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Clarence... a brighter place



Clarence City Council ANNUAL REPORT 2017–18



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OUR VISION

Clarence... a vibrant, prosperous, sustainable city.

OUR MISSION

To respond to the changing needs of the community through a commitment to excellence in leadership, advocacy, innovative governance and service delivery.

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STRATEGIC GOAL AREAS

The following overarching goals of our Strategic Plan 2016–2026 demonstrate how we aim to achieve our vision.

A PEOPLE CITY

Goal: Clarence is a city which values diversity and encourages equity and inclusiveness, where people of all ages and abilities have the opportunity to improve their health and quality of life.

A WELL-PLANNED LIVEABLE CITY

Goal: Clarence will be a well-planned liveable city with services and supporting infrastructure to meet current and future needs.

A PROSPEROUS CITY

Goal: Clarence will develop its economy, improve prosperity, and expand both the level and equity of personal opportunity within its communities.

AN ENVIRONMENTALLY RESPONSIBLE CITY

Goal: Clarence is a city that values its natural environment and seeks to protect, manage, and enhance its natural assets for the long-term environmental, social and economic benefit of the community.

A CREATIVE AND INNOVATIVE CITY

Goal: Clarence is a city that fosters creativity, innovation and enterprise.

GOVERNANCE AND LEADERSHIP

Goal: Clarence City Council will provide leadership and accessible, responsive, transparent and accountable governance of the city.

COUNCIL'S ASSETS AND RESOURCES

Goal: Clarence City Council will efficiently and effectively manage its financial, human, and property resources to attain Council's strategic goals and meet its statutory objectives.

CLARENCE CITY TIMELINE

1803
FIRST SETTLED

1860
PROCLAIMED
A MUNICIPALITY

1988
PROCLAIMED
A CITY



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Welcome

We are proud to present the City of Clarence Annual Report for 2017–18.

The Annual Report is a snapshot of the services we provide our community and how we performed during the financial year.

The Annual Report reviews our strategic, operational and financial performance for the financial year 1 July 2017 to 30 June 2018. Along with the quarterly report, it is our main medium to report back to our community on the varied services we deliver each year.

The Annual Report compares our achievements with our Annual Plan and aligned to the overarching goals set out in our Strategic Plan 2016–2026.

The Annual Report 2017–18 was prepared in accordance with all statutory requirements of the *Local Government Act 1993* and its associated regulations.

Our Annual Report reviews our strategic, operational and financial performance against the goals we set in our annual plan.

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CITY PROFILE

The first people to live in Clarence were the Moomairremener Tasmanian Aboriginal people, a band of the Oyster Bay people. Their home was all of present-day Clarence as well as Pitt Water.

The City of Clarence is located on Hobart's eastern shore. The city stretches from Otago to the South Arm Peninsula, across to Seven Mile Beach and inland to Cambridge and Richmond. It is the second largest local government area in Tasmania by population.

The region is surrounded by 191 kilometres of coastline and includes a variety of residential options from city living to rural and coastal living.

The city has several different retail and commercial centres, from the thriving business area at Rosny Park and Howrah, to major industrial and commercial centres at Mornington and Cambridge. There is also a strong agricultural sector in the Coal River Valley.

The region is home to Bellerive Oval, the key tourism region of Richmond and the Coal River Valley, and a number of beaches and 340 kilometres of tracks and trails to be explored. Our city plays host to a variety of sport and cultural events on a local, state, national and international level.

The City of Clarence offers an enviable lifestyle and with the Hobart International Airport at Cambridge, is the gateway for many visitors to Southern Tasmania.

CLARENCE AT A GLANCE



386
square kms land area,
including 191kms of coastline



55,659
people call Clarence home
(estimate July 2018)



10.2%
of residents were born
overseas



42.3
median age (years)
Australian median age is 37.2 years
(2016)



22,986
private dwellings (Census 2016)



\$840
median household total
weekly income (equivalised; \$877
Australian median)



3,124
businesses in the city



22.6°C
mean daily maximum
temperature
(January; 12.5° in July)



5.4°C
mean daily minimum
temperature
(July; 13.2° in January)

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MAYOR'S MESSAGE

2017–18 was a year of continued growth for the City of Clarence, and also a busy year for Council as a number of strategic projects and initiatives to enhance our city were either progressed or completed.

Perhaps the largest strategic project undertaken by council in recent times is the transformation of Kangaroo Bay precinct into a focal point for our city. The Kangaroo Bay Enhancement Project, identified in the urban design strategy and concept plan, will ultimately deliver improved leisure and visitor experiences and greater connectivity between Bellerive and Rosny Park.

A key part of the project is the development of a premium waterfront hotel and the hospitality training school. In November 2017, council completed the land sale agreement for a price of \$2.44m, then the assessed market value of the site as advised by the State Valuer-General. Preparatory works began in July this year and the hotel development is expected to be completed by October 2020.

In May, Hunter Developments was also awarded preferred developer status for the Kangaroo Bay boulevard site following a public expression of interest process. The proposal for the boulevard site includes a mix of residential apartments and townhouses, a black box theatre, commercial retail spaces at street level along Kangaroo Bay Drive, and car parking for the use of residents, visitors and the public.

The Clarence Foreshore Trail along Kangaroo Bay from the parklands to Rosny College and the boat ramp at Rosny Park was also completed in 2017.

Council worked hard to provide further sport and recreational facilities, and programs across the city to enable our community to improve their health and wellbeing, and to participate and connect with others. I was delighted to see the completion of the Bellerive Beach All Abilities Playground in mid-2017 and see this new regional play space embraced and enjoyed by people of all ages and abilities. It is a wonderful design with many features for people to explore. I would like to particularly thank local children, schools and groups like the Clarence Disability Access Advisory Committee who told us what kind of equipment they wanted and how to make the playground an accessible and inclusive place for families.

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Other sport and recreation projects included the adoption of a revised masterplan for South Arm Oval which includes many features such as a skate park and community market area, and the opening of a new walking track and bushland reserve in Richmond along Brinktop Road also took place.

In May we launched the Coal River Valley brand and the Coal River Valley Destination Action Plan which will deliver a regional and collaborative approach to promote Richmond and the Coal River Valley. The brand is aimed at supporting industries across the region in retail, primary production and tourism.

Significant road projects completed this year included widening and intersection works at the junction of Gellibrand and Rifle Range Road in Sandford and the installation of a safety barrier at Kythera Place and Acton Road intersection in Acton Park. These projects were made possible thanks to funding from the Australian Government National Black Spot program.

Our focus on delivering an age friendly city continued with the adoption of the Age Friendly Clarence Plan 2018-2022 which takes a fresh look at growing older in the city. Our recognition as a leader in this field was also demonstrated when the city hosted the second National Forum for Age Friendly Cities Australia as part of the WHO Global Network of Age Friendly Cities and Communities. Continued collaboration between our Youth Network Advisory Group and the Clarence Positive Ageing Advisory Committee has been an important aspect.

Our commitment to the arts continued with a diverse program of arts and events in the city.

The Clarence Prize for Excellence in Furniture Design exhibition was held at Rosny Barn. This biennial prize has become widely recognised in Australia with 49 entries received from Tasmanian and interstate designers. The \$20,000 acquisitive prize was awarded to designer Hugh Altschwager for Bronze Bench and is now included in the Clarence Art Collection.

It was pleasing to receive three awards for innovative projects that demonstrate our commitment to working with community groups and organisations.

Council was awarded the National Innovation Award for the My Wellbeing Kit in the Heart Foundation Local

Government Awards. This award recognises our continued commitment to improving the health and wellbeing of residents. A simple toolkit such as the My Wellbeing Kit can make a real difference and help people identify and maintain their wellbeing.

We also received two awards for partnerships. The first was the Tasmanian Allied Health Practitioners Award for partnerships for the Live Well. Live Long program. This successful, free and informative program is the result of a partnership with the Tasmanian Health Service, Clarence Community Volunteer Service and the Clarence Positive Ageing Advisory Committee.

The second award was for the aWake Before Death project which encourages conversations about end-of-life planning. Council, along with the Warrane Mornington Neighbourhood Centre, Community Conversations, Fairway Rise, Salmutations Music Therapy and Palliative Care Tasmania, received the first Tasmanian Palliative Care Award for Partnership.

Finally, Council undertook community-wide survey of options regarding the possibility of Clarence City Council merging with one or more neighbouring Councils. A majority of respondents were not in favour of Clarence City Council merging with one or more other Councils, but a proposal to form a strategic alliance with Glenorchy, Hobart and Kingborough was adopted and working parties have formed with the State Government to a draft an Act of Parliament to give effect to a strategic alliance.

In closing, I would like to thank my fellow aldermen, the General Manager and his team for their unwavering dedication and commitment in working together to deliver quality services and innovative programs for our residents each day. Much has been achieved during the year, and further details are included in this report.

Alderman Doug Chipman
Mayor







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CLARENCE CITY COUNCIL ALDERMEN





The Mayor, Deputy Mayor and Aldermen represented Council on various committees, boards and authorities including:

	Alderman Doug Chipman Mayor	<ul style="list-style-type: none">• Clarence City Council Planning Authority• Events Special Committee (Chairperson)• Clarence GP Super Clinic Ltd (Director)• Clarence Emergency Management Committee (Chairperson)• Southern Tasmanian Councils Authority	<ul style="list-style-type: none">• Local Government Association of Tasmania (LGAT) General Management Committee• Delegate to LGAT Annual and Special Conferences• Australian Mayoral Aviation Council• Statewide Water and Sewerage Corporation – Owners' Representative
	Alderman N (Jock) Campbell Deputy Mayor	<ul style="list-style-type: none">• Clarence City Council Planning Authority• National Fitness Southern Recreation Association	<ul style="list-style-type: none">• Statewide Water and Sewerage Corporation – Deputy Owners' Representative• Copping Refuse Disposal Site Joint Authority (Chairperson)
	Alderman Heather Chong	<ul style="list-style-type: none">• Audit Committee• Petitions to Amend Hearings Committee• Richmond Advisory Committee (Chairperson)• Clarence City Council Planning Authority	<ul style="list-style-type: none">• Howrah Community Centre Committee• Events Special Committee• Cultural History Advisory Committee (Proxy)• Community Health and Wellbeing Plan Advisory Committee (Chairperson)
	Alderman Peter Cusick	<ul style="list-style-type: none">• Clarence City Council Planning Authority• Lindisfarne Community Activities Centre Management Committee• Audit Committee	<ul style="list-style-type: none">• Petitions to Amend Hearings Committee (Proxy)• Code of Conduct Panel• C Cell P/L (Director)
	Alderman Doug Doust	<ul style="list-style-type: none">• Cultural History Advisory Committee (Chairperson)	<ul style="list-style-type: none">• Clarence City Council Planning Authority
	Alderman Daniel Hulme	<ul style="list-style-type: none">• Clarence City Council Planning Authority• Risdon Vale Community Centre Management Committee• Petitions to Amend Hearings Committee	<ul style="list-style-type: none">• Committee of Management of Business East (Observer)• Partnership Grants Assessment Panel

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	<p>Alderman Richard James</p>	<ul style="list-style-type: none">• Clarence City Council Planning Authority• Tracks and Trails Committee (Chairperson)	<ul style="list-style-type: none">• Richmond Advisory Committee (Proxy)• Code of Conduct Panel
	<p>Alderman Kay McFarlane</p>	<ul style="list-style-type: none">• Audit Committee (Proxy)• Tracks and Trails Committee (Alternative Chairperson)• Clarence Disability Access Committee (Alternative Chairperson)	<ul style="list-style-type: none">• Clarence City Council Planning Authority• Community Road Safety Partnership Advisory Group (Chairperson)• Natural Resource Management and Grants Committee (Chairperson)
	<p>Alderman John Peers</p>	<ul style="list-style-type: none">• Lindisfarne Community Activities Centre Management Committee• Geilston Bay Community Centre Management Committee• Risdon Vale Community Centre Management Committee	<ul style="list-style-type: none">• Clarence City Council Planning Authority• Community Road Safety Partnership Advisory Group (Alternative Chairperson)• Howrah Community Centre Committee (Proxy)
	<p>Alderman Debra Thurley</p>	<ul style="list-style-type: none">• Clarence City Council Planning Authority• Almas Activity Centre Committee (Proxy)• Petitions to Amend Hearings Committee• Disability Access Advisory Committee (Chairperson)	<ul style="list-style-type: none">• Community Health and Wellbeing Plan Advisory Committee (Alternative Chairperson)• Bellerive Community Arts Centre Management Committee• Geilston Bay Community Centre Management Committee• Code of Conduct Panel
	<p>Alderman Sharyn von Bertouch</p>	<ul style="list-style-type: none">• Cycling South (Proxy)• South Arm Calverton Hall Management Committee Inc• Clarence Bicycle Steering Committee (Chairperson)• Clarence City Council Planning Authority	<ul style="list-style-type: none">• Positive Ageing Advisory Committee (Chairperson)• Almas Activity Centre Committee• Events Special Committee• Australian Coastal Council Committee of Management (formally known as National Sea Change Taskforce Committee of Management)
	<p>Alderman James Walker</p>	<ul style="list-style-type: none">• Howrah Community Centre Committee (Proxy)• Clarence City Council Planning Authority• Positive Ageing Advisory Committee (Proxy)	<ul style="list-style-type: none">• Clarence Bicycle Steering Committee (Alternative Chairperson)• Committee of Management of Business East Inc (Proxy observer)• Copping Refuse Disposal Site Joint Authority (Deputy Representative)

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GENERAL MANAGER'S REPORT

In April of this year council lodged the new format Clarence Planning Scheme with the Minister for Planning.

The new scheme has been prepared in accordance with the legislative and ministerial directions which require all schemes to be prepared in a consistent and highly prescriptive format. Council was one of the first councils to submit our scheme to the Minister. At this time the scheme is under review by the Tasmanian Planning Commission, with an expectation that it will be exhibited in coming months.

I would acknowledge the significant effort by council staff in preparing the draft scheme.

Hopefully, with finalisation of the scheme in the coming year we can begin to allocate time and resources to some of the important strategic planning work that needs to be undertaken for the expected continuing growth of Clarence.

I would also note the significant effort that has been undertaken by all council staff in the implementation of our new IT system.

The move by council to a new enhanced technology platform is never easy and has involved a sustained effort right across the organisation. At this time a new finance system, asset management system and human resources and payroll systems have been implemented.

Specifically, the new system will provide enhanced information about our 56,000 different assets, enable remote operating for our crews and provide integrated financial and condition data of our assets.

A new property and rating system is to be implemented in the coming year. Improved functionality will ultimately provide for our residents to make direct online enquiries in relation to the progress of building and planning matters, rating matters and a range of other direct services.

Once again our audit has been concluded successfully with no matters raised. Council remains in a strong and sustainable financial position and able to fund the future needs of our community.

In closing I would like to acknowledge the efforts of all Council staff, both indoor, outdoor and those working from our many community service sites.

Council staff continues to provide dedicated and professional service to all our community and I express publicly my thanks for their efforts.

