



**CLARENCE CITY COUNCIL**  
**Annual Plan – 2013/2014**

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## 1 Executive summary

Under the *Local Government Act 1993* as amended (the Act), Council is required to prepare and adopt an Annual Plan together with estimates of its revenue and expenditure for each financial year. The Estimates are to contain details of estimated revenue, expenditure, borrowings, capital works and any other detail required by the Minister. They must be adopted by 31 August each year, but cannot be adopted more than one month before the start of the financial year to which they relate.

The 2013/14 Estimates are based on a balanced budget position in respect of recurrent and capital expenditure, noting however, that the allowance for depreciation shown in the Estimates (refer Appendix B) and detailed programme documents is below that expected to be shown in the 2013/14 financial statements. This is consistent with Council's continuing strategy of phasing in the full funding of its future infrastructure renewal requirements.

The City's financial position is strong in terms of its cash holdings, liquidity, and recent performances against budget.

Some of the major issues addressed in the Estimates include:

- The resumption of dividend payments from TasWater;
- No additional borrowings;
- A significant appropriation of infrastructure renewal funds for capital refurbishment;
- Continued phasing in of full funding for infrastructure renewal;
- Increased employee costs primarily due to enterprise agreement obligations and funding additional positions and/or hours; and
- Management obligations under workplace health and safety legislation;
- Increased maintenance costs associated with new facilities.

In order to deal with these issues whilst maintaining service levels and extending the capital expenditure programme, the overall increase in rates is 2.3% net of growth, State Government charges and Council's rebate programme.

The total capital expenditure programme for additional projects (excluding salaries capitalised) is \$16.54 million and is fully funded from identified sources. Sources of capital funds include:

- \$8.88 million from Council's infrastructure renewal reserve;
- \$2.80 million from grants allocated through the State Grants Commission;
- \$3.23 million from Council's rating effort;
- \$0.99 million from other grants; and
- \$0.64 million from property sales.

The total capital expenditure programme for both additional and carried forward projects (excluding salaries capitalised) is expected to be \$27.35 million, with \$10.81 million related to projects to be carried forward from the 2012/13 year. The carried forward component is fully funded from the 2012/13 Estimates.

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The 2013/14 Estimates forecast an accrual based operating surplus of \$6.099 million (excluding contributions of subdivision assets), after raising rates and charges of \$42.134 million (including supplementary rates).

The operating result for 2012/13 is projected to be a surplus of \$2.808 million. This result is significantly above budget primarily due to the timing of Roads to Recovery grant funding resulting in this item exceeding budget by \$1.34 million and a review of asset accounting and valuation policies reducing depreciation expense by approximately \$2.16 million.

Council's 2013/14 Estimates include an amount of \$1.8 million for dividends expected to be received from TasWater. As a result of a State Government decision, no significant dividends were received by Council in the preceding five financial years.

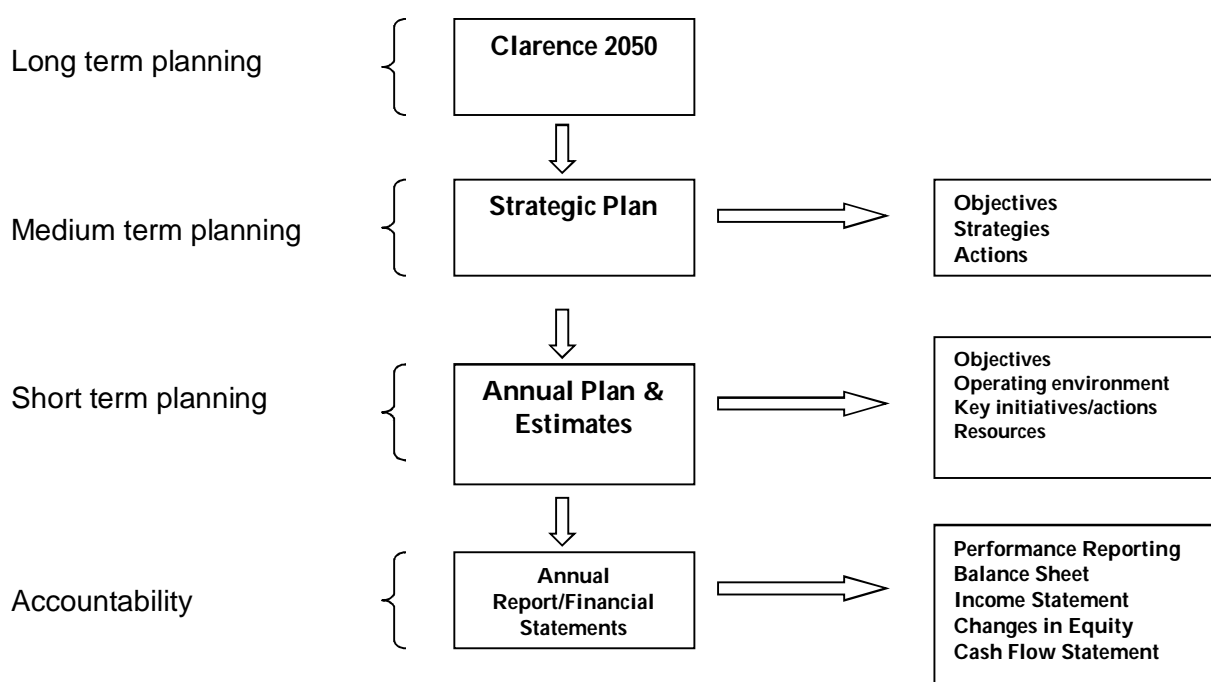
## 2 Estimates overview

### 2.1 Strategic planning framework

The Estimates have been developed within an overall planning framework that guides the Council in identifying and meeting community needs and aspirations over the long term (Clarence 2050). These are converted into medium and short term objectives, strategies and initiatives in the Strategic Plan and the Annual Plan respectively. The annual Estimates quantify the resources needed to achieve the objectives of the Annual Plan. Council then holds itself accountable for the use of these resources by way of its audited Financial Statements.

The Strategic Plan summarises the key objectives, strategies and actions that Council plans to pursue over the coming 5 year planning period. This was the subject of a major review culminating in the adoption of a fully revised Strategic Plan in the second half of the 2009 calendar year. The Annual Plan is an annual document that is framed within the Strategic Plan. It outlines the operating environment, key initiatives/actions and resource requirements for each of Council's programme areas. The Annual Plan then forms the basis of the annual Estimates.

The diagram below depicts the strategic planning framework of Council:



The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. Reviews of the Strategic Plan are normally undertaken following each Council election with a view to being substantially completed by the following March. This ensures that there is sufficient time for key initiatives and actions to be drafted prior to detailed consideration of the Estimates.

## 2.2 Strategic plan outcomes

The Annual Plan includes the initiatives and actions to be funded that will contribute to achieving the strategic objectives specified in the Strategic Plan. It identifies both the physical and financial resources required to undertake these initiatives and actions. The Estimates convert these resource requirements into financial terms to allow Council to make fully informed decisions when allocating scarce resources. The Annual Plan is built around programme objectives aimed at giving an operational framework to the Strategic Plan and these are set out below. Appendix D 'Activities and Initiatives' includes more detail relating to the Strategic Plan.

Programme	Programme Objectives
<b>COMMUNITIES AND PEOPLE</b>	<b>Goal:</b> To participate, celebrate, engage and contribute to the life and growth of the City
	This programme provides the following services:
	Customer services to Council's external and internal customers.
	Health services, including inspection of food premises, water sampling etc.
	Ranger services including control and monitoring of fire hazards, litter, water restrictions, parking, trees.
	Animal control.
	Youth services.
	Accessibility to cultural and social activities.
	Services to seniors, community safety initiatives and maintenance of a community directory.
	Child care including Family Day Care, Vacation Care and Outside School Hours Care.
	Coordination of a volunteer programme to assist people to access services.
	Access to active recreational opportunities (sports grounds etc) and passive recreational facilities (parks and gardens etc).
	Development and promotion of civic activities and events.
	Increase awareness of Council services and encourage participation in community affairs, activities and events.
<b>CITY FUTURE</b>	<b>Goal:</b> To plan, lead and provide for the growth of the City
	This programme provides the following services:
	Administration of Council's Planning Schemes.
	Services associated with building and plumbing approvals and inspections.
	Maximisation of the economic benefits of tourism.
	Enhancement of the vibrancy and profile of the City.
	Encouragement of broadly based economic growth within the City.

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Programme	Programme Objectives
<b>NATURAL ENVIRONMENT</b>	<p><b>Goal:</b> Care for the Natural Environment.</p> <p>This programme provides the following services:</p> <p>Enhancement and protection of the City's natural assets.</p> <p>Preparation for the effective management of natural events and other emergencies.</p> <p>Managing waste within the City, including ensuring the availability of waste disposal services to residents and businesses.</p> <p>Monitoring air quality.</p> <p>Ensuring that natural areas within the City meet and satisfy long term needs of the community.</p> <p>Monitoring and controlling weeds within the municipality.</p>
<b>INFRASTRUCTURE</b>	<p><b>Goal:</b> To provide infrastructure that underpins and enhances the life and growth of the City.</p> <p>This programme provides the following services:</p> <p>Adequate infrastructure for the effective and safe transport of goods and people through the City.</p> <p>Adequate footpaths for the safety of pedestrians within the City.</p> <p>Appropriate drainage infrastructure to ensure the safety of the built and natural environments, and the public.</p> <p>Ensuring that waterways within the City meet appropriate environmental obligations and standards.</p> <p>Equitable access for the community to active and passive recreational opportunities, and to civic buildings.</p>
<b>GOVERNANCE</b>	<p><b>Goal:</b> To represent the community through leadership in a consistent, accountable and financially responsible manner.</p> <p>This programme provides the following services:</p> <p>A clear strategic direction for the future of the City together with leadership in representing the interest of the City; ensuring the operations of the Council are conducted in a responsible and accountable manner.</p> <p>Minimising Council's exposure to financial risk; maintaining Council's sound financial position; optimising use of resources; developing / protecting Council's financial sustainability.</p> <p>Strategic direction for the City in the area of marketing and associated activities.</p> <p>Engaging the community in Council activities and issues</p> <p>Ensuring that the operations of the Council include the effective management of risk.</p>
<b>CORPORATE SUPPORT</b>	<p><b>Goal:</b> to provide support services to other business areas of the Council.</p> <p>This programme provides the following services:</p> <p>Providing leadership and management to all aspects of the organisation.</p> <p>Providing human resource management, industrial relations, payroll and related services</p> <p>Providing ICT hardware and software services and support; and record management services to Council.</p>

### 2.3 Estimates preparation and Annual Plan Overview

Under the Act, Council is required to prepare and adopt both an Annual Plan and Estimates for each financial year. The Estimates are required to include estimated revenue, expenditure, borrowings, capital works and any other detail required by the Minister. Estimates must be adopted before 31 August but not more than one month before the start of any financial year. The related Annual Plan must be provided to the Director of Local Government and the Director of Public Health.

The first step in the estimates process is for Council's Officers to prepare a draft, together with explanatory material, for discussion by Council in a workshop environment. Several workshops are held to discuss key issues. Aldermen may tour the City to examine the sites where capital expenditure is proposed. Council makes amendments to the draft Estimates as it thinks fit and adopts the Estimates at a formal Council meeting.

The 2013/14 Estimates were adopted by Council at its meeting of 17 June 2013.

The 2013/14 Estimates, which are included in this Plan, are for the year 1 July 2013 to 30 June 2014 and have been prepared in accordance with the Act. The Annual Plan also includes an estimated Balance Sheet, Income Statement, Statement of Changes in Equity, Cash Flow Statement and schedule of estimated capital works. To the extent practicable, these statements have been prepared for the year ending 30 June 2014 to reflect applicable accounting standards, other mandatory professional reporting requirements and the Act.

The Annual Plan also includes a description of the activities and initiatives to be funded and how they will contribute to achieving the strategic objectives specified in the Strategic Plan. It also includes detailed information about the rates and charges to be levied, the capital works programme to be undertaken and other relevant financial information.

The estimates process includes reference to a number of long term strategies to assist Council in considering the Estimates in a proper financial management context. These include a Rating Strategy (section 9.), Borrowing Strategy (section 10.) and Infrastructure Strategy (section 11.).

The Estimates, prepared on a programme basis, are included in Appendix B. These Estimates provide the detail required by statute in a form which allows Council officers to implement Council's Estimates.



## 2.4 Estimates processes

The typical timing of key activities in the Estimates process is summarised below:

Estimates process	Month
1. Commence drafting estimates	January
2. Council workshops to consider budget detail	February - May
3. Annual Plan and Estimates adopted by Council	June
4. Adopt rates and charges required by the Estimates/Annual Plan	June
5. Advertise new rates and charges within 21 days	June/July
6. Issue rates notices for financial year	July
7. Provide Director of Local Government with copy of rating resolution	June/July

## 2.5 Estimates influences

### External influences

In preparing the 2013/14 Estimates a number of external influences likely to impact significantly on the services delivered by Council have been taken into consideration. These include:

- The commencement of dividends received from TasWater, with the cessation of priority distributions paid to certain other member Councils for the preceding five years;
- Consumer Price Index (CPI) increases on goods and services of around 1.0% per annum;
- LGAT Local Government Cost Index of 3.1% as at 31 March 2013 (1.70% March 2012) indicating that a typical range of Local Government costs has increased by more than the prevailing CPI rate;
- Full year experience of the effects of carbon pricing;
- Obligations under workplace health and safety legislation;
- The level and trend of interest rates; and
- Growth in the rate base.

### Internal influences

There are several internal influences arising from the 2012/13 financial year and Council policy that have had a significant impact on the Estimates for 2013/14. These include:

- Continued implementation of Council's infrastructure renewal funding strategy;
- Continuing implementation of key development plans including capital expenditure on the Kangaroo Bay precinct, Simmons Park and stormwater augmentation;
- Enterprise agreement obligations and funding provided for additional positions and/or hours;
- Funding for strategies relating to tracks/trails, active recreation and parks; and
- Ongoing renewal of Council's road assets.

Section 8 of this report '2012/13 Performance' provides more detailed analysis of these internal influences.

### 2.6 Estimates principles

The estimates principles included:

- Existing fees and charges to be increased generally in line with CPI or market levels;
- Grants to be based on confirmed or indicative funding levels;
- New revenue sources to be identified where possible;
- Expenditure to be calculated on a zero based budget approach;
- Additional staff proposals to be justified through a business case; and
- Major new initiatives or projects to be justified through a business case.

## 3 Highlights

This section summarises the aspects of the Estimates that are expected to be of greatest interest to the community. The summary considers the following:

- Operating Estimates
- Estimated cash position
- Capital works programme
- Estimated balance sheet
- Estimates initiatives and activities

### 3.1 Operating Estimates

	Forecast Actual 2012/2013 \$'000	Estimates 2013/14 \$'000	Increase/ Decrease \$'000
<b>Operating</b>			
Revenue	49,187	53,041	3,854
Expenditure	(50,023)	(50,881)	(858)
Sub totals	(836)	2,160	2,996
<b>Capital</b>			
Revenue	4,603	3,939	(664)
<b>Operating surplus (deficit)</b>	<b>3,767</b>	<b>6,099</b>	<b>2,332</b>

The Estimated Income Statement forecasts a surplus of \$6.099 million for the year ending 30 June 2013 after capital grants and contributions. This is an increase of \$2.332 million from the forecast actual results for 2012/13, and largely reflects the expected receipt of dividends from TasWater of approximately \$1.800 million in 2013/14 but for which there was no receipt in 2012/13. The estimated operating surplus for 2013/14 includes a decrease of \$0.858 million in operating expenditure compared with the 2012/13 year. Refer to Section 4 Analysis of Operating Estimates for a more detailed analysis. The forecast operating surplus for 2012/13 is more than budget for a number of reasons; higher grant revenue (Roads to Recovery Grant \$1.340 M above budget) and reduced depreciation expense related to accounting policy changes and revaluations (\$3.3 M below budget) have been partially offset by reduced interest income (\$0.524 M below budget) and reduced user charges income (\$0.507 M below budget). In addition there have been substantial other savings on the expenditure side due to favourable project outcomes and a range of projects yet to be undertaken.

