decision on this Item...

**PETITION – WALKING TRACK ROKEBY TO LAUDERDALE FORESHORE
ROUTE /contd...**

Decision:	MOVED Ald Walker SECONDED Ald McFarlane	
	“A. That Council notes the intent of the petition.	
	B. That Council advises the petitioners that Council will continue to liaise with the Department of State Growth and the Minister for Police and Emergency Services relating to options for cycling and walking opportunities between Rokeby and Lauderdale”.	
	CARRIED	
	FOR	AGAINST
	Ald Campbell	Ald McFarlane
	Ald Chong	
	Ald Cusick	
	Ald Doust	
	Ald Hulme	
	Ald James	
	Ald Peers	
	Ald Thurley	
	Ald Walker	

11.3 PLANNING AUTHORITY MATTERS

In accordance with Regulation 25 (1) of the Local Government (Meeting Procedures) Regulations 2015, the Mayor advises that the Council intends to act as a Planning Authority under the Land Use Planning and Approvals Act 1993, to deal with the following items:

The General Manager sought that Council defer its consideration of Item 11.3.5 pending a further report on the application.

Decision:	PROCEDURAL MOTION	
	MOVED Ald Peers SECONDED Ald Hulme	
	“That Council defers consideration of Item 11.3.5 to the next Council Meeting”.	
	CARRIED	
	FOR	AGAINST
	Ald Campbell	Ald James
	Ald Chong	
	Ald Cusick	
	Ald Doust	
	Ald Hulme	
	Ald McFarlane	
	Ald Peers	
	Ald Thurley	
	Ald Walker	

11.3.1 DEVELOPMENT APPLICATION D-2015/235 - 150 SPITFARM ROAD, OPOSSUM BAY - GOLF COURSE (WITH MODIFICATIONS TO APPROVAL D-2012/319)

(File No D-2015/235)

EXECUTIVE SUMMARY**PURPOSE**

The purpose of this report is to consider the application made for a recreation development (golf course and including walking/bicycling tracks) at 150 Spitfarm Road, Opossum Bay.

RELATION TO PLANNING PROVISIONS

The land is zoned Recreation and Special Use and is subject to the Coastal Management, Coastal Erosion Hazard and Vegetation Management Overlays under the Clarence Planning Scheme 2007 (the Scheme). In accordance with the Scheme the proposal is a Discretionary development.

LEGISLATIVE REQUIREMENTS

The report on this item details the basis and reasons for the recommendation. Any alternative decision by Council will require a full statement of reasons in order to maintain the integrity of the Planning approval process and to comply with the requirements of the Judicial Review Act and the Local Government (Meeting Procedures) Regulations 2015.

Council is required to exercise a discretion within the statutory 42 day period which expires on 7 October 2015.

CONSULTATION

The proposal was advertised on 2 occasions as part of this assessment. Firstly advertised on 8 July 2015, 37 representations were received and a further 3 submissions received following the conclusion of that advertising period. The objections to the development received during the first advertising period are summarised as follows:

- visual impact and scale;
- loss of amenity and inconsistency with character of area;
- conflict with Clarence Planning Scheme 2007;
- café/pro-shop not “integral and subservient” to the recreation use;
- lack of information in advertised documentation;
- environmental impact;
- inconsistency with undertakings given to Community Reference Group and South Arm community and overstatement of support;
- unfair limitation of public access;
- public liability;
- risk of commercial failure; and
- exploitation of public land for private gain.

The development was subsequently modified to alter the size and orientation of the maintenance building/s, and the proposal readvertised on 26 August 2015. A further 11 objections were received during the second advertising period, in response to the modified design. These are summarised as follows:

- 2 public recreation areas excessive;
- Mitchells Beach recreation area inappropriate;
- revegetation dunes likely to be ineffective;
- environmental impact;
- visual impact of maintenance facility, fencing and access road/s;
- visual impact of café/pro-shop;
- lack of stated community consultation;
- restriction of public access;
- insufficient water supply and water quality;
- detrimental impact of future clubhouse;
- noise pollution; and
- visual and environmental impact of quarry reactivation.

RECOMMENDATION:

A. That the Development Application for Golf Course (with modifications to approval D-2012/319) at 150 Spitfarm Road, Opossum Bay (CI Ref D-2015/235) be approved subject to the following conditions and advice.

1. GEN AP1 – ENDORSED PLANS.
2. GEN V7 – CLEANING OF MACHINERY. Replace “subdivision” with “development”.
3. GEN AM7 – OUTDOOR LIGHTING.
4. GEN M2 – NO WORKS.
5. GEN AM4 – CONSTRUCTION HOURS.
6. GEN C1 – ON-SITE CAR PARKING. [60] and delete last sentence.
7. GEN S2 – SIGN LOCATION.
8. GEN S7 – SIGN MAINTENANCE.
9. ENG A6 – GRAVELLED CAR PARKING.
10. ENG M1 – DESIGNS DA.
11. ENG M5 – EROSION CONTROL.
12. ENG M6 – CONSTRUCTION FENCING.
13. ENG M7 – WEED MANAGEMENT PLAN.

14. EHO 4 – NO BURNING.
15. No work is to be undertaken in the immediate vicinity of the Gellibrand Vault to ensure it is protected from damage.
16. LAND 1 – LANDSCAPE PLAN. Replace “Manager Integrated Assessment” with “Manager City Planning”, replace “commencement of works” with “the granting of a Building Permit”, replace “show” with “must include”, and insert as the first dot point “suitably advanced trees for screening to the south-east (front) of the maintenance building and compound”.
17. LAND 3 – LANDSCAPE BOND (COMMERCIAL).
18. Landscaping and track construction in the vicinity of the Gellibrand Vault must be retained and supplemented to act as a buffer between the Vault and the development.
19. Interpretive signage is to be provided within proximity of the Gellibrand Vault to explain its significance. Such signage and management of the development in terms of the Vault is to be to the satisfaction of Heritage Tasmania.
20. An environmental management programme is to be submitted and endorsed by Council’s Group Manager Asset Management, in consultation with the landowner (Crown), prior to commencement of site works. All works and obligations within the programme are to be implemented and adhered to. The programme must include, but is not limited to:
 - details of the environmental benefits of the development, including the methods for protection and management of native species;
 - details of the environmental impacts of the development;
 - details of the proposed weed management techniques to be implemented;
 - details of the finish and on-going maintenance of the shared public walkways, including location, design and maintenance of interpretive signage;
 - details of the proposed rehabilitation measures associated with the use;
 - details of the proposed erosion and sedimentation controls to be implemented as part of the development;
 - details of the proposed measures to ensure the protection and management of the cultural values of the site;
 - details of proposed future community liaison in terms of the on-going management of the site;
 - details of impact on ground water quality and quantity, to ensure that no adverse impact results from the proposed use and development; and

- details of proposed safety management plan.
21. The shared bicycle and walking tracks as detailed in the endorsed plans are to be a minimum of Class 2 Nature Trail Standard and are to be completed prior to the commencement of use.
 22. Public access by foot and bicycle to the subject property is to be retained at all times.
 23. Unless otherwise required by these conditions, the activity (or activities) undertaken on the site must comply with the Acceptable Standards provisions of the Quarry Code of Practice.
 24. Material is only to be quarried for development in accordance with the endorsed plans and no additional material may be quarried for use beyond the boundaries of the site.
 25. Dust emissions from the site must be controlled to the extent necessary to prevent environmental nuisance beyond the boundary of the site, to the satisfaction of Council's Senior Environmental Health Officer.
 26. Prior to commencement of extractive activities on any portion of the site all surface soils must be removed and stockpiled for later use in rehabilitation of the site. Topsoil must be kept separate from other overburden and protected from erosion or other disturbance.
 27. Rehabilitation upon permanent cessation of the activity must be undertaken in accordance with relevant provisions of the Quarry Code of Practice and in accordance with the following:
 - rehabilitation earthworks must be substantially completed within 12 months of cessation of the activity; and
 - rehabilitated areas must be monitored and maintained for a period of at least 3 years after rehabilitation works have been substantially completed, in accordance with the relevant provisions of the Quarry Code of Practice
 28. Activities associated with the extraction of rock, gravel, sand, clay or minerals, and loading of product, and screening/crushing must not be undertaken outside the hours of 0700 hours to 1900 hours on weekdays and 0800 hours to 1600 hours on Saturdays.
 29. ADVICE 3 – SPECIAL PLUMBING ADVICE.
 30. ADVICE 6 – FOOD REGISTRATION ADVICE.
 31. ADVICE 16 – THREATENED SPECIES ADVICE.

32. ADVICE – This permit does not grant approval for the “proposed possible future clubhouse precinct” and associated access road. A separate and further development approval will be required for any additional structures of that nature.

- B. That the details and conclusions included in the Associated Report be recorded as the reasons for Council’s decision in respect of this matter.

Decision:**MOVED** Ald Thurley **SECONDED** Ald Cusick

“That the Recommendation be adopted”.

CARRIED**FOR**

Ald Campbell
Ald Chong
Ald Cusick
Ald Doust
Ald Hulme
Ald McFarlane
Ald Peers
Ald Thurley
Ald Walker

AGAINST

Ald James

11.3.2 DEVELOPMENT APPLICATION D-2015/313 - 15 MALUNNA ROAD, LINDISFARNE - 2 MULTIPLE DWELLINGS (1 EXISTING AND 1 NEW)
(File No D-2015/313)**EXECUTIVE SUMMARY****PURPOSE**

The purpose of this report is to consider the application made for 2 Multiple Dwellings (1 existing and 1 new) at 15 Malunna Road, Lindisfarne.

RELATION TO PLANNING PROVISIONS

The land is zoned General Residential under the Clarence Interim Planning Scheme 2015 (the Scheme). In accordance with the Scheme the proposal is a Discretionary development.

LEGISLATIVE REQUIREMENTS

The report on this item details the basis and reasons for the recommendation. Any alternative decision by Council will require a full statement of reasons in order to maintain the integrity of the Planning approval process and to comply with the requirements of the Judicial Review Act and the Local Government (Meeting Procedures) Regulations 2015.

Council is required to exercise a discretion within the statutory 42 day period which has been extended to 7 October 2015 with the written agreement of the applicant.

CONSULTATION

The proposal was advertised in accordance with statutory requirements and 1 representation was received raising the following issues:

- overshadowing;
- height; and
- privacy.

RECOMMENDATION:

A. That the Development Application for 2 Multiple Dwellings (1 existing and 1 new) at 15 Malunna Road, Lindisfarne (CI Ref D-2015/313) be approved subject to the following conditions and advice.

1. GEN AP1 – ENDORSED PLANS.
2. ENG A1 – NEW CROSSOVER [3.6M] [TSD-R09].
3. ENG A7 – REDUNDANT CROSSOVER.
4. ENG S1 – INFRASTRUCTURE REPAIR.
5. The development must meet all required Conditions of Approval specified by TasWater notice dated 13 August 2015 (TWDA 2015/01230-CCC).

6. ADVICE: STREET NUMBERING.

B. That the details and conclusions included in the Associated Report be recorded as the reasons for Council's decision in respect of this matter.

Decision: **MOVED** Ald James **SECONDED** Ald Chong

“That the Recommendation be adopted”.

CARRIED UNANIMOUSLY

**11.3.3 DEVELOPMENT APPLICATION D-2015/230 - 21 HOWRAH ROAD,
HOWRAH - ADDITION TO DWELLING**
(File No D-2015/230)**EXECUTIVE SUMMARY****PURPOSE**

The purpose of this report is to consider the application made for an addition to an existing Single Dwelling at 21 Howrah Road, Howrah.

RELATION TO PLANNING PROVISIONS

The land is zoned General Residential and is subject to the Coastal Erosion Hazard, and Subject to Inundation Codes under the Clarence Interim Planning Scheme 2015 (the Scheme). In accordance with the Scheme the proposal is a Discretionary development as the proposal does not meet the acceptable solution for access to sunlight under the zone.

LEGISLATIVE REQUIREMENTS

The report on this item details the basis and reasons for the recommendation. Any alternative decision by Council will require a full statement of reasons in order to maintain the integrity of the Planning approval process and to comply with the requirements of the Judicial Review Act and the Local Government (Meeting Procedures) Regulations 2015.

Council is required to exercise a discretion within the statutory 42 day period which has been extended to expire on 7 October 2015.

CONSULTATION

The proposal was advertised in accordance with statutory requirements and 1 representation was received raising the following issues:

- new carport;
- integration of party wall; and
- partial demolition of existing party wall.

RECOMMENDATION:

A. That the Development Application for addition to Dwelling at 277 Clarence Street, Howrah (Cl Ref D-2015/264) be approved subject to the following conditions and advice.

1. GEN AP1 – ENDORSED PLANS.
2. GEN AP3 – AMENDED PLANS [a reduction in the maximum height of the carport to 2.55m. To achieve this, the boundary wall of the carport must be reduced in height to a maximum of 1.5m above natural ground level. This will result in a gap of 700mm between the wall of the carport and the ceiling. The roof must be supported on this side by columns which are recessed a minimum of 500mm from either end of the wall.]

3. The material and finish of the western addition to the southern boundary wall is to match the remainder of the party wall on the southern side of the building (facing the adjacent property).
 4. The tiered bricks of the party wall on the southern side of the building are to be retained, not removed as is shown on the elevations.
- B. That the details and conclusions included in the Associated Report be recorded as the reasons for Council's decision in respect of this matter.