I should, in particular, acknowledge the efforts of Alex van der Hek (Corporate Secretary) and Frank Barta (Corporate Treasurer) who announced their retirement during the year following 40 and 32 years of service respectively. Their contribution to Clarence over many years has been outstanding.

Finally, I would like to thank the Mayor and Aldermen for their continued leadership of the city.

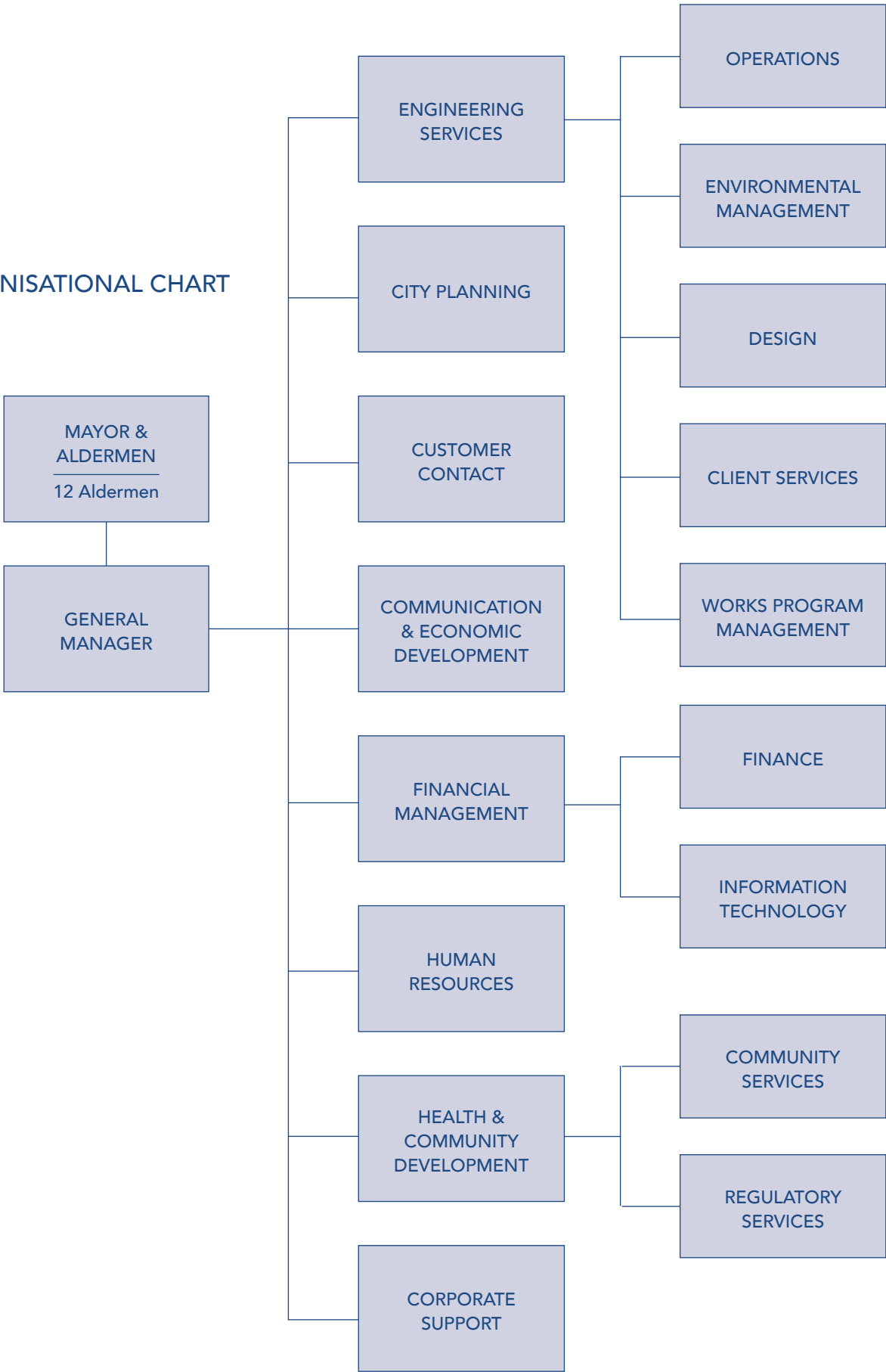
Clarence continues to be a brighter place.

Andrew Paul
General Manager

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OUR SERVICES

Clarence City Council provides a diverse range of services to ensure we have a vibrant, prosperous and sustainable city.

FOR FAMILIES

- > Children’s services such as Rosny Child Care, Family Day Care, Clarence Outside School Hours and Holiday Care
- > Youth Services including recreation and education
- > Immunisation programs

FOR BUSINESSES

- > Economic development planning and projects
- > Tourism projects
- > Food and health business registrations, regulation, education and training

FOR THE WHOLE COMMUNITY

- > Waste and recycling services, including kerbside collection services for waste, recycling, green waste and hard waste
- > City planning – permits, subdivisions, strategic planning, heritage advisory service
- > Parks, playgrounds, sportsgrounds and natural reserves
- > Road and footpath construction and maintenance
- > Health and wellbeing initiatives for all ages and abilities
- > Age friendly programs and initiatives
- > Access and inclusion programs and initiatives
- > Pet registration
- > Building and plumbing permits
- > Arts events, culture, history, festivals and community events
- > Stormwater
- > Fire and bushland conservation
- > Tracks and trails
- > Publications – Rates News, website
- > Citizenship ceremonies
- > Graffiti reduction and educational programs
- > Community Volunteer Service
- > Community transport
- > Community halls and facilities management
- > Customer contact for enquiries and requests
- > Community grants program
- > Multicultural and Indigenous initiatives
- > Environmental and public health
- > Local law enforcement (by-laws)



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2017–18 HIGHLIGHTS

A PEOPLE CITY

AGE FRIENDLY CLARENCE

In June 2018 Council adopted a new ageing plan, Age Friendly Clarence 2018-2022, which takes a fresh look at growing older in the city.

Now the third plan of its kind, it has been renamed with the intention of being more inclusive of all ages and abilities.

New actions identified in the plan include work to improve awareness of dementia, increasing intergenerational partnerships, and an increased focus on the 'life course' approach to deliver services and strategies for children and families through to older persons.

Council continued to be acknowledged as a national leader through working with our ageing population – our inclusion in the World Health Organisation Global Network of Age Friendly Cities and Communities, hosting the second WHO Age Friendly Forum in late 2017 and the many age friendly initiatives implemented.

A WELL-PLANNED LIVEABLE CITY

BELLERIVE BEACH ALL ABILITIES PLAYGROUND OPENED

The city's newest regional play space, Bellerive Beach All Abilities Playground was officially opened in August 2017.

Designed with input from local children, schools, child care centres and groups such as Council's Disability Access Advisory Committee, the playground is a place where children can explore, learn, play with others and take safe 'play risks'. It includes a number of accessible features such as a wheelchair accessible carousel, basket swing for children with mobility issues, accessible digger, along with a climbing tower, slides, swings, water and nature play.

The playground is part of a staged redevelopment of Bellerive Beach Park which has so far included the construction of a carpark at Derwent Street, picnic plaza, barbecues, relocation of outdoor gym equipment, lighting and landscaping.

A PROSPEROUS CITY

KANGAROO BAY DEVELOPMENT PRECINCT PROGRESSES

The redevelopment of Kangaroo Bay into a focal waterfront destination for residents and visitors continued.

The wharf site for the premium hotel and hospitality training school was sold to Chambroad Holdings in November 2017 at the current market value advised by the State Valuer-General. Construction has commenced and expected to be completed in 2020.

The extension of the promenade from Kangaroo Bay Parklands to the boat ramp at Rosny Park was completed and improved the amenity for pedestrians and cyclists travelling between Bellerive Village and Rosny.

Preferred developer status for the Kangaroo Bay boulevard site was awarded to Hunter Developments in May 2018.


A CREATIVE AND INNOVATIVE CITY


CLARENCE PRIZE FOR EXCELLENCE IN FURNITURE DESIGN AWARDED


The biennial Clarence Prize for Excellence in Furniture Design was held at Rosny Barn in September 2017 showcasing works from some of the best designers in the country.

From 49 entries, 15 finalists were selected with their designs being part of the exhibition at Rosny Barn. South Australian designer, Hugh Altschwager, was awarded the \$20,000 acquisitive prize for *Bronze Bench*.

AWARDS

 **National Innovation Award** awarded to Council for the My Wellbeing Kit in the Heart Foundation Local Government Awards.

 **Palliative Care Award** for Partnership for the aWake Before Death project at the inaugural Palliative Care Awards (a partnership between Warrane Mornington Neighbourhood Centre, Community Conversations, Fairway Rise, Salmutations Music Therapy, Palliative Care Tasmania, and council).

 **Tasmanian Allied Health Practitioners Award** for partnerships for the Live Well. Live Long. program (a partnership between Tasmanian Health Service, Clarence Community Volunteers, Clarence Positive Ageing Advisory Committee, and council).



777 development applications lodged for assessment



9,499 tonnes of kerbside waste and **4,289** tonnes of kerbside recycling collected



3,294 vaccinations administered through community clinics

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A People City



GOAL: Clarence is a city which values diversity and encourages equity and inclusiveness, where people of all ages and abilities have the opportunity to improve their health and quality of life.



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CHILDREN'S SERVICES

Council provides a range of child care options for families that include Rosny Child Care, Family Day Care, Before and After School Care, and Holiday Care. These services are approved under the Education and Care Services National Law and meet the operational requirements of the National Regulations and Quality Standards. The services provide licenced and accredited high quality child care for families in Clarence.

ROSNY CHILD CARE

This year there were 77 children from 63 families enrolled at the centre.

All educators successfully renewed their certificates in First Aid, CPR, asthma and anaphylaxis.

Ongoing improvements to the centre included the commencement of drainage works at the main playground, landscaping and improvements to the sand pit.

During the year, the centre hosted a number of students from St Mary's College, Rosny College and TasTAFE on work experience or vocational placement.

The centre provided a number of activities for the children including performances from Makebelieve Entertainment and a visit to Rosny Farm to see *Wildlife* by Troy Emery.

FAMILY DAY CARE

The Clarence Family Day Care scheme continued to deliver care for children up to 13 years of age in the home of registered educators.

Council received Community Child Care Transitional Funding of \$180,000 for the next three years in light of losing an operational subsidy at the end of the 2017-18 financial year.

As part of the office restructure, artwork, new street and office signage were installed.

The new online Harmony program has been implemented and staff continued to develop an understanding of its functions in preparation for the implementation of the new Child Care Package which commenced in July 2018.

CLARENCE OUTSIDE SCHOOL HOURS AND HOLIDAY CARE

Outside school hours programs at Howrah, Montagu Bay, Cambridge, Lindisfarne and North Lindisfarne continued to grow.

A Before School Care program commenced at Lindisfarne North Primary School in February 2018.

The Howrah After School Program commenced a second program for kinder age children to reduce the waiting list.

Risdon Vale Outside School Hours Care program completed Assessment and Rating in August and received a rating of 'Meeting the National Quality Standard'.

A new streamlined enrolment process for 2018 has been developed, and updated National Quality Standards commenced in February 2018.

Discussions continued with Eastside Lutheran College and the Department of Education and Training to extend after school care at the college.

The school holiday programs continued to be successful with all activities fully booked.

YOUTH SERVICES

Council provides a range of programs and activities for young people, from centre-based to outreach and partnership programs across the city.

ROSE BAY HIGH SCHOOL DIVERSITY PROJECT

Council has funded a project at Rose Bay High School to address acceptance of diversity in the community.

TASMANIAN YOUTH PARLIAMENT – TASMANIAN YOUTH LOCAL GOVERNMENT

Tasmanian Youth Parliament and Tasmanian Youth Local Government are youth driven programs providing young leaders the opportunity to debate and advocate on issues important to young people.

Council hosted the Tasmanian Youth Local Government at Council Offices with young leaders from high schools in Clarence discussing topics such as public transport, increasing awareness of mental health, and centrally located youth-friendly services.

Council was represented at the opening and closing ceremonies and a formal reception for the Tasmanian Youth Parliament.

RISDON VALE BIKE COLLECTIVE

The Risdon Vale Bike Collective is supported by Council with in-kind assistance provided once a week, as well as participation on the Bike Collective Steering Committee.

TASWATER – 'SMART' PROJECT

A pilot project to target illegal tagging on water reservoirs in the city was trailed. The project is a partnership between

HIGHLIGHTS

-  Provided \$38,068 in community support grants, \$10,539 in quick response grants, and \$33,325 in partnership grants.
-  Launch of the 'Planning a Better Event' toolkit to help organisers plan an event in the community that is more sustainable and healthier.
-  Adopted a Graffiti Management Strategy, and partnered with TasWater to pilot a program to target illegal tagging on water reservoirs in the city.
-  Clarence hosted the second National Forum for Age Friendly Cities Australia as part of our recognition as a WHO Global Network of Age Friendly Cities and Communities.

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TasWater (lead organisation) and Council. Under the direction of TasWater, young people from the community worked with commercial artists and created murals for the water reservoirs. The project was launched in March with the reservoir at Waverley Flora Park painted.

SKATE PARKS

A number local and national events were held at Council-owned skate parks in the city. These included The King of Concrete, Skate Park League events and a national qualifier held at Kangaroo Bay Skate Park. The Da Vale Scoot and BMX competition, hosted by the Risdon Vale Resilience Crew (a Rose Bay High School program) was held at Risdon Vale Skate Park with sponsorship from Know Your Odds.

RECREATION PROGRAMS

Recreation programs continued with activities and sport options offered at the Youth Centre in Clarence Plains on Monday nights, Risdon Vale on Tuesday nights and Warrane/Mornington on Thursday nights.

SCHOOL HOLIDAY PROGRAM

School holiday programs were held through the year and provided a variety of activities for young people.

LEARNING PROGRAMS

Learning programs were delivered at Clarendon Vale Neighbourhood Centre, Risdon Vale Neighbourhood Centre and Rokeby High School. A migrant homework program is also held at Warrane/Mornington Neighbourhood Centre with support from teachers, youth workers and volunteers. Consistent levels of attendance were achieved for these programs during the year.

WORKSHOP PROGRAMS

Open workshops are provided on a Tuesday afternoon at the Youth Centre and give local youth the opportunity to develop skills in woodwork and metalwork.

In addition, school workshop programs are delivered at Clarence and Rose Bay High Schools, and Eastside Lutheran College to give students who are disengaged in the traditional classroom setting, an opportunity to undertake woodwork and metalwork projects.

RESILIENCE PROGRAM (ROSE BAY HIGH SCHOOL)

The program continued to be delivered with participants involved in projects such as organising the annual Da Vale Scooter and BMX competition at Risdon Vale Skate Park, cleaning the Risdon Vale Skate Park and adjacent rivulet, and volunteering at Foodbank. Participants also took part in several health and wellbeing activities including bushwalks, and visits to Rock-It rock climbing centre, TMAG, MONA and Eastside Activity Centre.