## 3.2 Estimated cash position

	<b>Forecast Actual 2012/13 \$'000</b>	<b>Estimates 2013/14 \$'000</b>	<b>Increase (Decrease) \$'000</b>
<b>Cash flows</b>			
Net cash flows from Operations	12,997	15,689	2,692
Investing	(12,100)	(15,080)	(2,980)
Financing	(145)	(153)	(8)
<i>Net increase (decrease) in cash</i>	<i>752</i>	<i>456</i>	<i>(296)</i>
Cash at beginning of year	50,548	51,300	752
<b>Cash at end of year</b>	<b>51,300</b>	<b>51,756</b>	<b>456</b>

The Estimated Cash Flow Statement predicts a net increase in cash resources of \$0.456 million for the year ending 30 June 2014. Against 2012/13 forecast actuals, cash generated from operating activities is expected to increase by \$2.692 million, while cash invested in the capital works programme is expected to increase by \$2.980 million. The variation in cash from operations is consistent with a continuation of existing policies relating to budgeting for operations. The 25% increase in cash invested in capital works compared with the 2013 forecast actual is primarily due to acceleration of the programme in respect of road infrastructure renewal and provision of new or enhanced community facilities. Overall, total cash and investments are forecast to be \$51.756 million as at 30 June 2014. Refer to Section 5 Analysis of Estimated Cash Position for a more detailed analysis.

## 3.3 Capital works programme

	<b>Estimates 2012/13 \$'000</b>	<b>Estimates 2013/14 \$'000</b>	<b>Increase (Decrease) \$'000</b>
Externally funded	3,288	3,789	501
Internally funded	11,002	12,751	1,749
Borrowings	-	-	-
<b>Total capital works</b>	<b>14,290</b>	<b>16,540</b>	<b>2,250</b>

The 2013/14 Estimates forecast total capital works of \$16.540 million (excluding capitalised salaries). This is an increase compared to the 2012/13 Estimates (as opposed to the projected actual referred to above in 3.2) of \$2.250 million. The 2012/13 Estimates included \$139,000 in specific external funding, compared with \$521,000 in 2013/14. Funding sources for the capital works programme include \$4.430 million from external sources such as grants, contributions and proceeds from sale of assets; and \$12.110 million from internal sources such as cash reserves, investments and working capital. The capital works programme will include an additional amount representing projects carried forward from the 2012/13 year in the order of \$10.81 million. Refer to Section 6 Analysis of Capital Estimates for a more detailed analysis.

## 3.4 Estimated balance sheet

	Forecast Actual 30 Jun 13 \$'000	Estimates 30 Jun 14 \$'000	Increase (Decrease) \$'000
<b>Assets &amp; Liabilities</b>			
Net current assets	46,522	46,902	380
Net non-current assets	600,072	686,943	86,871
<b>Net assets</b>	<b>646,594</b>	<b>733,845</b>	<b>87,251</b>
<b>Equity</b>			
Infrastructure renewal reserve	25,742	23,216	(2,526)
Other reserves and equity	620,852	710,629	89,777
<b>Total equity</b>	<b>646,594</b>	<b>733,845</b>	<b>87,251</b>

The Estimated Balance Sheet shows net assets of \$733.845 million as at 30 June 2014. This is an increase of \$90.251 million compared with the estimated amount at 30 June 2013. This is primarily a result of expected asset revaluations and capital expenditure. Refer to Section 7 Analysis of Estimated Balance Sheet for a more detailed analysis.

## 3.5 Estimates activities and initiatives

	Estimates 2013/14 \$'000
<b>Initiatives</b>	
Road reseal/overlay programme	1,950
Footpath kerb & gutter renewal	1,000
Clarence High School oval development	949
Richmond Oval clubrooms upgrade	940
Upgrade 4 way junction including closure of slip road (Kangaroo Bay)	655
Bellerive Boardwalk DDA public toilet	500
Roches Beach & Cremorne Beach Bambra Reef	400
Stormwater upgrade Lower River Street stage 3	390
Stormwater upgrade Lower River Street stage 2	300
Kangaroo Bay Drive stormwater upgrade stage 1	270
Clarence Aquatic Centre replaced rubberised matting	210
Lauderdale drainage - structure plan stage 1	200
Droughty Point Road bridge replacement	200
Replace aged kerb and gutter	200
Queen Street / Scott Street roundabout Blackspot Funding	185
Continue financing strategy for infrastructure renewal - additional funding	175

This year's Estimates include a number of activities and initiatives which will contribute to the achievement of the strategic objectives specified in the Strategic Plan. The above schedule reflects the key initiatives contained within the Estimates, together with major variations in

key items. Improved levels of service are very much a result of Council's consideration of competing needs raised by the Community, or imposed through regulation. Refer to Appendix D Activities and Initiatives for a more detailed analysis.

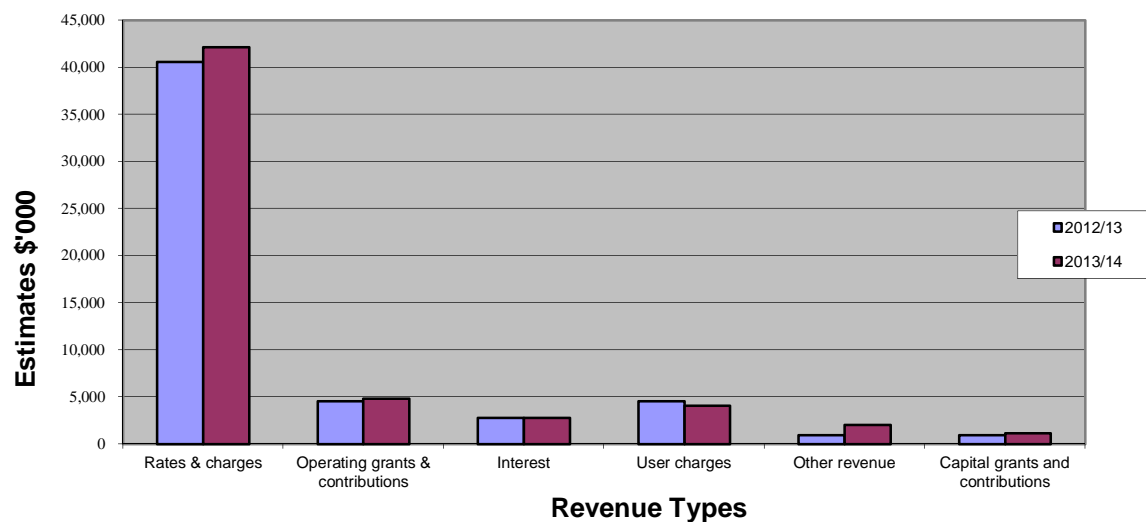
## 4 Analysis of Operating Estimates

This section analyses the expected revenues and expenses of the Council for the 2013/14 year. It also includes analysis of service unit financial performance in a format which aligns with Council's organisational structure.

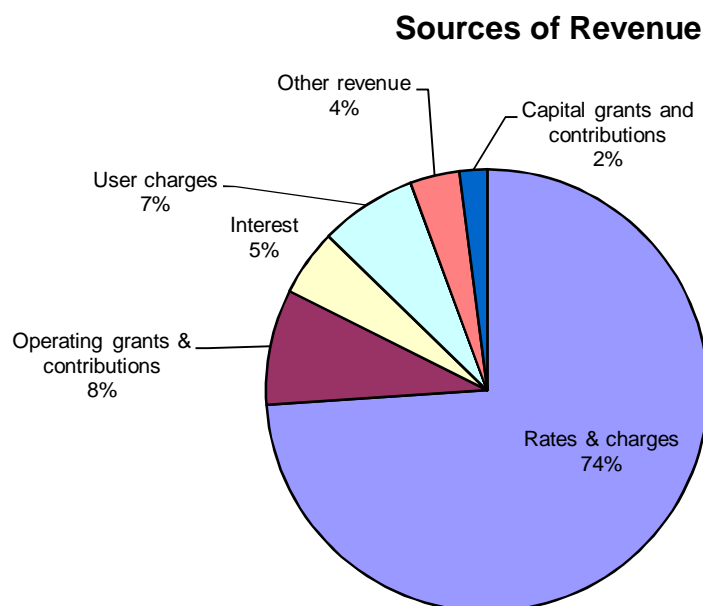
### 4.1 Operating Revenue

Revenue Types	Reference	Estimates 2012/13 \$'000	Estimates 2013/14 \$'000	Increase (Decrease) \$'000
Rates & charges	4.1.1	40,599	42,134	1,535
Operating grants & contributions	4.1.2	4,536	4,820	284
Interest	4.1.4	2,745	2,765	20
User charges	4.1.5	4,533	4,066	(467)
Proceeds from sale of assets	4.1.7	0	0	0
Other revenue	4.1.8	920	2,056	1,136
Operating revenue before capital		53,333	55,841	2,508
Capital grants and contributions	4.1.3	907	1,139	232
<b>Total operating revenue</b>		<b>54,240</b>	<b>56,980</b>	<b>2,740</b>

### Sources of Revenue



Source: Appendix A



### **4.1.1 Rates and Charges (\$1,535,000 increase)**

It is estimated that rate income will increase by 2.3% net of the effects of growth in the rate base, State Government charges and the effect of Council rebates. Total rate income is estimated to increase by \$1.535 million budget to budget. The increase is due to a combination of this percentage increase and growth in the rates base through development. Section 9 Rating Strategy includes a more detailed analysis of the rates and charges to be levied for 2013/14.

### **4.1.2 Operating Grants and Contributions (\$284,000 increase)**

Operating grants and contributions includes monies received from State and Commonwealth governments for the purposes of funding delivery of specific services to ratepayers. On a comparative basis, the level of grants and contributions is expected to show a modest increase.

### **4.1.3 Capital Grants and Contributions (\$232,000 increase)**

Capital grants and contributions include all monies received from State, Commonwealth and private developers for the specific purpose of funding capital works. It is expected that such funding will fluctuate from year to year. Estimated receipts have increased only slightly.

### **4.1.4 Interest Revenue (\$20,000 increase)**

Interest revenue includes interest on investments and rate arrears. Slightly larger average amounts invested are expected to earn a reduced rate of interest, resulting in stable interest earnings.

### **4.1.5 User Charges (\$467,000 decrease)**

User charges relate mainly to the recovery of service delivery costs through charging fees to users of Council's services. These services include assessing development, building and related permits, hire of halls and sports grounds and providing human services such as childcare.



The small decrease is due to expected lower demand for use of some of Council's services, partly offset by increases in the level of user charges. Budgeted increases include fees for plumbing inspections and rental of Council's sport and recreation facilities.

User charges are budgeted on a conservative basis since they are significantly demand driven. A detailed listing of fees and charges is available on Council's web site and can also be inspected at the Council offices.

### ***4.1.6 Proceeds from Sale of Assets***

No material proceeds have been identified in either 2012/13 or 2013/14.

### ***4.1.7 Other Revenue (\$1,136,000 increase)***

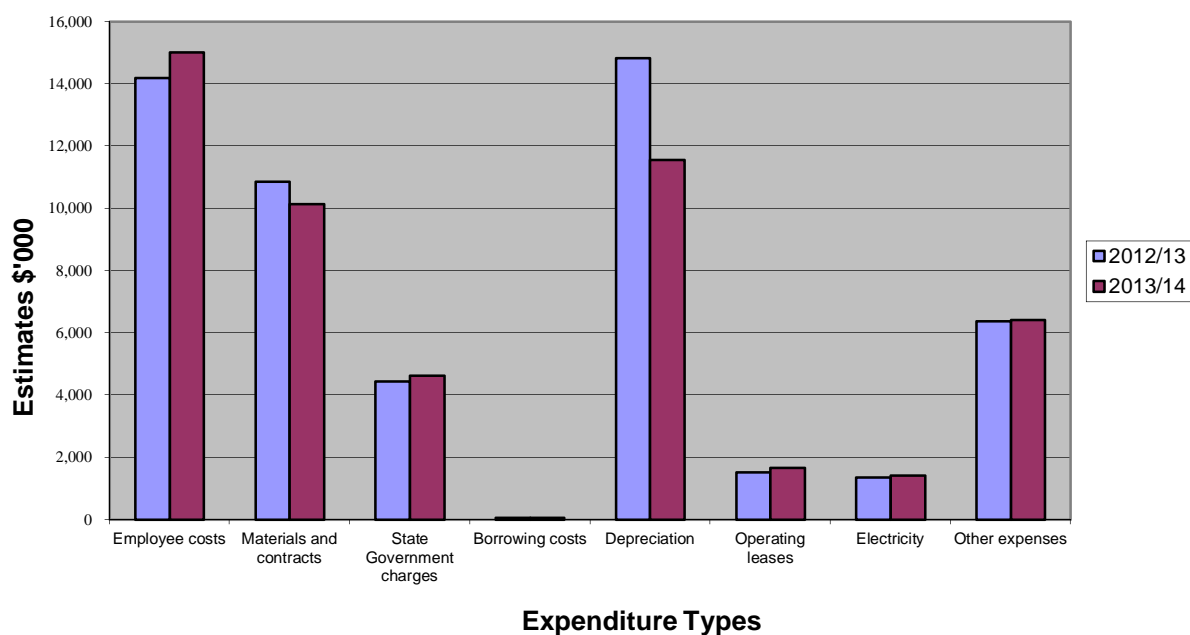
Other revenue relates to a range of unclassified items such as dividends from TasWater, private works, cost recoups and other miscellaneous income items. The change forecast in 2013/14 is primarily due to the expected receipt of dividends from TasWater.

## 4.2 Operating Expenditure

Expenditure Types	Reference	Estimates 2012/13 \$'000	Estimates 2013/14 \$'000	Increase (Decrease) \$'000
Employee costs	4.2.1	14,199	15,011	812
Materials and contracts	4.2.2	10,008	10,130	122
State Government charges	4.2.3	4,437	4,628	191
Borrowing costs	4.2.4	56	48	(8)
Depreciation	4.2.5	14,821	11,566	(3,255)
Operating leases	4.2.6	1,517	1,668	151
Electricity	4.2.7	1,343	1,413	70
Other expenses	4.2.8	6,363	6,417	54
<b>Total operating expenditure</b>		<b>52,744</b>	<b>50,881</b>	<b>(1,863)</b>

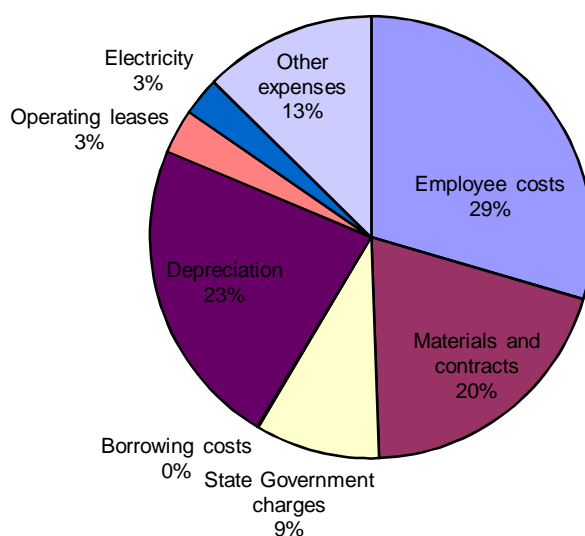
\* A lower amount for Depreciation has been included in the adopted Estimates.