Decision:	MOVED Ald McFarlane SECONDED Ald Cusick
	<p>“A. That the Development Application for addition to Dwelling at 21 Howrah Road, Howrah (Cl Ref D-2015/264) be approved subject to the following conditions and advice.</p> <ol style="list-style-type: none">1. GEN AP1 – ENDORSED PLANS.2. GEN AP3 – AMENDED PLANS [a reduction in the maximum height of the carport to 2.55m. To achieve this, the boundary wall of the carport must be reduced in height to a maximum of 1.5m above natural ground level. This will result in a gap of 700mm between the wall of the carport and the ceiling. The roof must be supported on this side by columns which are recessed a minimum of 500mm from either end of the wall.]3. The material and finish of the western addition to the southern boundary wall is to match the remainder of the party wall on the southern side of the building (facing the adjacent property).4. The tiered bricks of the party wall on the southern side of the building are to be retained, not removed as is shown on the elevations. <p>B. That the details and conclusions included in the Associated Report be recorded as the reasons for Council's decision in respect of this matter”.</p> <p style="text-align: right;">CARRIED UNANIMOUSLY</p>

**11.3.4 DEVELOPMENT APPLICATION D-2015/341 - 32 CAMRISE DRIVE,
CAMBRIDGE - DWELLING**
(File No D-2015/341)**EXECUTIVE SUMMARY****PURPOSE**

The purpose of this report is to consider the application made for a dwelling at 32 Camrise Drive, Cambridge.

RELATION TO PLANNING PROVISIONS

The land is zoned General Residential under the Clarence Interim Planning Scheme 2015 (the Scheme). In accordance with the Scheme the proposal is a Discretionary development as the proposal requires a variation to the development standards of the General Residential zone.

LEGISLATIVE REQUIREMENTS

The report on this item details the basis and reasons for the recommendation. Any alternative decision by Council will require a full statement of reasons in order to maintain the integrity of the Planning approval process and to comply with the requirements of the Judicial Review Act and the Local Government (Meeting Procedures) Regulations 2015.

Council is required to exercise a discretion within the statutory 42 day period which expires on 5 October 2015.

CONSULTATION

The proposal was advertised in accordance with statutory requirements and 1 representation was received raising the following issues:

- dwelling design;
- loss of property values; and
- loss of amenity.

RECOMMENDATION:

A. That the Development Application for a dwelling at 32 Camrise Drive, Cambridge (CI Ref D-2015/341) be approved subject to the following conditions and advice.

1. GEN AP1 – ENDORSED PLANS.

B. That the details and conclusions included in the Associated Report be recorded as the reasons for Council's decision in respect of this matter.

Decision: **MOVED** Ald Peers **SECONDED** Ald Chong

“That the Recommendation be adopted”.

CARRIED UNANIMOUSLY

11.3.5 SUBDIVISION APPLICATION SD-2015/33 - 211 SCHOOL ROAD, SANDFORD - 16 LOT SUBDIVISION
(File No SD-2015/33)**EXECUTIVE SUMMARY****PURPOSE**

The purpose of this report is to consider the application made for a 16 lot subdivision at 211 School Road, Sandford.

RELATION TO PLANNING PROVISIONS

The land is zoned Rural Residential and subject to the Vegetation Management, Subject to Inundation and Development Plan Overlays under the Clarence Planning Scheme 2007 (the Scheme). In accordance with the Scheme the proposal is a Discretionary development.

LEGISLATIVE REQUIREMENTS

The report on this item details the basis and reasons for the recommendation. Any alternative decision by Council will require a full statement of reasons in order to maintain the integrity of the Planning approval process and to comply with the requirements of the Judicial Review Act and the Local Government (Meeting Procedures) Regulations 2005.

Council is required to exercise a discretion within the statutory 42 day period which has been extended to expire on 7 October 2015.

CONSULTATION

The proposal was advertised in accordance with statutory requirements and 3 representations were received raising the following issues:

- School Road;
- DPO 19; and
- staging.

RECOMMENDATION:

A. That the application for a 16 lot subdivision at 211 School Road, Sandford (Cl Ref SD-2015/33) be approved subject to the following conditions and advice.

1. GEN AP1 – ENDORSED PLANS.
2. GEN AP3 – AMENDED PLANS
[- the horse trail between Lots 4 and 5 being 10m wide for the whole length of the lot; and
- amended staging showing Lots 13 - 17, and the road lot providing access to these lots as Stage 1 of the sealing of the development.]
3. The “Horse Trail 10m wide” at the eastern side of the site is to be provided to Council in its entirety as part of the first stage of sealing of lots for this subdivision.
4. GEN POS 4 – POS CONTRIBUTION (post 11/11/13) [2%] [1-16].

5. No plans for the issue of title to any lots are to be sealed until the construction of the road on the Road lot through to CT-30596/4 and CT-159889/2 is completed to the satisfaction of Council's Group Manager Asset Management.
6. GEN F3 – ENDORSEMENTS.
7. ENG A1 – NEW CROSSOVER [3.6M] [TSD-R03 and 4].
8. ENG A10 – TRAILS IN LOW DENSITY OR RURAL SUBDIVISIONS.
9. ENG M2 – DESIGNS SD.
10. ENG M4 – POS ACCESS.
11. ENG M5 – EROSION CONTROL.
12. ENG M7 – WEED MANAGEMENT PLAN.
13. ENG M8 – EASEMENTS.
14. ENG R1 – ROAD NAMES.
15. ENG R3 – RURAL ROADS [Street construction, including the upgraded of School Road, must be line marked and bitumen sealed with table drains and be carried out to the requirements of Council's Local Highways Standard Requirements By-Law].
16. ENG R4 – ROAD WIDENING [9m min] add "for the length of the property boundary to School Road" after "...road carriageway".
17. ENG R5 – ROAD EXTENSION.
18. ENG R6 – VEHICLE BARRIERS.
19. ENG S1 – INFRASTRUCTURE REPAIR.
20. ENG S2 – SERVICES.
21. ENG S10 – UNDERGROUND SERVICES.
22. Minor adjustment may be required to the boundary of Lot 15 to facilitate an appropriate road radius for the interconnecting road with 110 Prospect Road and 69 Germain Court. This radius is to be identified as part of the detailed engineering designs.

- 23. PROP 3 – TRANSFER.
- 24. EHO 4 – NO BURNING.
- B. That the details and conclusions included in the Associated Report be recorded as the reasons for Council's decision in respect of this matter.

Matter deferred, refer to Page 18 for Decision on this Item.

11.3.6 AMENDMENT APPLICATION A-2015/1 - 38 GORDONS HILL ROAD, LINDISFARNE - REZONING
(File No A-2015/1)**EXECUTIVE SUMMARY****PURPOSE**

The purpose of this report is to consider an application for a planning scheme amendment at 38 Gordons Hill Road, Lindisfarne. Specifically, it is proposed to rezone the site from Open Space to Particular Purpose Zone 3 – Gordons Hill Precinct. While no development is proposed as part of this application the proposed amendment would provide for the future development of a retirement village.

A location plan showing the subject site is included in the attachments.

RELATION TO PLANNING PROVISIONS

The land is zoned Open Space and subject to the Bushfire and Waterway and Coastal Protection Overlay Codes under the Clarence Interim Planning Scheme 2015 (the Scheme).

LEGISLATIVE REQUIREMENTS

The report on this item details the basis and reasons for the recommendation. Any alternative decision by Council will require a full statement of reasons in order to maintain the integrity of the Planning approval process and to comply with the requirements of the Judicial Review Act and the Local Government (Meeting Procedures) Regulations 2005.

CONSULTATION

Applications for a planning scheme amendment are not formally open for public comment until after Council has agreed to certify the Amendment and it has been publicly advertised.

RECOMMENDATION:

- A. That Council resolves, under Section 30O (1) of the Land Use Planning and Approvals Act, 1993 that the draft amendment A-2015/1 at 38 Gordons Hill Road, Lindisfarne is limited to a local provision, practical and consistent with the Southern Tasmanian Regional Land Use Strategy 2010-2035.
- B. That Council resolves, under Section 34(1) (a) of the Land Use Planning and Approvals Act, 1993 to initiate draft amendment A-2015/1 at 38 Gordons Hill Road, Lindisfarne.
- C. That Council resolves, under Section 35(1) of Land Use Planning and Approvals Act, 1993 that draft amendment A-2015/1 meets the requirements specified under Section 32.
- D. That Council resolves, under Section 35(2) of Land Use Planning and Approvals Act 1993, to prepare and certify draft amendment A-2015/1 and sign the instrument as required.

- E. That the details and conclusions included in the Associated Report be recorded as the reasons for Council's decision in respect of this matter.

Decision: **MOVED** Ald Cusick **SECONDED** Ald McFarlane
“That the Recommendation be adopted”.
CARRIED UNANIMOUSLY

11.3.7 SUBDIVISION APPLICATION SD-2015/30 - 110 PROSPECT ROAD AND 69 GERMAIN COURT, SANDFORD - 5 LOT SUBDIVISION
(File No SD-2015/30)**EXECUTIVE SUMMARY****PURPOSE**

The purpose of this report is to consider a proposed consent memorandum for the modification to the approval of a 5 lot subdivision at 110 Prospect Road and 69 Germain Court, Sandford following an appeal against Council's decision to grant a conditional planning permit at its Meeting of 24 August 2015 and subsequent mediation through the Resource Management and Planning Appeal Tribunal (RMPAT).

RELATION TO PLANNING PROVISIONS

The land is zoned Rural Residential and subject to the Vegetation Management and Development Plan Overlays under the Clarence Planning Scheme 2007 (the Scheme). In accordance with the Scheme the proposal is a Discretionary development.

LEGISLATIVE REQUIREMENTS

The report on this item details the basis and reasons for the recommendation. Any alternative decision by Council will require a full statement of reasons in order to maintain the integrity of the Planning approval process and to comply with the requirements of the Judicial Review Act and the Local Government (Meeting Procedures) Regulations 2005.

CONSULTATION

Following mediation conducted by the RMPAT on 15 September 2015, and subsequent informal mediation between parties, an amended condition was recommended by the Barrister acting for Council in this matter. The amended condition is attached and is the subject of the report.

RECOMMENDATION:

- A. Council supports a consent agreement to modify the approved permit for the application for a 5 lot subdivision at 110 Prospect Road and 69 Germain Court, Sandford (CI Ref SD-2015/30) subject to all parties consenting to the following modified Condition 3.
 - “3. No plans for the issue of title to any lots are to be sealed until the construction of the road on Lots 100 and 101 is completed to the satisfaction of Council's Group Manager Asset Management”.
- B. That the details and conclusions included in the Associated Report be recorded as the reasons for Council's decision in respect of this matter.

/ Refer to Page 35 for Decision on this Item...

Decision:	MOVED Ald McFarlane SECONDED Ald Cusick
	“That the Recommendation be adopted”.
	CARRIED UNANIMOUSLY

Council now concludes its deliberations as a Planning Authority under the Land Use Planning and Approvals Act, 1993.

11.4 CUSTOMER SERVICE

Nil Items.

11.5 ASSET MANAGEMENT**11.5.1 RICHMOND BRIDGE VEGETATION MANAGEMENT PLAN**

(File No)

EXECUTIVE SUMMARY**PURPOSE**

To consider adoption of the Richmond Bridge Vegetation Management Plan following public consultation.

RELATION TO EXISTING POLICY/PLANS

Council's Strategic Plan 2010-2015 and Community Participation Policy are relevant.

LEGISLATIVE REQUIREMENTS

The Richmond Bridge Vegetation Management Plan will need to consider the requirements of the Heritage Tasmania Practice Notes – Historic Plantings and Landscapes (Heritage Tasmania 2015). Richmond Bridge is included on the National Heritage List and Tasmanian Heritage Register and any works will require approval by Heritage Tasmania.

CONSULTATION

Public consultation has been in accordance with Council's Community Participation Policy.

FINANCIAL IMPLICATIONS

The adoption of the Richmond Bridge Vegetation Management Plan has no financial impact. Implementation of the Richmond Bridge Vegetation Management Plan will be subject to Council's consideration in future Annual Plans.

RECOMMENDATION:

- A. That Council incorporate the following changes into the Richmond Bridge Vegetation management Plan:
- Council to develop a succession planting policy/program to guide private landowners in key locations to manage significant trees that form the "borrowed landscape" of Richmond Bridge precinct;
 - update title boundaries from The List to be incorporated in the final Richmond Bridge Vegetation Management Plan;
 - inclusion of Tea Tree in the recommended planting palette;
 - Elm species to be disease resistant variety for inclusion in the recommended planting palette;
 - Zone A – make removal of African Boxthorn a high priority;
 - Zone F – change willow tree location from public land to private land; and
 - Zone CB – to be removed from final Richmond Bridge Vegetation Management Plan.

- B. That Council adopt the Richmond Bridge Vegetation Management Plan subject to the changes as described in “A” above.
- C. The final Richmond Bridge Vegetation Management Plan to be placed on Council’s website for general reference.

Decision:	MOVED Ald Chong SECONDED Ald Thurley “That the Recommendation be adopted”. CARRIED UNANIMOUSLY
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On behalf of Council Ald McFarlane commended staff in the preparation and presentation of the Vegetation Management Plan.

11.6 FINANCIAL MANAGEMENT

The General Manager tabled the Audit Report and Financial Statements for the year ended 30 June 2015 (refer attached).



Tasmanian Audit Office

Independent Auditor's Report

To the Councillors of Clarence City Council

Financial Report for the Year Ended 30 June 2015

Report on the Financial Report

I have audited the accompanying financial report of Clarence City Council (Council), which comprises the balance sheet as at 30 June 2015 and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the General Manager's statement.

Auditor's Opinion

In my opinion Council's financial report:

- (a) presents fairly, in all material respects, its financial position as at 30 June 2015 and financial performance, cash flows and changes in equity for the year then ended
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards.