BIKE WORKSHOPS AND PROGRAMS

Council continued to deliver a number of bike workshops for youth in the city to learn new skills in bike restoration.

The popular Open Bike Workshop program enabled participants to restore a bike that is then donated to friends, family or the broader community.

The five-week Options Bike Program at Clarendon Vale Primary School is delivered to grade five and six students where they can restore a bike and receive a helmet.

A pilot program at Clarence High School was also launched with students participating in an alternative education program to restore bikes that are donated to community organisations.

Council continued its partnership with Mission Australia Housing to deliver the ‘Brain Box’ initiative in Clarence Plains. Brain Box gives participants the opportunity to receive a helmet after completion of five hours of community service. Money to purchase the helmets has come from private sponsors.

GRAFFITI REDUCTION PROGRAM

The Graffiti Reduction Program continued with the facilitation of street art sessions at primary and high schools in Clarence. These sessions engaged students in an education program on graffiti and street art and the legal and ethical implications of tagging.

YOUTH ASSIST

Youth Assist continued to provide a free and confidential health and general referral service for young people aged 12–24 years. The service is based at the Clarence Integrated Care Centre in Rosny Park.

Youth Assist continued to maintain a regular presence at the Kangaroo Bay Skate Park and promoted youth health at events such as Youth Week, National Condom Day, RU Ok Day, Mental Health Week, Start Today Again and Men’s Health Week.

YOUTH NETWORK ADVISORY GROUP (YNAG)

The Youth Network Advisory is a Council committee for young people aged 12–24 who live, work or study in Clarence and who are interested in providing a stronger voice for young people in the city. During the year, YNAG undertook a number of initiatives that included:

- RU OK? Day - assisted the Clarence Lions Club with a breakfast celebrating the end of the Tasmanian leg of the RUOK? Convoy at Parliament Lawns; and delivered activities to support RU OK? Day at Rosny College in September 2017.
- Created a short film on the impact of homelessness on young people as part of the Hidden Others Short Film competition.
- Presented information about the group at a Bayview Secondary College school assembly
- Formed links with the Migrant Homework Program, with members of the group volunteering their time to help mentor and assist children involved in the program.
- In conjunction with the Clarence Positive Ageing Advisory Committee, continued the Our Shared Space partnership with an annual trivia event and Blue September.

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- Attended and assisted at many events including the White Ribbon Dinner, Seafarers Festival, and Living Well in Clarence.
- Presented bags of supplies to Loui's Van as part of Youth Homelessness Matters Day.
- Nominated a member to board the Windeward Bound on a nine-day journey, and raised funds to support a youth from the Clarence community to also participate.
- Attended the Tackling Illegal Drugs Forum and the Tasmanian Youth Forum.

VOLUNTEER SERVICES

Council continued to partner with the Clarence Community Volunteer Service to provide volunteer-based services to frail aged and young people who live with a disability. The service aims to assist clients to stay in their own homes and connect with their local community.

During the year volunteers of the service provided social support, transport, domestic assistance and home maintenance to 103 clients.

A short film and brochure were developed to improve awareness for young people with a disability to access the service.

Clarence Eating with Friends continued to have up to 55 regular and new people attending lunches held every six weeks. This program aims to reduce social isolation and bring people together to share a nutritious, low-cost meal.

COMMUNITY DEVELOPMENT

COMMUNITY SAFETY

A range of actions and initiatives were progressed during the year to improve community safety in Clarence.

A graffiti management strategy was finalised and adopted for implementation.

The Clarence Community Trailer was launched as part of Crime Stoppers week in May. The trailer is a resource for the community to use and take young people to recreational activities in the city. The project was led by Crime Stoppers and Council provided \$15,000 in funding through a partnership grant. Students from Rosny College built the trailer as part of their studies. A vignette to promote the initiative was created and shown on television as part of Crime Stoppers Week.

Facing Up to It (FUTI) facilitator training was conducted during the year with four people trained to deliver family violence and child protection training in Clarence.

The Trail Bikes Working Group, of which council is a member, continued to meet to progress strategies around areas such as the environment, education, diversion and enforcement. The group received a Community Road Safety grant to deliver the schools-based Moto-Safe program in Clarence.

COMMUNITY HEALTH AND WELLBEING

Council progressed a number of health and wellbeing initiatives as follows.

Live Well Live Long program

This free 12-week program continued to deliver information and education on a range of health topics at the Clarence Integrated Care Centre. The program was popular with all sessions booked out for the year.

In addition, the program won the Tasmanian Allied Health Practitioners Award (TAHPA) for partnerships with \$1,000 in prize money to be used for professional development activities.

Living Well in Clarence

This annual event of information displays and activities was held at Rosny Library in November 2017. The event is a partnership between Council, the Tasmanian Health Service – Health Promotion, neighbourhood centres and Rosny Library.

Warrane Community Garden

Council continued its support of a community garden at Warrane facilitated by the Warrane Mornington Neighbourhood Centre. The project received two grants – one from Healthy Tasmania to construct an outdoor kitchen, and another through the Stronger Communities programme to construct an accessible toilet.

Gentle exercise for older people

Two free gentle exercise programs continued to be delivered at Risdon Vale and Rokeby on Fridays.

Assistance to other councils on health and wellbeing planning

Work continued with the Local Government Association of Tasmania (LGAT) on a walkability project to encourage health and wellbeing planning in local government areas.

Assistance was provided to the Central Highlands and Southern Midlands councils, Tasmanian Health Service and LGAT on the development of a combined health and wellbeing plan.

Community (men's) sheds

Membership of the Howrah Men's Shed continued to grow. During the year members constructed garden beds for the Warrane Community Garden. A new website was also created to promote the shed.

The extension for the Clarendon Vale Community Shed was completed with funding from the Tasmanian Community Fund.

Community Health and Wellbeing Advisory Committee (CHAWAC)

The Community Health and Wellbeing Advisory Committee continued to deliver and monitor actions identified in Council's Health and Wellbeing Plan 2013-18. Key activities are included as follows.

Help to Health project

The GP Access Report was launched in August and has

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evolved into the Help to Health project.

The Help to Health project aims to increase community awareness about the many free health services available and how to access these.

A grant was received through Primary Health Tasmania to employ a project officer to implement the project. Council has also secured an additional 18 months of funding from the State Government through the anticipatory care program.

Planning a better event toolkit

The Planning a better event toolkit was developed and launched to help organisers plan more sustainable and healthier events. The toolkit identifies key items to think about when planning an event, including ideas on healthy food options, sustainability, social inclusion, the physical environment and legal aspects.

Community Hubs project

Council commenced the Community Hubs project to map centres of activity or hubs in the city to better understand their attributes and how people relate to these locations. Information from this project will be used to identify what actions are needed in the future to improve health and quality of life in the city. Community conversations about the community hub model and maps took place in four pilot suburbs (Rokeby, Lindisfarne, Risdon Vale and Cremorne). The report and recommendations were provided to Council.

My Wellbeing Kit

The My Wellbeing Kit continued to be distributed to individuals and services. The pocket-sized pack of 13 illustrated cards has been designed to help people think about what they can do to keep their mental health on track.

A My Wellbeing Kit App for Android devices is being developed by students from the University of Tasmania.

Council received a national innovation award in the Heart Foundation Local Government Awards for the My Wellbeing Kit.

Fitness in the Park

The summer sessions of Fitness in the Park continued until the end of March with strong attendance across the season. The winter season commenced in April and operates until mid-September.

Neighbour Day 2018

Council supported Neighbour Day with two competitions – a neighbourly award which recognised seven residents in Clarence, and an event prize awarded to the Seven Mile Beach community to run an event as part of Neighbour Day.

Oral health promotion

Oral health messages were regularly posted on social media and a film has been produced of an infant's first dental check-up. A competition directed at students and children to promote water as the main drink of choice was launched at the Clarence Plains Child and Family Centre.

Christmas Brunch

In 2017 the Salvation Army took the lead role in the organisation of the Christmas Brunch. With the assistance of volunteers,

donations and community contributions, a buffet brunch was held for 120 individuals and families on Christmas Day.

Food film project

Council has partnered with Family Food Patch, the Tasmanian School Canteen Association and Rosny College to create short films that promote healthy cooking and eating. Two short films were created by students of Rosny College.

Live Clarence

The website, e-newsletter and social media channels (Facebook and Instagram) provided information on health and wellbeing services, activities and events in the city.

Food security projects

The Food Connections Clarence (FCC) program partnership continued with Clarence High School. The school expanded their café for chat and chew social eating programs and provided weekly packaged meals for distribution in the community.

POSITIVE AGEING

Through the Clarence Positive Ageing Advisory Committee (CPAAC) implementation of the strategies identified in the Positive Ageing Plan continued. Information is included below.

Age Friendly City and Community

A new Age Friendly Clarence Plan 2018-2022 was endorsed by Council.

The second Age Friendly Cities and Communities Australia Forum 2017 was held in Clarence in October 2017 with a number of member councils from around Australia in attendance.

CPAAC and the Alma's Activities Centre Clarence committees launched the new Age Friendly Clarence website.

Universal Housing Design Forum

The access and positive ageing advisory committees worked collaboratively on the Universal Housing Design Forum. The forum was developed in partnership with the Department of Justice, Hobart, Glenorchy and Kingborough councils and LGAT with more than 120 people in attendance.

aWake Before Death

The aWake Before Death project won the Palliative Care Award for Partnerships at the inaugural Palliative Care awards. The project is a collaborative project to promote and educate people about end-of-life planning

Intergenerational projects

A collaborative intergenerational project between CPAAC, the Youth Network Advisory Group (YNAG) and the University of Tasmania commenced with an all-ages photographic exhibition called *Reclaiming the Self*. The exhibition included photographs from people and how they perceive and experience ageing. The project was made possible through a Department of Premier and Cabinet Liveable Communities Grant.

In addition, CPAAC and YNAG continued to work

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collaboratively on projects to build intergenerational cohesion in the community as part of the Our Shared Space initiative. Events included Generation Trivia, and Generation Move (held during Seniors Week).

Café Conversations on Dementia

Council supported the Wicking Dementia Research and Education Centre to pilot a small project in Clarence called Café Conversations on Dementia. The sessions were designed to create a safe environment to discuss and raise awareness of dementia. A series of three café conversations were held in Lindisfarne, Risdon Vale and Howrah with approximately 100 people attending.

Seniors Week activities

The Seniors Week event, Walk for the body and food for the soul, was held in October with Ngaire Hobbins (nutritionist and author). CPAAC and YNAG also held a seniors week event called Generation Move with 80 people taking part in a walk along the Clarence Foreshore Trail from Lindisfarne to Kangaroo Bay, Tai Chi and Bocce organised by the YMCA.

Alma's Activities Centre

A new strategic plan for the Alma's Activities Centre in Bellerive was finalised, and a new program called Thursday at Alma's was implemented to deliver monthly information sessions on a range of topics. A Facebook page has also been developed to promote the centre.

Spotlight on Seniors newsletters

Spotlight on Seniors newsletters were produced and distributed.

ACCESS AND INCLUSION

Through the Disability Access Advisory Committee (DAAC) implementation of strategies identified in the Access Plan continued this year. Key activities are detailed below.

Festival of Smiles and community art project

A regional Festival of Smiles event in December 2017 to celebrate international day of people with disability was cancelled due to inclement weather. The community art component of this event was however launched at Rosny Barn and included more than 100 art works on display. Two digi-glass panels were designed from a selection of these art works and installed at the Bellerive Beach All Abilities Playground.

A promotional campaign called *Did You Know?* was launched to raise awareness of people living with a disability in Clarence.

Disability access and inclusion regional approaches to resource sharing

DAAC worked with LGAT, the Department of Premier and Cabinet, consultants and other councils to progress a regional approach to resource sharing across disability access and inclusion. The group is called VIBE: Valuing Inclusive Built Environments.

Clarence Access News

Editions of Clarence Access News were produced and

distributed quarterly and provided up-to-date information on services, features and events.

Clarence Access Network

Clarence Access Network meetings for service providers were held each quarter. The meetings, attended by various services and organisations, are an opportunity to discuss the latest updates in the sector.

COLLECTIVE IMPACT IN CLARENCE PLAINS – ONE COMMUNITY TOGETHER

Council continued to partner with other organisations and community groups to address safety issues in Clarence Plains.

Key initiatives were progressed during the year including the hosting of the inaugural Clarence Plains Community Awards, the Clarence Plains Spring Clean, Clarence Plains Unwrecked project (to remove car wrecks and cars dumped along Stokell Creek), and community consultation on the potential to re-naming of the green belts in Rokeby and Clarendon Vale. A signage project called Reimagining Clarence Plains commenced with a grant from the Tasmanian Community Fund.

Other initiatives included community table meetings to discuss issues of importance in the area, thank you appreciation cards to recognise the work of residents, and a community events calendar.

MULTICULTURAL AND INDIGENOUS COMMUNITY INITIATIVES

Council supported Harmony Day in March 2018 with 75 students from Clarence taking part in the City of Hobart's Harmony by the Bay celebrations at Cornelian Bay. The event gave students the opportunity to interact and learn about the different cultures of other young people.

REVIEW OF THE COMMUNITY PARTICIPATION POLICY 2010

A review of the Community Participation Policy 2010 commenced. A draft revised policy has been developed which will be supported by a Community Planning and Development Framework (Draft). The framework will provide further guidance on community consultation planning, resources, delivery and evaluation.

COMMUNITY GRANTS

Council provided a total of \$10,539 in quick response grants to 77 applicants. These grants were for small activities, projects or to represent the state in sport or academia.

Twenty-eight applicants received a total of \$38,068 in funding for the September 2017 and March 2018 rounds of community support grants. Funding was used for a number of community projects related to health and wellbeing, safety, sport and recreational programs.

Four applications received a total of \$33,325 in the October 2017 round of partnership grants. The funding was used for a mini TSO concert in Clarence Plains, an all abilities program, mental health first aid training and a trailer for the establishment of beach patrols.

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A Well Planned Liveable City

GOAL: Clarence will be a well-planned liveable city with services and supporting infrastructure to meet current and future needs.



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ROADS AND FOOTPATHS – CONSTRUCTION AND RENEWAL

Council allocated \$14.9m for reconstruction and rehabilitation road works in 2017-18 as part of its road asset management plan.

MAJOR PROJECTS

Bayfield Street streetscape redevelopment

In September 2017, the redevelopment of Bayfield Street in Rosny Park commenced to improve functionality, safety and appeal. The scope of work included footpaths, landscaping, traffic management devices and public facilities.

The section from Bligh Street to Winkleigh Place was completed in November. This work included the replacement of stormwater pits, sub-soil pavement drainage, construction of retaining walls, road median strips and the reconstruction of footpaths, driveways, ramps, stairs, and kerb and channel. Some works were scheduled after hours to minimise disruption.

Stages two and three of the project, which commenced in January 2018, were to install new traffic lights at the Bayfield Street/Winkleigh Place intersection and continue improvements to the streetscape through to Cambridge Road.

Seven Mile Beach Road/Acton Road Intersection upgrade

Council completed an upgrade of the intersection of Seven Mile Beach Road and Acton Road with funding from the Australian Government 2016-17 Blackspot Program. The upgrade included road widening and a dedicated right turn.