## Estimated Expenditure



Source: Appendix A

## Operating Expenditure



### 4.2.1 Employee Costs (\$812,000 increase)

Employee costs include all labour related expenditure such as wages and salaries and on-costs including payroll tax, allowances, leave entitlements, employer superannuation etc. Employee costs capitalised are not included in this total.

Employee costs are forecast to increase by \$812,000 compared to the 2012/13 Estimates. Part of this increase relates to the effects of Council's Enterprise Bargaining Agreement (EBA) commitments which, while subject to renewal negotiation, is expected to provide for a general increase in pay rates. Council has also budgeted for some new positions (refer below).

Average staff numbers during the Estimates period are as follows:

Type of employment	Number of Employees	
	2012/13	2013/14
Permanent	232	237
Casual*	68	75
<b>Total</b>	<b>300</b>	<b>312</b>

\*Primarily relates to child care services

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Additional resources approved as part of the Estimates process are:

Program	Position	Purpose
Corporate Support	Work Health and Safety Officer	Assist with Council's workplace health and safety systems to meet legislative obligations
Corporate Support	IT Systems Officer	Support for IT network across the organisation
Various	Capital Projects Coordinator	Coordinate delivery of Council's capital works program
Communities and People	Natural Areas Volunteer Coordinator	Coordinate volunteers working in Council's natural areas
Communities and People	Labourer (2 positions for 6 months)	Assist with ongoing maintenance following redevelopment of Clarence High School oval

### **4.2.2 Materials & Contracts (\$122,000 decrease)**

Materials and Contracts has shown a modest increase consistent with normal operations.

### **4.2.3 State Government Charges (\$191,000 increase)**

These charges consist of the State Fire Services Contribution, valuation fees and Land Tax. The net outcome of this item has not changed significantly for 2013/14.

### **4.2.4 Borrowing Costs (\$8,000 decrease)**

Borrowing costs relate to interest charged by financial institutions on funds borrowed.

### **4.2.5 Depreciation (\$3,255,000 decrease)**

Depreciation relates to the usage of Council's property, plant and equipment including infrastructure assets such as roads and underground services. Assets will be revalued and added to during the year.

Correction of prior year errors in relation to road valuations has resulted in a decrease in the value of road assets and a decrease in budget depreciation expense of approximately \$1,140,000.

Council has reviewed its assets that are the subject of long term lease agreements and determined that it no longer has effective control over those assets. They have been removed from the asset register. This change decreases depreciation by approximately \$1,025,000 per annum.

The balance of the is driven by assumptions made in estimates adopted as part of Council's 10 Year Financial Management Plan, including asset revaluations to be reflected in Council's 2012/2013 financial statements. Following the conclusion of the 2012/2013 financial statements and audit Council will review its 10 Year Financial Management Plan, including this item, to incorporate these major changes.

### **4.2.6 Operating Leases (\$151,000 increase)**

Council leases its light vehicle fleet and plant. Costs are significantly affected by interest rates, vehicle prices, and fluctuations in the used car market. The increase is based on adjustments to Council's vehicle fleet partially offset by lower interest rates and favourable pricing.

### **4.2.7 Electricity (\$70,000 increase)**

Council's major electricity consumption is for street lighting. The 5.21% increase represents expected costs to be imposed by Council's electricity provider, noting that carbon pricing policy has a direct effect on the electricity industry.

### **4.2.8 Other Expenses (\$54,000 increase)**

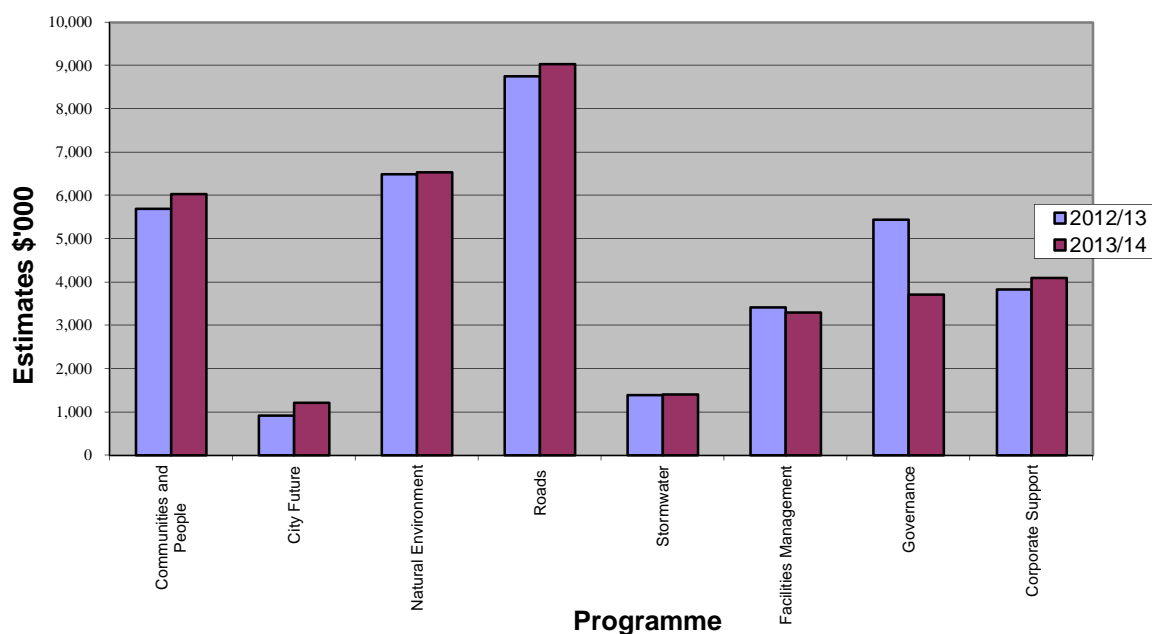
Other expenses relate to a range of unclassified items including contributions to community groups, advertising, insurances, motor vehicle registrations and other miscellaneous expenditure items. Being a "balancing item" it is subject to changes in classification of individual expenditure items.

## 4.3 Organisational analysis

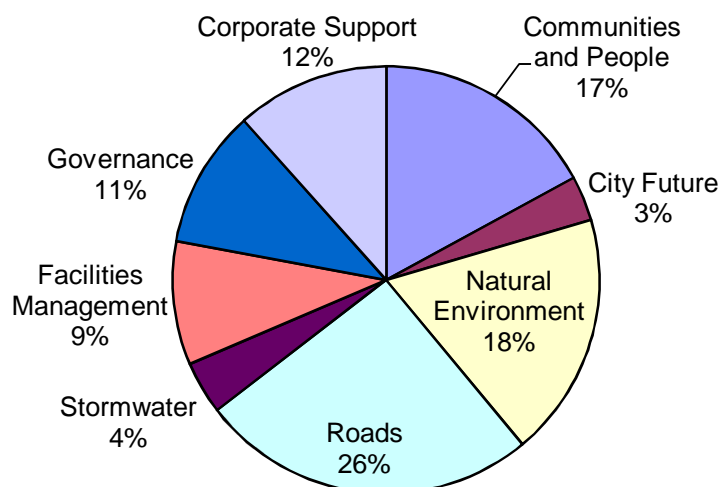
The following is a summary of the Net Expenses of each programme. Net Expenses represents the rating effort required to fund ongoing operations taking into account operational expenditure and income. It includes expenses which are expected to be capitalised, and includes grants and other revenue which are used for capital purposes. Net expenses does not include full accounting depreciation, but only that level specifically funded through rates.

Program	Reference	Estimates 2012/13 \$'000	Estimates 2013/14 \$'000	Increase (Decrease) \$'000
Communities and People	4.3.1	5,689	6,030	341
City Future	4.3.2	926	1,209	283
Natural Environment	4.3.3	6,489	6,538	49
Infrastructure:	4.3.4			
Roads	4.3.4.1	8,757	9,040	283
Stormwater	4.3.4.2	1,386	1,411	25
Facilities Management	4.3.4.3	3,416	3,301	(115)
Governance	4.3.5	5,441	3,712	(1,729)
Corporate Support	4.3.6	3,832	4,098	266
<b>Net Rating Requirement (Ex internal plant)</b>		<b>35,936</b>	<b>35,339</b>	<b>(597)</b>

## Net Expenses



### Net Expenses by Programme



#### **4.3.1 Communities and People (\$341,000 increase)**

The net expense for Communities & People has increased largely due to expenses increasing at a faster rate than revenues. The expense increase is across the full range of services provided by this programme and includes anti-graffiti programmes, positive aging strategy implementation, parking enforcement, and child care salaries.

#### **4.3.2 City Future (\$283,000 increase)**

The net increase in 2013/14 relates to an expected increase in expenses while revenue is expected to reduce, primarily due to lower fee income associated with a subdued development environment.

#### **4.3.3 Natural Environment (\$49,000 increase)**

Net operating costs in Natural Environment have risen only slightly. Total expenses have increased by \$55,000 and revenue by \$6,000.

#### **4.3.4 Infrastructure (\$193,000 increase)**

This programme includes a number of Council's major expenditure areas:

##### **4.3.4.1 Roads (\$283,000 increase)**

Net expenses have increased only slightly. Expenses have increased by \$467,000 or 4.65%, partially offset by a \$184,000 (14.32%) increase in revenue. The revenue increase is primarily related to an increased allocation of Grants Commission funding.

##### **4.3.4.2 Stormwater (\$25,000 increase)**

Net expenditure on stormwater has increased by only \$25,000 or 1.80%. Expenditure has increased while revenue (grant allocation) has remained the same as the previous year.

##### **4.3.4.3 Facilities Management (\$115,000 decrease)**

Net expenditure in this area has decreased primarily due to an increase of \$180,300 in capital grants. Expenditure has increased by \$58,000 or 1.47%.

### **4.3.5 Governance (\$1,729,000 decrease)**

This programme contains a number of corporate items which have a material effect on the 2013/14 Estimates. The most significant item this year is an increase in dividend income, with the resumption of receipt of dividends from TasWater after a five year period without. It is estimated that an amount of \$1,800,000 will be received in the Estimates year.

### **4.3.6 Corporate Support (\$266,000 increase)**

Expenditure in this area has remained relatively stable. There is no individual item of expenditure or expenditure initiative significantly affecting the increase this year. The increase is approximately 6.94% and comprises an increase in expenditure of \$268,000 (6.98%) and an increase in revenue of \$2,000 (25.57%).



## 5 Analysis of estimated cash position

This section analyses the expected cash flows for the 2013/2014 year. The analysis is based on three main categories of cash flow. In summary these are:

- Operating activities - these activities refer to the cash generated or used in the normal service delivery functions of Council;
- Investing activities - these activities refer to cash used or generated in the acquisition, creation, enhancement or disposal of Council's infrastructure, property and other assets;
- Financing activities - these activities refer to cash generated or used in the financing of Council functions and essentially comprise of borrowings from financial institutions and the repayment of those borrowings.

Actual outcomes are likely to vary from these Estimates according to the rate at which planned capital projects are achieved and the introduction of new programmes or projects associated with specific purpose Government grants.

### 5.1 Estimated cash flow statement

	Reference	Forecast Actual 2012/13 \$'000	Estimates 2013/14 \$'000	Variance Inflow (Outflow) \$'000
<b>Operating Activities</b>	5.1.1			
Receipts		57,160	60,768	3,608
Payments		(44,163)	(45,079)	(916)
<b>Net cash inflow (outflow)</b>		<b>12,997</b>	<b>15,689</b>	<b>2,692</b>
<b>Investing Activities</b>	5.1.2			
Receipts		320	120	(200)
Payments		(12,420)	(15,200)	(2,780)
<b>Net cash inflow (outflow)</b>		<b>(12,100)</b>	<b>(15,080)</b>	<b>(2,980)</b>
<b>Financing Activities</b>	5.1.3			
Receipts		0	0	0
Payments		(145)	(153)	(8)
<b>Net cash inflow (outflow)</b>		<b>(145)</b>	<b>(153)</b>	<b>(8)</b>
<b>Net increase (decrease) in cash held</b>		<b>752</b>	<b>456</b>	<b>(296)</b>
Cash at beginning of year		50,548	51,300	752
<b>Cash at end of year</b>	5.1.4	<b>51,300</b>	<b>51,756</b>	<b>456</b>

Source: Appendix A

#### 5.1.1 Operating Activities (\$2,692,000 increase)

The change in net cash inflow from operating activities primarily results from increased dividend revenue from TasWater (\$1,800,000) and infrastructure renewal funding effort, both of which are to be applied to future capital expenditure.

### **5.1.2 Investing Activities (\$2,980,000 decrease)**

The increase in payments for investing activities results from an increase in expenditure on capital works, in particular road infrastructure renewal. Planned capital works expenditure is disclosed in Appendix C. The movement in receipts relating to investment activities primarily represent specific capital contributions and grants which are expected to reduce.

### **5.1.3 Financing activities (\$8,000 decrease)**

The Estimates contain no proceeds from new debt in 2013/14. Loan repayments increasingly become principal rather than interest as Council's loans continue to mature.

### **5.1.4 Cash at end of the Year (\$456,000 increase)**

Overall, total cash and investments are forecast to increase by \$456,000 by 30 June 2014, primarily due to the resumption of dividends from TasWater, offset by an expansion of the capital expenditure programme (refer above) which is being partially financed from Council's existing cash.

## **5.2 Reserve cash and investments and working capital**

The cash flow statement above indicates that at 30 June 2014 it is estimated Council will have cash and investments of more than \$51 million, with some of this cash earmarked as follows:

- **Statutory purposes (\$3.880 million)** - These funds must be applied for specified statutory purposes in accordance with various legislative and contractual requirements. Specific amounts are identified in respect of specific purpose Government funding, public open space contributions and car parking contributions.
- **Specific purpose reserves (\$27.943 million)** – While these funds are technically available for whatever purpose Council determines, they are significantly comprised of the Infrastructure Renewal Reserve (which is the subject of a specific strategic objective) and other reserves which have specific purposes.
- **Working capital (\$19.933 million)** - These funds generally relate to incomplete capital works, but also represent funds available to meet daily cash flow requirements and unexpected short term needs. In the context of normal treasury operations, this item is essentially a “balancing item” since normal cash flow requirements are clearly available through the full quantum of cash held.

In considering its cash management, Council recognises items for which funds have been raised but may not be utilised in the short term. These include provisions for employee entitlements and approved capital projects which have yet to be undertaken.

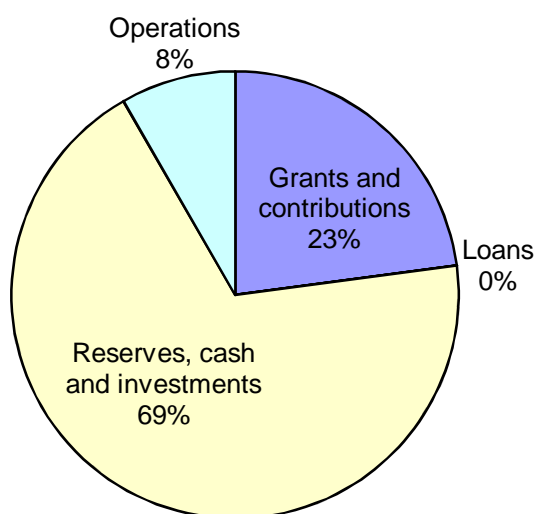
## 6 Analysis of capital works programme

This section analyses planned capital expenditure for the 2013/14 year and the sources of funding for that expenditure.