The Responsibility of the General Manager for the Financial Report

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

Auditor's Responsibility

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

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

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

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

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

Independence

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

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

Tasmanian Audit Office



E R De Santi
Deputy Auditor-General
Delegate of the Auditor-General

Hobart
18 September 2015

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CLARENCE CITY COUNCIL


FINANCIAL STATEMENTS

FOR THE YEAR

1 JULY 2014 TO 30 JUNE 2015

CLARENCE CITY COUNCIL
FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2015

Pursuant to Section 84(3) of the *Local Government Act 1993* I certify that the attached financial statements fairly represent the financial position of the Council as at 30 June 2015, and the results of the Council's operations and its cash flow for the year then ended.



.....
ANDREW PAUL
GENERAL MANAGER
15 SEPTEMBER 2015

Clarence City Council
Income Statement
For the year ended 30 June 2015

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	Notes	Budget* 2015 \$'000	2015 \$'000	2014 \$'000
Continuing Operations				
Recurrent Income				
Rates	3	44,063	44,091	43,720
User charges	4	4,394	3,170	4,751
Interest		2,238	2,213	2,279
Government subsidies		2,171	2,404	2,379
Grants	5	4,159	7,677	1,828
Dividends		3,300	3,318	2,207
Contributions of capital		230	219	351
Other revenues from continuing activities		434	398	621
Total recurrent income	2	<u>60,989</u>	<u>65,490</u>	<u>58,136</u>
Capital Income				
Contribution and Recognition of assets	6	-	4,941	1,080
Recognition of Land under Roads	16,18	-	97,690	-
Share of net result of associates accounted for using the equity method	7	-	39	357
Gain/(Loss) on retirement or disposal of assets	8	-	(2,015)	(1,281)
Total capital income		<u>-</u>	<u>100,655</u>	<u>156</u>
Total Income		<u>60,989</u>	<u>166,145</u>	<u>58,292</u>
Expenditure				
Employee costs		15,695	15,691	14,834
Depreciation	9	11,150	11,668	10,926
Materials		2,445	2,344	3,365
Contracts		9,614	9,082	8,407
Finance costs		61	38	53
State Government charges and levies		4,807	4,794	4,609
Other expenses from continuing activities	10	10,232	10,337	11,588
Total expenditure	2	<u>54,004</u>	<u>53,954</u>	<u>53,782</u>
Surplus/(Deficit)		<u>6,985</u>	<u>112,191</u>	<u>4,510</u>
Other Comprehensive Income				
<i>Items that will not be reclassified to profit or loss</i>				
Fair value revaluation of fixed assets		-	11,650	683
Fair value revaluation investment in Water Corporation	11	-	1,305	(39,587)
		<u>-</u>	<u>12,955</u>	<u>(38,904)</u>
Comprehensive Surplus/(Deficit)		<u>6,985</u>	<u>125,146</u>	<u>(34,394)</u>

* Budget information is not audited

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

	Notes	2015 \$'000	2014 \$'000
Current Assets			
Cash and cash equivalents	1(h),12,13	55,824	53,764
Receivables	13,14	6,236	3,223
Prepayments		446	498
Other	15	497	432
Total Current Assets		63,003	57,917
Non-Current Assets			
Land	16,17	71,142	67,096
Land under roads	16,18	99,358	1,668
Buildings	16,19	30,588	28,351
Roads	16,20	181,287	180,990
Waste management	16,21	741	745
Stormwater infrastructure	16,22	93,505	82,968
Plant, equipment & furniture	16,23	1,824	1,845
Parks & recreation equipment	16,24	10,767	8,395
Capital work in progress	16	7,756	5,337
Receivables	13,25	1,317	1,756
Ownership interest in associates	7	1,815	1,776
Investment Water Corporation	11,13	163,816	162,511
Total Non-Current Assets		663,916	543,438
Total Assets	2	726,919	601,355
Current Liabilities			
Payables	26	5,979	5,845
Interest bearing liabilities	13,27	171	161
Provisions	28	3,784	3,522
Total Current Liabilities		9,934	9,528
Non-Current Liabilities			
Interest bearing liabilities	13,27	371	542
Provisions	29	719	538
Total Non-Current Liabilities		1,090	1,080
Total Liabilities		11,024	10,608
Net Assets		715,895	590,747
Equity			
Accumulated surpluses		499,318	403,775
Reserves	30	216,577	186,972
Total Equity		715,895	590,747

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

Clarence City Council
Statement of Changes in Equity
For the year ended 30 June 2015

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	Accumulated Surplus		Asset Revaluation Reserve (note 30)		Fair Value Reserve (note 30)		Other Reserves (note 30)		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year	403,775	403,951	192,611	188,842	(38,056)	1,531	32,415	30,815	590,747	625,139
Surplus for the year	112,191	4,510	-	-	-	-	-	-	112,191	4,510
Other comprehensive income										
Fair value revaluation of fixed assets	-	-	11,650	683	-	-	-	-	11,650	683
Fair value revaluation water corporation	-	-	-	-	1,305	(39,587)	-	-	1,305	(39,587)
Transfers to reserves	(12,149)	(10,784)	-	-	-	-	12,149	10,784	-	-
Transfers from reserves	11,792	9,184	-	-	-	-	(11,792)	(9,184)	-	-
Retirement & Derecognition of Assets	(16,291)	(3,086)	16,291	3,086	-	-	-	-	-	-
Balance at end of the financial year	499,318	403,775	220,552	192,611	(36,751)	(38,056)	32,773	32,415	715,894	590,747

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

	Notes	Inflows (Outflows) 2015 \$'000	Inflows (Outflows) 2014 \$'000
Cash flows from operating activities			
Receipts			
Rates		43,551	43,948
User Charges (inclusive of GST)		5,394	5,342
Interest received		2,114	2,245
Government Subsidies		2,404	2,379
Government Grants (inclusive of GST)		4,486	1,321
Net GST refund (payment)		3,120	2,697
Other (inclusive of GST)		4,389	2,422
		<u>65,458</u>	<u>60,354</u>
Payments			
Wages and salaries		(15,135)	(14,978)
Interest		(38)	(53)
Other		(29,882)	(28,996)
		<u>(45,055)</u>	<u>(44,027)</u>
Net cash provided (used) by operating activities	31	<u>20,403</u>	<u>16,327</u>
Cash flows from investing activities			
Payments for property, plant & equipment		(18,973)	(14,312)
Proceeds from sale of property, plant & equipment		-	-
Net cash provided (used) by investing activities		<u>(18,973)</u>	<u>(14,312)</u>
Cash flows from financing activities			
Repayment of borrowings		(161)	(153)
Government grants - capital		791	507
Net cash provided (used) by financing activities		<u>630</u>	<u>354</u>
Net increase (decrease) in cash and cash equivalents		2,060	2,369
Cash and cash equivalents at beginning of reporting period		53,764	51,395
Cash and cash equivalents at end of reporting period	1(h),12	<u>55,824</u>	<u>53,764</u>
Restrictions on Cash	12		
Financing Arrangements	27		

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

Introductions

The Clarence City Council has been established as a Local Government under the *Local Government Act 1993*. Council's main office is located at Bligh St, Rosny Park.

The purpose of the Council is prescribed by Section 20 of the *Local Government Act 1993* which includes providing for the health, safety and welfare of the community; representing and promoting the interests of the community; providing for the peace, order and good government of the municipal area; and consulting, involving and being accountable to the community.

This financial report is a general purpose financial report that consists of the Income Statement, Balance Sheet, Statement of Changes in Equity, 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* (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. As a result this financial report does not fully comply with International Financial Reporting Standards.

1 Summary of Significant Accounting Policies

a) Basis of accounting

These general purpose financial statements have been prepared on an accruals basis in accordance with the Framework for the Preparation and Presentation of Financial Statements, Australian Accounting Standards and other authoritative pronouncements of the AASB. They are presented in Australian dollars.

Except for certain assets, including infrastructure assets, which are valued at fair value in accordance with AASB 116 Property, Plant and Equipment and AASB 13 Fair Value Measurement as disclosed in the relevant notes, the statements have been prepared in accordance with the historical cost convention. Stores and materials are valued at weighted average cost assuming items first purchased are first consumed.

In the application of accounting standards and other authoritative pronouncements of the AASB management 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.

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

1 Summary of Significant Accounting Policies/Cont...

b) The Local Government Reporting Entity

These financial statements include only Clarence City Council; Council has no subsidiaries. All Funds through which Council controls resources to carry on its functions have been included in the financial statements forming part of this financial report. In the process of reporting on Council as a single unit, all transactions and balances between those Funds (for example, loans and transfers between Funds) have been eliminated.

Amounts received as tender deposits and retention amounts controlled by Council are included in the amount disclosed as "payables" within current liabilities.

Associates are accounted for using the equity method in accordance with AASB 128 Investments in Associates. Council's share of profits or losses is recognised in its income statement. Council's share of movements in an Associate's equity that has not been recognised in the Associate's profit or loss is recognised directly in equity.

c) Acquisitions of Assets

The cost method of accounting is used for the recognition of assets acquired. Cost is determined as the fair value of the assets given up at the date of acquisition plus costs incidental to the acquisition. Architects' fees and engineering design fees are included in the costs of assets acquired. Assets acquired without cost are brought to account as revenue and recognised as non-current assets at their current replacement cost.

Council generally considers asset capitalisation at a threshold of \$20,000, however this is subject to the exercise of professional judgement based on the extent to which such expenditure creates or enhances an asset. Capital expenditure not meeting these criteria is charged to the Income Statement in the year it is incurred (other than where it forms part of a group of similar items which are material in total).

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

d) Revaluations of Non-current Assets

Revaluation of a class of assets occurs at such time as there has been a significant movement in current replacement cost of that asset class relative to the value disclosed in the financial statements. Variables influencing such movements in current replacement cost will include inflation, changes in available technology and materials, and general industry movements and trends. Each class of assets will normally be subject to a revaluation with sufficient regularity as to meet the objectives of this policy, or otherwise at intervals normally of no greater than five years. However, market indices are applied as appropriate to reflect significant market movements.

Land and buildings are recognised at the Valuer-General's valuation and have been indexed where appropriate. The initial valuations are based on market value. The recoverable amount test has not been applied to assets whose future economic benefits are not primarily dependent on their ability to generate net cash inflows. This is in accordance with AASB136 Impairment of Assets paragraph 32.1.

1 Summary of Significant Accounting Policies/Cont...

Non-current assets are derecognised upon disposal or when no future economic benefits are expected to arise from their continued use. Any gain or loss arising from the derecognition of assets is recognised in the Income Statement.

e) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognised equal to the amount by which an asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For non-cash generating assets such as roads and public buildings value in use is represented by the deprival value of the asset approximated by its written down replacement cost.

f) Depreciation of Non-current Assets

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner that reflects the consumption of the service potential embodied in those assets. Depreciation is recognised on a straight-line basis.

Major depreciation periods are:

Asset	Years	Asset	Years
Roads		Parks Equipment	10-30
Road Seal	30	Plant & equipment	10
Road Pavement	70	Stormwater	75
Bridges	80	Waste Management	15
Footpaths	10-60	Buildings	100

g) Employee Benefits

Employee benefits are calculated in accordance with AASB 119 Employee Benefits and include entitlements to wages and salaries, annual leave, long service leave, superannuation and any other post-employment benefits as applicable. On-costs relating to employee benefits, such as workers compensation insurance, are calculated and included as liabilities but are not classified as employee entitlements. Liabilities owed to employees are recognised at the remuneration rate that Council expects to pay when the obligation is settled.

i) Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries and annual leave expected to be settled within 12 months are measured at their nominal value using remuneration rates expected to be paid when entitlements are taken. There is no liability for sick leave as sick leave is non-vesting. Annual leave not expected to be settled within 12 months is measured using the present value method.

1 Summary of Significant Accounting Policies/Cont...

ii) Long Service Leave

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates on national government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows. Where Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as being current. To the extent that it is expected that settlement of leave will give rise to the payment of superannuation contributions, superannuation contributions are accrued as part of the provision for leave.

iii) Retirement Benefit Obligations

Employees of the Council may be entitled to benefits on retirement, disability or death through schemes external to the Council. Council contributes to a defined benefits superannuation fund and various defined contribution funds on behalf of its employees. All funds to which Council contributes are operated independently of Council.

Since the defined benefits superannuation fund to which Council contributes is fully funded and is recognised as a multi-employer scheme no liability is required to be recognised. No asset is recognised as the surplus attributable to each contributing council cannot be accurately calculated. Further disclosure regarding this matter is made at note 33. Council has no further obligations with respect to defined contribution funds.

h) Cash Equivalent Investments

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities generally of three months or less and/or that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

i) Trade and other receivables

Receivables are carried at cost. A provision for impairment is recognised when there is objective evidence that an impairment loss has occurred.

j) Leases

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incident to ownership of leased non-current assets (finance leases), and operating leases under which the lessor effectively retains all such risks and benefits. Council has no finance leases.

Operating leases as lessee

Operating lease payments are representative of the pattern of benefits derived from the leased assets and accordingly are charged to expenses from ordinary activities in the periods in which they are incurred.

1 Summary of Significant Accounting Policies/Cont...

Operating leases as lessor

Council owns a range of facilities that are available for lease by not-for-profit sport, recreational and community organisations. Leases to not-for-profit organisations may not reflect optimal financial arrangements and may have low lease payments. Such arrangements are in recognition of the public benefit provided by such facilities. Land and buildings which are leased under these arrangements are recognised within property, plant and equipment in the Balance Sheet, and associated rental income is recognised in accordance with Council's revenue recognition policy.

k) Income Recognition

Rates, grants, donations, contributions arising from Council's adopted headworks charges policy and other contributions are recognised as income when Council obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates. Control over granted assets is normally obtained upon their receipt or upon prior notification that a grant has been secured.

Settlement of rates receivable is by 4 instalments throughout the year or a single instalment payable in July. Sundry receivables are payable within 30 days of issue of the account. Interest applies to overdue rates. A provision for impairment on rates has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Unreceived contributions over which Council has control are recognised as receivables. Contributions of services are only recognised as income when the fair value of those services can be reliably determined and when those services would have been purchased if they had not been donated. They are measured at fair value.