Back Tea Tree Road curve improvement works

Council completed curve improvement works on Back Tea Tree Road between Arndell Place and Bourbon Avenue with funding provided by the Australian Government through the 2016-17 Blackspot Program. Much of the works were completed in July 2017 with final sealing carried out as part of the annual resealing program in March 2018.

OTHER PROJECTS

Council was successful in receiving Australian Government funding for three projects in the city.

Through the Vulnerable Road User Program 2017-18, Council received \$70,000 for the construction of a 293m concrete shared pathway to link the Tasman Highway overpass to Montagu Bay Road in Rosny Park. The design of the project is still to be finalised.

Through the National Black Spot Program, Council received \$175,000 for curve widening and intersection improvements at Gellibrand Drive/Rifle Range Road in Sandford, and \$80,000 to install safety barriers at the northern side of Kythera Place at Acton Road in Acton Park. The safety barrier was installed in May and the curve widening works will be completed towards the end of 2018.

Council completed an upgrade of the slip lane at the intersection of Howrah Road and Clarence Street to improve safety. Funding of \$150,000 from the 2016-17 National Black Spot Program was received for this project.

Road reconstruction and associated road drainage works were undertaken at Sugarloaf Road, Cohuna Street and Lindisfarne Esplanade.

The annual road re-seal program for spray seal was completed on time and within budget. The following major roads were re-sealed as part of this program:

- Gellibrand Drive in Sandford
- Tolpuddle Drive, Woodie's Place, Richmond Valley Road, Back Tea Tree Road, Bourbon Avenue, Percy Street, and Prossers Road in Richmond
- Acton Road in Acton Park
- Ringwood Road and Mannata Street in Lauderdale
- Downhams Road in Risdon Vale.

The annual road re-seal program (asphalt resurfacing) was completed on time and within budget. The following major roads were re-surfaced as part of this program:

- Rosny Hill Road in Rosny (Rosny bound lanes from Bligh Street to Tasman Highway off ramp)
- Bligh Street and Ross Avenue in Rosny Park
- Tranmere Road in Tranmere
- Gordons Hill Road in Rosny Park
- Golf Links Road in Geilston Bay.

Construction of new kerb and gutter, and urban footpaths were completed at a number of locations in the city as part of new subdivisions.

Ramps, compliant with the requirements set out in the *Disability Discrimination Act 1992*, were constructed in the city. These include Cambridge Road, Bruny Street and

HIGHLIGHTS



Awarded funding from the Australian Government through the National Black Spot Program to widen and improve the intersection of Gellibrand Drive and Rifle Range Road in Sandford (\$175,000), and install a safety barrier at Kythera Place and Acton Road intersection (\$80,000).



Opened a new reserve and walking track at Brinktop Bushland Reserve in Richmond.



Installed lighting at Lauderdale Oval.



Installed a memorial to Indigenous servicemen at ANZAC Park.



Adopted the Risdon Vale Recreation and Community Facilities Plan.



383 lots approved in subdivisions.

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Cumberland Street. Pedestrian refuge and access ramps were installed at Cambridge Road in Warrane. Other ramps were installed where appropriate when broken kerb and gutter sections were replaced as part of road pavement reconstruction works.

Construction of additional car parking spaces and the footpath was constructed along the Esplanade at Simmons Park.

ROAD MAINTENANCE

During the year, sealed roads were maintained which included pothole repairs and patching according to the levels of service outlined in the roads asset management program.

Urban sealed roads were swept on average once every six weeks.

Gravel road shoulders and carparks were graded and re-sheeted according to the program.

Roads were graded up to three times per year with the exception of Begonia Street in Lindisfarne, which was graded four times and re-sheeted. This was consistent with Council's adopted service standards.

Pavement maintenance and repairs were carried out throughout the city and included Acton Drive, Dorans Road, Wisteria Avenue, Cremorne Avenue, Scotts Road, Lincoln Street, Minerva Street, Droughty Point Road, Clifton Beach Road, Sugarloaf Road, Duntroon Drive, Pipers Road, Ford Parade, Natone Street, Middle Tea Tree Road, Carella Street, Nelumie Street and Moirunna Road.

Pavement repairs were also undertaken in the carpark of Lauderdale Oval, Bathurst Street, Downhams Road, Cambridge Road, Banyalla Street, Carella Street, Cornwall Street, Anstey Street, Kelson Place, Skala Road, Pier Road, South Arm Road, Blessington Street, Fort Direction Road, Beltana Street and Adina Street, Correa Street, Young Court, Middle Tea Tree Road, Malcolm Hutt Road, Talune Street, Bilinga Street, Park Street, Leprena Street, Walworth Road, Bligh Street, Tollard Drive, Berega Street, Pass Road and Cremorne Avenue.

Preparation works for resealing roads were completed at Anitra Close, Sirius Street, Wellington Road, Arden Drive, Luttrell Avenue, Howrah Road, Grange Road East, Raminea Road, Grange Road West, Short Street, Malunna Road, Rianna Road, Leura Street, Maluka Terrace, High Street, Hart Place, Wellington Road and Belar Street.

Pothole repairs and gravel road maintenance and repairs were undertaken throughout the city.

GRAVEL ROADS

Gravel road maintenance and repairs were carried out Forest Hill Road, Woodlands Road, Richardsons Road, Prospect Road, Pipe Clay Esplanade, Bicheno Street, Buckland Street, Bezzants Road, Evandale Street, Roaring Beach Road, Denholms Road, Prossers Road, Logie Farm Road, Kings Road, Hanslows Road, Hobdens Road, Belbins Road, Fitzgeralds Road, Hyden Road, Tempy Road, Scotts Road,

Torrens Street, Coldblow Road, George Street, Ibbotson Street, The Esplanade, Blaney Street, Mt Rumney Road, Dorans Road, Dixons Point Road, Rifle Range Road, Forest Hill Road, Woodlands Road, Prospect Road, Begonia Street, School Road, Commercial Road, Gumbles Road, Downhams Road, Grahams Road and Old Coach Road.

Gravel carpark maintenance was also completed at Risdon Vale Oval, Geilston Bay Oval, Lindisfarne Oval, Bangor Road at Opossum Bay, Flagstaff Gully Road, Mortimer Bay, Clifton Beach, North Warrane Oval and Cambridge Oval.

A gravel footpath was constructed at Victoria Street in Richmond.

Gravel shoulder road maintenance and repairs were undertaken in rural areas.

FOOTPATH REPAIR SCHEDULE

An audit of all 450kms of footpaths in the city was completed to record faults and the level of severity. As a result of this audit, footpath repairs and maintenance works were undertaken on a suburb-by-suburb basis. The cost of these works was \$1.13m. Minor repairs were completed on an immediate risk-based approach. The footpath audit is undertaken every three years.

VERGE MOWING

Verge mowing and roadside tree maintenance was undertaken in the rural areas of Sandford, South Arm, Acton Park, Otago Bay, Cambridge, Dulcot and Richmond. A second cut was undertaken in the Richmond area due to the growth rate late in the season.

Council was notified that the Department of State Growth (DSG) commenced a trial to increase the frequency of mowing and litter removal along key Tasmanian tourist and city gateway routes. Feedback will be provided to DSG on the trial.

TABLE DRAIN MAINTENANCE

Table drain maintenance and clearing was undertaken in rural areas.

PUBLIC TRANSPORT

Council continued to work with Metro Tasmania on the delivery of public bus services within the city. This included repair of the pavement along sections of Rosny Bus Mall to improve the surface. These works were completed in mid-2018.

ROAD SAFETY

A number of measures to improve road safety were undertaken and included construction of pedestrian refuges and ramps in Cambridge Road, replacement of guide posts, and re-line marking of holding lines on major connectors in Acton Park, Cambridge, Geilston Bay, Howrah, Lindisfarne, Risdon Vale, Rokeby and Warrane.

Council's 420km network of sealed roads was surveyed to assess their condition. The information from the survey is included in the Council's road asset management plan and

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used to schedule future works.

STORMWATER MANAGEMENT

DRAINAGE – CONSTRUCTION AND RENEWAL

Development during the past years has placed increased pressure on ageing downstream stormwater infrastructure during periods of high rainfall. To combat this, sections of stormwater infrastructure were upgraded during the year. This included:

- Kellatie Road
- Stormwater drainage works associated with development at Manatta Street (as part of the Lauderdale Structure Plan)
- Upgrade of the stormwater network along Nelumie Street and Derwent Avenue (as part of the Lindisfarne Streetscape project)
- Stage 1 of the proposed stormwater improvements along South Arm Road in South Arm, including Fort Direction Road
- Repair of existing stormwater infrastructure at Lower River Street in Bellerive (continuing).

Minor drainage works were also completed at Derwent Avenue, Leyden Avenue, St Johns Circle, Howrah Road, Flagstaff Gully Road and Pintoresca Place.

GROUNDWATER

Council continued to monitor several monitoring bores installed at Seven Mile Beach and the surrounding area.

DRAINAGE

During the year Council adopted the Stormwater Asset Management Plan.

Work continued on the preparation of stormwater system management plans. Hydraulic modelling of stormwater systems commenced in the Kangaroo Bay and Rosny to Otago Bay catchments while works continued in Bellerive/Howrah and Clarence Plains regions.

A significant storm event occurred between 10–11 May with South Arm and Opossum Bay areas severely affected. As a result, Council undertook much work to clear storm debris, improve table drains and repair damaged infrastructure. The majority of the clean-up work was undertaken at South Arm, Opossum Bay and Sandford; however other areas were also impacted. To assist with the response, Council applied for a financial contribution from the Department of Premier and Cabinet through the Tasmanian Relief and Recovery Arrangements: Natural Disaster Relief to Local Government Policy.

In addition, stormwater main pits were cleaned and table drains were maintained at locations in the city.



Bayfield Street streetscape redevelopment

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PARKS AND RECREATION

Several key projects were delivered during the year to provide and improve the delivery of park and recreation facilities.

Construction of Bellerive Beach Park All Abilities Playground was completed in July and officially opened on 11 August 2017. The regional play space includes a giant climbing tower, slides, swings, nature and water based play. Many accessible features were incorporated including a wheelchair accessible carousel, slide and sand play area, basket swing for mobility issues and an accessible digger. The playground was designed with significant input from local children, schools, child care centres and Council's Disability Access Advisory Committee.

A number of other projects relating to parks and recreation were completed during the year. This included:

- Opening of a new reserve and walking track at Brinktop Bushland Reserve in Richmond
- Replacement of the concrete wicket at Geilston Bay Oval
- Installation of 75kw solar photovoltaic system at Clarence Aquatic Centre to supply power to the facility
- Rehabilitation, fencing and installation of taps at South Street Reserve
- Installation of a memorial to Indigenous servicemen at Anzac Park
- Construction of a footpath from Montagu Bay Primary School to the Tasman Bridge
- Installation of lighting at Lauderdale Oval
- Renewal of Banyalla Playground
- Extension of the Kangaroo Bay Promenade from Kangaroo Bay Parklands to Rosny College
- Stage 1 of the Pindos Park to stone arch bridge as part of the Clarence Coastal Trail
- Water bottle filling stations installed at the Little Howrah Beach and the Salacia Street end of Wentworth Park
- Coach's boxes installed at Clarendon Vale Oval.

A development application for the construction of Bellerive Beach Public Pier was approved. A public information session on the pier was held in late 2017.

Designs for new projects were completed for the Waverley Flora Park Avenue of Honour, and the Clarendon Vale Pathway and Lighting project. Construction on both projects commenced during the year. Designs for the Risdon Vale change rooms were also completed.

Community consultation occurred on the South Arm Oval Master Plan, the Risdon Vale Recreation and Community Facilities Plan, and the Beltana Park Master Plan.

New parks and recreational facilities were progressed and included:

- South East Sport and Recreation Precinct – Council made a submission to the Building Better Regions Infrastructure Stream Fund for \$7.9m for Stage 1 for the precinct at Seven Mile Beach
- South Arm Oval Master Plan – a revised master plan was adopted following community consultation. A development application for the master plan was approved. Representations were made and mediation through the Planning Appeals Tribunal occurred.

RECREATIONAL NEEDS ANALYSIS

Council undertook a recreational needs analysis to effectively manage sport and recreation in Clarence. Sporting and recreational facilities were inspected and consultation with state sporting organisations and local clubs commenced.

CITY PLANNING

A number of initiatives were implemented that contributed to improved planning outcomes. These included:

- Submission to the Tasmanian Planning Commission of the draft Clarence Local Provisions Schedule, required as a component of the future Tasmanian Planning Scheme.
- Ongoing implementation of the Clarence Interim Scheme 2015, including processing of amendments.
- Provision of a heritage advisory service, offering free architectural advice to people contemplating refurbishments of heritage buildings or undertaking new developments within heritage precincts including Richmond and Bellerive.
- Commencement of the Bayfield Street streetscape project

Statutory planning functions, including the processing of development and subdivision applications and associated customer support continued. The following initiatives were implemented:

- A free preliminary assessment service was provided, to ensure prospective applicants can have draft plans checked against the planning scheme, before costly detailed plans are completed. There were 1,192 preliminary assessments undertaken (following a trend which saw 773, 421 and 381 in each of the preceding years). This trend directly relates to the growing complexity of planning controls in Tasmania.
- 777 development applications lodged for assessment (up from 591 last year) and 626 planning applications determined (530 in 2016-17). Average processing times were 17 days for permitted applications and 36 days for discretionary applications.

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My Wellbeing Kit, winner National Innovation Award

- A number of major commercial, industrial and residential developments were approved in the city. These included a hotel and hospitality training school at Kangaroo Bay as well as industrial developments at Cambridge.
- 383 lots approved in subdivisions.
- 102 applications for 'minor amendments' to planning permits.
- 11 planning appeals were made to the Resource Management and Planning Appeals Tribunal (RMPAT). Of these, three were withdrawn; four determined by Consent Agreement, three where Council's decision was upheld and one where RMPAT overturned Council's decision. Two of the appeals have been referred to the Supreme Court.
- 60 subdivision plans for sealing were processed (63 in 2016-17). There were 48 strata applications lodged for sealing (46 in 2016-17).
- There were seven amendments determined by the Tasmanian Planning Commission.