### 6.1 Funding sources

Sources of Funding	Reference	Estimates 2012/13 \$'000	Estimates 2013/14 \$'000	Increase (Decrease) \$'000
<b>External</b>				
Grants and contributions	6.1.1	3,288	3,789	501
Loans	6.1.2	0	0	0
Sub total		3,288	3,789	501
<b>Internal</b>				
Reserves, cash and investments	6.1.3	9,665	11,373	1,708
Operations	6.1.4	1,337	1,378	41
Sub total		11,002	12,751	1,749
<b>Total funding sources</b>		<b>14,290</b>	<b>16,540</b>	<b>2,250</b>

Sources of Capital Funds



Source: Appendix C

### **6.1.1 Grants and contributions (\$3.789 million)**

Grants and contributions used to fund the capital works programme include payments received through the State Grants Commission (\$2.800 M), Roads to Recovery Grants (\$0.468 M), a grant for the Montagu Bay Multi User Path (\$0.070 M), a grant for Clarence High School SRT (\$0.080 M), a grant for energy efficiency works (\$0.010 M), a grant for the cenotaph at South Arm (\$0.005 M), a grant for energy efficiency at Grange Road (\$0.045 M), a grant for a council chambers chiller (\$0.090 M), a grant for a viewing platform at Seven Mile Beach (\$0.006 M) and Black Spot Funding (\$0.185 M).

### **6.1.2 Loans (\$0.00 million)**

Council does not plan to borrow during the financial year.

### **6.1.3 Reserves, cash & investments (\$11.373 million)**

Reserves are used in a structured manner to support the capital programme. Increased use of the Infrastructure Renewal Reserve has been made in the Estimates being \$8.882 M or an increase of \$0.05 M from the previous year. Reserve funds also include certain contributions from external parties and proceeds held from property sales.

### **6.1.4 Operations (\$1.378 million)**

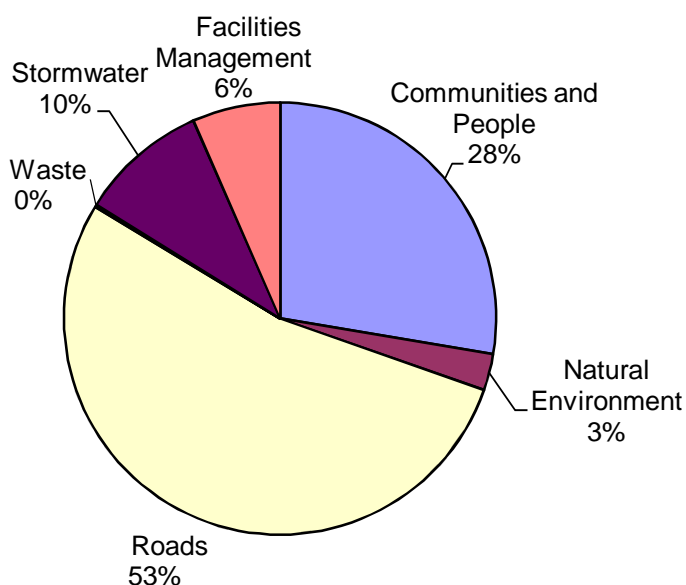
Direct rating support for the capital works programme is based on a policy position taken in the 2006/07 and successive Estimates. This support is planned to continue (indexed) into the future.

## 6.2 Capital works

Capital Works Areas	Reference	Estimates 2012/13 \$'000	Estimates 2013/14 \$'000	Increase (Decrease) \$'000
<b>Works carried forward from prior years</b>	6.2.1	10,951	10,812	(139)
<b>New works</b>				
Communities and People	6.2.2	2,597	4,574	1,977
City Future	6.2.3	0	0	0
Natural Environment	6.2.4	391	448	57
Infrastructure:	6.2.5			
Roads	6.2.5.1	8,755	8,814	59
Waste	6.2.5.2	27	27	0
Stormwater	6.2.5.3	1,868	1,590	(278)
Facilities Management	6.2.5.4	652	1,087	435
Governance	6.2.6	0	0	0
Corporate Support	6.2.7	0	0	0
Sub total		14,290	16,540	2,250
<b>Total capital works</b>		<b>25,241</b>	<b>27,352</b>	<b>2,111</b>
<b>New works represented by:</b>				
New assets		4,350	5,429	1,079
Existing asset improvements		9,940	11,111	1,171
		<b>14,290</b>	<b>16,540</b>	<b>2,250</b>

Note: Amounts exclude salaries capitalised

### Budgeted New Capital Works



Source: Appendix C

### **6.2.1 Carried forward works (\$10.81 million)**

At the end of each financial year there are projects that are either incomplete or not commenced due to planning issues, weather delays, extended consultation etc. For the 2012/13 year it is forecast that \$10.81 million of capital works will be incomplete and be carried forward into the 2013/2014 year. The more significant projects include road renewal (\$576,000), cycleways (\$508,000), Kangaroo Bay Drive realignment (\$492,000), stormwater augmentation (\$1.12 M), Kangaroo Bay masterplan implementation (\$391,000), Bellerive Beach Park (\$355,000), Simmons Park (\$508,000), Clarence High Oval (\$1.02 M), and Beach Erosion Protection (\$344,000 – implemented on an “as required” basis).

### **6.2.2 Communities and People (\$4.574 million)**

This programme is responsible for recreation, youth services, childcare, health, building control, arts, rangers and a number of other functions. Major projects include Clarence High School oval development (\$0.949 M), Richmond Oval clubrooms upgrade (\$0.940 M), Clarence Aquatic Centre rubber floor treatment replacement (\$0.210 M), Wentworth Park soccer ground drainage and rehabilitation (\$180 M) and Lauderdale clubrooms (\$0.125 M).

### **6.2.3 City Future (\$nil)**

City future is primarily concerned with providing for the growth of the City through strategic land use planning and development control. Its expenditure is generally operational in nature.

### **6.2.4 Natural Environment (\$0.448 million)**

This program is responsible for environmental management, emergency management, waste collection and disposal and natural areas. Major projects in this area include Roches Beach Bambra Reef extension (\$0.400 M) and upgrade of fire trails (\$0.021 M).

### **6.2.5 Infrastructure (\$11.518 million)**

The relatively small increase in proposed new infrastructure works is consistent with fewer external grants and contributions being received for this purpose. The increase in planned renewal expenditure is consistent with Council's strategies in this area. The Infrastructure Programme includes:

#### **6.2.5.1 Roads (\$8.814 million)**

Major projects in this area include major digouts and reconstruction (\$2.500 M), road resealing (\$1.950 M), footpath/kerb and gutter renewal (\$1.200 M), and Kangaroo Bay Drive (\$0.655 M).

#### **6.2.5.2 Waste (\$0.027 million)**

Council is installing public place recycling bins throughout the City.

#### **6.2.5.2 Stormwater (\$1.590 million)**

Major stormwater projects include Lower River Street stormwater upgrade stages 2 & 3 (\$0.690 M), Kangaroo Bay Drive stormwater upgrade (\$270 M) and Lauderdale drainage structure plan (\$0.200 M).

#### **6.2.5.3 Facilities Management (\$1.087 million)**

Facilities Management projects include replacing the Bellerive Boardwalk DDA public toilet (\$0.500 M) and Pindos Drive DDA public toilet (\$0.180 M).

### **6.2.6 Governance (\$nil)**

No capital expenditure will be made under the Governance programme during 2013/14.

### **6.2.7 Corporate Support (\$nil)**

Corporate Support activities are generally recurrent in nature and this program has no capital expenditure planned for 2013/14.

## 7 Analysis of estimated balance sheet

This section analyses the movements in Estimates for assets, liabilities and equity between 2012/13 and 2013/14.

### 7.1 Estimated balance sheet

	Reference	Estimates 30 Jun 13 \$'000	Estimates 30 Jun 14 \$'000	Increase/ Decrease \$'000
<b>Current</b>				
Assets	7.1.1	55,986	55,607	(379)
Liabilities	7.1.2	(7,933)	(8,705)	(772)
<b>Net current assets</b>		<b>48,053</b>	<b>46,902</b>	<b>(1,151)</b>
<b>Non-Current</b>				
Assets	7.1.3	661,932	688,072	26,140
Liabilities	7.1.4	(1,259)	(1,129)	130
<b>Net non-current assets</b>		<b>660,673</b>	<b>686,943</b>	<b>26,270</b>
<b>Net assets</b>		<b>708,726</b>	<b>733,845</b>	<b>25,119</b>
<b>Equity</b>	7.1.5			
Cash Backed Reserves		28,650	29,889	1,239
Other Reserves and Equity		680,076	703,956	23,880
<b>Total equity</b>		<b>708,726</b>	<b>733,845</b>	<b>25,119</b>

#### 7.1.1 Current Assets (\$0.379 million decrease)

Council's current asset position is expected to decrease slightly compared to the 2012/13 Estimates due to timing of expenditure on the capital works programme partially offset by favourable operating outcomes in 2012/13, resulting in a small decrease in cash holdings.

#### 7.1.2 Current Liabilities (\$0.772 million decrease)

Current liabilities are expected to decrease against the prior year Estimates primarily due to the effect of accruals and creditors. No additional short term debt is expected to be drawn.

#### 7.1.3 Non-Current Assets (\$26.140 million increase)

The increase in non-current assets between budget years primarily reflects the difference between depreciation expense (reduced in the 2013/14 Estimates) and the cost of acquisition of new assets and asset renewal, together with the expected effects of asset revaluations.

#### 7.1.4 Non-Current Liabilities (\$0.130 increase)

The decrease in non-current liabilities is primarily due to the reduction in Council's loan liability.



### **7.1.5 Equity (\$25.119 million increase)**

The net increase in equity is primarily a function of changes in current and non-current assets as described above.

### **7.2 Key assumptions**

In preparing the Estimated Balance Sheet as at 30 June 2014 it was necessary to make a number of assumptions about key assets, liabilities and equity balances. To the extent possible, these reflect items included in the adopted Estimates. The major variable factors are the effect of inflation on future asset revaluations, the extent to which the anticipated capital works are completed, and the effects of accounting policy changes including asset revaluations.

## 8 2012/13 Performance

This section analyses the impact of variances from Estimates for the current financial year (2012/13) to assess whether there are any significant implications for the current estimates year (2013/14).

### 8.1 Operating performance

	Estimates 2012/13 \$'000	Forecast Actual 2012/13 \$'000	Variance \$'000
Revenue	54,240	53,790	(450)
Expenditure	(52,744)	(50,023)	2,721
<b>Operating surplus (deficit)</b>	<b>1,496</b>	<b>3,767</b>	<b>2,271</b>

The forecast operating result for the year ending 30 June 2013 is a surplus of \$3.767 million. One major influence on this result is Roads to Recovery grant greater than budget (\$1.340 million) and a change in asset accounting and valuation policies reducing depreciation below the amount originally estimated (\$2.163 million).

Partly offsetting these favourable outcomes is an expected result for interest income some \$0.274 M below that estimated, arising from interest rates declining further than predicted in the 2012/2013 Annual Plan.

It should be noted that some major sources of income (eg. grants and headwork contributions) are to be applied specifically to future capital purposes.

### 8.2 Cash performance

	Forecast Actual 2012/13 \$'000	Estimates 2013/14 \$'000	Increase/ Decrease \$'000
Cash Inflows (Outflows)			
Operating	12,997	15,689	2,692
Investing	(12,100)	(15,080)	(2,980)
Financing	(145)	(153)	(8)
<b>Net increase (decrease) in cash held</b>	<b>752</b>	<b>456</b>	<b>(296)</b>
Cash at beginning of year	50,548	51,300	752
<b>Cash at end of year</b>	<b>51,300</b>	<b>51,756</b>	<b>456</b>

The forecast cash performance for the year ending 30 June 2014 is a net increase in cash of \$0.752 million. The major influences are the level of effort in undertaking capital projects and changes in expected operating results.

The estimated cash outcome for the year ending 30 June 2014 is based on a similar pattern of cash flows as 2012/2013, however including an allowance for further effort in undertaking capital projects to be funded from existing reserves.

## 8.3 Reconciliation of cash and operating results

	Forecast Actual 2012/13 \$'000	Estimates 2013/14 \$'000	Increase/ Decrease \$'000
<b>Net Surplus (Deficit) From Operations</b>	<b>3,767</b>	<b>6,099</b>	<b>2,332</b>
Depreciation	11,450	11,566	116
Contributed assets	(106)	0	106
Gain/(Loss) on retirement or disposal of assets	(250)	0	250
Equity interests in associates	415	550	135
Change in operating assets and liabilities	(1,328)	(2,406)	(1,078)
Payments for property, plant & equipment	(13,051)	(15,200)	(2,149)
Repayment of borrowings	(145)	(153)	(8)
Proceeds from borrowings	0	0	0
<b>Net cash inflows (outflows)</b>	<b>752</b>	<b>456</b>	<b>(296)</b>

The reconciliation between the operating result and net cash flows for comparative years shows an increased outcome from operations. An increase in the cash position in 2013/14 is consistent with an increase in dividends expected to be received from TasWater now that the period for preferential dividends to other Councils has ended (\$1.800 M) partially offset by ongoing plans for renewal of capital expenditure by drawing down reserves held for that purpose.

## 8.4 Capital performance

	Carried Forward 2012/13 \$'000	Estimates 2012/13 \$'000	Total Program 2012/13 \$'000	Forecast Actual 2012/13 \$'000	Variance \$'000
Communities and People	3,805	2,597	6,402	3,010	3,392
Natural Environment	278	391	669	573	96
Roads	4,028	8,756	12,784	9,755	3,029
Waste	0	27	27	0	27
Facilities Management	840	652	1,492	755	737
Stormwater	2,000	1,868	3,868	2,202	1,666
General	0	0	0	0	0
<b>Total capital works</b>	<b>10,951</b>	<b>14,291</b>	<b>25,242</b>	<b>16,295</b>	<b>8,947</b>

NB: Salaries Capitalised are not included in these figures. Commitments/orders placed are included.

The forecast capital performance for the year ending 30 June 2013 shows the extent to which the estimated capital works programme for the year, including projects brought forward from prior years, was achieved. The delivery of capital projects is subject to a range of factors which will extend time frames including planning issues, undertaking community consultation, and funding (or staging) projects over more than one year. It is therefore typical for a range of projects to remain incomplete at the conclusion of any one year.

In the Roads programme, the Kangaroo Bay realignment (\$0.492 million) forms part of a staged development, road renewal (\$0.576 million) and cycleways (\$0.508 million) are ongoing renewal/enhancement programmes.

The major project affecting Stormwater carryovers is capacity augmentation works (\$1.12 million) for which contracts have been let and work commenced.

Communities and People has a range of incomplete projects, including Bellerive Beach Park (\$0.355 million), Clarence High Oval (\$1.02 M) which has been subject to lease negotiations and for which tenders will be considered early in 2013/2014, and Kangaroo Bay master plan implementation (\$0.391 million) and Simmons Park (\$0.508 million) which are to be staged over several years.

### **8.5 Matters significant to the 2013/2014 Estimates**

In framing the 2013/14 Estimates, the following key items were considered:

- The resumption of dividend payments from TasWater;
- No additional borrowings;
- A significant appropriation of infrastructure renewal funds for capital refurbishment;
- Continued phasing in of full funding for infrastructure renewal;
- Increased employee costs primarily due to enterprise agreement obligations and funding additional positions and/or hours; and
- Management obligations under workplace health and safety legislation;
- Increased maintenance costs associated with new facilities.

## 9 Rating strategy

### 9.1 Strategy development

Rates and charges are Council's principal source of revenue, accounting for some 75% of Council's annual revenue. Planning for future rate requirements is therefore an important process.