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

Contributions by owners are recognised as a direct adjustment to equity when the contributed assets qualify for recognition. Distributions to owners are recognised as direct adjustments to equity when the associated reduction in assets, rendering of services or increase in liabilities qualifies for recognition. In the event of a restructure of administrative arrangements any resulting contribution by or distribution to another entity is recognised in equity. The net amount is recognised when both assets and liabilities are transferred as a result of such a restructure.

User Charges

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

l) Payables

Trade creditors represent liabilities for goods or services provided to Council prior to the end of the financial year which are unpaid. They are generally settled within specific trading terms or 30 days.

1 Summary of Significant Accounting Policies/Cont...

m) Interest Bearing Liabilities

The borrowing capacity of Council is limited by the *Local Government Act 1993*. Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

n) Carrying Amount of Financial Assets and Liabilities

Except for loan borrowings the carrying amounts of financial assets and liabilities recorded in the financial statements represent their respective fair values.

o) Land Under Roads

Land under roads is recognised in accordance with AASB 116 Property, Plant and Equipment. Because such land is generally acquired for no or nominal consideration, when it is recognised its cost is its fair value. Consistent with the Report to Parliament by the Auditor-General No. 5 of 2013-2014 *Infrastructure Financial Accounting in Local Government*, Council has recognised land under roads acquired prior to 1 July 2008 in its 2015 Financial Statements; Council's past policy was to not recognise these assets. Due to the materiality of this item, it is now recognised as a separate asset class; previously, land under roads was recognised within Road assets. Where appropriate, comparatives have been adjusted accordingly.

p) Investments and Other Financial Assets

These financial statements comply with AASB 7 Financial Instruments: Disclosures, AASB 132 Financial Instruments: Presentation and AASB 139 Financial Instruments: Recognition and Measurement. Financial instruments other than held-to-maturity investments and loans and receivables are measured at fair value. Fair value includes transaction costs. Changes in fair value are either taken to the income statement or an equity reserve.

Council classifies its investments as:

(i) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when Council provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets.

Loans and receivables are included in receivables in the balance sheet.

(ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity.

1 Summary of Significant Accounting Policies/Cont...

(iii) Investment in water corporation

Council's investment in the water corporation is valued at its fair value at balance date. Fair value was determined by using Council's equity proportion for voting purposes, based on Schedule 2 of the water corporation's constitution, against the water corporation's net asset value at balance date. Council has an equity proportion for voting purposes of 10.58% in the corporation. Any unrealised gains and losses on holdings at balance date are recognised each year through the Income Statement to a Fair Value Reserve (refer note 30).

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.

q) Allocation Between Current and Non-Current

In determining 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. An asset or liability is classified as current if it is expected to be settled within the next 12 months. In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months.

r) Disclosure of Changes in Accounting Policy and Estimates

Impact of applicable Australian Accounting Standards not yet operative

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

i) AASB 9

Financial Instruments

Effective date 1 January 2017

Extends the standard's application date to January 2017, introduces new requirements for the classification and measurement of financial assets and liabilities and introduces a chapter to deal with hedge accounting.

ii) AASB 15

Revenue from Contracts with Customers

Effective date 1 January 2017

Clarifies the principles for recognising revenue, superseding AASB 111 *Construction Contracts* and AASB 118 *Revenue*.

Summary of Significant Accounting Policies/Cont...

- iii) AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]*
Effective date 1 January 2017
Consequential amendments arising from AASB 9.
- iv) AASB 2014-3 *Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations*
Effective date 1 January 2016
Requires business combination accounting to be applied to acquisitions of interests in a joint operation that meets the definition of a 'business' under AASB 3 Business Combinations.
- v) AASB 2014-4 *Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation*
Effective date 1 January 2016
Introduces a rebuttable presumption that the use of revenue-based amortisation methods for intangible assets is inappropriate. There is limited opportunity for the presumption to be overcome and clarification that revenue-based depreciation for property, plant and equipment cannot be used.
- vi) AASB 2015-2 *Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101*
Effective date 1 January 2016
The amendments do not require any significant change, but should facilitate improved reporting, including emphasis on only including material disclosures, clarity on aggregation and disaggregation of line items, presentation of subtotals, ordering of notes and the identification of significant accounting policies.
- vii) AASB 2015-6 *Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities*
Effective date 1 January 2016
Extends the scope of AASB 124 Related Party Disclosures to include not-for-profit public sector entities.

1 Summary of Significant Accounting Policies/Cont...

- viii) AASB 2013-9 *Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments [Operative dates: Part A Conceptual Framework – 20 Dec 2013; Part B Materiality – 1 Jan 2014; Part C Financial Instruments – 1 Jan 2015]*

Operative date refer to title

Makes amendments to Standards as a consequence of the issue of Accounting Framework AASB CF 2013-1 *Amendments to the Australian Conceptual Framework*; deletes reference to AASB 1031 *Materiality* in other Standards; makes amendments to Standards as a consequence of the issuance of *IFRS 9 Financial Instruments – Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39* by the IASB; and makes editorial corrections.

Council is of the view that none of the above new standards or interpretations will materially affect any of the amounts recognised in the financial statements. The above new standards or interpretations may impact certain information otherwise disclosed.

s) Taxation

Council is exempt from a range of taxation including income tax, however is liable for Fringe Benefits Tax, Payroll Tax and the Goods and Services Tax.

Goods and Services Tax (GST)

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

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

t) 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 has determined that there are no such significant business activities.

u) Finance Costs

Finance costs are expensed as incurred using the effective interest method. Finance costs include interest on bank overdrafts, interest on borrowings and finance lease charges.

1 Summary of Significant Accounting Policies/Cont...

v) Rounding

Unless otherwise indicated amounts in the financial statements have been rounded to the nearest thousand dollars. Minor differences may appear in the financial statements due to the effect of rounding.

w) Contingent Assets and Liabilities

AASB 137 Provisions, Contingent Liabilities and Contingent Assets

Council owns the Bellerive Oval and has leased this asset to Cricket Tasmania for a minimum period of 45 years. Council is part owner of the Copping landfill site. The landfill and associated land has been leased to the Copping Refuse Disposal Site Joint Authority for 50 years. Both of these leases are dated 2001. It is Council's opinion that control over these assets including maintenance obligations has been effectively transferred to the lessees, making the probability that significant future economic benefits will flow to Council unlikely (other than rental income). Other than the relevant value of the land Council has not included these assets in its balance sheet. They are disclosed as contingent assets in note 35.

x) Measurement of Fair Values

A number of the Council's accounting policies and disclosures require the measurement of fair values, for both financial and non financial assets and liabilities. When measuring the fair value of an asset or liability the Council uses market observable data as far as possible.

Assets measured at fair value are being used for their highest and best use, within the context of the operations of a Local Government entity. Within this context, restrictions exist on the nature and use of many Council assets which limits the use to which those assets may otherwise be dedicated.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised as the lowest level input that is significant to the entire measurement.

1 Summary of Significant Accounting Policies/Cont...

The Council recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about assumptions made in measuring fair values is included in the following notes:

Note 11 Investment in Water Corporation
Note 13 Financial Instruments
Note 17 Non-Current Assets – Land
Note 18 Non-Current Assets – Land Under Roads
Note 19 Non-Current Assets – Buildings
Note 20 Non-Current Assets – Roads
Note 21 Non-Current Assets – Waste Management
Note 22 Non-Current Assets – Stormwater Infrastructure
Note 23 Non-Current Assets – Plant, Equipment & Furniture
Note 24 Non-Current Assets – Parks & Recreation Equipment

y) AASB 2015-7 Amendments to Australian accounting Standards - Fair Disclosure on Not-for Profit Public Sector Entities

AASB 2015-7 Amendments to Australian Accounting Standards - Fair Disclosure on Not-for-Profit Public Sector Entities relieves not-for-profit public sector entities from the following disclosures specified in AASB 13 for assets within the scope of AASB 116 Property, Plant and Equipment that are held primarily for their current service potential rather than to generate future net cash inflows.

- a. For recurring and non-recurring fair value measurements categorised within level 3 of the fair value hierarchy, quantitative information about the significant unobservable inputs used in the fair value measurement (AASB 13 par 93(d)).
- b. For recurring fair value measurements categorised within level 3 of the fair value hierarchy, a narrative description of the sensitivity of the fair value measurement to changes in unobservable inputs if a change in those inputs to a different amount might result in a significantly higher or lower fair value measurement. Where there are interrelationships between those inputs and other unobservable inputs used in the fair value measurement, the disclosure of a description of those interrelationships and of how they might magnify or mitigate the effect of changes in the unobservable inputs on the fair value measurement will not be required. (AASB 13 par 93(h)).
- c. For recurring fair value measurements categorised within level 3 of the fair value hierarchy, the amount of the total gains and losses for the period included in profit or loss attributable to the change in unrealised gains or losses relating to the assets held at the end of the reporting period, and the line item(s) in profit or loss in which those unrealised gains and losses are recognised (AASB 13 par 93(e)(i) and 93(f)).

Council decided to early adopt AASB 2015-7.

2 Functions/Activities of the Municipality

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

	Communities & People \$'000	City Future \$'000	Natural Environment \$'000	Roads* \$'000	Stormwater \$'000	Facilities Management \$'000	Governance \$'000	Unclassified/ General Purpose \$'000	TOTAL \$'000
Expenses 2013/14 Comparative	9,149 11,649	2,209 2,252	7,016 6,869	13,299 13,398	1,146 1,278	2,237 2,230	7,305 6,781	11,593 9,326	53,954 53,782
Revenues	3,665	1,551	4,414	207	2,012	521	10,451	34,993	57,813
Grants	1,796	-	302	3,434	1,910	235	-	-	7,677
Total Revenues 2013/14 Comparative	5,461 5,116	1,551 1,277	4,716 4,386	3,642 1,352	3,922 2,416	756 435	10,451 9,116	34,992 34,039	65,490 58,136
Change in net assets resulting from operations 2013/14 Comparative	(3,689) (6,533)	(658) (974)	(2,300) (2,483)	(9,657) (12,047)	2,776 1,138	(1,481) (1,794)	3,146 2,335	23,399 24,713	11,536 4,354
Assets 2013/14 Comparative	N/A N/A	N/A N/A	741 745	280,645 182,658	93,505 82,968	101,730 95,447	N/A N/A	250,298 239,538	726,919 601,355
Rates have been attributed to functions where appropriate									* Roads includes Land Under Roads

Balances may vary due to rounding

2 *Functions/Activities of the Municipality/Cont...*

- b) The activities of the municipality are categorised into the following broad functions:

Communities and People

To create a safe and healthy community where all people can access services and participate in cultural, social and recreational activities; develop a community focal point and inform and consult with the community.

City Future

To assist the City to grow in line with community values and needs with regard to land use, economic development and tourism.

Natural Environment

To enhance and protect the City's natural assets and prepare for the effective management of natural events or emergencies. To promote environmentally sustainable practices and appreciation of the natural environment. To collect and dispose of solid wastes generated within the City.

Roads

To provide roads, bridges, cycleways, footpaths, transport interchanges, vehicle parks, street lighting and traffic control systems to ensure the effective and safe movement of people and vehicles; the economic transport of goods and delivery of services; and the rapid deployment of emergency services, within the City.

Stormwater

To protect life, property and community amenity by the effective collection and disposal of stormwater.

Facilities Management

To facilitate the provision of social infrastructure and community facilities which, within the capacity of Council and the community to pay, meet the needs of residents, visitors, tourists and other stakeholders and which meet the regional responsibilities accepted by Council.

Governance

To represent the community through Local Government leadership in a consistent, accountable and financially responsible manner. To provide clear and accountable leadership and strategic direction for the City and engage the community in Council activities.

Unclassified/General Purpose

Transactions and assets not directly attributable to specific functions.

3 Rates Income

	Notes	2015 \$'000	2014 \$'000
Rate revenue raised		44,091	43,720
Less: Remissions	10	(2,100)	(3,919)
		<u>41,991</u>	<u>39,801</u>

4 User Charges

Fees		3,092	2,867
Rentals		589	560
Special Committee Income	36	415	483
Other		1,074	841
		<u>5,170</u>	<u>4,751</u>

5 Grants

Grants includes:

Grants made by the State Grants Commission		3,986	1,321
Capital grants made by Government:			
Multi user path		-	230
Bus bays Richmond		-	3
Blackspot		185	7
Roads to Recovery		500	184
Howrah Bowls Club		80	-
Seven Mile Beach Viewing Platform		6	-
Skate Ramp Kangaroo Bay		100	-
Park Lighting		50	-
Kangaroo Bay		2,400	-
Richmond Link Transfer		370	-
Chiller plant Council Chambers		-	48
Meehan Range Trail		-	15
Clarence Bicycle Path		-	10
Richmond Weir		-	10
		<u>7,677</u>	<u>1,828</u>

The Australian Commonwealth Government provides Financial Assistance Grants to Council for general purpose use and for the provision of local roads through the State Grants Commission. In 2012/13 the Commonwealth made early payment of two quarterly instalments for the following year. In accordance with AASB1004 Contributions, Council recognises these grants as revenue when it receives the funds and obtains control. This impacted the Income Statement, resulting in the 2013/14 Surplus being lower than would have been the case had instalments relating to 2013/14 not been paid early. In 2014/15 the Commonwealth recommenced prepaying instalments, paying half of the amount relating to 2015/16 on 30 June 2015. This resulted in 2014/15 receipts being \$1,327,954 higher than the 2014/15 grant allocation, with a consequential effect on the income statement. The multiple variations in payment dates represent timing differences only; the total amount received by Council over the periods affected has not changed as a result of these timing differences.