Fig. 1: Preliminary Planning Assessments

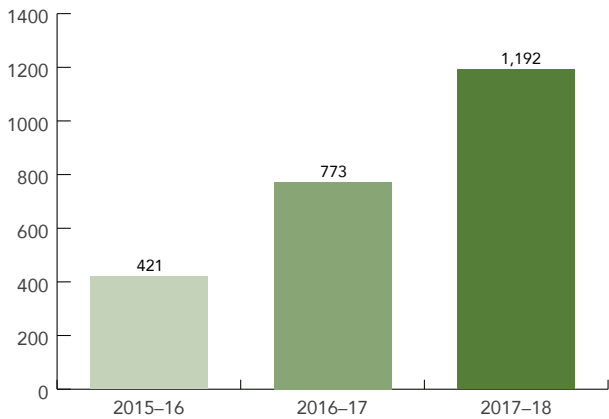
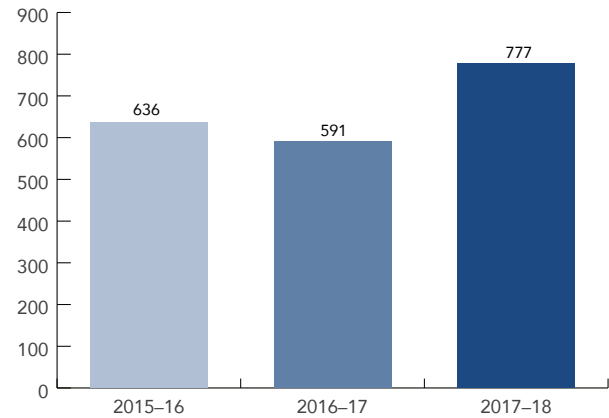


Fig. 2: Development and Subdivision Applications Lodged



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A Prosperous City

GOAL: Clarence will develop its economy, improve prosperity, and expand both the level and equity of personal opportunity within its communities.



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ECONOMIC DEVELOPMENT

Council continued to implement the priorities identified in the Economic Development Plan 2016–2021.

Activities included a Coal Valley economic development plan to determine the priorities for Council to focus on when working with key stakeholders in the region, and adoption of the *Bellerive–Kangaroo Bay–Rosny Park Cultural and Creative Precinct* to have a framework to determine the potential uses of buildings within the identified precinct.

PARTNERSHIPS

Council continued its association with the South East Region Development Association, in particular funding a regional workforce planning project after receiving a \$400,000 grant from the Tasmanian Community Fund.

Council continued its membership of Destination Southern Tasmania (DST) to progress tourism projects, with a particular focus on the Richmond and Coal River Valley region.

Council also funded Business East to deliver a Youth Enterprise Program. The aim of this program is to increase the capacity of youth in the city to understand the complexities of starting and running businesses.

Council continued to engage with federal and state governments and other organisations to deliver improved economic development outcomes for Clarence. This included working with Metro Tasmania as part of the state government's election commitment to develop a ferry service between Hobart and Bellerive.

MAJOR STRATEGIC PROJECTS

KANGAROO BAY DEVELOPMENT PRECINCT

Council continued to progress the redevelopment of Kangaroo Bay to create a focal waterfront precinct in the city.

The final piece of public infrastructure for the project, the construction of the promenade, was completed. The promenade extends the Clarence Foreshore Trail and links the existing pathway at Kangaroo Bay Parklands, through to Rosny College and the boat ramp at Rosny Park near the bowls club. Works associated with the promenade included landscaping, lighting and stormwater. Construction of the promenade has improved the amenity for pedestrians and cyclists travelling between Bellerive Village and Rosny.

The wharf site was sold to Chambroad Holdings in November 2017 for \$2.44m. The land includes the old ferry terminal (hotel), along with 76 and 78 Cambridge Road (hospitality training school). The sale price was at the current market value of the site as advised by the State Valuer-General. Construction of the hotel and hospitality training school commenced in July 2018 and is anticipated to be completed in October 2020.

Preferred developer status for the Kangaroo Bay boulevard site was awarded to Hunter Developments in May 2018. A development application for the site is anticipated to be lodged in late 2019.

ROSNY HILL

A development application for a proposed tourism development for the Rosny Hill Nature Reserve was submitted to Council by the preferred developer and at the end of the financial year was being processed. (The development has since been withdrawn by the preferred developer.)

TOURISM AND EVENTS

Several key tourism projects focussed on the Richmond and Coal River Valley region were progressed during the year.

A regional brand to promote and increase visitation to Richmond and the Coal River Valley was launched in June. The brand was funded by Council and developed in conjunction with Destination Southern Tasmania and the local industry. The aim of the brand is to create a point of difference and deliver a regional approach for the industry to market Richmond and the Coal River Valley locally, nationally and internationally.

Council undertook a tourism infrastructure audit in Richmond to determine infrastructure priorities. Results of this audit will inform any investment in tourism infrastructure from the Council.

A new project to deliver digital interpretation of sites in Richmond commenced in 2017. The Beacon Project uses augmented reality (using a smart phone device) to immerse the visitor in key attractions and bring the experience to life. The project is expected to be completed by the end of the year.

HIGHLIGHTS



Launched the Coal River Valley brand to deliver a regional approach for the promotion of Richmond and the Coal River Valley.



Continued our sister city relationship with Akkeshi in Japan hosting 10 students from Akkeshi on an exchange with Rose Bay High School.



Sponsored a number of sports, recreational and artistic events held in the city.



34 new citizens welcomed at citizenship ceremonies.

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MARKETING AND COMMUNICATIONS

A variety of mediums were used to promote the city, council services, facilities and lifestyle to residents, visitors and businesses. Details are provided below.

RATES NEWS

Rates News was distributed quarterly with Rates Notices in July, December and March with news on a range of council programs, initiatives and events. The September 2017 Rates News was not issued due to the voluntary amalgamations/ shared services community consultation information booklet and survey being distributed with Rates Notices.

WEBSITE

The website continued to be updated to provide whole-of-council information, news and events. It is a key source of information for our community with 410,654 page views and 147,154 users.

A project to redevelop our website commenced at the end of 2017. Significant work has been undertaken to update all information. The new website will be responsive to all devices and include many features to improve accessibility and the provision of information to users. The website will go-live at the end of 2018.

NEWSLETTERS

Council continued to compile and distribute newsletters to provide information on policy areas to subscribers and interest groups. These publications include Sport and Recreation e-news, Spotlight on Seniors, Access News, Live Clarence e-news, Swift Chatter Land and Coastcare, Clarence Arts and Events e-news, Food News, and Dog News.

SOCIAL MEDIA

Social media continued to be used to deliver timely information to residents about council activities, events and initiatives.

Council has a number of Facebook pages to provide information. These include a whole-of-council page, youth services, Clarence events, Rosny Farm, Clarence Jazz Festival, Live Clarence, Family Day Care, and Kangaroo Bay redevelopment.

Facebook followers for the whole-of-council Facebook page increased from 3,608 to 4,825 at 30 June 2018.

Council also used Twitter to provide news and information. Instagram was also used for Live Clarence and Clarence Arts and Events.

MY LOCAL SERVICES APP

The App was used to provide information on how to contact Council, report an issue, waste collection information and reminders, news and events.

AUDIO VISUAL RECORDINGS OF COUNCIL MEETINGS

Recordings of council meetings were made available on our website.

EVENT SPONSORSHIP

We continued to sponsor a number of events in the city to support the social, cultural, environmental and economic life of the city.

Sponsorship included financial support to a diverse range of events in the city including the City of Clarence Eisteddfod, City of Clarence Squash Championships, Wrest Point International Golf Masters, the Rosny College musical production of The Drowsy Chaperone, Geilston Bay Tennis Club Open, and the Tasmanian Dressage Championships. In-kind support was also provided to numerous community events administered through our Arts and Events program.

Further details on grants and benefits provided to community groups and individuals are included in the appendices section.



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Clarence... a brighter place



Coal River Valley brand was launched in June to promote tourism in the region

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An Environmentally Responsible City

GOAL: Clarence is a city that values its natural environment and seeks to protect, manage, and enhance its natural assets for the long-term environmental, social and economic benefit of the community.

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NATURAL AREA MANAGEMENT

MANAGEMENT OF RESERVES

Four reserve activity plans were developed and adopted by Council including the Richmond Recreation Reserve Activity Plan 2017-2021, the Tranmere Coastal Reserve Activity Plan 2018-2022, the Acton Trails and Reserves Activity Plan 2018-2022, and the Canopus-Centauri Bushland Reserve Activity Plan 2017-2021. Community and stakeholder consultation was undertaken which included a 'Walk and Talk' session and an opportunity to provide feedback during public exhibition of the draft plans.

LANDCARE AND COASTCARE GROUPS

Council continued to support more than 20 land and coastcare groups to undertake environmental volunteer work on Council-managed natural areas in the city.

Each year, these groups are invited to apply for funding to undertake environmental projects on Council land. During the year, Council allocated \$40,000 for projects to implement recommendations made in reserve activity plans and/or management plans for local natural areas. A grants committee assessed these applications against established criteria and ten groups received funding.

Many 'care groups' also scheduled working bees where volunteers can help improve the natural areas.

VICTORIA ESPLANADE EROSION PROTECTION

Council completed embankment stabilisation work along a section of the rocky foreshore adjacent to Victoria Esplanade in Bellerive.

FIRE MANAGEMENT

Council, in conjunction with the Tasmanian Fire Service, undertook a series of fuel reduction burns as part of its responsibilities outlined in the fire management plans for reserves.

Council, the Tasmanian Fire Service and Tasmania Police spent significant time and resources responding to 42 arson attacks in Council reserves, in particular, Waverley Flora Park.

Prescribed burns were undertaken at Waverley Flora Park, Pilchers Hill and Mortimer Bay reserves.

CLIMATE CHANGE

Monitoring, revegetation and care of vulnerable coastal dunes remain a high priority, and Council has agreed to develop a draft coastal policy for community input.

Work commenced on developing a Greenhouse Emissions Reduction Policy. An audit of both business and community greenhouse gas emissions has been undertaken as part of this project.

After a year in operation, the solar photovoltaic energy supply system installed on the roof at the Clarence Aquatic Centre has provided 9.8 per cent of the energy needs of the centre.

Council continued to work with the Southern Tasmanian Councils Authority to deliver coordinated regional responses to coastal climate change hazards and emissions reductions.

EMERGENCY MANAGEMENT

Staff represented Council on a number of regional and local community safety committees including the Southern Regional Emergency Management Committee, Southern Regional Social Recovery Committee and the Greater Hobart Affected Area Committee (created in response to the significant weather event on 10–11 May 2018).






The Clarence Emergency Management Plan was reviewed by the Clarence Emergency Management Committee and approved by the State Emergency Management Controller.

The Clarence Emergency Management Committee hosted a quarterly meeting of the Southern Regional Social Recovery Committee in December 2017. The meeting was followed by a physical exercise to test the City of Clarence Recovery Plan as part of the review process. The aim of the exercise was to test the activation of the Richmond Football clubrooms as an evacuation and recovery centre. Members of the community were invited to observe.

WEED ERADICATION PROGRAM

Council continued to eradicate weeds of national significance on its land during the year.

HIGHLIGHTS

-  Collected 671 tonnes during the annual hard waste collection service.
-  Adopted reserve activity plans for Canopus-Centauri Bushland Reserve, Tranmere Coastal Reserve, Richmond Recreation Reserve, and Acton Trails and Reserves.
-  Completed embankment stabilisation work along a rocky foreshore section on Victoria Esplanade in Bellerive.
-  Allocated \$40,000 for land and coast care projects in the city.
-  Provided support to community groups and schools for Clean Up Australia Day activities.

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ENERGY AND WASTE MANAGEMENT

The waste and recycling kerbside collection service continued to be delivered on schedule. In total, the following was collected during the year:

- 9,499 tonnes of kerbside general waste from 24,062 services
- 4,289 tonnes of kerbside recycling waste from 23,682 services
- 3,302 tonnes of kerbside green waste from 20,242 services.

The annual hard waste collection was undertaken in November 2017. In total, 671 tonnes of waste was collected (698 in 2016).

Fig.3 Kerbside waste

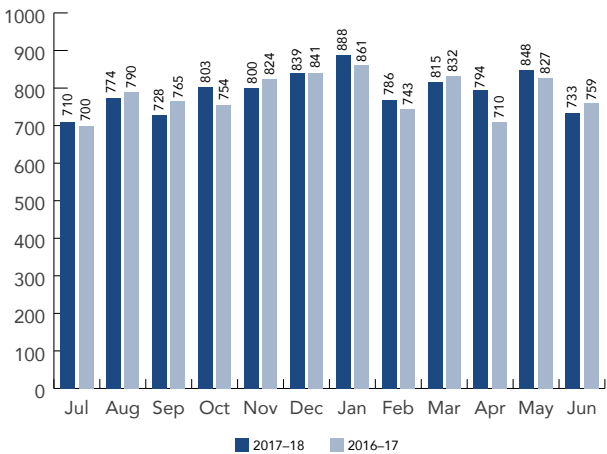
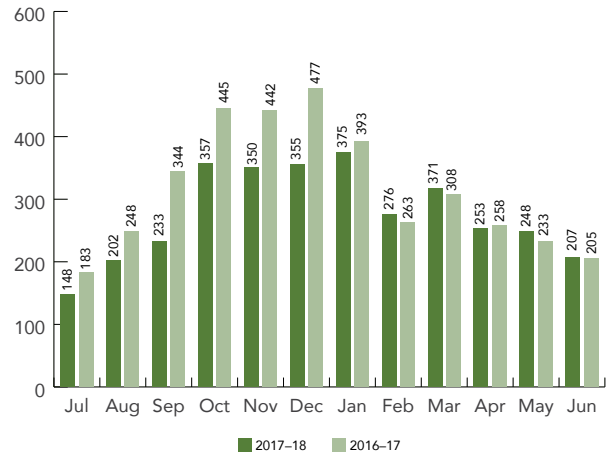


Fig.5 Kerbside green waste



WASTE MINIMISATION INITIATIVES

Council continued its involvement with Clean Up Australia Day in 2018 and provided support to community groups and schools in clean-up activities held in the city. In conjunction with Clean Up Australia Day, Council assisted with the provision and distribution of Clean Up Australia Day kits and skip bins for waste collection.

Council also continued to support the Garage Sale Trail held in October 2017 with significant promotion of this activity via social media and the website.

Council continued to replace litter and recycling bins throughout the city as required. New bins were installed at Bellerive Beach as part of the park development.

Fig.4 Kerbside recycling

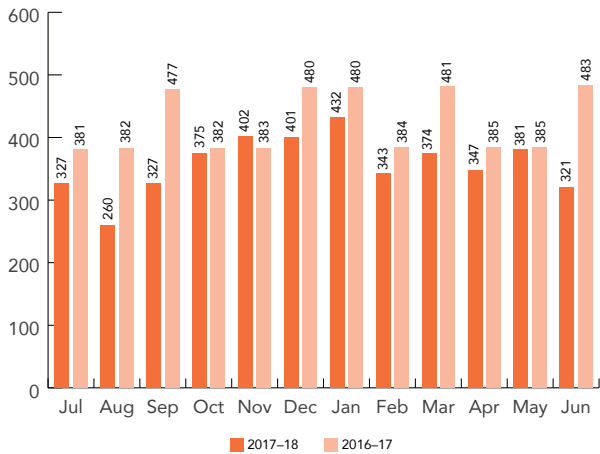
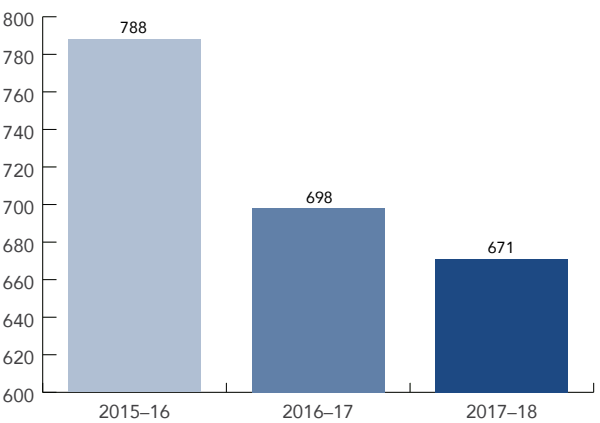


Fig.6 Kerbside hard waste



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On ground care works in the city

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A Creative & Innovative City

GOAL: Clarence is a city that fosters creativity, innovation and enterprise.