It has been necessary to balance the importance of rate revenue as a funding source with community sensitivity to rate increases including rates affordability to the general community, and the level of service demanded by the community.

To provide context for deliberations about future rate increases, comparisons were made of historical rate increases. The following table shows a comparison for the last five years.

2010	3.00%
2011	3.90%
2012	3.20%
2013	3.90%
2014	2.30%
<b>Average increase over 5 yrs</b>	<b>3.26%</b>

N.B. Increases shown are net of increase in growth, State Government charges and special rebates. For 2010 the comparative increase also excludes water and sewerage operations.

### 9.2 Current year rate increase

Council's own increase in its net rating requirement is 2.3% against 2012/13. This increase is set in the context of the LGAT Council Cost Index of 3.05% and CPI of 1.0%. In addition, there is a range of cost pressures on Council including waste disposal costs and the effects of carbon pricing, together with various initiatives and resource additions contained within the Estimates. Growth in the rates base provided substantial support to total rate revenue.

### 9.3 Rating structure and policy

Council has a rating structure consisting of numerous components. This structure complies with the Act. The key components are:

- a general rate calculated as a rate in the dollar applied to the Capital Value (CV) of the rateable property, with a fixed amount. This component supports a broad range of Council's services including roads, parks, recreational facilities, regulatory services and community services;
- a service charge in respect of solid waste collection. This component is charged where the service is available to a property;
- a fire service rate in respect of the Fire Service Contribution payable directly to the State Government, calculated as a rate in the dollar applied to the CV of the rateable property, with a fixed minimum amount. The amount to be collected in each fire district and the minimum amount to be paid in respect of each property is set by the State Fire Commission;
- a stormwater service rate calculated as a rate in the dollar applied to the CV of the rateable property, with a fixed minimum amount. This component relates to the provision

of stormwater services across much of the City by way of stormwater mains, kerb and gutter infrastructure, maintenance of creeks and drainage easements, and gross pollutant trap infrastructure.

In respect of service rates, the rate amounts are set so that the full cost of providing the service is recovered. Amounts of each rate type may vary based on the level of service provided or on the location or use of the property. For instance, the fire service rate differs between urban areas and rural areas.

The CV is determined by the Valuer-General, as required by the Act. Properties within the municipality are revalued on a periodic basis, currently each six years. In the interim years the Valuer-General provides biennial adjustment factors to be applied to the value of properties to ensure that these values do not lose touch with market conditions. Council's most recent general revaluation takes effect from 1 July 2013.

Where appropriate, Council provides rebates to certain classes of ratepayers. These typically include pensioners and holders of certain rural land.

The structure of Council's rates and the underlying policy rationale is set out in Council's adopted rates and charges policy. This policy is now a requirement of the Act.

## 10 Borrowing strategy

### 10.1 Strategy fundamentals

Borrowings can be an important funding source for the capital expenditure programme. Council has a formal policy whereby debt will only be used for income generating infrastructure. Borrowings are typically used in support of the construction of a major asset rather than providing general support to the capital expenditure programme.

While there is a general industry trend towards debt reduction, Council views a controlled use of debt as a critical tool for the management of infrastructure improvement and expansion. It provides access to an alternative source of capital, minimises pressure on cash flows and income streams at the point of construction, and ensures that the cost of long life assets is spread over time and therefore better met by those deriving the benefit from those assets.

Year	Total Borrowings 30 June \$'000	Liquidity CA/CL Ratio	Debt Mgt Debt/Rates %	Cost of Debt Interest / Operating Revenue
2008	14,167	266.0%	32.2%	2.2%
2009	20,968	262.0%	44.0%	1.9%
2010	1,812	688.0%	5.2%	0.2%
2011	1,137	611.3%	3.1%	0.2%
2012	1,001	664.1%	2.6%	0.1%

*Note: amounts exclude loan offset facilities*

The table shows that Council's borrowing fluctuated during the period. From a previously stable level it increased by \$6.801 million in 2009. This was followed by a major transfer of debt to Southern Water on 1 July 2009, comprising of all debt relating to water and sewerage operations. At 30 June 2013 net borrowings are expected to be \$0.856 million, and at 30 June 2014 \$0.703 million.

Council's liquidity position has been consistently strong, with cash and investments well in excess of current liabilities in all years.

### 10.2 Current year borrowings

Council does not intend to borrow funds during 2013/14.

Year	New Borrowings \$'000	Loan Principal Paid/Transferred \$'000	Loan Interest Paid \$'000	Balance 30 Jun \$'000
2009	8,200	1,399	1,413	20,968
2010	0	19,156	114	1,812
2011	0	674	88	1,138
2012	0	137	63	1,001
2013	0	145	54	856
<b>2014</b>	<b>0</b>	<b>153</b>	<b>46</b>	<b>703</b>

## 11 Infrastructure strategy

### 11.1 Strategy development

Council's infrastructure strategy centres around the two key imperatives of maintaining the capital adequacy of the existing infrastructure base, and providing additional infrastructure to improve the level of service provided to the community and to meet the needs of expanding areas.

Capital adequacy has received close attention since the early 1990's at which time Council embarked on a long term strategy to fully fund its future infrastructure renewal. While monitored through its first 10 years, a major review of funding requirements was undertaken in preparation for consideration of the 2005/06 Estimates. While the annual funding effort had reached \$4.5 million at that point, the combination of inflation, improved information, and an expanding asset base had increased the target to a minimum of \$7.5 million. Council embarked on a 5 year strategy to meet this amount.

Council has reassessed its annual target following the transfer of water/sewerage infrastructure. Although Council continues to have a policy of moving towards full funding of infrastructure renewal, progress towards this goal has been temporarily slowed due the loss of significant dividends from Hobart Water. This will be reversed once sufficient dividends flow from TasWater.

Council participated in the LGAT Renewal Funding Gap study in 2005/06. The outcome of this study confirmed the direction taken in Council's funding strategy, however highlighted the need to accelerate renewal effort due to the critical point for infrastructure replacement for certain asset classes having been reached (rather than being some years away).

In response to its own evaluation and this study, Council has progressively increased the amount appropriated from renewal funding to physical works, subject to condition assessments made under Council's Asset Management Plans.

Year	Renewal Funding Appropriated \$'000
2007/08	4,877
2008/09	5,324
2009/10	4,993
2010/11	5,577
2011/12	8,342
2012/13	9,940
<b>2013/14</b>	<b>8,827</b>

Formal asset management plans have been updated for all major asset classes. These are supported by a 10 year financial management plan aimed at providing an indication of likely outcomes of Council's policy positions. The 10 year financial management plan is expected to be reviewed during 2013/2014.

Council is also committed to providing new infrastructure where it is consistent with Council's strategic direction, including enhancing the community's lifestyle, providing for new and expanded business opportunities, and meeting legislative, social, and environmental responsibilities.



## Clarence City Council – Annual Plan 2013/2014

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Major new and upgraded infrastructure and initiatives contained within the Capital Expenditure Programme include:

Project	Amount \$'000
Road repairs/refurbishment	4,501
Road reseal/overlay programme	1,950
Footpath/kerb and gutter renewal	1,000
Clarence High School oval	949
Richmond Oval clubrooms	940
Stormwater upgrade Lower River Street stages 2 & 3	690
Upgrade 4 way junction (Kangaroo Bay)	655
Bellerive Boardwalk DDA public toilet	500
Roches Beach and Cremorne Beach Bambra Reef	400

### 11.2 Key influences for 2013/2014

The following influences had a significant impact on the Infrastructure Strategy for the 2013/2014 year:

- Adoption of Asset Management Plans for all major asset classes;
- Outcomes of internal infrastructure renewal modelling and the LGAT renewal funding gap study;
- Clear demand throughout the community for improved standards in footpath condition;
- Clear demand throughout the community for improved standards in road condition;
- Council's continued commitment to providing for future infrastructure renewal;
- Ongoing development and upgrade of sporting and recreational facilities throughout the City;
- Implementation of major development plans including those for Clarence High School (subject to agreement) and Richmond ovals.

## 11.3 Future capital works

The following table summarises Council's likely forward programme of capital expenditure including funding sources for the next four years, as per the adopted 10 Year Financial Management Plan.

Year	Grants & Contributions \$'000	Borrowings \$'000	Renewal Funding, Investments & Reserves \$'000	Working Capital \$'000	Council Operations \$'000	Capital Program \$'000
2011	3,382	-	6,183	-	1,150	10,715
2012	3,668	-	8,827	-	1,886	14,381
2013	3,355	-	9,063	-	1,872	14,290
2014	3,010	-	11,726	-	1,937	16,673
2015	3,591	-	12,268	-	2,005	17,864
2016	3,876	-	14,953	-	2,080	20,909
2017	4,240	-	14,902	-	2,195	21,337

The major funding sources identified include government grants, use of infrastructure renewal funds, and additional rating effort. Borrowings are applied on a specific project basis where appropriate. Accelerated use of infrastructure renewal funding may be applied. Specific additional funding is likely to become available in the form of specific purpose government grants, and rates arising from major new developments which Council may to apply in support of its capital base. Council also holds specific purpose reserves arising from cash collected for public open space and car parking.

## Overview to Appendices

The following appendices include disclosures of information which provide support for the analysis contained in sections 1 to 11 of this report.

This information has not been included in the main body of the Estimates report in the interests of clarity and conciseness. Council has decided that, while the Annual Plan needs to focus on the important elements of the Estimates and provide appropriate analysis, the detail upon which the annual Estimates are based should also be provided in the interests of open and transparent local government.

The contents of the appendices are summarised below:

Appendix	Nature of information
A	Estimates statements
B	Statutory disclosures
C	Capital works program
D	Activities and initiatives

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**Estimates statements Appendix A**

Income statement

Balance sheet

Cash flow statement

Capital works programme

Reconciliation of estimated operating result and net cash flows

Investment reserves

This section sets out the Estimates statements for 2013/14 in detail. This information is the basis of the disclosures and analysis of the annual Estimates in this report.

**CLARENCE CITY COUNCIL**  
**Estimated Income Statement**  
**For the year ending 30 June 2014**

	Forecast Actual 2012/13 \$'000	Estimates 2013/14 \$'000	Increase (Decrease) \$'000
<b>Revenue</b>			
Rates	41,100	42,134	1,034
User charges	4,026	4,066	40
Interest	2,490	2,765	275
Government subsidies & Grants	5,831	5,959	128
Other revenue	343	2,056	1,713
<b>TOTAL REVENUE</b>	<b>53,790</b>	<b>56,980</b>	<b>3,190</b>
<b>Expenses</b>			
Employee costs	13,967	15,011	1,044
Materials and contracts	10,765	10,130	(635)
State Government charges and levies	4,428	4,628	200
Borrowing costs	85	48	(37)
Depreciation and amortization	11,450	11,566	116
Operating leases	1,575	1,668	93
Electricity	1,342	1,413	71
Other expenses	6,411	6,417	6
<b>TOTAL EXPENSES</b>	<b>50,023</b>	<b>50,881</b>	<b>858</b>
<b>Net surplus (deficit)</b>	<b>3,767</b>	<b>6,099</b>	<b>2,332</b>

**CLARENCE CITY COUNCIL**  
**Estimated Balance Sheet**  
**As at 30 June 2014**

	Forecast Actual 2013 \$'000	Estimates 2014 \$'000	Increase (Decrease) \$'000
<b>Current assets</b>			
Cash assets	51,300	51,756	456
Other current assets	3,925	3,851	(74)
<b>Total current assets</b>	<b>55,225</b>	<b>55,607</b>	<b>382</b>
<b>Non current assets</b>			
Infrastructure assets	395,000	467,028	72,028
Other non current assets	206,340	221,044	14,704
<b>Total non current assets</b>	<b>601,340</b>	<b>688,072</b>	<b>86,732</b>
<b>Total assets</b>	<b>656,565</b>	<b>743,679</b>	<b>87,114</b>
<b>Current liabilities</b>			
Current borrowings	153	161	8
Other current liabilities	8,550	8,544	(6)
<b>Total current liabilities</b>	<b>8,703</b>	<b>8,705</b>	<b>2</b>
<b>Non current liabilities</b>			
Non current borrowings	703	542	(161)
Other non current liabilities	565	587	22
<b>Total non current liabilities</b>	<b>1,268</b>	<b>1,129</b>	<b>(139)</b>
<b>Total liabilities</b>	<b>9,971</b>	<b>9,834</b>	<b>(137)</b>
<b>Equity</b>			
Infrastructure renewal reserve	25,742	23,216	(2,526)
Other cash backed reserves	6,369	6,673	304
Other reserves and equity	614,483	703,956	89,473
<b>Total equity</b>	<b>646,594</b>	<b>733,845</b>	<b>87,251</b>
<b>Total liabilities and equity</b>	<b>656,565</b>	<b>743,679</b>	<b>87,114</b>

**CLARENCE CITY COUNCIL**  
**Estimated Cash Flow Statement**  
**For the year ending 30 June 2014**

	Forecast Actual 2012/13 \$'000	Estimates 2013/14 \$'000	Increase (Decrease) \$'000
	Inflows (Outflows)	Inflows (Outflows)	
<b>Cash flows from operating activities</b>			
Rates	39,370	<b>40,654</b>	1,284
User Charges	4,715	<b>4,805</b>	90
Interest received	2,225	<b>2,700</b>	475
Receipts from government	6,100	<b>5,959</b>	(141)
Other income	4,750	<b>6,650</b>	1,900
Wages & salaries	(14,040)	<b>(14,811)</b>	(771)
Interest paid	(85)	<b>(48)</b>	37
Payments to suppliers	(30,038)	<b>(30,220)</b>	(182)
Net cash inflow from operating activities	12,997	<b>15,689</b>	2,692
<b>Cash flows from investing activities</b>			
Payments for property plant & equipment	(12,420)	<b>(15,200)</b>	(2,780)
Proceeds from sale of prop, plant & equip	320	<b>120</b>	(200)
Investment water & sewer corporation			
Net cash flow from investing activities	(12,100)	<b>(15,080)</b>	(2,980)
<b>Cash flows from financing activities</b>			
Repayment of borrowings	(145)	<b>(153)</b>	(8)
Proceeds from borrowings			
Net cash flow from financing activities	(145)	<b>(153)</b>	(8)
<b>Net change in cash held</b>	752	<b>456</b>	(296)
Cash at the beginning of the year	50,548	<b>51,300</b>	752
<b>Cash at the end of the year</b>	51,300	<b>51,756</b>	456



**CLARENCE CITY COUNCIL**  
**Estimated Capital Works Programme**  
**For the year ending 30 June 2014**

	Forecast Actual 2012/13 \$'000	Estimates 2013/14 \$'000	Increase (Decrease) \$'000
<b>Capital works by programme</b>			
Communities and People	2,975	4,955	1,980
City Future			
Natural Environment	365	537	172
Infrastructure:			
Roads	8,487	9,530	1,043
Waste			
Stormwater	1,533	1,986	453
Facilities Management	553	1,184	631
Governance			
Corporate Support	45		(45)
Total capital works	<b>13,958</b>	<b>18,192</b>	<b>4,234</b>
<b>Represented by</b>			
New Assets	4,806	5,773	967
Existing Asset Improvements	9,152	12,419	3,267
Total capital works	<b>13,958</b>	<b>18,192</b>	<b>4,234</b>

NB: Salaries capitalised are not included in these figures.