6 Contribution and Recognition of Assets

2015	2014
\$'000	\$'000

Contributions and recognition of assets are made up of the following categories:

Contributions of assets arising from subdivision of land	4,002	1,080
Recognition of assets arising from revaluation	939	-
	<u>4,941</u>	<u>1,080</u>

7 Ownership Interests in Associates

Council has an interest in the Copping Refuse Disposal Site Joint Authority (CRDSJA). It uses the equity method to account for its interest. Council controls 37.5% (2013/14 37.5%) of the Joint Authority's votes. Council's share of the Joint Authority's net assets is fixed at 48% or \$1,814,849 (2013/14 48% or \$1,776,177). Refer to the Cash Flow Statement for dividends received.

The CRDSJA is located in Australia. Its principal activity is to operate a landfill.

The following financial information is provided in relation to the CRDSJA:

	2015	2014
	\$'000	\$'000
Total assets	9,878	10,029
Total liabilities	(6,097)	(6,329)
Revenue	(5,415)	(4,943)
Profit (loss)	60	218
Council's share of profit (loss)	*	29
Council's share of income tax expense	*	(9)
Council's share of prior year adjustments	*	19
Council's share of income tax equivalents	**	-
		284

* Amount included in Income Statement

** Figure not yet available for 2015

8 Gain/Loss on Retirement or Disposal of Non-current Assets

	2015	2014
Notes	\$'000	\$'000
Net proceeds on disposal of non current assets	-	6
Carrying amount of non-current assets retired	(2,015)	(1,287)
Profit (loss) on disposal	<u>(2,015)</u>	<u>(1,281)</u>

9 Depreciation

Depreciation was charged in respect of:

Buildings	350	326
Roads	7,771	7,548
Stormwater infrastructure	2,252	1,940
Waste management assets	18	23
Plant, equipment & furniture	384	273
Parks & recreation equipment	893	816
	<u>11,668</u>	<u>10,926</u>

10 Other Expenses

Other expenses includes:

Rate remissions	3	2,100	3,919
Less Rate remission subsidies		<u>(1,795)</u>	<u>(1,742)</u>
Net Rate remissions		305	2,177
Electricity		1,296	1,358
Insurance		653	694
External Audit services*		54	52
Aldermen's allowances		458	434
Rental expense relating to operating leases	32(b)	1,622	1,647
Family Day Care fee relief		1,371	1,428
Community Services support		83	51
Corporate support		976	997
Policy and promotion		1,108	864
External plant hire		445	368
Special Committees expenses	36	515	505
Other		<u>1,451</u>	<u>1,013</u>
		<u>10,337</u>	<u>11,588</u>

* External auditors were paid to audit financial statements and undertake specific purpose audits. They provided no other services. The Tasmanian Audit Office was paid \$43,660 to audit Council's financial statements. Tenuto Financial was paid \$9,800 to audit the financial statements of Council's special committees, various grants and government funded activities.

11 Investment in Water Corporation

	2015	2014
	\$'000	\$'000
Opening Balance 1 July	162,511	202,098
Total gains/(losses) recognised as other comprehensive income	1,305	(39,587)
Closing Balance 30 June	<u>163,816</u>	<u>162,511</u>

Council's share of the water corporation is its only financial asset at fair value. Fair value was determined by applying Council's ownership interest to the water corporation's net asset value at balance date. Any unrealised gains and losses at balance date are recognised in the Income Statement as other comprehensive income and appear in the Fair Value Reserve. This asset is classified as Level 3. Council has not bought or sold any share in this business during the reporting period.

During the year Council received \$3.3 million dividend payments, including tax equivalent and loan guarantee payments, from the water corporation (2013/14 \$2.2 million).

12 Current Assets - Cash and Cash Equivalents

	2015	2014
	\$'000	\$'000
Cash at bank and on hand	6,824	3,138
Interest bearing deposits	<u>49,000</u>	<u>50,626</u>
	<u>55,824</u>	<u>53,764</u>
Unrestricted	20,285	18,868
Subject to external and/or internal restrictions	<u>35,539</u>	<u>34,896</u>
	<u>55,824</u>	<u>53,764</u>

The following restrictions have been imposed by regulations or other externally or internally imposed requirements:

Accrued long service leave*	2,663	2,455
Unexpended specific purpose contributions**	3,422	4,131
Council discretionary reserves***	<u>29,454</u>	<u>28,310</u>
	<u>35,539</u>	<u>34,896</u>

* These monies have been set aside to fund long service leave payment obligations.

**These monies are required to be spent on public open space, car parking & community services.

*** These monies are set aside at the discretion of Council and primarily represent funds for infrastructure renewal.

13 Financial Instruments

a) Risk exposures

Credit risk:

The amount of any credit risk associated with financial assets is the carrying amount net of any provision for doubtful debts. Such a risk crystallises when one party to the transaction fails to discharge its obligations. Council's financial assets comprise receivables, cash and cash equivalents.

There is no significant concentration of credit risk with any single debtor or group of debtors. Amounts owing in relation to rates are secured by a charge over the land to which the debts relate.

Council has a policy of diversifying investments and restricts investments to entities with Standard and Poor's long term credit ratings of BBB+ or better, or short term credit ratings of A.1 or better.

Council's credit risk is therefore low. There has been no significant change in Council's exposure to or management of this risk since the previous period.

Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk, those being currency risk, interest rate risk and other price risk. Council's exposure to or management of these risks has not changed since the previous period.

Currency risk:

This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Council has no exposure to currency risk.

Interest rate risk:

This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council's financial instruments comprise cash and cash equivalents, receivables, payables and interest bearing liabilities. Its main exposure to this risk is through its interest bearing liabilities which are disclosed at Note 27 and in this note.

At balance date Council had the following categories of financial assets and liabilities exposed to interest rate risk:

13 Financial Instruments cont...	2015	2014
	\$'000	\$'000
Financial Assets		
Cash and cash equivalents	55,824	53,764
Financial Liabilities		
Interest bearing liabilities	(542)	(703)
Net exposure	55,282	53,061

Exposure to this risk through cash and cash equivalents is minimal. Council limits its exposure to this risk in relation to its interest bearing liabilities by staging interest rate reset dates to ensure exposures are smoothed over time.

The following sensitivity analysis is based on interest rate risk exposures existing at balance date. It shows the effect of interest rate movements on the net result and equity.

	2015	2014
	\$'000	\$'000
Net Result		
+1%	542	518
-1%	(542)	(518)
Equity		
+1%	542	518
-1%	(542)	(518)

The movements in net result and equity are due to higher/lower interest rates relating to cash and cash equivalents. Changing interest rates do not affect interest paid in the short term as rates are generally fixed for periods of at least two years.

Other price risk:

This is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices other than those arising from interest rate risk or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Council does not have any material exposure to this risk.

Liquidity risk:

This is the risk that Council will encounter difficulty in meeting obligations associated with financial liabilities. A maturity analysis is included in part b) of this note. Council's liquidity risk is immaterial. Its exposure to or management of this risk has not changed since the previous period.

13 Financial Instruments cont...

b) Interest rate risk exposure

2015	Effective (weighted) average interest rate %	Variable & floating interest rate \$'000	Fixed Interest Rate Maturity			Non interest bearing \$'000	Total \$'000
			< 1 Year \$'000	1 - 5 years \$'000	> 5 years \$'000		
Financial Assets							
Cash	3.10	6,824	49,000	-	-	-	55,824
Receivables incl rates*	2.99	-	2,246	-	-	5,307	7,553
Total		6,824	51,246	-	-	5,307	63,377
Financial Liabilities							
Creditors						4,245	4,245
Interest Bearing Liabilities	5.57	-	171	371	-	-	542
Total		-	171	371	-	4,245	4,787

2014	Effective (weighted) average interest rate %	Variable & floating interest rate \$'000	Fixed Interest Rate Maturity			Non interest bearing \$'000	Total \$'000
			< 1 Year \$'000	1 - 5 years \$'000	> 5 years \$'000		
Financial Assets							
Cash	3.62	3,138	50,626	-	-	-	53,764
Receivables incl rates*	3.42	-	1,706	-	-	3,273	4,979
Total		3,138	52,332	-	-	3,273	58,743
Financial Liabilities							
Creditors						4,740	4,740
Interest Bearing Liabilities	5.57	-	161	542	-	-	703
Total		-	161	542	-	4,740	5,443

*Refer to note 14 for more information regarding ageing of receivables.

13 Financial Instruments cont...

c) Net fair value

The aggregate net fair value of Council's financial assets and financial liabilities is as follows:

	<i>Actual 2015</i>		<i>Actual 2014</i>	
	<i>Carrying amount \$'000</i>	<i>Aggregate net fair value \$'000</i>	<i>Carrying amount \$'000</i>	<i>Aggregate net fair value \$'000</i>
Financial assets				
Cash and cash equivalents	55,824	55,824	53,764	53,764
Investment water corporation	163,816	163,816	162,511	162,511
Receivables	7,553	7,553	4,979	4,979
Total	227,193	227,193	221,254	221,254
Financial liabilities				
Payables	1,858	1,858	2,386	2,386
Interest bearing liabilities	542	568	703	737
Total	2,400	2,426	3,089	3,123

Aggregate net fair value is calculated using a discount rate equal to the average of mid rates of Commonwealth Government securities maturing on or near 30 June each year for the next 10 years.

	<i>Fair value hierarchy</i>	<i>Valuation technique</i>	<i>Inputs used</i>
Financial assets			
Cash and cash equivalents	Level 1	Carrying amounts are a reasonable approximation of fair value.	Carrying amounts.
Investment water corporation	Level 3	Application of Council's ownership interest to the corporation's net asset value at balance date.	Council's ownership interest. The corporation's net asset value at balance date.
Receivables	Level 3	Carrying amounts are a reasonable approximation of fair value.	Carrying amounts.
Financial liabilities			
Payables	Level 3	Carrying amounts are a reasonable approximation of fair value.	Carrying amounts.

13 Financial Instruments cont...

	<i>Fair value hierarchy</i>	<i>Valuation technique</i>	<i>Inputs used</i>
Financial liabilities			
Interest bearing liabilities	Level 3	Use of a discount rate equal to the average of mid rates of Commonwealth Government securities maturing on or near 30 June each year for the remaining life of the liabilities.	Mid rates of Commonwealth Government securities maturing on or near 30 June each year for the remaining life of the liabilities. Loan instalments payable.

d) Accounting Policies

Accounting policies in respect of financial assets and financial liabilities are disclosed in Note 1.

e) Terms and conditions

There are no terms and conditions associated with financial assets or financial liabilities which may significantly affect the amount, timing or certainty of future cash flows.

f) Fair value measurements recognised in the balance sheet

Council's investment in the water corporation is measured at fair value, and is classified as a Level 3. Its classification has not changed. This investment is not subject to credit or market risks. A reconciliation of movements in the fair value of this asset is included in note 11.

14 Current Assets - Receivables

	2015	2014
	\$'000	\$'000
Rates receivable	2,246	1,706
Other debtors	3,990	1,517
	<u>6,236</u>	<u>3,223</u>

The ageing analysis of receivables is as follows:

Current	672	779
0-30 days	2,416	12
31-60 days	1	8
61-90 days (past due but not impaired)	1	4
+91 days (past due but not impaired)	3,146	2,420
	<u>6,236</u>	<u>3,223</u>

All rates debtors are included in +91 days outstanding. No provision has been made for impairment as any such provision would be immaterial. Unpaid rates are recoverable on the sale of the property concerned. No material bad debts were written off during either year. Certain amounts raised by way of rates on a major property within the municipality are subject to dispute which had not been resolved at balance date. The amount raised but unpaid at 30 June 2015 was \$264,736.

15 Current Assets - Other

Stores and materials (at average cost)	101	135
Other	396	297
	<u>497</u>	<u>432</u>

16 Reconciliation of Infrastructure Assets

Movements in infrastructure assets for the year were as follows:

	Opening Balance 1 July 2014 \$'000	Depreciation Expense for Year \$'000	Additions \$'000	WIP Transferred to Expenses \$'000	Written Down Value of Retirements/ Derecognition \$'000	** Net Revaluation Increment (Decrement) \$'000	Closing Balance 30 June 2015* \$'000
Land	67,096	-	885	-	(392)	3,553	71,142
Land under roads	1,668	-	99,358	-	(1,668)	-	99,358
Buildings	28,351	(350)	1,819	-	(650)	1,418	30,588
Roads	180,990	(7,787)	8,875	-	(792)	-	181,286
Waste management	745	(18)	14	-	-	-	741
Stormwater infrastructure	82,968	(2,252)	6,232	-	(121)	6,679	93,506
Plant, equipment & furniture	1,845	(384)	363	-	-	-	1,824
Parks & recreation equipment	8,395	(877)	3,308	-	(58)	-	10,768
Capital Work in Progress (WIP)	5,338	-	2,615	(197)	-	-	7,756
Total	377,396	(11,668)	123,469	(197)	(3,681)	11,650	496,969

* Balances may vary slightly due to rounding.

** Recognised as Fair Value Revaluation of Fixed Assets in Other Comprehensive Income

16 Reconciliation of Infrastructure Assets cont ...

Comparative movements in infrastructure assets for the prior year were as follows:

	Opening Balance 1 July 2013 \$'000	Depreciation Expense for Year \$'000	Additions \$'000	WIP Transferred to Expenses \$'000	Written Down Value of Retirements/ Derecognition \$'000	** Net Revaluation Increment (Decrement) \$'000	Closing Balance 30 June 2014* \$'000
Land	66,951	-	145	-	-	-	67,096
Buildings	27,679	(326)	1,112	-	(113)	-	28,352
Roads ***	181,886	(7,548)	9,318	-	(998)	-	182,658
Waste management	647	(23)	119	-	-	2	745
Stormwater infrastructure	81,735	(1,940)	3,204	-	(29)	-	82,970
Plant, equipment & furniture	1,191	(273)	930	-	(6)	3	1,845
Parks & recreation equipment	7,449	(816)	1,226	-	(141)	677	8,395
Capital Work in Progress (WIP)	5,986	-	18	(666)	-	-	5,338
Total	373,524	(10,926)	16,072	(666)	(1,287)	682	377,399

* Balances may vary slightly due to rounding.