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ARTS AND CULTURAL DEVELOPMENT

Council continued its annual program of exhibitions, performances, events and activities to promote arts and culture in the City of Clarence.

FESTIVAL PARTNERSHIPS

Successful partnerships with state festivals continued to give residents access to esteemed arts and cultural activities in the city. Key activities included eight performances at Rosny Barn as part of Festival of Voices, a major exhibition by Troy Emery called Wildlife as part of Dark Mofo held in June 2018, and concurrent exhibitions by three Artist Run Initiatives as part of the inaugural Hobiennale festival by Constance ARI.

VISUAL ARTS PROGRAM

Clarence Prize for Excellence in Furniture Design

The Clarence Prize for Excellence in Furniture Design, our biennial acquisitive exhibition open to Australian furniture designers, was held at Rosny Barn in September 2017.

The prize aligns with Council's vision for excellence through its cultural programs and aims to promote excellence and innovation in design practice, to enhance the City of Clarence art collection with the acquisition of significant works, and present an exhibition of leading edge design to the Clarence and wider Tasmanian community.

Hugh Altschwager was the winner of the \$20,000 acquisitive award for *Bronze Bench*. Highly commended was awarded to Bernard Chandley for *Lowbow Diner Chair*, and the emerging designer award presented to Nicholas Fuller for *Voyage*.

Art? Art! Art...

Council received funding from the Cultural Copyright Fund to develop an exhibition with guest curator, Dr Jane Deeth, to assist visitors in understanding contemporary art. The project resulted in a major exhibition, *Art? Art! Art...*, with work by nationally renowned Australian artists, an extensive public program and the development of an online and hard copy educational publication.

Exhibitions at the Schoolhouse Gallery

An annual program of exhibitions was held at the Schoolhouse Gallery at Rosny Farm through an expression of interest process. The program featured exhibitions by community arts groups, emerging and established professional artists, educational organisations, young people and touring exhibitions. This year, exhibitions included:

Print: Proof annual exhibition by Hunter Island Press

In the Potter's Garden by the Tasmanian Ceramics Society

Inspired Solitude: Artistic Interpretations of Maatsuyker Island by the Friends of Maatsuyker

Life in Space by longstanding life drawing group organised by Angela Panaretos

The Audrey Mac Project by Lindisfarne based printmaking collective Moving Creatures Studio

Drawing: Landscape and Memory by Stephen Mallick

Asemic by Beth Verschoyle, Aukje Boonstra and Mahdi Chandler

Architecture: Man's response to nature by Brendan Cooper

Correspondence by Janelle Mendham, Christl Berg and Marinelle Basson

A Class Act by the Margaret Brown Studio Painters

Residue by Tess Mehonoshen and Ally McKay

Exhibitions at Rosny Barn

Rosny Barn hosted a wide variety of cultural activities including larger scale exhibitions of contemporary art, installations and national touring exhibitions. Exhibitions this year included:

Material Girl: Chance and Serendipity women's art prize by Regional Arts Australia

Follow Your Shadow: Comic and cartoon art Curated by Dr Sarah Jane Moore

Lost Rocks: Petrified Wood. Shale. Petrified Wood by A Published Event featuring a number of literary and visual art public events

Penumbra: exploring light and shade through design by members of Designed Made Inc.

Exhibitions at Council Offices

Remixing reality: A fresh perspective by Sally Glover was shown in the Council foyer. This exhibition led to Sally being commissioned as the 2018 Clarence Jazz Festival artist-in-residence. As artist-in-residence, Sally created a suite of paintings that were made into wine labels for the Clarence Jazz Festival with the original works on display in the Council foyer.

HIGHLIGHTS



Adopted the Cultural History Plan 2018-2023, and the Bellerive-Kangaroo Bay-Rosny Park Cultural and Creative Precinct Framework.



Partnered with the Constance Artists Run Initiative for the first Hobiennale festival with exhibitions held at Rosny Farm.



The 22nd Clarence Jazz Festival was held in February with twilight concerts at Simmons Park, South Arm and Geilston Bay, with the jazz lounge and big weekend held at Rosny Farm.



The Summer Concert Series at Rosny Farm was held during January and February and included Gold Grass Cinema and various concerts.



The Queen's Baton Relay was held in the city on 9 February with 37 residents carrying the baton from Howrah to Simmons Park in Lindisfarne.

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PERFORMING ARTS PROGRAM

Each summer a program of concerts, performances and films are scheduled at Rosny Farm. The Summer Series in 2018 featured performances by international, Australian and local acts, as well as classic films shown in the grounds of Rosny Farm.

WORKSHOPS PROGRAM

School holiday workshops were held during the year and included a variety of arts-related activities for children from five years to late teens. A highlight was *A Capella Bootcamp* for teenagers. This workshop culminated in a performance at Australia Day on the Bellerive Boardwalk and a concert for family and friends in Rosny Barn. In addition, *Animation ToonCamp* was held for eight to 12 year olds, and there was a variety of other arts and craft-based workshops held on printmaking, bookmaking, stitching and drawing.

PUBLIC ART

Council commissioned two artists to create public artworks in the city. Artist Rosemary O'Rourke created a mural for Children's Services at Alma Street, and Tony Woodward has begun to create a work for 26 Bayfield Street, as part of the streetscape redevelopment. These works were funded through the annual budget allocation and the development contribution scheme.

CULTURAL POLICY DEVELOPMENT

Cultural arts plan

A wide-ranging review of Council's cultural arts plan commenced during the year. There have been significant changes in the way the arts are delivered and received in Tasmania and Council's arts program has grown dramatically and shifted with these changes. It is important that the program adapts to the current arts environment in Tasmania and that it remains relevant, vibrant and responsive to opportunity and change. A review of the arts plan will consider our arts program in a local and regional context, and the relationship of our cultural programs to external arts bodies, organisations, festivals and opportunities. The review is due for completion in late 2018.

Cultural history plan

Council adopted the new Cultural History Plan 2018 – 2023.

The Cultural History Advisory Committee continued to progress actions in the plan including the following activities:

- Development of an Aboriginal Heritage Interpretation Plan
- Successful grant application to the Department of Veteran's Affairs for a memorial sculpture at Waverley Flora Park Avenue of Honour (in construction) to be officially opened in November 2018
- Continuation of the historic interpretation signage project

- An event to celebrate the anniversary of the death of the Reverend Robert Knopwood held at Rosny Barn during the 2018 Heritage Festival.

Bellerive-Kangaroo Bay-Rosny Park Cultural Creative Precinct Framework

The policy framework was adopted to establish an effective, accountable and contextual framework for the creation of a cultural/creative precinct within the city. The policy framework will provide clarity around the provision of premises to support cultural and creative activities for community groups, as well as assist developers (private and government) on proposals of a creative nature.

EVENTS

Council continued to deliver an annual events program in the city. Events included:

The twenty-second annual Clarence Jazz Festival was held from 18–25 February at five venues in the city. The festival included a twilight series of concerts at parks in Geilston Bay, Lindisfarne and South Arm, the Jazz Lounge at Rosny Barn and the big weekend at Rosny Farm. Three Clarence Jazz Festival scholarships were awarded to Mimi Jin, Lauren Morris and Liam Matzolic who received six months of tuition and performed at the festival.

The Seafarers' Festival was held in October 2017 at Bellerive Boardwalk with the theme 'happy oceans'. The festival is now in its eighteenth year and attracted an estimated crowd of 5,000 people.

Dogs Day Out, held in October, provided a day out for families and their dogs. The event included activities, competitions, information displays and the popular Poochibald Art Prize. The event attracted an estimated crowd of 800 people.

Clarence Christmas Concert was held at Bellerive Boardwalk and featured the Matt Ives Big Band, Margot Lampkin's 80 piece choir and the Blues Brothers. The event attracted an estimated crowd of 1,800 people.

Australia Day on Bellerive Boardwalk was celebrated with live music and a breakfast with an estimated 1,200 people in attendance. The Australia Day Awards Ambassador was Mitch McPherson who founded Speak Up: Stay ChatTY. The event included a public citizenship ceremony with 16 local people naturalised, and the announcement of the 2018 City of Clarence Australia Day Awards. Council received an Australia Day Great Ideas Grant to hold a special performance by A Cappella Bootcamp.

The Clarence Plains Harvest Festival was held at Neilson Park in Rokeby and attracted around 1,000 people. The event was held in conjunction with Mission Australia Housing, Rokeby and Clarendon Vale Neighbourhood Centres, Grace Church and the Department of Health and Human Services.

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OTHER EVENTS

Queens Baton Relay

The Queens Baton Relay travelled through the city on 9 February on its journey to the Gold Coast Commonwealth Games. The event showcased the city and highlighted the achievements of 37 residents who carried the baton from Howrah to Lindisfarne. A community celebration event was held at Simmons Park before the baton travelled on to Glenorchy and Hobart.

Volunteers reception

Our annual volunteers reception was held in May to recognise the contribution of volunteers in the city. Close to 100 volunteers from a number of community groups attended the reception at Clarence on the Bay.

Citizenship ceremonies

We welcomed 34 new citizens at three citizenship ceremonies held during the year.

EVENT ASSISTANCE IN CLARENCE

Council continued to provide assistance to organisations and community groups to hold events in Clarence. Assistance included the provision of equipment, marketing, administrative or financial support. These events included:

- Carols Under the Stars in Lauderdale – the largest Christmas concert in southern Tasmania
- Regional Christmas concerts in Lindisfarne, South Arm, Cremorne, Risdon Vale and Richmond
- Richmond Highland Gathering
- A classic car show in Richmond
- Skating events, school fairs and sporting events

- Festival of Smiles for International Day of People with Disability. While the event was cancelled on the day due to inclement weather, an art exhibition was held at Rosny Barn.

AUSTRALIA DAY AWARDS

Thirteen nominations were received for the 2018 City of Clarence Australia Day Awards in the categories of citizen of the year, young citizen of the year, senior citizen of the year, and community event of the year. Award recipients were selected by the Australia Day Awards Committee. All nominees were recognised at a morning tea on Australia Day with award recipient announced at Australia Day on the Bellerive Boardwalk.

Rokeby resident Marie Crick was awarded citizen of the year for her work in the Clarence Plains area, particularly for the 'Brain Box' initiative and the Clarence Plains Spring Clean. Senior citizen of the year was awarded to Christopher Smith of Howrah for his advocacy of seniors and men's health. Rokeby resident Demi Smith was awarded young citizen of the year for her work on youth homelessness. Hobart's longest running and largest carol service, Carols Under the Stars, organised by Abundant Life Church, was awarded community event of the year.

SISTER CITY RELATIONSHIP

The city welcomed 10 students from our sister city Akkeshi in Japan, who were on a student exchange with Rose Bay High School. During the four-day exchange, students stayed in local family's homes, experienced school life and visited Council Offices.



New citizens welcomed at a ceremony on Australia Day

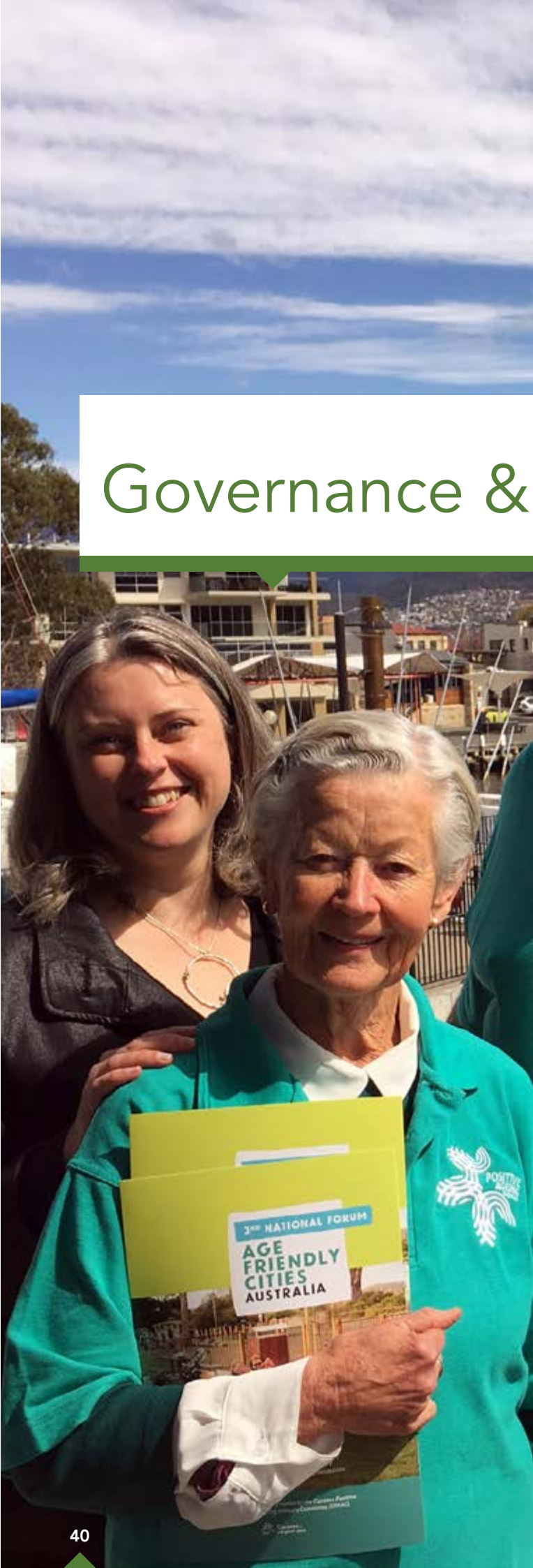
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Governance & Leadership

GOAL: To provide leadership and accessible, responsive, transparent and accountable governance of the city.



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DECISION MAKING AND REPORTING

ANNUAL GENERAL MEETING

Council held its Annual General Meeting on 27 November 2017. There were no submissions received on the Annual Report 2016–17.

QUARTERLY REPORTING

Quarterly reports were presented to Council which provided information on the performance of the organisation against our Annual Plan. Key performance indicators and detailed financial information for each of the program areas were included in Council's annual plan and budget.

AUDIT PANEL

During the year, the Audit Panel met and endorsed a number of reports and continued its review of the findings of the 2016-17 external audit of Council's strategic and high-rated risks. The following developments resulted from the findings of the review and included:

- A restructure of Council's risk register to establish and delineate three new levels of risk management – strategic, enterprise and functional
- The review and update of Council's Risk Management Framework Policy
- The development of a Risk Management Policy Implementation Plan
- The commitment by Council to continue to develop and enhance its risk management practices.