**CLARENCE CITY COUNCIL****Reconciliation of Estimated Income Statement and Net Cash Flows****For the year ending 30 June 2014**

	Forecast Actual 2012/13 \$'000	Estimates 2013/14 \$'000	Increase (Decrease) \$'000
<b>Net surplus (deficit) from operations</b>	3,767	<b>6,099</b>	2,332
Depreciation	11,450	<b>11,566</b>	116
Contributed assets	(206)		206
Gain/(Loss) on retirement or disposal of assets	(205)		205
Equity interests in associates	415	<b>550</b>	135
Change in operating assets and liabilities	(1,904)	<b>(2,406)</b>	(502)
Payments for property, plant & equipment	(12,420)	<b>(15,200)</b>	(2,780)
Repayment of borrowings	(145)	<b>(153)</b>	(8)
Proceeds from borrowings			
<b>Net cash inflows (outflows)</b>	752	<b>456</b>	(296)

**CLARENCE CITY COUNCIL****Reserves****For the year ending 30 June 2014**

	<b>Forecast Actual 2012/13 \$'000</b>	<b>Transfers</b>		<b>Estimates 30 Jun 14 \$'000</b>
		<b>In \$'000</b>	<b>Out \$'000</b>	
<b>Statutory or Restricted Use</b>				
Public Open Space	2,082	100	0	2,182
Car Parking	787	50	0	837
Rosny Park Child Care	50	0	15	35
Commonwealth Funded Programmes	850	0	24	826
	<u>3,769</u>	<u>150</u>	<u>39</u>	<u>3,880</u>
<b>Discretionary</b>				
General	4,687	220	180	4,727
Infrastructure Renewal	25,742	6,356	8,882	23,216
	<u>30,429</u>	<u>6,576</u>	<u>9,062</u>	<u>27,943</u>
<b>Total Reserves</b>	<u>34,198</u>	<u>6,726</u>	<u>9,101</u>	<u>31,823</u>

**Statutory disclosures Appendix B**

The information in this Appendix corresponds with that which is required under the Act to be disclosed in the Council's annual Estimates.

**1 Estimated revenue**

Refer also to Appendix A – Estimated Income Statement.

**2 Estimated expenditure**

Refer also to Appendix A – Estimated Income Statement.




**3 Estimated borrowings**

Refer also to Appendix A – Estimated Income Statement and Estimated Cash Flow Statement which discloses the total amount proposed to be borrowed for the year, the total amount of debt redemption for the year and the projected debt servicing cost for the year.

**4 Estimated capital works**

Refer also to Appendix A – Estimated Statement of Capital Works and Appendix D – Capital Works Programme. Note that the amounts in Appendix B include the amount of salary costs expected to be capitalised as part of project costs.

**CLARENCE CITY COUNCIL  
ANNUAL ESTIMATES 2013/2014  
(\$000)**

	EXPENSES	REVENUES	NET EXPENSES	ASSET PURCHASES	EXPENSES CAPITALISED	TFRS TO RESERVES	TFRS FROM RESERVES	NET RATING REQU'T
GOVERNANCE and COMMUNITY								
Communities and People	11,757 	5,727	6,030	4,955 	473	-	3,369	7,143
City Future	2,378	1,169	1,209			150		1,359
Natural Environment	6,917	379	6,538	537	62		143	6,870
Governance	9,159	5,447	3,712			4,158	20	7,850
Corporate Support	4,107 	9	4,098				70	4,028
INFRASTRUCTURE								
Roads & Transport	10,509	1,469	9,040	9,530	2,123		7,443	9,004
Stormwater	2,103	692	1,411	1,986	511		898	1,988
Facilities Management	3,999	698	3,301	1,184	97		907	3,481
Plant	2,585	2,585	-			-		-
TOTAL RATING REQUIREMENT	53,514	18,175	35,339	18,192	3,266	4,308	12,850	41,723
Net Rating Requirement								41,723
Rates Raised 2012/13 Plus Growth								40,722
Net Increase Including Government Charges								2.5%
Increase Due to Govt Charges								0.2%
NET INCREASE								2.3%

**Capital works programme Appendix C****New works and works carried forward from 2012/13**

This section provides a more detailed analysis of the capital works programme for 2013/14 including those projects approved in the 2012/2013 year that will be incomplete at 30 June 2013.

**CLARENCE CITY COUNCIL**  
**Capital Works Programme**  
**For the year ending 30 June 2014**

**1 New works**

<b>CAPITAL PROGRAMME</b>	<b>Total Cost 2013-2014 \$</b>
<b>ACTIVE RECREATION</b>	
Acton Court Facility - Stage 3a - Shelter only	30,000
Lauderdale Club Room Alterations - Balance of funds to complete works	125,000
Irrigation Equipment Replacement	61,000
Clarence Aquatic Centre - Replace rubberised (regupol) floor coverings	210,000
Richmond Oval - Sports fields Tier Seating	25,000
Seven Mile Beach Active Recreation Park - Stage 1 Concept Plans	80,000
Cambridge Oval - Preparation of Master Plan & Architect Concept Designs	30,000
Howrah Bowls Club Indoor Bowls Facility - Design Works	50,000
Richmond Oval Clubrooms Upgrade	940,000
Clarence High School Oval Development	948,645
Kangaroo Bay - Development of Practice Wickets	170,000
Wentworth Park Soccer 2 Sub soil drainage	180,000
<b>TOTAL</b>	<b>\$ 2,849,645</b>
<b>COMMUNITY ARTS</b>	
Purchase of Public Art	21,000
<b>TOTAL</b>	<b>\$ 21,000</b>
<b>PASSIVE RECREATION</b>	
Natone Street Reserve - BBQ Upgrade	20,000
South Street Reserve Fencing	35,000
DeBomfords Lane Play Park irrigation	30,000
Montagu Bay Reserve - Irrigation	50,000
Clarendon Vale Landscaping Project	45,000
Clarendon Vale Park - Social Heart small pavilion and equipment/landscaping	60,000
Master Plan for Cambridge Township	15,000
Pindos Drive Play Park - BBQ & Shelter	36,000
Lewis Park - Install Exercise Equipment	45,000
Barana Park - Installation of teenage play equipment including fencing and hot mix path to DDA shelter and mixed age equipment	30,000
Carbeen Street - Installation of teenage play equipment including fencing and hot mix path to DDA shelter and mixed age equipment	30,000

<b>CAPITAL PROGRAMME</b>	<b>Total Cost 2013-2014 \$</b>
Coobar Park - Installation of teenage play equipment including fencing and hot mix path to DDA shelter and mixed age equipment	15,000
Hookey Street - Installation of teenage play equipment including fencing and hot mix path to DDA shelter and mixed age equipment	30,000
Laurel Street - Installation of teenage play equipment including fencing and hot mix path to DDA shelter and mixed age equipment	15,000
Tanundal Park - Installation of teenage play equipment including fencing and hot mix path to DDA shelter and mixed age equipment	30,000
Lighting Walkways / Multi-use paths	40,000
Richmond - Repair Sandstone Steps to River Bank Reserve form Millers Cottage	30,000
Soft fall Replacement Program for Playgrounds	52,000
Simmons Park - Upgrade Stage 3	614,500
Install seats at relevant locations on bus routes and shopping centres	15,000
Install seats at Various Parks	55,500
Apex Park Cremorne - Supply and install Shade Structure	35,000
Cremorne Beach Park - Supply and install Shade Structure	30,000
Clifton Beach Shade - Supply and install Shade Structure	25,000
Kangaroo Bay Skate Park	175,000
Tangara Trail - upgrades	15,000
Blessington St Foreshore Trail - Jetty Rd connection from car park	10,000
Mortimer Bay Coastal Trail - Baragoola Lane to Palala	10,000
Rosny Hill Reserve - Stage 2 Circuit Track	40,000
Clarence Coastal Trail - Stage 2 Kirra Road Lauderdale to Seven Mile Beach	50,000
Tracks & Trails Signage	20,000
<b>TOTAL</b>	<b>\$ 1,703,000</b>
<b>ENVIRONMENTAL MANAGEMENT</b>	
Upgrading of fire trails	21,000
Roches Beach & Cremorne Beach - Bambra Reef Extension	400,000
Seven Mile Beach - Construction of Timber Steps and Track Upgrade from Car Park opposite Sunways Ave to Coastal Reserve	10,000
Sheoak Point Revegetation	5,000
Seven Mile Beach - Viewing Platform construction	12,000
<b>TOTAL</b>	<b>\$ 448,000</b>
<b>WASTE</b>	
Recycling Bins	27,000
<b>TOTAL</b>	<b>\$ 27,000</b>



<b>CAPITAL PROGRAMME</b>	<b>Total Cost 2013-2014 \$</b>
<b>FACILITIES MANAGEMENT</b>	
Bellerive Boardwalk - Deck renewal	10,500
CEEP - Project contribution - Cool Clarence Program - Council Chambers Chiller	90,333
Richmond Council Chambers Re Roof and Gutters	30,000
Torrens St, Cemetery Bollards	15,000
Bellerive Boardwalk Public Toilet	500,000
Pindos Park Toilet	180,000
Howrah Recreation Centre toilet Upgrade - Design allocation	30,000
Grange Road Complex - Energy Efficiency Works CEEP - Project contribution - Cool Clarence Program	61,915
Energy Efficiency works (Hot Water System Upgrade)	53,000
Bellerive Community Arts Centre courtyard upgrade	50,000
Depot - Install insulation in ceiling areas	31,000
South Arm Cenotaph Improvements	35,500
<b>TOTAL</b>	<b>\$ 1,087,248</b>
<b>ROADS</b>	
Droughty Point Road - Bridge replacement	200,000
Acton Park Indented Bus Bays	20,000
Wentworth Park Sports Facility Car Park Upgrade	180,000
Wellington Street, Richmond - Car Park Sealing	15,000
Rosny Hill Road - Upgrade Median Strip from Bligh Street to Riawena Road	125,000
Yolla Street / Topham Street intersection investigation	10,000
Saundersons Road Embankment Stabilisation	20,000
Clarence Foreshore Trail - Ronnie Street to Simmons Park	120,000
Pindos Park Foreshore Reserve - Cycle Way/Multi User Path	60,000
Rosny College to Rosny Point - Realign Multi User Path to reduce gradient	60,000
Natone Street to Foreshore Track - Cycle Way/Multi User Path	45,000
Construction of Multi User path Tasman Hwy From Conara Road (Overpass) towards Riawena Rd.	140,000
Upgrade footpath in Gordons Hill Road from Fairway Rise to CR Barnard Drive	48,000
Installation of DDA kerb ramps	35,000
Victoria Street/Gunning Street pedestrian safety and traffic safety improvements	25,000
Construct footpath on Western side of Bangalee Street between No 6 Bangalee Street and North Terrace Lauderdale	50,000
Chipmans Road - Construct 400m footpath	55,000

<b>CAPITAL PROGRAMME</b>	<b>Total Cost 2013-2014 \$</b>
Otago Bay Road Footpath	93,000
Construct K&G and footpath on south side of South Arm Road from 51 to 85 South Arm Road.	110,000
Rural Footpath --- Construct footpath/culvert adjacent to 109/121 Seven Mile Beach Road	12,000
Epping Street K&G	90,000
Replace aged kerb and gutter - various	200,000
Footpath/ Kerb & Gutter Renewal	1,000,000
Bisdee Street sealing.	31,000
Gravel Road Sealing Various Projects	20,000
Victoria Esplanade Sealing	150,000
Seal Church Street, Torrens Street to End	50,000
Kangaroo Bay Drive, Bligh St, Rosny Hill Rd Junction Upgrade 4-way junction including closure of slip road off Cambridge Rd.	655,000
Alma Street/Cambridge Road signalised intersection Stage 2	300,000
George Street - sealed surface, table drains & culverts	140,000
Road reseal programme	1,950,000
Major Digouts/ Reconstruction - Annual Program	2,500,000
Queen Street/Scott Street Roundabout - Blackspot funding	185,000
Seal walkways	40,000
Bayfield St Streetscape Redevelopment - Stage 1 Design	60,000
Lindisfarne village Stage 3, streetscape & landscaping -- Derwent Ave	20,000
<b>TOTAL</b>	<b>\$ 8,814,000</b>
<b>STORMWATER</b>	
Stormwater upgrade Lower River Street - Stage 3	390,000
Drainage Minor Construction	75,000
Luttrell Avenue Stormwater Upgrade	125,000
Lauderdale Drainage - Structure Plan - Stage 1	200,000
Cremorne Stormwater Drainage Improvement Works - Stage 2	180,000
Bathurst Street - Install larger culvert	30,000
Kangaroo Bay Drive SW Upgrade - Stage 1	270,000
Coldblow Road Culvert Upgrade	35,000
Upper Minerva/Howrah Creek - clear flowpaths to improve drainage performance	62,000
Tranmere Foreshore Risk Management issue remove large pipes from foreshore construct headwalls etc	15,000
Balook Street, Lauderdale - Swale defining a flowpath from wetlands to concrete channel	8,500
Seven Mile Beach groundwater pipe - drainage across golf course practice fairway	50,000

<b>CAPITAL PROGRAMME</b>	<b>Total Cost 2013-2014 \$</b>
Cambridge Roads Surcharge - Upgrade reticulation between Cambridge Road and Shackelton Street and further downstream	150,000
<b>TOTAL</b>	<b>\$ 1,590,500</b>
<b>GRAND TOTAL</b>	<b>\$16,540,393</b>

## 2 Works carried forward from 2012/2013

	<b>Annual Revised Budget 2012/13</b>	<b>2012/13 Actuals</b>	<b>Unexpended Budget</b>
<b>Corporate Support</b>			
NBN - Connecting Community	243,454	82,583	160,871
<b>Corporate Support Total</b>	<b>243,454</b>	<b>82,583</b>	<b>160,871</b>
<b>Roads</b>			
Bellerive Revitalisation	29,000	0	29,000
Rosny Multi Level Car Park	60,000	35,675	24,325
Major Digouts	3,201,343	2,682,407	518,936
Renewal - Road Resealing	2,048,595	1,991,557	57,038
Footpath Inspection Rectification	1,250,000	1,191,841	58,159
Black Spot Federal	52,836	45,875	6,961
Footpath & K&G Minor Construct	204,502	174,154	30,348
Bellerive Village Car Park	60,000	0	60,000
DDA works	132,336	69,424	62,912
Bus Bays	106,070	88,301	17,769
Bridge Works	0	684	(684)
Ralph Terrace - Kerb & Gutter	2,316	0	2,316
Gravel road junction seal	225,000	169,027	55,973
Lindisfarne streetscape	833,086	833,064	22
Close roads on East Derwent H'way	10,000	0	10,000
Pedestrian Refuges	81,279	34,644	46,635
Cycle Way	1,036,329	527,626	508,703
Access Rd upgrade Mornington Rd	1,105,165	864,586	240,579
5 Percy Street - Car Park	9,960	1,894	8,066
Gravel road reseal	74,432	74,417	15
Pathways Rural and Residential	517,468	351,193	166,275
Footpath Maze to Mid Tea Tree	2,015	2,015	(0)
Kangaroo Bay Road	10,362	0	10,362
Car Park O`May laneway	0	2,601	(2,601)