** Recognised as Fair Value Revaluation of Fixed Assets in Other Comprehensive Income

*** Includes Land Under Roads at 30 June 2014 of \$1.668m

17 Non-Current Assets - Land	2015	2014
	\$'000	\$'000
Land at fair value closing balance	71,142	66,951
Land at cost closing balance	-	145
	<u>71,142</u>	<u>67,096</u>

Fair Value Hierarchy

The fair value measurement for land has been categorised as a Level 2 fair value based on the inputs to the valuation technique used (refer to Note 1x and details below).

There were no transfers between levels 1 and 2 or between levels 2 and 3 for recurring fair value measurements during the year.

Valuation technique

The fair value of land other than that recorded at cost was determined by the Valuer-General, based on 1 July 2012 market value, to which an index factor has been applied consistent with the Valuer-General's 2015 adjustment factors for valuations within the municipality.

18 Non-Current Assets - Land Under Roads	2015	2014
	\$'000	\$'000
Land under roads at fair value closing balance	99,358	1,668
Land under roads at cost closing balance	-	-
	<u>99,358</u>	<u>1,668</u>

Land under roads acquired since 30 June 2008 has been recognised in past financial reports as part of road assets. Land under roads acquired prior to 30 June 2008 is being recognised for the first time in the 2015 financial statements, consistent with the Report to Parliament by the Auditor-General No. 5 of 2013-2014 *Infrastructure Financial Accounting in Local Government*. Because of its materiality, land under roads is now reported as a separate category of non-current assets. Those assets previously recognised have been removed from road assets for inclusion in land under roads.

Fair Value Hierarchy

The fair value measurement for land under roads has been categorised as a Level 2 fair value based on the inputs to the valuation technique used (refer to Note 1x and details below).

There were no transfers between levels 1 and 2 or between levels 2 and 3 for recurring fair value measurements during the year.

Valuation technique

The fair value of land under roads has been determined based on unit valuations provided by the Valuer-General during 2014/2015 for various land classes across the City.

19 Non-Current Assets - Buildings

	2015	2014
	\$'000	\$'000
Buildings at fair value	31,892	28,427
Less : Accumulated depreciation	(3,120)	(2,680)
	<u>28,772</u>	<u>25,747</u>
Buildings at cost	1,819	2,625
Less: Accumulated depreciation	(3)	(21)
	<u>1,816</u>	<u>2,604</u>
	<u>30,588</u>	<u>28,351</u>

Fair Value Hierarchy

The fair value measurement for buildings has been categorised as a Level 2 fair value based on the inputs to the valuation technique used (refer to Note 1x and details below).

There were no transfers between levels 1 and 2 or between levels 2 and 3 for recurring fair value measurements during the year.

Valuation technique

The fair value of buildings other than those recorded at cost was determined by the Valuer-General, based on 1 July 2012 market value, to which an index factor has been applied consistent with the Valuer-General's 2015 adjustment factors for valuations within the municipality.

20 Non-Current Assets - Roads

	2015	2014
	\$'000	\$'000
Roads at fair value	356,004	358,277
Less : Accumulated depreciation	(198,763)	(193,704)
	<u>157,241</u>	<u>164,573</u>
Roads at cost	25,154	16,868
Less: Accumulated depreciation	(1,107)	(451)
	<u>24,047</u>	<u>16,417</u>
	<u>181,288</u>	<u>180,990</u>

Fair Value Hierarchy

The fair value measurement for roads has been categorised as a Level 3 fair value based on the inputs to the valuation technique used (refer to Note 1x and details below).

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. For transfers in and out of Level 3 measurements refer below.

Valuation technique, unobservable inputs, inter-relationship between unobservable inputs and fair value

Roads includes earthworks, substructures, seals, kerbs and crossings relating to roads and footpaths. Road assets excluding those recognised at cost have been valued at current replacement cost written down to reflect the portion of the economic life that has expired. Current replacement cost has been established as at 1 July 2012 based upon information provided by Council's engineering officers.

Significant unobservable inputs include estimated useful life and inputs required to construct roads and associated infrastructure such as labour, plant hire, gravel, hotmix, cement etc. The estimated fair value would increase (decrease) if the labour/hire rates and/or prices per unit were higher (lower).

	2015 \$'000	2014 \$'000
Reconciliation of fair value opening and closing balances		
Roads at fair value opening balance	166,241	173,821
Additions and/or transfers from roads at cost	529	592
Written down value of retirements/transfers/disposals	(2,401)	(998)
Depreciation expense	(7,129)	(7,174)
Roads at fair value closing balance	<u>157,240</u>	<u>166,241</u>

21 Non-Current Assets - Waste Management

	2015	2014
	\$'000	\$'000
Waste management assets at fair value	918	904
Less : Accumulated depreciation	(187)	(170)
	<u>731</u>	<u>734</u>
Waste management assets at cost	11	11
Less: Accumulated depreciation	(1)	(1)
	<u>10</u>	<u>10</u>
	<u>741</u>	<u>744</u>

Fair Value Hierarchy

The fair value measurement for waste management assets has been categorised as a combination of Level 2 and Level 3 fair values based on the inputs to the valuation technique used (refer to Note 1x and details below).

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. For transfers in and out of Level 3 measurements refer below.

Valuation technique, unobservable inputs, inter-relationship between unobservable inputs and fair value

Waste management assets primarily comprises land associated with a landfill site which is leased to a Joint Authority of which Council is a member. Valuation of the land was determined by the Valuer General based on October 2010 market value. Estimated fair value would increase (decrease) if market value increased (decreased). Other assets recorded at fair value, primarily comprising litter bins, are valued at current replacement cost based upon market pricing information provided by Council's officers as at 1 July 2013. Estimated fair value of these assets would increase (decrease) if market prices increased (decreased).

	2015	2014
	\$'000	\$'000
Reconciliation of fair value opening and closing balances		
Waste management assets at fair value opening balance	735	647
Additions and/or transfers from waste management assets at cost	14	108
Change in fair value	-	2
Depreciation expense	(18)	(22)
Waste management assets at fair value closing balance	<u>731</u>	<u>735</u>

22 Non-Current Assets - Stormwater Infrastructure

	2015	2014
	\$'000	\$'000
Stormwater infrastructure assets at fair value	163,744	137,321
Less : Accumulated depreciation	(72,768)	(60,071)
	<u>90,976</u>	<u>77,250</u>
Stormwater infrastructure assets at cost at cost	2,542	5,810
Less: Accumulated depreciation	(13)	(92)
	<u>2,529</u>	<u>5,718</u>
	<u>93,505</u>	<u>82,968</u>

Fair Value Hierarchy

The fair value measurement for stormwater infrastructure assets has been categorised as a Level 3 fair value based on the inputs to the valuation technique used (refer to Note 1x and details below).

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. For transfers in and out of Level 3 measurements refer below.

Valuation technique, unobservable inputs, inter-relationship between unobservable inputs and fair value

Stormwater infrastructure assets excluding those valued at cost have been valued at current replacement cost written down to reflect the portion of the economic life that has expired. Current replacement cost has been established based on information provided by Council's engineering officers as at June 2015.

Significant unobservable inputs include estimated useful life and inputs required to construct stormwater assets and associated infrastructure such as labour, plant hire, pipe length/dimension/material etc. The estimated fair value would increase (decrease) if the estimated useful life, labour/plant hire rates and/or prices per unit were higher (lower).

	2015	2014
	\$'000	\$'000
Reconciliation of fair value opening and closing balances		
Stormwater infrastructure at fair value opening balance	77,250	78,643
Additions and/or transfers from stormwater infrastructure assets at cost	7,594	525
Written down value of retirements/transfers/disposals	(121)	(29)
Amount included in Other Comprehensive Income		
-Fair value revaluation of fixed assets	8,485	-
Depreciation expense	(2,230)	(1,889)
Stormwater infrastructure assets at fair value closing balance	<u>90,978</u>	<u>77,250</u>

23 Non-Current Assets - Plant, Equipment & Furniture	2015	2014
	\$'000	\$'000
Plant, equipment & furniture assets at fair value	2,349	2,356
Less : Accumulated depreciation	(1,534)	(1,361)
	<u>815</u>	<u>995</u>
Plant, equipment & furniture assets at cost	1,288	924
Less: Accumulated depreciation	(279)	(75)
	<u>1,009</u>	<u>849</u>
	<u>1,824</u>	<u>1,844</u>

Fair Value Hierarchy

The fair value measurement for plant, equipment & furniture has been categorised as a Level 3 fair value based on the inputs to the valuation technique used (refer to Note 1x and details below).

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. For transfers in and out of Level 3 measurements refer below.

Valuation technique, unobservable inputs, inter-relationship between unobservable inputs and fair value

Current replacement cost of items of plant, equipment and furniture (excluding those valued at cost) has been based on the cost of assets and adjusted to reflect current replacement cost as at 1 July 2013 based upon information provided by Council's officers, and associated entities.

Significant unobservable inputs include estimated useful life and the value of indexes/judgements applied. The estimated fair value would increase (decrease) if the estimated useful life and/or indexes/judgements were higher (lower).

	2015	2014
	\$'000	\$'000
Reconciliation of fair value opening and closing balances		
Plant, equipment & furniture at fair value opening balance	995	491
Additions and/or transfers from plant, equipment & furniture at cost	-	677
Change in fair value	-	17
Written down value of retirements/transfers/disposals	-	(6)
Depreciation expense	(180)	(184)
Plant, equipment & furniture at fair value closing balance	<u>815</u>	<u>995</u>

24 Non Current Assets - Parks & Recreation Equipment

	2015 \$'000	2014 \$'000
Parks & recreation equipment at fair value	14,291	14,096
Less : Accumulated depreciation	(7,215)	(6,634)
	<u>7,076</u>	<u>7,462</u>
Parks & recreation equipment at cost	3,862	954
Less: Accumulated depreciation	(171)	(22)
	<u>3,691</u>	<u>932</u>
	<u>10,767</u>	<u>8,394</u>

Fair Value Hierarchy

The fair value measurement for parks & recreation equipment has been categorised as a Level 3 fair value based on the inputs to the valuation technique used (refer to Note 1x and details below).

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. For transfers in and out of Level 3 measurements refer below.

Valuation technique, unobservable inputs, inter-relationship between unobservable inputs and fair value

Parks & recreation equipment assets excluding those items valued at cost have been valued at current replacement cost written down to reflect the portion of the economic life that has expired. Current replacement cost has been established as at 1 July 2013 based on pricing information provided by Council's officers and by external play equipment specialists. Estimated fair value would increase (decrease) if prices increased (decreased).

	2015 \$'000	2014 \$'000
Reconciliation of fair value opening and closing balances		
Parks & recreation equipment at fair value opening balance	7,462	4,474
Additions and/or transfers from parks & recreation equipment at cost	399	3,104
Change in fair value	-	763
Written down value of retirements/transfers/disposals	(58)	(130)
Depreciation expense	(727)	(749)
Parks & recreation equipment at fair value closing balance	<u>7,076</u>	<u>7,462</u>

25 Non Current Assets - Receivables

Deferred payment - property transfer	1,317	1,756
	<u>1,317</u>	<u>1,756</u>

26 Current Liabilities - Payables

Trade creditors	1,858	2,386
Other creditors and accruals	4,121	3,459
	<u>5,979</u>	<u>5,845</u>

27 Interest Bearing Liabilities

	2015 \$'000	2014 \$'000
Bank loans (current)	171	161
Bank loans (non-current)	371	542
	<u>542</u>	<u>703</u>

Financing Arrangements

Unrestricted access was available at the reporting date to the following forms of financial accommodation:

Total Facilities

Bank overdraft	1,000	1,000
Corporate credit cards	40	40
Loans	542	703
	<u>1,582</u>	<u>1,743</u>

Used at reporting date

Bank overdraft	-	-
Corporate credit cards	6	8
Loans	542	703
	<u>548</u>	<u>711</u>

Unused at reporting date

Bank overdraft	1,000	1,000
Corporate credit cards	34	32
	<u>1,034</u>	<u>1,032</u>

The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice. Interest rates are variable.

28 Current Liabilities - Provisions

Employee entitlements*

Annual leave**

Opening balance	1,371	1,461
Additional provisions	766	452
Amounts used	(588)	(458)
Closing balance	<u>1,549</u>	<u>1,455</u>

Long service leave

Opening balance	2,067	1,921
Additional provisions	198	171
Amounts used	(155)	(144)
Closing balance	<u>2,110</u>	<u>1,948</u>
Payroll tax attributable to long service leave	125	119
Total long service leave provision	<u>2,235</u>	<u>2,067</u>
Total Provisions	<u>3,784</u>	<u>3,522</u>

* * The above includes annual leave purchased during the year

	<u>37</u>	<u>35</u>
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29 Non Current Liabilities - Provisions

	2015 \$'000	2014 \$'000
Employee entitlements*		
Long service leave		
Opening balance	538	657
Additional provisions	140	(150)
	<u>678</u>	<u>507</u>
Payroll tax attributable to long service leave	41	31
Closing balance	<u>719</u>	<u>538</u>

* Assumptions include an inflation factor in line with Council's Enterprise Bargaining Agreement (greater of 2.5% or CPI), discount factors equal to average relevant Reserve Bank of Australia wholesale market indicative mid rates (3.03%) and retention rates based on Council's historic data accumulated over a 15 year period.