RISK AUDIT

The following individual audits were conducted during the year:

- Information security and privacy
- Council's actions and responses to climate change
- Risks associated with Council's community engagement.

Targeted internal audits of Council-owned infrastructure included:

- Footpaths
- Roads
- Sporting and recreational facilities
- Tree management
- Contract management.

In addition to the above, the recommendations of a Road Safety Audit conducted in 2014-15 were implemented in the 2017-18 financial year.

As part of the transition to electronic records keeping (Project Jigsaw), a review of Council's current procurement and tendering system was conducted to identify areas of improvement. This review is ongoing.

In accordance with the *Building Act 2000*, all major Council facilities were audited and all Council-owned buildings

recorded in Council's asbestos register were audited for compliance with the *Work Health and Safety Act 2012*.

PUBLIC INTEREST DISCLOSURE

There were no public interest disclosures made during the year. Details of Council's procedures were available on both Council's internet and intranet sites.

CODE OF CONDUCT COMPLAINTS

There were no code of conduct complaints made during the year.

STRATEGIC POLICY

The following major policies and plans were considered and adopted by council:

- Risk Management Framework Policy
- Age Friendly Clarence Plan 2018-2022
- South Arm Oval Revised Master Plan
- Cultural History Plan
- Risdon Vale Recreation and Community Facilities Plan
- Beltana Park Master Plan
- Tranmere Coastal Reserve Activity Plan 2018-2022
- Acton Trails and Reserves Activity Plan 2018-2022
- Richmond Recreation Activity Plan 2017-2021
- Canopus-Centauri Bushland Reserve Activity Plan 2017-2021
- Seven Mile Beach Sport and Active Recreation Precinct – Revised Master Plan.

VOLUNTARY AMALGAMATIONS FEASIBILITY STUDIES

Council participated in two feasibility studies – a South East Councils Feasibility Study proposing possible merger options with Sorell, Tasman and Glamorgan Spring Bay councils, and a Greater Hobart Feasibility study proposing possible merger options with Hobart, Glenorchy and Kingborough councils.

From September to November 2017, council conducted a hard copy survey of residents and ratepayers on the options outlined in the two voluntary amalgamation feasibility studies, as well as the option of no amalgamation at all.

HIGHLIGHTS



Conducted community-wide consultation on two voluntary amalgamation feasibility studies.



Adopted the risk management framework policy.



Annual General Meeting held on 27 November 2017.

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The options included:

South East Councils Feasibility Study –

1. Shared services (no amalgamation)
2. Amalgamation of Clarence, Sorell, Tasman and Glamorgan Spring Bay councils
3. Amalgamation of Clarence, Sorell and Tasman councils
4. Amalgamation of Sorell, Tasman and Glamorgan Spring Bay councils
5. Amalgamation of Sorell and Tasman councils

Greater Hobart Feasibility Study –

1. Business as usual (no change)
2. Amalgamation of Clarence, Kingborough, Glenorchy and Hobart councils
3. Strategic alliance between Clarence, Kingborough, Glenorchy and Hobart councils
4. Amalgamation of Clarence, Glenorchy and Hobart councils
5. Amalgamation of Glenorchy and Hobart councils.

From 31,000 surveys posted, a total of 5,593 surveys were received – a response rate of 18 per cent.

The results revealed that 52 per cent of residents were not supportive of an amalgamation in the south east and 64 per cent not supportive of an amalgamation in greater Hobart.

While the survey results were not determinative in their own right, Council considered the feedback from the community and decided not to pursue an amalgamation with neighbouring councils at a meeting in December 2017.

Council re-affirmed its decision to pursue a strategic alliance with Hobart, Glenorchy and Kingborough.

A strategic alliance ensures all four councils work together within a regulated framework to provide an integrated whole-of-community approach to strategic planning for sustainable and competitive urban growth within metropolitan Hobart.

Council wrote to the Minister of Local Government to inform him of the decision not to pursue a voluntary amalgamation in the south east or as part of a Greater Hobart, and instead to establish a strategic alliance with Hobart, Glenorchy and Kingborough councils.

EXTERNAL RELATIONS

LOCAL GOVERNMENT ASSOCIATION OF TASMANIA (LGAT)

Council continued its ongoing relationship with the Local Government Association of Tasmania (LGAT).

Key issues that were discussed at meetings held during the year included the State Government review of the *Local Government Act 1993*, review of the Code of Conduct legislation, review of the state planning provisions, response to State Government’s proposed takeover of TasWater, and local government elections.

Policy updates were provided on issues such as the street lighting LED replacement project, waste management, emergency management, the building act, and the State Government’s cat management plan. Meeting minutes are available on LGAT’s website.

SOUTHERN TASMANIAN COUNCILS’ AUTHORITY (STCA)

Council continued its membership of the Southern Tasmanian Councils’ Authority. Issues discussed through the authority, included regional climate change initiatives, planning reform, and Derwent River ferry transport.

DERWENT ESTUARY PROGRAM

Council continued its membership of the Derwent Estuary Program.

SOUTH EAST REGION DEVELOPMENT ASSOCIATION (SERDA)

Council attended meetings of the South East Region Development Association Inc (SERDA) with the main activity for the year being the development of a regional workforce plan.

SUBMISSIONS TO THE STATE GOVERNMENT

Submissions were made to the State Government on:

- Amendments to the Local Government (General) Regulations 2015
- Review of the State Government’s Aboriginal and Dual Naming Policy.

CUSTOMER SERVICE CHARTER

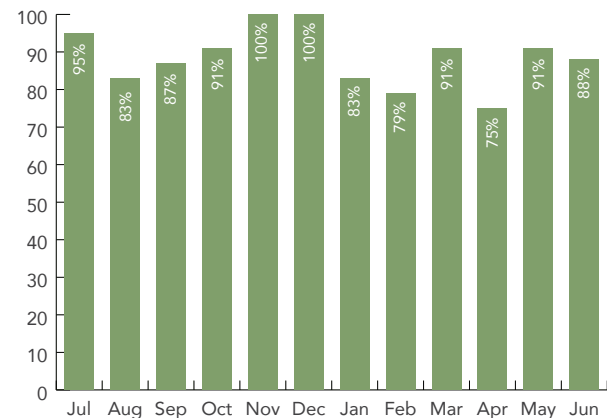
COMPLAINTS

Council commenced a review of how complaints are handled through a review and updates to our policy and procedure documentation. The updates will enhance staff’s understanding of what constitutes a complaint, the way in which Council responds to customers and how we report complaint numbers to align with legislated requirements and our Customer Service Charter.

ALDERMEN’S ALLOWANCES AND ENTITLEMENTS

Details of the full cost of entitlements and allowances paid to aldermen are included in the appendices section.

Fig. 7: Aldermen attendance at Council meetings



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Clarence... a brighter place



Clarence Foreshore Trail



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Assets & Resources



GOAL: Clarence City Council will efficiently and effectively manage its financial, human, and property resources to attain Council’s strategic goals and meet its statutory obligations.



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FINANCIAL MANAGEMENT

Council places strong reliance upon its adopted Finance Strategy and its 10 Year Financial Management Plan to guide key financial decisions and monitor high level outcomes. Other high level plans including Council's Strategic Plan and various asset management plans inform the financial strategy and plans, ensuring consistency across the policy and planning framework adopted and implemented.

Separate policies relating to associated areas of governance and business management – for example risk management, rates and changes, and investment – provide for considered and structured outcomes.

Council's primary revenue source is from property rates, which provides a strong basis for long term financial planning, significantly insulated from the effects of externalities such as government grants and returns from investment markets.

Significant actions during 2017–18 included:

- Review of Investment Strategy and Policy
- Unqualified audit opinion issued by the Auditor-General
- Annual Plan and Estimates developed to meet the outcomes envisaged in the Council's key strategies and plans
- Operating result and underlying result favourable, and in accordance with the financial management plan
- Financial risk minimised through the systems of internal control, internal and external reporting and oversight of the Audit Panel
- Implementation of fully integrated, cloud-based financial and asset management software system including continuous improvement initiatives
- Progress against Annual Plan and estimates allocations monitored by Council through formal quarterly reporting process.

MANAGEMENT AND STAFF RESOURCING

CONDITIONS OF EMPLOYMENT

Council offers a comprehensive range of benefits and competitive remuneration entitlements which aim to provide a framework that is appropriate for our business, is transparent and meets our commitment to attract and retain high performing, productive and engaged workers.

RECRUITMENT AND SELECTION

Council is committed to recruitment and selection processes that are open, competitive and based on merit. Practices are designed to support the achievement of Council's objectives and are critical to the success of Council and the provision of services to our community.

We are currently working to develop an organisation development plan which will define the forward journey from 'where we are now' to 'where we are heading' so that

we can ensure we have the right people in the right place at the right time.

TRAINING AND DEVELOPMENT

Council continued to support employees through investing in their ongoing training and development. Council delivered programs which are focused on operational needs, work health and safety requirements, as well as professional development opportunities.

Council provided an increasing number of traineeship opportunities for existing and new staff, including programs that target youth in the city.

WORK HEALTH AND SAFETY / REHABILITATION AND COMPENSATION

Council is committed to preventing injury and illness by providing and maintaining a safe working environment. We continue to maintain accreditation under AS/NZS 4801:2001.

We deliver a proactive employee assistance program to improve the wellbeing of staff. This includes rehabilitation interventions to assist in the return of injured employees to the workplace.

A Staff Health and Wellbeing Committee was established to drive and support a number of new initiatives.

INDUSTRIAL RELATIONS

Council complied with all industrial relations requirements.

STATUTORY AND LEGAL RESPONSIBILITIES






PUBLIC HEALTH

Educational programs and information to improve standards

Food handler training sessions were held during the year with 161 people attending face-to-face training and 2,626 people completing the online training.

Seasonal editions of Food News were distributed quarterly to all food businesses operating in Clarence. The newsletters

HIGHLIGHTS

-  Unqualified audit opinion issued by the Auditor-General.
-  Registered 11,622 dogs in Clarence.
-  Delivered food handler training to 2,787 people via online and face-to-face training.
-  Processed 731 building permit applications.
-  Issued plumbing permits for 305 residential buildings, 60 commercial buildings and 301 Certificates of Likely Compliance.

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provided information on food standards, changes to legislation and food safety.

Compliance with the Food Act 2003

There were 336 applications for renewal of registration of food businesses and for new businesses.

Temporary food licences were issued to 236 food businesses operating at various events.

On-site wastewater management

There were 197 inspections of wastewater treatment systems during the year.

Immunisation program

Council continued to deliver the immunisation program at high schools in Clarence with vaccination of all grade seven students for the Human Papilloma Virus (HPV) vaccine, diphtheria, tetanus and pertussis (whooping cough). After-hours catch-up clinics were held during the year for students who were absent during the delivery of the school immunisation program. These clinics were well attended.

Free meningococcal W vaccination was offered for grade 10, 11 and 12 students in term three and four in 2017, and to grade 10 students for Meningococcal A, C, W & Y in 2018.

The fortnightly community clinics held at the Integrated Care Centre in Rosny Park continued to be well attended.

A total of 3,294 vaccinations were administered during 2017–18.

Environmental water sampling

Beach sampling continued on a weekly basis during the warmer months from December to March when the Derwent Estuary Program is put on hold.

The monthly sampling of Howrah and Bellerive beaches continued between July and November with no issues identified. From April to the end of June there was one sample that had high enterococci levels from a sewer leak into the stormwater catchment. Stormwater sampling was prioritised to identify cross connections and areas where contamination is consistently high. This resulted in the matter being referred to TasWater and the leaks being repaired.

Water carrier permits

Nine water carriers were registered during the year. Eight inspections were conducted and samples taken. All were compliant with the Department of Health and Human Services Tasmanian Drinking Water Quality Guidelines 2015.

Place of assembly licencing

There were three place of assembly licences issued this year – two were for carols by candlelight events and another for the schools triathlon.

Event notification

There were 19 event notification forms submitted to advise Council of formal activities/events in the city. This included the schools triathlon at Bellerive Beach, family fun days and other community-based gatherings.

Public health risk registration

Nine public health risk licences (for example tattooing/ear piercing) for businesses were issued during the year.

Nuisances that may impact on the health, wellbeing and safety of the community

Officers responded to 273 complaints during the year. This is a decrease of six from the previous year. The majority of complaints related to pollution (101), noise (99), food (21), other (16), vermin (14), onsite wastewater (11), building (8) and insects (3).

ANIMAL MANAGEMENT

Nuisances regarding dogs

City Rangers responded to 1,516 complaints from the general public in relation to dogs. The majority of complaints received were dogs at large (787), barking dogs (415), other (129), dog attacks (96), dogs on beaches (66) and unregistered (23).

386 dogs were collected by City Rangers and taken to the Dogs’ Home during the year.

Responsible dog ownership

11,622 dogs were registered in Clarence during 2017-18. This is an increase of 187 for the same period last year.

677 infringement notices were issued to dog owners throughout the year. The majority of those related to failing to register a dog (301), dog at large (259), dogs on beaches (58), other (53) and dog attacks (6). This is a decrease of 138 infringement notices when compared with last year.

Four editions of Dog News were sent to all registered dog owners to provide information on legislative updates, changes to the dog management policy, and articles relating to responsible dog ownership.

Assistance to organisations that care for animals

Council provided annual funding to the Dogs’ Home, and the Hobart Cat Centre to assist with the care of animals.

PARKING

City Rangers conducted regular patrols of public car parking in areas around Rosny, Bellerive, Lindisfarne, Richmond, and at major events held at Bellerive Oval. As a result 2,214 infringements were issued during the year with the majority being for exceeding the time limit. This is an increase of 16 when compared with last year.

BUILDING AND PLUMBING

Building permit approvals

A total of 731 applications were lodged for building permits and notifiable works for new and additional works during the year. Of these, permits were issued for 367 residential buildings, 34 commercial buildings and 330 notifiable works.

Plumbing permit approvals

A total of 669 applications were lodged for plumbing permits and Certificates of Likely Compliance for new and additional works during the year. Of these, permits were issued for 305 residential buildings, 60 commercial buildings and 301 Certificates of Likely Compliance. The remaining applications are either deferred, cancelled or still under assessment.