	Annual Revised Budget 2012/13	2012/13 Actuals	Unexpended Budget
Clarendon Vale Oval Car Park	2,730	2,732	(2)
Rosny Farm/Golf Course Access	18,131	1,902	16,229
Bayfield St Traffic Management	225,000	0	225,000
Street Lighting	20,000	0	20,000
Enfield Lane Turning Head	40,000	22,562	17,438
Howrah Rec Overflow Car Park	88,000	149,399	(61,399)
273 Clarence St Car Park (DA)	228,250	0	228,250
Car Park Dampier Soccer Fields	100,000	99,961	39
Seal Car Park Grange Rd West	20,000	0	20,000
Kangaroo Bay Dr major works	516,000	23,810	492,190
Begonia St/Flagstaff Gully	40,000	350	39,650
Bus Mall - open to the public	160,600	154,582	6,018
Laneway Sealing - various	40,000	0	40,000
Walking Track 141 Tranmere Rd	21,000	0	21,000
Monaco PI - embankment fen	6,000	0	6,000
Queen St - med & K&G replacement	75,000	4,636	70,364
204 Tranmere Rd - Rep Wall	40,000	2,683	37,317
Sea Wall Alexandra Esplanade	10,000	9,794	206
<b>Roads Total</b>	<b>12,702,805</b>	<b>9,613,397</b>	<b>3,089,409</b>
<b>Stormwater</b>			
Minor Stormwater Projects	271,600	148,929	122,671
Seven M Bch Drainage	204,400	75,738	128,662
Bridge Street Stormwater Pit	26,200	26,187	13
Lindisfarne Bay Sediment	564,655	460,512	104,143
System Capacity Flooding	10,000	0	10,000
Capacity Augmentation Works	1,351,008	152,927	1,198,081
WSUD creek remediation	247,728	135,302	112,426
Pipework - Rokeby Village	46,216	7,240	38,976
Lindisfarne Drainage	250,408	152,327	98,081
Decommission Cambridge Lagoons	33,420	33,587	(167)
Nayuka St - Stormwater Drain	3,700	3,033	667
Tara Drive - Swale improve	1,280	0	1,280
Clifton Beach Rd S/Water upgrade	54,755	54,755	0
Salacia Ave - drainage system	45,950	618	45,332
SW Pump Station Upgrades	37,250	6,730	30,520
Cremorne S/Water Imp Works	140,000	0	140,000
Lauderdale Oval Drainage Works	70,000	69,437	563
International Close Stage 1&2	28,000	28,369	(369)
Roaches Beach Rd - Bank Stab	20,000	0	20,000
Prossers Rd/Wellington St culvert	260,000	0	260,000

	Annual Revised Budget 2012/13	2012/13 Actuals	Unexpended Budget
Swale at Gunning Street	5,401	5,093	308
Upgrade retic Cambridge Rd & Shack	50,000	0	50,000
Montagu Bay Rd – S'water Upgrade	300,000	0	300,000
<b>Stormwater Total</b>	<b>4,021,971</b>	<b>1,360,786</b>	<b>2,661,185</b>
<b>Facilities Management</b>			
Construction of Alderman's Room	95,532	0	95,532
Barn Complex Redevelopment	71,300	66,414	4,886
Public Toilets	230,000	107,595	122,405
Kangaroo Bay Plan Implementation	391,146	0	391,146
Council Chambers Upgrades	314,794	37,290	277,504
Tranmere Hall - Shade	18,000	0	18,000
Landers Circle	20,000	0	20,000
Lindisfarne Activities Centre	5,266	5,266	0
Bellerive Boardwalk	30,500	3,940	26,560
Clarence Council Depot	52,417	960	51,457
Richmond Hall & Council Chambers	54,800	43,927	10,873
Clifton Beach Club Rooms Alt	0	66,142	(66,142)
<b>Facilities Management Total</b>	<b>1,601,455</b>	<b>331,533</b>	<b>952,222</b>
<b>Communities and People</b>			
Anzac Park	45,617	3,385	42,232
Regional Park Development	107,642	65,768	41,874
Cambridge Oval Sports Ground	40,000	0	40,000
Lauderdale Oval	116,004	115,765	239
Positive Ageing Plan Outcomes	20,015	13,431	6,584
FDC Playground Upgrade	10,000	6,728	3,272
Youth Plan	6,500	2,836	3,664
DDA Plan Review	9,500	1,228	8,272
Development of Tracks & Trails	120,000	35,648	84,352
Boat Ramp Upgrade	164,488	164,256	233
Clarendon Vale Grounds	1,700	1,700	0
Park Seating	7,522	7,491	31
Shade Structures	140,000	70,360	69,640
Aquatic Cent Upgrade	317,583	273,091	44,492
Public Art	104,609	11,950	92,659
Cambridge Oval	2,685	6,377	(3,692)
Edgeworth Street Ovals	20,000	7,910	12,090
Kangaroo Bay Ovals	35,000	9,406	25,594
Lindisfarne Oval - No 1	794,932	799,620	(4,688)
Lindisfarne Oval - No 2	90,000	0	90,000

	<b>Annual Revised Budget 2012/13</b>	<b>2012/13 Actuals</b>	<b>Unexpended Budget</b>
North Warrane Oval	180,000	166,011	13,989
Richmond Oval	245,000	213,520	31,480
Oval - Sandford	110,000	103,764	6,236
Wentworth Park Ovals	82,500	20,108	62,393
Adina Park	40,220	36,863	3,357
Anulka Park	23,820	10,932	12,888
Anzac Parks	10,000	4,870	5,130
Astor Park	87,791	54,067	33,724
Bellerive Beach Park	391,380	36,346	355,034
Charles Hand Park	20,000	0	20,000
Clifton Beach Reserve Park	15,500	12,555	2,945
Conara Road Reserve Park	31,000	33,820	(2,820)
Cremorne Beach Reserve Park	45,000	39,743	5,257
Eastwood Play Park	0	638	(638)
Elinga Play Park	26,820	20,493	6,327
Epping Play Park	29,992	2,900	27,092
Fairfield Park	10,000	7,932	2,068
Kangaroo Bay Park	175,000	320	174,680
Lauderdale Canal Park	40,320	8,596	31,724
Neilson Park	9,500	8,740	760
Richmond Municipal Park	25,485	2,450	23,035
Richmond Riverbank Park	0	1,242	(1,242)
Risdon Vale Park	73,433	18,880	54,553
Rose Bay Foreshore Park	0	507	(507)
Simmons Park	950,900	442,054	508,846
War Memorial Rec Res Park	2,400	2,536	(136)
Warrane Green Belt	60,000	64,638	(4,638)
Waverley Street Park	50,000	8,981	41,020
Wentworth Park Play Park	15,000	0	15,000
Duke Park	10,000	0	10,000
Collinsvale Social Heart Park	34,500	33,359	1,141
Richmond Skate Park	20,000	0	20,000
Bellerive Streetscaping	31,345	0	31,345
Clarendon Vale Landscaping	46,630	23,361	23,269
Floating Pontoon - Boardwalk	97,765	102,145	(4,380)
Howrah Bowls Club Base	372,000	0	372,000
Lighting - Walkways and Paths	10,000	2,500	7,500
Richmond Tennis Club	17,500	762	16,738
Montagu Bay Boat Ramp	19,385	1,859	17,526
Seating on bus routes	15,000	8,316	6,684
Rep Trees Richmond Cemetery	2,000	0	2,000

	<b>Annual Revised Budget 2012/13</b>	<b>2012/13 Actuals</b>	<b>Unexpended Budget</b>
Riverbank Richmond - Rehab	30,000	4,105	25,895
Clarence High Oval Development	0	3,400	(3,400)
Clarence High Oval	1,019,965	2,169	1,017,796
<b>Communities and People Total</b>	<b>6,630,948</b>	<b>3,102,428</b>	<b>3,528,520</b>
<b>Natural Environment</b>			
Beach Erosion Protection	556,465	212,142	344,323
Additional Recycling Bins	29,263	29,263	(0)
Copping Landfill Access Road	20,698	0	20,698
Upgrading Fire Trails	24,400	0	24,400
Erosion Protection Bellerive Bluff	55,797	39,177	16,620
Implement Rosny Hill Plan	21,000	22,044	(1,044)
Roscommon Management Plan	10,000	0	10,000
Sheoak Point Revegetation	5,000	0	5,000
<b>Natural Environment Total</b>	<b>722,623</b>	<b>302,626</b>	<b>419,997</b>
<b>Grand Total</b>	<b>25,923,257</b>	<b>14,793,353</b>	<b>10,812,204</b>

**Activities and initiatives Appendix D**

This section sets out the activities and initiatives to be funded in the Estimates for the 2013/2014 year, and how these will contribute to achieving the strategic objectives specified in the Strategic Plan. Net revenue (expense) includes the effect of price (cost) increases as well as the effect of specific initiatives. The amounts included in this appendix are not all inclusive. In particular they do not include depreciation expense, interest payable on borrowings, some administration costs or any capital expenditure.



**CLARENCE CITY COUNCIL**  
**Activities and Initiatives**  
**For the year ending 30 June 2014**

<b>Operational Plan Objective Area: Communities and People</b>		
<b>Program</b>	<b>Activities and Initiatives</b>	<b>Net Operating Revenue (Expense) \$'000</b>
<b>Civic Activities &amp; Events</b>	<p><i>Objective:</i></p> <p>To enhance and increase the opportunities for all people in the community to participate in cultural and social activities.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>• Conduct Council's annual events program including: Australia Day; Jazz Festival; Seafarers Festival and Carols by Candlelight.</li> <li>• Develop relationships with other major events including MOFO, Festival of Voices and Dark MOFO.</li> <li>• Provide support to the City Band.</li> </ul>	<b>(396)</b>
<b>Community Awareness &amp; Marketing</b>	<p><i>Objective:</i></p> <p>To promote awareness of Council services and to encourage participation in community affairs, activities and events.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>• Implementation of the Council's Community Participation Policy.</li> <li>• Publish a Community Directory detailing community services and organisations as a part of Council's Marketing Plan implementation.</li> <li>• Review and update existing publications.</li> <li>• Provide timely and relevant information via the Annual Information Book; the quarterly Clarence Newsletter; Council's website; Quarterly Information Sheets; Dog News, Community Arts News, Youth News, Food News and Community Development News.</li> <li>• Publish an Events Calendar for the City.</li> <li>• Maintain and update a Community Profile.</li> </ul>	<b>(163)</b>
<b>Recreation</b>	<p><i>Objective:</i></p> <p>To ensure community access to passive and active recreational opportunities throughout the City.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>• Ongoing partnership arrangements with government and community organisations to target funds to</li> </ul>	<b>(2,273)</b>

<b>Operational Plan Objective Area: Communities and People</b>		
<b>Program</b>	<b>Activities and Initiatives</b>	<b>Net Operating Revenue (Expense) \$'000</b>
	<p>develop and expand recreational facilities.</p> <ul style="list-style-type: none"> <li>• Develop partnership arrangements with government and community organisations to better utilise available recreational facilities.</li> <li>• Develop master plan for proposed Seven Mile Beach regional recreation facility.</li> <li>• Manage major recreational facility leases such as Bellerive Oval and the Clarence Aquatic Centre.</li> <li>• Install sub-soil drainage at Soccer 2 ground at Wentworth Park.</li> <li>• Provide new change rooms to DDA compliance at Richmond Oval.</li> <li>• Develop Stage 1 (Centre and Practice Wickets) at Kangaroo Bay Drive Sports Facility Development.</li> <li>• In consultation with Department of Education and other Key Stakeholders develop Oval and Field Facilities at Clarence High School.</li> <li>• Develop Master Plan for Cambridge Oval.</li> <li>• Implement Master Plan for Simmons Park as a staged process.</li> <li>• Upgrade playground seating, shade structures, plant shade trees, play and exercise equipment and install park lighting in various neighbourhood parks.</li> <li>• Replace poolside floor coverings at the Clarence Aquatic Centre.</li> <li>• Continue assessment program to ensure recreation facilities meet Building and Health regulatory requirements.</li> <li>• Develop a Vegetation Management Plan for the Richmond Bridge Precinct.</li> <li>• Implement management plan recommendations for the Tangara Trail.</li> <li>• Implement Foreshore, Coastal Trail and Rosny Hill Reserve plan recommendations.</li> </ul>	
<b>Childcare Services</b>	<p><i>Objective:</i></p> <p>To deliver a variety of childcare services, all of which aim to develop, coordinate and deliver a range of accessible and cost effective quality child care services for the City.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>• Improve service coordination, childcare options and viability</li> </ul>	<b>(15)</b>

<b>Operational Plan Objective Area: Communities and People</b>		
<b>Program</b>	<b>Activities and Initiatives</b>	<b>Net Operating Revenue (Expense) \$'000</b>
	<ul style="list-style-type: none"> <li>Maintain accreditation, licensing and registration requirements</li> </ul>	
<b>Community Services &amp; Programs</b>	<p><i>Objective:</i></p> <p>To enhance the health, wellbeing, safety and accessibility to services for all people in the community. To identify and respond to specific needs of different age groups within the community.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>Implement the Health and Wellbeing Plan</li> <li>Develop an Events Plan</li> <li>Review Disability Action Plan</li> <li>Implement the revised Positive Ageing Plan</li> <li>Implement the Community Grants Policy</li> <li>Continue Anti-Graffiti Project</li> <li>Continue the Planting Ahead project</li> <li>Implement Cultural History Plan</li> <li>Implement the revised Cultural Arts Plan including commissioning public art works</li> <li>Review the Youth Plan</li> <li>Review the Dog Management Policy</li> <li>Implement the Health and Wellbeing Plan</li> <li>Develop an Events Plan</li> <li>Review Disability Action Plan</li> <li>Implement the revised Positive Ageing Plan</li> <li>Implement the Community Grants Policy</li> <li>Continue Anti-Graffiti Project</li> <li>Continue the Planting Ahead project</li> <li>Implement Cultural History Plan</li> <li>Implement the revised Cultural Arts Plan including commissioning public art works</li> <li>Review the Youth Plan</li> <li>Review the Dog Management Policy</li> </ul>	<b>(2,531)</b>
<b>Civic Space and Amenity</b>	<p><i>Objective:</i></p> <p>To create a community focal point for the City.</p> <p><i>Initiatives</i></p>	<b>(53)</b>

<b>Operational Plan Objective Area: Communities and People</b>		
<b>Program</b>	<b>Activities and Initiatives</b>	<b>Net Operating Revenue (Expense) \$'000</b>
	<ul style="list-style-type: none"> <li>Continue implementation of the Kangaroo Bay Master Plan, including an urban design plan and associated action plan.</li> <li>Implement Kangaroo Bay Urban Design Plan – Skate Park.</li> </ul>	
<b>Economic Development</b>	<p><i>Objective:</i> To encourage broadly based economic growth within the City.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>Implement and review the Economic Development Plan, including: <ul style="list-style-type: none"> <li>Provide support services to new and existing business operators within the City to develop or expand their business interests within the City.</li> <li>Identify suitable sites within the City to establish new business activities in association with prospective developers.</li> <li>Preparation and distribution of the Clarence Business Opportunities Prospectus</li> </ul> </li> <li>Ongoing implementation of the Bellerive Village Streetscape Plan and the Kangaroo Bay Urban Design Plan.</li> <li>Review Parking trial in Bellerive Village.</li> </ul>	<b>(122)</b>
<b>Tourism</b>	<p><i>Objective:</i> To maximise the economic benefits of tourism to the City.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>Participate in, and contribute to the ongoing development of the Southern region tourism body and associated strategies.</li> <li>Promote the Convict Trail and Coal Valley components of the Southern Wine Route.</li> <li>Work with Cricket Tasmania to maintain and further promote the Bellerive Oval as an international sporting venue, including the Cricket Museum.</li> <li>Publish, distribute and update recreational brochures including: 'Popular Walks in Clarence', 'Popular Beaches in Clarence', 'Popular Parks in Clarence', and 'The Tangara Trail' guide.</li> <li>In association with the Richmond and Coal River Valley Promotions Association, promote Richmond and the Coal River Valley through tourist publications and support events within that region.</li> </ul>	<b>(57)</b>