30 Reserves**a) Composition**

Asset Revaluation Reserve	220,552	192,611
<i>(Represents net increments arising from the revaluation of non-current assets).</i>		
Infrastructure Renewal Reserve	26,839	25,792
<i>(Represents unused amounts collected to fund future renewal of existing infrastructure assets).</i>		
Commonwealth Funded Programmes Reserve	1,014	955
<i>(Represents unused funds subject to grant programmes operated by the Commonwealth Government. Such funds are subject to grant agreements and are applied as such).</i>		
General Reserve	2,516	2,496
<i>(Represents amounts appropriated for general future uses, typically planned projects, expected events and contingencies).</i>		
Rosny Park Child Care Reserve	181	90
<i>(Represents the cumulative operating result of the Rosny Park Child Care Centre. Meets ongoing operations of the centre).</i>		
Car Parking Reserve	789	688
<i>(Represents funds contributed in lieu of providing car parking as part of commercial developments. Provides for provision of alternative car parking facilities in the areas collected).</i>		
Public Open Space Reserve	1,338	2,279
<i>(Represents funds contributed in lieu of providing public open space as part of subdivision developments. Provides for purchase of alternative public open space assets in the areas collected).</i>		
Headworks Reserve	99	119
<i>(Represents funds contributed by property developers to provide for future augmentation of Council infrastructure to meet additional capacity demands arising from property development).</i>		
Fair Value Reserve	(36,751)	(38,056)
<i>(Represents increments/decrements in the fair value of Council's equity share in the water corporation).</i>		
	<u>216,576</u>	<u>186,972</u>

30 Reserves cont...

	2015 \$'000	2014 \$'000
b) Movements		
<i>Asset Revaluation Reserve</i>		
Balance at the beginning of the financial year	192,611	188,842
Net increment (decrement) on revaluation of assets	11,650	682
Transfer to equity on derecognition of assets*	16,291	3,086
	<u>220,552</u>	<u>192,611</u>

* This is a transfer between the Asset Revaluation Reserve and equity and has no effect on the operating result. This treatment is as prescribed by AASB 116.

30 Reserves/Cont...

b) Movements/Cont...

	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
	<i>Infrastructure Renewal Reserve</i>		<i>Commonwealth Funded Programmes Reserve</i>		<i>General Reserve</i>		<i>Rosny Park Child Care Reserve</i>	
Balance at the beginning of the financial year	25,792	24,600	955	872	2,496	2,426	90	76
Amount transferred from accumulated surplus	11,253	10,074	176	103	373	193	91	14
Amount transferred to accumulated surplus	(10,206)	(8,882)	(117)	(20)	(353)	(123)	-	-
Balance at the end of the financial year	26,839	25,792	1,014	955	2,516	2,496	181	90
	<i>Car Parking Reserve</i>		<i>Public Open Space Reserve</i>		<i>Headworks Reserve</i>		<i>Fair Value Reserve</i>	
Balance at the beginning of the financial year	688	638	2,279	2,151	119	55	(38,056)	1,531
Amount transferred from accumulated surplus	101	50	122	272	33	77	-	-
Fair Value adjustment on revaluation	-	-	-	-	-	-	1,305	(39,587)
Amount transferred to accumulated surplus	-	-	(1,063)	(144)	(53)	(13)	-	-
Balance at the end of the financial year	789	688	1,338	2,279	99	119	(36,751)	(38,056)

31 Reconciliation of Net Cash Inflow from Operating Activities to Change in Net Assets resulting from Operations

	2015	2014
	\$'000	\$'000
Net cash inflow from operating activities	20,403	16,327
Depreciation	(11,668)	(10,926)
Contribution of assets	4,941	1,080
Recognition of land under roads	97,690	-
Gain/(Loss) on retirement or disposal of assets	(2,015)	(1,280)
Share of net results of associates	39	357
Government grants - capital	791	507
Change in operating assets and liabilities		
Increase (decrease) in rates receivable	540	(228)
Increase (decrease) in other debtors and prepayments	2,081	(80)
Increase (decrease) in stock on hand	(34)	(3)
(Increase) decrease in creditors and accruals	(134)	(1,222)
(Increase) decrease in provision for employee entitlements	(443)	(21)
Surplus/(Deficit)	<u>112,191</u>	<u>4,511</u>

32 Commitments for Expenditure

a) Capital Commitments

Capital expenditure contracted for at the reporting date but not recognised in the financial statements as liabilities:

Buildings	267	596
Infrastructure	3,797	1,776
	<u>4,064</u>	<u>2,372</u>
These expenditures are payable:		
Not later than one year	4,064	2,372
Later than one year and not later than two years	-	-
	<u>4,064</u>	<u>2,372</u>

b) Operating Lease Commitments

At the reporting date Council had in place a variety of lease commitments relating to various properties used for public purposes, and operating leases in respect of motor vehicles, plant and equipment, and computer systems which are not recognised in the financial statements as liabilities. These leases are non-cancellable without Council incurring significant penalties and do not carry purchase options on the expiry of the leases. Commitments under these leases at the reporting date are payable as follows:

Not later than one year	1,274	1,417
Later than one year and not later than five years	1,329	1,574
Later than five years	125	-
	<u>2,728</u>	<u>2,991</u>

c) Operational Contracts

Council has entered into long term contracts for operational expenditure in respect of:

- Street sweeping (expires April 2016)
- Waste collection (expires October 2020)
- Green organics collection and disposal (expires October 2019)
- Recycling collection (expires October 2020)
- Recycling processing (expires March 2020)
- Waste transfer facilities (expires June 2021)

Estimated remaining payments under these contracts total \$24.88 million.

33 Superannuation

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund (the Fund), which is a sub fund of the Quadrant Superannuation Scheme (the Scheme). The Fund has been classified as a multi-employer sponsored plan. Because 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 2015 Council contributed 11.0% of employees' gross income to the Fund. Assets accumulate in the Fund to meet member benefits as they accrue, and if assets within the Fund are insufficient to satisfy benefits payable, the 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 2014. The review disclosed that at that time the net market value of assets available for funding member benefits was \$66,310,000, the value of vested benefits was \$57,475,000, the surplus over vested benefits was \$8,835,000 and the value of total accrued benefits was \$58,093,000. These amounts relate to all members of the fund at the date of valuation and no asset or liability is recorded in the Quadrant Superannuation Scheme's financial statements for Council employees.

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

Net Investment Return	7.0% pa
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 2014.
- 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 2014.
- 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 in future the Council contribute 11.0% of salaries in 2014/15 and 9.5% of salaries thereafter.

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 2017 and is expected to be completed late in 2017.

Council also contributes to other accumulation schemes on behalf of a number of employees, however the 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*.

33 Superannuation cont...

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

The 2014 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 2011.

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 Clause 1.9.2 of the Scheme 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 Clause 1.9.2(b). However in terms of Clause 1.9.2 (d), the only contributions that can be sought from the Employer and its employee Members are any arrears of contributions. This issue can be resolved by the Trustee seeking an Actuarial Certificate in terms of Clause 1.22.2(a) requiring the Employer to make good any shortfall before the cessation of participation is approved.

Clause 1.22.2(b) specifically provides that employers participating in the Fund will not be liable for the obligations of other Employers in other funds within the Scheme.

The application of Fund assets on the Fund or the Scheme being wound-up is set out in Clause 1.21.3. This Clause provides that expenses, pensions in payment and the Superannuation Guarantee benefits of other members should have first call on the available assets. Additional assets will initially be applied proportionately to providing Member's benefits in respect of completed service. If additional assets are available they are applied to increasing members' benefits.

The Trust Deed does not contemplate the Fund withdrawing from the Scheme. However it is likely that Clause 1.9.2 would be applied in this case (as detailed above).

The Fund is a defined benefit Fund.

The 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 AASB 119 defined benefit reporting.

During the reporting period the amount of contributions paid to defined benefits schemes was \$157,645 (2013/14 \$149,682), and the amount paid to accumulation schemes was \$1.75 million (2013/14, \$1.62 million).

During the next reporting period the expected amount of contributions to be paid to defined benefits schemes is \$135,000, and to accumulation schemes is \$1.82 million.

As reported on the first page of this note, assets exceeded accrued benefits as at the date of the last actuarial review, 30 June 2014. 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 2017.

An analysis of the assets and vested benefits of Funds participating in the Scheme, prepared by Rice Warner Pty Ltd as at 30 June 2014, showed that the Fund had assets of \$66.3 million and members' Vested Benefits were \$57.5 million. These amounts represented 8.4% and 7.5% respectively of the corresponding total amounts for the Scheme.

34 Subsequent Events

No events subsequent to balance date have been identified which would materially affect these financial statements.

35 Contingent Assets

Council has entered into long term leases over two of its properties.

Council is the owner of the Bellerive Oval. It entered into a 45 year lease over this property on 9 October 2001.

Council is also part owner of the Copping landfill. The owners of the landfill entered into a 50 year lease over this property commencing 21 March 2001.

The length and terms of these leases means that control over the assets has effectively passed to the lessees. Consequently the assets are treated as contingent and have not been included in Council's Balance Sheet.

\$'000

Carrying amounts and depreciation expense in respect of these assets were:

Bellerive Oval - written down value at derecognition (1 July 2012)	24,062
Copping Landfill - written down value at derecognition (1 July 2012)	2,691
	<u>26,753</u>
Depreciation was charged in 2011/12 on these assets as follows:	
Bellerive Oval	850
Copping Landfill	70
	<u>920</u>

Various Council properties contain improvements over which Council does not hold effective control. These are generally minor in nature and include pavillions, change facilities, and improvements for sporting, social, and other community purposes.

36 Special Committees

Under Section 24 of the *Local Government Act 1993* a Council may appoint Special Committees. The Council had 6 such Committees in operation as at 30 June 2015.

The operations* of the Special Committees are consolidated in to Council's financial statements and are summarised as follows:

	<i>Income</i>	<i>Expenditure</i>	<i>Net Result</i>	<i>Net Assets</i>
	<i>2014/15</i>	<i>2014/15</i>	<i>2014/15</i>	<i>30/06/15</i>
Committee	\$'000	\$'000	\$'000	\$'000
Clarence Senior Citizens Centre	77	84	(7)	116
Lindisfarne Citizens Activities Centre	27	28	(1)	29
Risdon Vale Community Centre	5	4	1	15
Clarence City Concert Band	15	19	(4)	16
Howrah Recreation Centre	288	377	(89)	143
Geilston Bay Community Centre	3	3	-	1
	<u>415</u>	<u>515</u>	<u>(100)</u>	<u>320</u>

* Due to timing of receipt of these records, some data remains unaudited.

	<i>2013/14</i>	<i>2013/14</i>	<i>2013/14</i>	<i>30/06/14</i>
Clarence Senior Citizens Centre	81	75	6	125
Lindisfarne Citizens Activities Centre	26	33	(7)	30
** Risdon Vale Community Centre	19	21	(2)	14
Clarence City Concert Band	22	19	3	20
Howrah Recreation Centre	333	355	(22)	233
Geilston Bay Community Centre	2	2	-	1
	<u>483</u>	<u>505</u>	<u>(22)</u>	<u>423</u>

** 2012/2013 results are incorporated in 2013/14 because of the timing of receipt of records.

37 Contingent Liabilities

	<i>2015</i>	<i>2014</i>
	<i>\$'000</i>	<i>\$'000</i>
Bank guarantees in existence at balance date were as follows:		
Howrah Bowls Club	150	150
Beltana Bowls Club	0	65
OHA Football Club	37	37
Rosny Park Tennis Club	45	45
Lindisfarne Memorial Tennis Club	0	30
Sunshine Tennis Centre	60	60
Geilston Bay Tennis Club	54	54
	<u>346</u>	<u>441</u>

Note: As contingent liabilities, the above items have not been brought to account.

38 Councillors' Interests

The following interest(s) have been notified by Councillors pursuant to S84 of the *Local Government Act 1993*:

Councillor:	Ald Debra Thurley
Nature of Interest:	Director/Secretary R M Worbey Constructions Pty Ltd
Date Interest Existed:	1 June 2015 and ongoing
Nature of Relevant Dealings:	R M Worbey Constructions Pty Ltd: Awarded Contract Tender T1018-14 Saundersons Road Risdon- Foreshore Embankment Work; Engaged by Council for range of minor civil work, primarily contract plant hire.

39 Financial Management Indicators

	2015	2014	2013	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000
Net financial assets/(liabilities)	51,036	46,379	45,238	43,806	42,144
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.					

Underlying surplus/(deficit)	4,283	3,542	1,140	(498)	(1,682)
This measure shows Council's estimated operating result net of non-structural items such as specific purpose capital grants and other contributions of capital.					

	2015	2014	2013	2012	2011
Net financial liabilities ratio	85%	79%	86%	85%	86%

Net financial liabilities/Recurrent Income

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

**Benchmark: > 0%*

(within range of -50% to 0% is acceptable)

Underlying surplus ratio	7.1	6.0	1.9	(1.0)	(3.4)
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Underlying surplus/(deficit)/Recurrent Income

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

**Benchmark: >1.0*

40 Asset Management Indicators

Asset consumption ratio roads	48%	48%	49%	48%	50%
Asset consumption ratio stormwater	56%	58%	58%	59%	58%
Asset consumption ratio buildings	91%	91%	92%	93%	95%

Depreciated replacement cost/Current replacement cost

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

**Benchmark: >60%*

Asset renewal funding ratio	106%	107%	92%	n/a	n/a
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Projected capital outlays/Projected capital expenditure funding

This ratio measures Council's capacity to fund future asset replacement requirements based on its 10 Year Financial Management Plan.

**Benchmark: 100%*

(within range of 90% to 100% is acceptable)

Asset sustainability ratio	92%	86%	106%	84%	53%
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Capital outlays on replacement or renewal of existing assets/ Annual depreciation expense

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

**Benchmark: 100%*

11.7 GOVERNANCE**11.7.1 MEMORANDUM OF UNDERSTANDING – METRO TASMANIA PTY LTD**

(File No 25-06-00)

EXECUTIVE SUMMARY**PURPOSE**

To seek Council's authorisation to the signing of a new Memorandum of Understanding between Clarence City Council and Metro Tasmania Pty Ltd.

RELATION TO EXISTING POLICY/PLANS

Council's Strategic Plan 2010-2015 is relevant.

LEGISLATIVE REQUIREMENTS

Nil.

CONSULTATION

Nil.

FINANCIAL IMPLICATIONS

Nil.

RECOMMENDATION:

That the General Manager be authorised to sign the Memorandum of Understanding with Metro Tasmania Pty Ltd.

Decision: **MOVED** Ald McFarlane **SECONDED** Ald Chong

“That the Recommendation be adopted”.

CARRIED UNANIMOUSLY

11.7.2 MEMORANDUM OF UNDERSTANDING VOLUNTARY AMALGAMATIONS

(File No 10-13-01)

EXECUTIVE SUMMARY**PURPOSE**

The purpose of this report is to enable Council consideration of a Memorandum of Understanding (MOU) with the State Government in relation to voluntary amalgamations and shared services.

RELATION TO EXISTING POLICY/PLANS

Council previously resolved at its Meeting of August 24, 2015:

- “A *That Council approves the draft feasibility Study Scope as appended to the draft report.*

- B *That Council authorise the General Manager to make minor and incidental amendments to the scope if required for the purposes of ensuring informality between the participating Councils, communicating such changes to Aldermen in a contemporaneous manner.*

- C *That the General Manager be actioned to seek quotations and proposals from consultant parties short listed by the Director of Local Government for the purposes of undertaking the feasibility studies, noting that Council reaffirms its earlier decision to rename the right to appoint a consultant of their own choosing to undertake any feasibility studies.*

- D *That Council hold a workshop to determine criteria for Clarence to evaluate feasibility study proposals received.*

- E *That Council reserves the report to seek an independent evaluation of assumptions and findings from any feasibility, study undertaken”.*

LEGISLATIVE REQUIREMENTS

Nil.

CONSULTATION

There has been no consultation at this stage.

FINANCIAL IMPLICATIONS

Under the MOU the State Government will provide \$ for \$ funding towards the undertaking of the feasibility study.

Council has allocated \$50,000.00 in the 2015/16 budget for the undertaking of feasibility studies.

RECOMMENDATION:

- A. That Council authorise the General Manager to negotiate funding arrangements with the State Government for the undertaking of the feasibility studies.
- B. That Council authorise the General Manager to make minor and incidental amendments to the MOU if required for the purposes of ensuring conformity between the participating Councils, communicating such changes to Alderman in a contemporaneous manner.
- C. That Council authorise the General Manager to sign the MOU on behalf of the Council.

Decision: **MOVED** Ald Hulme **SECONDED** Ald Cusick

“That the Recommendation be adopted”.

CARRIED UNANIMOUSLY

11.7.3 COMMUNITY SUPPORT GRANTS

(File No 09-17-05A)

EXECUTIVE SUMMARY**PURPOSE**

To consider the Community Grants Assessment Panel's recommendations for the allocation of financial assistance in respect of the September 2015 round of Community Support Grants.

RELATION TO EXISTING POLICY/PLANS

Community Grants Policy and social plans including Youth Plan, Cultural Arts Plan, Positive Ageing Plan, Health and Wellbeing Plan, Cultural History Plan, Community Participation Policy and Clarence Events Plan.

LEGISLATIVE REQUIREMENTS

Nil.

CONSULTATION

Nil.

FINANCIAL IMPLICATIONS

There is an annual budget for the Community Grants Program including the bi-annual Community Support Grants.

RECOMMENDATION:

That Council approves financial grants amounting to \$18,940.00 to community groups and organisations, as detailed in the schedule.

Decision: **MOVED** Ald Peers **SECONDED** Ald Chong

“That the Recommendation be adopted”.

CARRIED UNANIMOUSLY

11.7.4 REVIEW OF CODE FOR TENDERS AND CONTRACT AND PROCUREMENT PROCEDURE

(File No 15-22-10)

EXECUTIVE SUMMARY**PURPOSE**

To consider the formal adoption of a revised Procurement Procedure and Code for Tenders and Contracts.

RELATION TO EXISTING POLICY/PLANS

The “Procurement Procedures” and the “Code for Tenders and Contracts” are related policies and are further supported by the operational policies and procedures associated with tendering and the use and operation of Council’s Multi-Use Register and other existing operational financial policies.

LEGISLATIVE REQUIREMENTS

The Procurement Procedures and Code for Tenders and Contracts meet the requirements set out in the Local Government Act, 1993 and the Local Government (General) Regulations 2015.

CONSULTATION

Council officers involved in contract and tendering and the procurement processes have been consulted about the content of the revised Procurement Policy and Code. Council’s Audit Committee has also considered and endorsed the revised documents.

FINANCIAL IMPLICATIONS

Both the Procurement Procedures and the Code for Tenders and Contracts are designed to ensure open and effective procurement of goods and services for Council, provide for value for money and the enhancement of the capabilities of local business and industry in gaining supply arrangements with Council.

RECOMMENDATION:

- A. That Council adopts the revised “Procurement Procedures” and “Code for Tenders and Contracts”.
- B. That the General Manager be authorised to issue all delegations under the “Procurement Procedures” and to establish supporting procedures to ensure the appropriate implementation of the adopted “Procurement Procedures” and the “Code for Tenders and Contracts”.
- C. That in order to maintain the currency and operational effectiveness of the Procurement Procedures, Council delegates authority to the General Manager to make appropriate modifications to the Procurement Procedures as necessary.

/ Refer to Page 45 for Decision on this Item...

**REVIEW OF CODE FOR TENDERS AND CONTRACT AND PROCUREMENT
PROCEDURE /contd...**

Decision:	MOVED Ald Walker SECONDED Ald Chong “That the Recommendation be adopted”. CARRIED UNANIMOUSLY
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11.7.5 STATE FIRE COMMISSION – LOCAL GOVERNMENT REPRESENTATION

(File No)

EXECUTIVE SUMMARY**PURPOSE**

The purpose of this report is to enable Council to consider nominating an elected member as a Local Government representative on the State Fire Commission.

RELATION TO EXISTING POLICY/PLANS

Council's Strategic Plan 2010-2015 in part provides that Council will:

- provide advocacy on behalf of the community and actively engage governments and other organisations in the pursuit of community priorities.

LEGISLATIVE REQUIREMENTS

LGAT is required to submit a list of 3 names for nomination by the Minister under the Fire Service Act, 1979.

CONSULTATION

The matter was raised at a Council Workshop on 28 September 2015.

FINANCIAL IMPLICATIONS

If a Council nominee is successful in being appointed to the State Fire Commission then there would be some costs associated with representative attendance at the meetings. These costs could be met from existing budget allocations.

RECOMMENDATION:

That Council nominates an Alderman as a Local Government representative to the State Fire Commission.

Decision:

MOVED Ald Chong **SECONDED** Ald Hulme

“That Ald James be nominated as a Local Government representative to the State Fire Commission”.

CARRIED

FOR

Ald Campbell
Ald Chong
Ald Cusick
Ald Doust
Ald Hulme
Ald McFarlane
Ald Peers
Ald Thurley
Ald Walker

AGAINST

Ald James (abstained)

11.7.6 HOBART AIRPORT PRELIMINARY DRAFT MASTER PLAN

(File No 20-09-01)

EXECUTIVE SUMMARY**PURPOSE**

To consider a submission to the review of the Hobart Airport Master Plan.

Hobart International Airport Pty Ltd (HIAPL) is undertaking a consultation programme on a preliminary draft Hobart Airport Master Plan 2015 and has invited public/stakeholder comments.

RELATION TO EXISTING POLICY/PLANS

Council's Strategic Plan recognises the role and importance of the Hobart Airport passenger and freight gateway to Tasmania and the southern region.

LEGISLATIVE REQUIREMENTS

The Commonwealth owned land which comprises the bulk of the airport site is exempt from State planning and building legislation. The Airports Act 1996 and Regulations apply in-lieu of the State laws.

The Preliminary Draft Master Plan now incorporates 2 parcels of HIAPL land adjoining the airport but located outside the Commonwealth airport boundary lease, which is subject to State and Local jurisdiction.

CONSULTATION

Under the Airports Act 1996, airports are required to have a final master plan that has been approved by the Federal Minister. In accordance with the Act, Hobart International Airport Pty Ltd is undertaking a consultation programme on a preliminary draft Hobart Airport Master Plan and has invited public/stakeholder comments until 8 October 2015.

FINANCIAL IMPLICATIONS

No direct expenditure implications for Council.

RECOMMENDATION:

That Hobart International Airport Pty Ltd be advised that Council:

- A. Supports the planned on-going development of the Hobart Airport as Tasmania's premier airport and as an economic hub, recognising the economic and social contribution of the airport to the City and region.
- B. Supports the runway extension to accommodate international air traffic and greater freight capacity and wishes to participate in the Major Development Plan process for the project with a view to understanding the impacts and implications for the local communities, particularly in regard to noise exposure;

- C. Acknowledges the resulting closure of Surf Road through the airport site to general traffic but retaining access to the easement for pedestrians and cyclists and potentially vehicles in the event of emergency (eg bushfire).
- D. Supports the construction of a link road between Holyman Avenue and Surf Road (Grueber Avenue) providing access to the proposed freight, logistics and Antarctic hub proposal at the southern end of the site. In doing so, Council seeks commitment from the Hobart International Airport Pty Ltd to continue to engage with the Council and nearby landowners in discussions on the road alignment, management and opportunities to maximise and improve access to adjacent and future developments (such as the Seven Mile Beach Sport and Recreation facility).
- E. Seeks the inclusion of a future road connection between Holyman Drive and the Cranston Parade Specific Area (Light Industrial Zone) within the proposed Airport Ground Transport Plan.
- F. Acknowledges that there is a need for discussions to better align the Airport Noise Exposure Forecasts (ANEF) with the Councils' Planning Scheme Airport Buffer Mapping and Land Use Controls, particularly in light of the runway extension proposal.
- G. Identifies stormwater management planning, including stormwater retention infrastructure, as an issue of importance given the extent of commercial and industrial development proposed over time.

Decision: **MOVED** Ald James **SECONDED** Ald Chong

“That the Recommendation be adopted”.

CARRIED UNANIMOUSLY

12. ALDERMEN'S QUESTION TIME

An Alderman may ask a question with or without notice at Council Meetings. No debate is permitted on any questions or answers.

12.1 QUESTIONS ON NOTICE

(Seven days before an ordinary Meeting, an Alderman may give written notice to the General Manager of a question in respect of which the Alderman seeks an answer at the meeting).

Nil.

12.2 ANSWERS TO QUESTIONS ON NOTICE

Nil.

12.3 ANSWERS TO PREVIOUS QUESTIONS TAKEN ON NOTICE

Nil.

12.4 QUESTIONS WITHOUT NOTICE

An Alderman may ask a Question without Notice of the Chairman or another Alderman or the General Manager. Note: the Chairman may refuse to accept a Question without Notice if it does not relate to the activities of the Council. A person who is asked a Question without Notice may decline to answer the question.

Questions without notice and their answers will not be recorded in the minutes.

The Chairman may refuse to accept a question if it does not relate to Council's activities.

The Chairman may require a question without notice to be put in writing. The Chairman, an Alderman or the General Manager may decline to answer a question without notice.

13. CLOSED MEETING

Regulation 15 of the Local Government (Meetings Procedures) Regulations 2015 provides that Council may consider certain sensitive matters in Closed Meeting.

The following matters were listed in the Closed Meeting section of the Council Agenda in accordance with Regulation 15 of the Local Government (Meeting Procedures) Regulations 2015.

13.1 APPLICATIONS FOR LEAVE OF ABSENCE

13.2 TENDER T1045-15 ANNUAL HARDWASTE COLLECTION SERVICE

13.3 ANNUAL REVIEW – GENERAL MANAGER

In accordance with Regulation 15 of the Local Government (Meeting Procedures) Regulations 2015 the reports in the Closed Meeting section of the Council Agenda were dealt with on the grounds that the detail covered in the reports relates to:

- personnel matters;
- contracts and tenders for the supply of goods and services;
- applications by Aldermen for a Leave of Absence.

The content of reports and details of the Council decisions in respect to items listed in “Closed Meeting” are to be kept “confidential” and are not to be communicated, reproduced or published unless authorised by the Council.

Decision:**PROCEDURAL MOTION**

MOVED Ald Chong **SECONDED** Ald Hulme

“That the Meeting be closed to the public to consider Regulation 15 matters, and that members of the public be required to leave the meeting room”.

CARRIED UNANIMOUSLY

CLOSED MEETING /contd...

The following Closed Meeting Motions have been authorised by Council for publication in the public Minutes.

13.2 TENDER T1045-15 ANNUAL HARDWASTE COLLECTION SERVICE

(File No T1045-15)

Decision:**MOVED** Ald Peers **SECONDED** Ald Chong

- “A. That the Schedule of Rates Tender for the provision of the Annual Hardwaste Collection Service as submitted by Toxfree Australia Pty Ltd be accepted and that the General Manager and/or his nominee be authorised to complete the Agreement with Toxfree Australia Pty Ltd (with any necessary amendments) that forms part of the Tender documentation.
- B. That in accordance with Regulation 34(3) of the Local Government (Meeting Procedures) Regulations 2015, Council authorises for release of the Council’s decision (only) in respect to this item to the general public and for communication to relevant parties.
- C. That the Council decision only be recorded in the public Minutes”.

CARRIED UNANIMOUSLY

The Meeting closed at 10.04pm.