<b>Operational Plan Objective Area: Communities and People</b>		
<b>Program</b>	<b>Activities and Initiatives</b>	<b>Net Operating Revenue (Expense) \$'000</b>
<b>City Profile</b>	<p><i>Objective:</i></p> <p>To enhance the vibrancy and profile of the City.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>• Implement Council's Marketing Plan through scheduled activities and identification of other promotional opportunities for the City, and through promotion of commercial, business and residential opportunities.</li> <li>• Publish regular Economic Development News updates to provide information on major projects, grand opportunities and industry profiles.</li> <li>• Through Council's website, publish a development site portfolio identifying land development opportunities throughout the City.</li> <li>• Undertake a review of the Clarence Prospectus promoting investment opportunities within the City.</li> <li>• Identify and secure sponsorship opportunities of major events, including promotion of venues and facilities within the City.</li> <li>• Distribute brochures to promote existing facilities within the City, including: Bellerive Oval, Rosny Farm, beaches, golf courses and recreational facilities.</li> <li>• Through prospectus publications and networking, promote opportunities for the establishment of restaurant and hospitality services within commercial precincts of the City.</li> <li>• Identify and develop opportunities for the acquisition and installation of public art within the City; and incorporate public art into major streetscape plans for the City.</li> </ul>	<b>(129)</b>
<b>Planning</b>	<p><i>Objective:</i></p> <p>To provide for and encourage land use planning based on community values and needs.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>• Facilitate the development of strategic land holdings.</li> <li>• Maintain a contemporary Planning Scheme for the City.</li> <li>• Complete the development of a new planning scheme as part of the regional planning project facilitated by the STCA, including cooperation with all southern region Councils to achieve a high level of consistency</li> </ul>	<b>(703)</b>

<b>Operational Plan Objective Area: Communities and People</b>		
<b>Program</b>	<b>Activities and Initiatives</b>	<b>Net Operating Revenue (Expense) \$'000</b>
	<p>between council planning schemes.</p> <ul style="list-style-type: none"> <li>• Implement the Southern Tasmanian Regional Strategy Plan.</li> <li>• Ensuring integration of Councils systems with on-line planning information systems of the Tasmanian Planning Commission, for planning schemes, planning assessment, application tracking and property enquiry.</li> <li>• Implement the retail development strategy for the City, including undertaking any necessary reviews.</li> <li>• Complete the Richmond Townscape Review.</li> <li>• Complete a Lindisfarne urban design strategy incorporating a car parking plan.</li> <li>• Undertake a streetscape plan for Bayfield Street.</li> <li>• Complete a structure plan for the Rokeby area.</li> <li>• Complete a public open space strategy to guide the location and development of open spaces.</li> <li>• Complete a heritage study for Lindisfarne supported by a relevant planning scheme amendment.</li> <li>• Provide a free Heritage Advisory Service for the City, including a Heritage Architect and information sheets to assist property owners.</li> <li>• To implement the provisions of the relevant legislation and in particular ensure timely issue of approvals.</li> <li>• Provide timely and considered submissions on proposed changes to planning and subdivision legislation and State planning system proposals.</li> <li>• Provide ongoing enforcement of Council's planning scheme and planning permits and investigation of complaints about land use and development in the City.</li> </ul>	
<b>Building &amp; Plumbing</b>	<p><i>Objectives:</i></p> <ul style="list-style-type: none"> <li>• Act as a permit Authority through the issuing of permits, certificates, notices, orders; and by maintaining building / plumbing registers.</li> <li>• Provide information, assistance and support in regard to building / plumbing matters.</li> <li>• Ensure compliance so that buildings are safe, energy efficient and meet permit conditions and relevant standards.</li> </ul>	<b>(191)</b>
<b>Emergency Management</b>	<p><i>Objective:</i></p> <p>To prepare for the effective management of natural events</p>	<b>(56)</b>

<b>Operational Plan Objective Area: Communities and People</b>		
<b>Program</b>	<b>Activities and Initiatives</b>	<b>Net Operating Revenue (Expense) \$'000</b>
	<p>or emergencies within the city.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>• Further develop the emergency planning framework for the City including completion of a Recovery Plan, Business Continuity Recovery Plan, and Pandemic Plan.</li> <li>• Develop and implement an emergency management exercise program for the City, including liaison with relevant agencies to ensure proper operation of coordinated response mechanisms.</li> <li>• Implement the Fire Management Strategy for the City.</li> <li>• Initiate appropriate investigations and studies to quantify climate change impacts, including storm surge and sea level rise, to identify opportunities to protect property and ensure personal safety.</li> <li>• Continue energy management data logging renewable energy prospectivity program for Council facilities.</li> <li>• Undertake necessary environmental monitoring.</li> </ul>	
<b>Environmental Management</b>	<p><i>Objective:</i></p> <p>To enhance and protect the City's natural assets.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>• Implement priority recommendations from "Climate Change Impacts on Clarence Coastal Areas" report including dune nourishment for Roches Beach, Lauderdale and Ocean Beach Cremorne and Roches Beach - Bambra Reef Extension .</li> <li>• Ongoing partnership arrangements with government and community organisations to target funds to better manage and sustain the environment.</li> <li>• Provide support and leadership to key community groups, including Land Care and Coast Care programs, in order to manage and enhance our natural environment and respond to emerging issues.</li> <li>• Provide support to NHT programs.</li> <li>• Develop natural Areas Rehabilitation Plans.</li> <li>• Implement Council's Tracks and Trails Strategy and associated action plan.</li> <li>• Commence community information and awareness programme on energy management and climate change.</li> <li>• Rehabilitate potential contaminated sites on Council land.</li> </ul>	<b>(1,469)</b>

<b>Operational Plan Objective Area: Communities and People</b>		
<b>Program</b>	<b>Activities and Initiatives</b>	<b>Net Operating Revenue (Expense) \$'000</b>
<b>Waste</b>	<p><i>Objective:</i></p> <p>To establish environmentally sustainable practices in relation to waste management within the City.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>• Implement new 7 year contract for wheelie bin based Green Waste collection service.</li> <li>• Implement new 7 year contracts for the collection of Residual Waste and Recyclables.</li> <li>• Ongoing liaison with the State Government and community organisations regarding the implementation of Council's Waste Management Strategy.</li> <li>• Continued rollout of public place recycling bins in the City.</li> <li>• Contribute to the governance of the Copping Refuse Disposal Site Joint Authority.</li> <li>• Participate as a member of the Southern Waste Strategy Authority to improve waste management within Southern Tasmania.</li> </ul>	<b>(4,912)</b>
<b>Weeds</b>	<p><i>Objective:</i></p> <p>To effectively manage declared weeds within the City.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>• Implement a rolling 3 year priority weed management plan for Council land.</li> <li>• Implement work practices to minimise the impacts of Council's operations on the environment.</li> <li>• Respond to public complaints and provide information to assist with weed eradication within the City.</li> </ul>	<b>-</b>
<b>Natural Areas</b>	<p><i>Objective</i></p> <p>To ensure that natural areas within the City meet and satisfy the long term needs of the community.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>• Implement the Council's Bushland and Coastal Reserve Strategy.</li> </ul>	<b>(8)</b>
<b>Roads</b>	<p><i>Objective:</i></p> <p>To provide adequate infrastructure for the effective and safe transport of people and goods through the City.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>• Develop partnership arrangements with government</li> </ul>	<b>(6,917)</b>



<b>Operational Plan Objective Area: Communities and People</b>		
<b>Program</b>	<b>Activities and Initiatives</b>	<b>Net Operating Revenue (Expense) \$'000</b>
	<p>and community organisations to target funds to develop and expand Council's road networks.</p> <ul style="list-style-type: none"> <li>• Conduct hazard and condition assessment programs and deliver annual replacement works programs for reseal, pavement and footpath assets in accordance with Council's Roads and Transport Asset Management Plan.</li> <li>• Pursue federal funding opportunities as part of the Roads to Recovery Initiative and 'black spot' funding programs.</li> <li>• Investigate and assess major development proposals impacts on Council's Roads and Transport Infrastructure.</li> <li>• Undertake traffic management and road safety investigations as required.</li> <li>• Undertake development projects including: <ul style="list-style-type: none"> <li>• Improve Disability Access to City infrastructure</li> <li>• Construct new footpaths and kerb &amp; gutter</li> <li>• Extend cycle way network on programmed basis.</li> <li>• Undertake intersection upgrades at Cambridge Road/Alma Street and Rosny Hill Road/Kangaroo Bay Drive intersections as part of the Kangaroo Bay Urban Design Plan.</li> </ul> </li> </ul>	
<b>Stormwater</b>	<p><i>Objective:</i></p> <p>To protect life, property and community amenity by the effective collection and disposal of stormwater.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>• Develop a Stormwater Asset Management Plan for the City, with the aim of maintaining and operating an efficient and effective collection and treatment system.</li> <li>• Develop an asset renewal and extension program for stormwater assets that meets the needs of the City in accordance with the Stormwater Asset Management Plan.</li> <li>• Develop stormwater software models and associated database to support the asset renewal and extension program.</li> <li>• Develop a Headworks Policy for stormwater based on the Stormwater Asset Management Plan for the City.</li> <li>• Pursue major specific stormwater initiatives consistent with the adopted Capital Expenditure Programme.</li> </ul>	<b>(900)</b>
<b>Facilities</b>	<i>Objective:</i>	<b>(3,204)</b>

<b>Operational Plan Objective Area: Communities and People</b>		
<b>Program</b>	<b>Activities and Initiatives</b>	<b>Net Operating Revenue (Expense) \$'000</b>
<b>Management</b>	<p>To provide the community with equitable access to active and passive recreation opportunities, and to civic buildings.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>• Develop an asset renewal and extension program for community facilities and buildings that meets the needs of the City in accordance with the Council's Buildings Asset Management Plan and promotes the efficient and effective management of those facilities.</li> <li>• Implement Energy Efficiency Projects at Grange Road Youth Centre, Council Depot.</li> <li>• Construct new DDA compliant toilet facilities at Bellerive Boardwalk and Pindos Drive Play Park.</li> </ul>	
<b>Governance</b>	<p><i>Objective:</i></p> <ul style="list-style-type: none"> <li>• To provide clear strategic direction for the future of the City; to provide leadership in representing the interests of the City; and to ensure the operations of the Council are conducted in a responsible and accountable manner.</li> </ul> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>• Develop and / or review policies (including local laws and procedures) to guide the responsible management of the City.</li> <li>• Develop relationships and partnership arrangements with Federal and State Governments, and other representative bodies, in order to promote and represent the City's interests.</li> <li>• Promote accountable and transparent governance through conduct of Council Meetings and the Annual General Meeting.</li> <li>• Conduct an Internal Audit Program to review and improve key operational areas within Council.</li> <li>• Review the Code of Conduct for Aldermen including the administrative arrangements.</li> <li>• Maintain a Pecuniary Interest Register for Aldermen.</li> <li>• Participate in, and review, Council's performance through various review mechanisms including Local Government Board Reviews, KPI Projects, etc.</li> </ul>	<b>(3,690)</b>
<b>Finance</b>	<p><i>Objective:</i></p> <p>To minimise Council's exposure to financial risk; to maintain Council's sound financial position; and to</p>	<b>243</b>

<b>Operational Plan Objective Area: Communities and People</b>		
<b>Program</b>	<b>Activities and Initiatives</b>	<b>Net Operating Revenue (Expense) \$'000</b>
	<p>optimise the use of available resources for community benefit.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>• Complete the current cycle of revaluation of Council assets.</li> <li>• Review 10 Year Financial Management Plan.</li> <li>• Implement changes to Council's rating policy.</li> </ul>	
<b>Strategic Marketing</b>	<p><i>Objective:</i></p> <p>To provide strategic direction for the City in the area of marketing and associated activities.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>• Undertake strategies and actions identified in Council's adopted Marketing Plan Strategy.</li> <li>• Implement and review Council's adopted Customer Service Charter, including distribution of the Charter to the community through brochures and the internet.</li> <li>• Provide an annual report to Council detailing achievement of Charter requirements.</li> <li>• Development and implementation of a customer request tracking system for animal control, fire hazards, health and other key areas.</li> </ul>	-
<b>Council Consultation &amp; Communication</b>	<p><i>Objective:</i></p> <p>To actively engage the community in Council activities and issues.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>• Implement the Consultation and Communication Strategy to ensure procedures and practices are in place to communicate and inform the community on major policy issues and projects.</li> <li>• Produce the Annual Report for presentation at the Annual General Meeting.</li> </ul>	(58)

<b>Risk Management</b>	<p><i>Objective:</i></p> <p>To ensure Council's operations are conducted in a reasonable and accountable manner through the use of effective risk management techniques.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>• Implement the Council's Risk Management policy and the Risk Management System Implementation Plan.</li> <li>• Further develop Council's Corporate Risk Register to ensure the effective management and review of risks.</li> <li>• Provide risk management and health and safety training and equipment to ensure Council's workforce and the general public are not adversely affected by Council's work undertakings.</li> <li>• Facilitate the conduct of Biennial Risk Audits by Council's Insurers.</li> <li>• Undertake business systems reviews to ensure best practice standards are identified and incorporated into normal work processes and practices.</li> <li>• Maintain Council's insurance portfolio to ensure appropriate insurance coverage for identifies risks and exposures.</li> </ul>	<b>(194)</b>
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<b>Strategic Plan Theme Area: Corporate Support</b>		
<b>Program</b>	<b>Activities and Initiatives</b>	<b>Net Revenue (Expense) \$'000</b>
<b>Information</b>	<p><i>Objective:</i></p> <p>To provide information management hardware, software, physical record and support services to Council's operations.</p> <p><i>Initiatives</i></p> <ul style="list-style-type: none"> <li>• Undertake replacement solutions for Council's voice and data communication needs.</li> <li>• Continue upgrade and enhancement of Council's electronic data management system.</li> <li>• Manage major upgrades to Councils' core software application systems.</li> </ul>	<b>(1,952)</b>
<b>Human Resources</b>	<ul style="list-style-type: none"> <li>• <i>Objective:</i></li> <li>• Our aim is to ensure the necessary programmes, processes and policies are in place to:</li> <li>• Support the achievement of the organisation's operating plan within a framework of effective risk management and legislative compliance; and</li> <li>• Make Clarence City Council an employer of choice through provision of:</li> <li>• A supportive culture that promotes the well-being of staff and their families;</li> <li>• Market competitive remuneration and benefits;</li> <li>• Safe and healthy workplaces; and</li> <li>• Development, learning and continuous improvement opportunities for staff.</li> <li>• <i>Initiatives</i></li> <li>• Delivery of programs aimed at retaining and developing a workforce with the appropriate skills and knowledge and with a focus on performance, and supporting organisational change and leadership development</li> <li>• Continuing review and redevelopment of position descriptions and position based training requirements which reflect new organisation structure and role requirements</li> <li>• Provision of competitive conditions of employment in an equitable manner where exceptional performance is rewarded</li> <li>• Investigation, review and implementation of work practices and policies to ensure workplace health and safety compliance and management of risks</li> <li>• Negotiation of certified agreements</li> </ul>	<b>(859)</b>

<i>Strategic Plan Theme Area: Corporate Support</i>		
<i>Program</i>	<i>Activities and Initiatives</i>	<i>Net Revenue (Expense) \$'000</i>
	<ul style="list-style-type: none"> <li>Review of Human Resource Policy Manual</li> </ul>	
<b>Corporate Management</b>	<ul style="list-style-type: none"> <li>Objective:               <ul style="list-style-type: none"> <li>To provide leadership and management to all aspects of the organisation through pro-active and timely senior management involvement and direction.</li> </ul> </li> <li>Initiatives               <ul style="list-style-type: none"> <li>Prepare the Annual Plan and Budget Estimates for consideration and approval of Council.</li> <li>Provide quarterly reports to Council in regard to achievement of the Annual Plan and Budget Estimates.</li> <li>Prepare and provide legal advice to Council; and represent Council's interests in court or tribunal proceedings where required.</li> </ul> </li> </ul>	<b>(1,268)</b>