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Fig. 8: Dog registrations

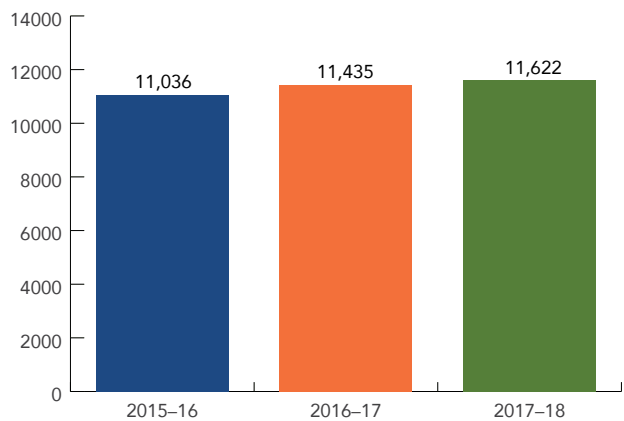


Fig. 9: Dog complaints

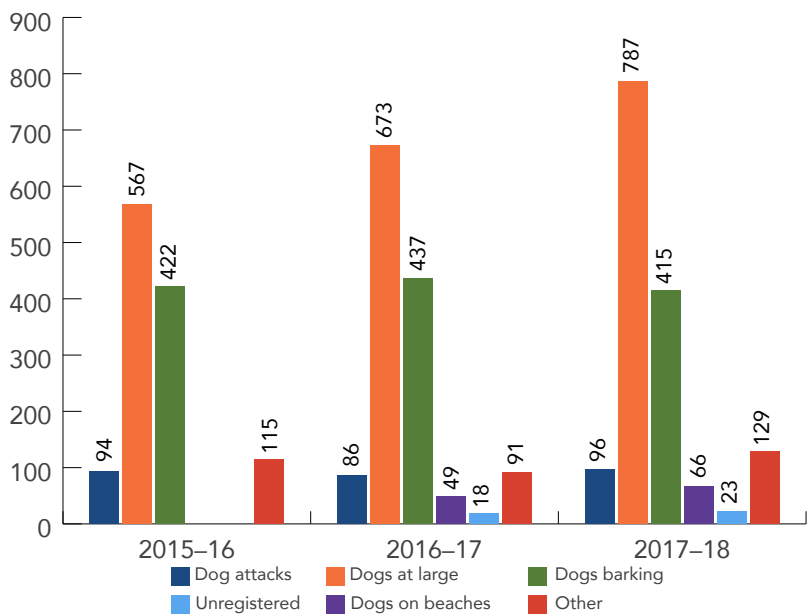


Fig. 10: Building approvals

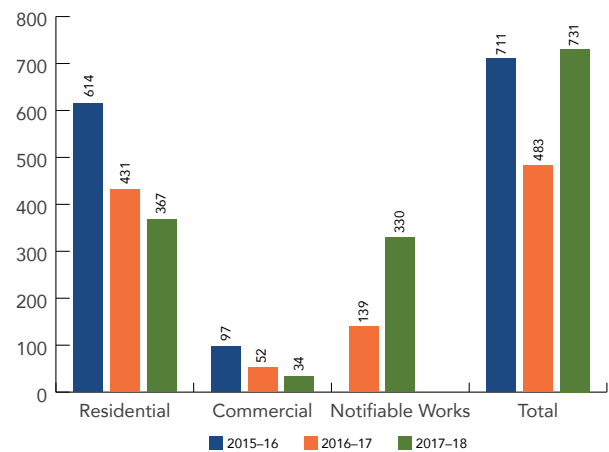
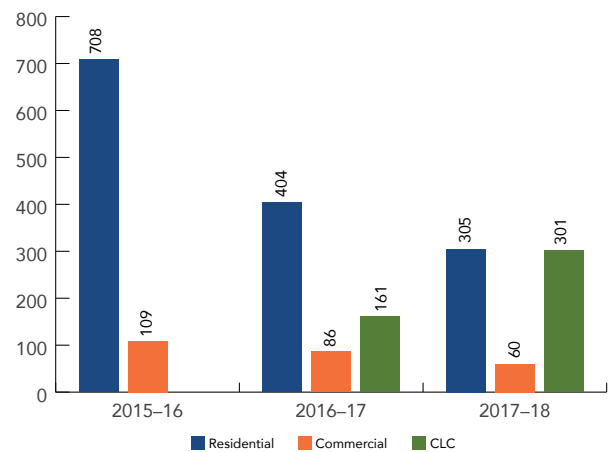


Fig. 11: Plumbing applications lodged



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FINANCIAL MANAGEMENT INDICATORS

Fig. 12: Expenses

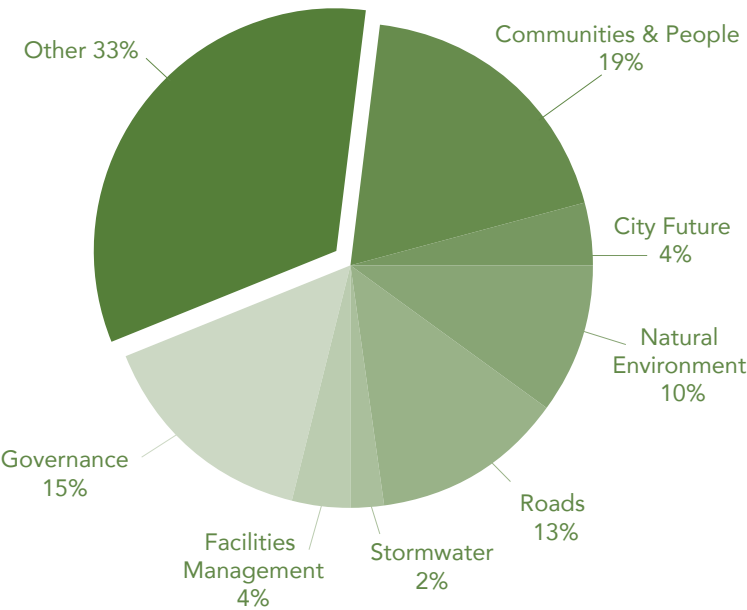
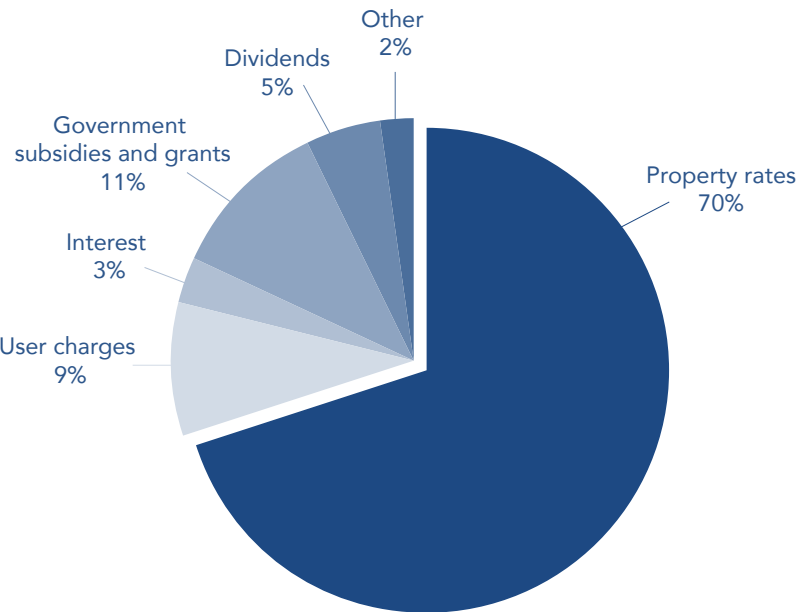


Fig. 13: Operating revenue

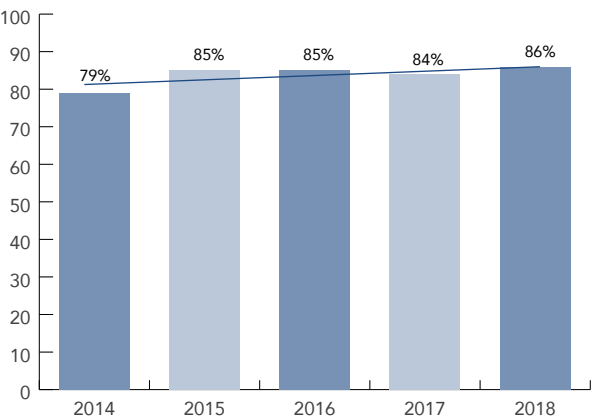


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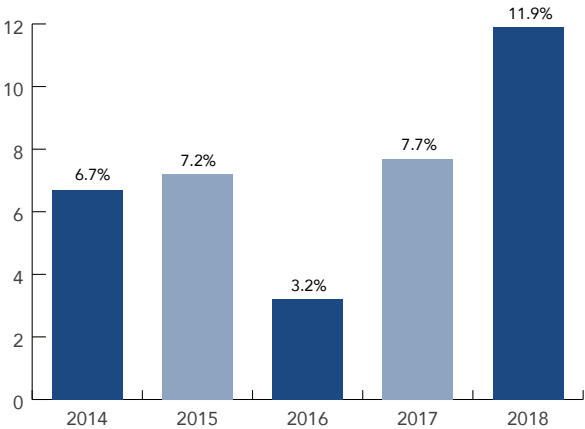


Fig. 14: Net financial liabilities ratio



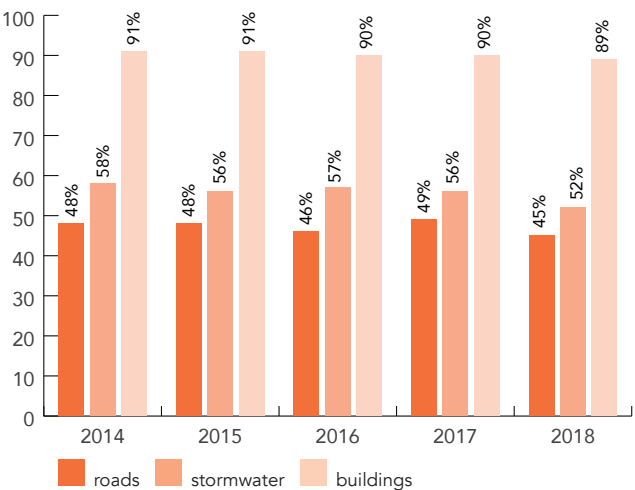
Net financial liabilities/Recurrent Income
This ratio indicates the net financial obligations of Council compared to its recurrent income.
Auditor-General Benchmark: >0%
(within a range of -50% to 0% is acceptable)

Fig. 15: Underlying surplus ratio



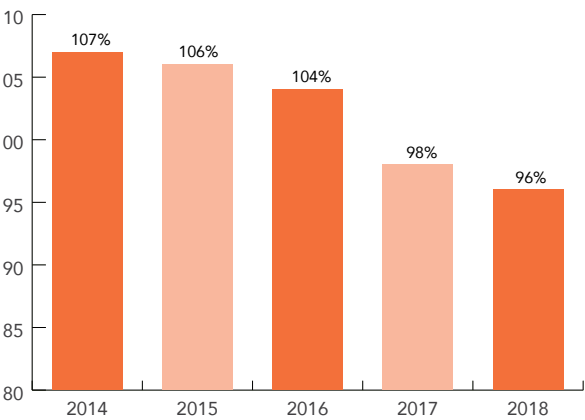
Underlying surplus/(deficit)/Recurrent Income
This ratio serves as an overall measure of financial operating effectiveness.
Auditor-General Benchmark: >1.0

Fig. 16: Asset consumption ratios



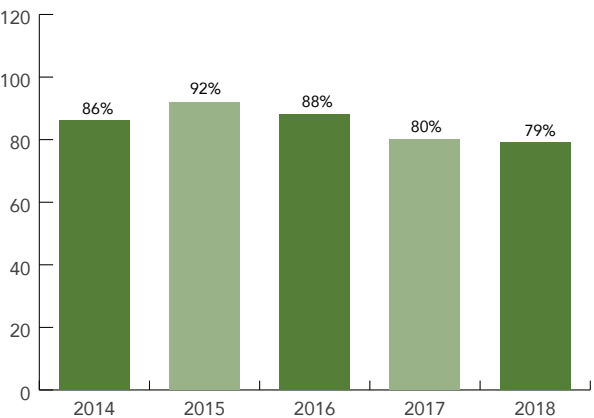
Depreciated replacement cost/Current replacement cost
This ratio indicates the level of service potential available in Council's existing asset base based on accounting estimates.
Auditor General Benchmark: >60%

Fig. 17: Asset renewal funding ratio



Projected capital outlays/Projected capital expenditure funding
This ratio measures Council's capacity to fund future asset replacement requirements based on its 10 Year Financial Management Plan.
Auditor General Benchmark: 100%
(within range of 90% to 100% is acceptable)

Fig. 18: Asset sustainability ratio



Capital outlays on replacement or renewal of existing assets/Annual depreciation expense
This ratio calculates the extent to which Council is maintaining operating capacity through renewal of its existing asset base.
Auditor General Benchmark: 100%

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Financial Statements



Pursuant to Section 84(3) of the *Local Government Act 1993*, I certify that the attached financial statements fairly represent the financial position of the Council as at 30 June 2018, and the results of the Council's operations and its cash flow for the year then ended.

Andrew Paul
General Manager,
15 October 2018



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Clarence... a brighter place

INCOME STATEMENT for the year ended 30 June 2018

	NOTES	BUDGET* 2018 \$'000	2018 \$'000	2017 \$'000
CONTINUING OPERATIONS				
Recurrent Income				
Rates	3	47,947	48,168	46,251
User charges	4	5,075	6,295	5,045
Interest	5	1,675	1,926	1,960
Government subsidies		2,765	2,704	3,169
Grants	6	4,228	5,013	5,237
Investment revenue from water corporation	12	3,300	3,318	3,318
Contributions of capital		1,107	903	602
Other revenues from continuing activities		407	636	326
Total recurrent income	2	66,504	68,963	65,907
Capital Income				
Contribution and recognition of assets	7	–	9,371	8,669
Share of net result of associates accounted for using the equity method	8	–	301	418
Gain/(Loss) on retirement or disposal of assets	9	–	766	(796)
Total capital income		–	10,438	8,291
TOTAL INCOME		66,504	79,401	74,197
EXPENDITURE				
Employee costs		17,456	17,626	16,624
Depreciation	10	12,812	12,322	12,674
Materials		3,097	2,326	2,341
Contracts		9,896	9,834	9,554
Finance costs		10	8	18
State Government charges and levies		5,527	5,582	5,270
Other expenses from continuing activities	11	12,203	10,541	10,935
TOTAL EXPENDITURE	2	61,001	58,239	57,416
SURPLUS/(DEFICIT)		5,503	21,162	16,781
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss				
Fair value revaluation of fixed assets		–	(6,750)	4,754
Fair value revaluation investment in Water Corporation	12	–	2,177	1,093
		–	(4,573)	5,847
COMPREHENSIVE SURPLUS / (DEFICIT)		5,503	16,589	22,628

*Budget information is not audited.

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

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BALANCE SHEET

as at 30 June 2018

	NOTES	2018 \$'000	2017 \$'000
CURRENT ASSETS			
Cash and cash equivalents	13,14	63,369	59,328
Receivables	14,15	3,957	3,779
Prepayments		56	210
Other	16	556	483
Total Current Assets		67,938	63,800
NON-CURRENT ASSETS			
Land	17,18	75,731	74,848
Land under roads	17,19	103,011	100,848
Buildings	17,20	37,905	38,300
Roads	17,21	183,870	199,473
Waste management	17,22	699	704
Stormwater infrastructure	17,23	100,695	97,633
Plant, equipment & furniture	17,24	837	1,099
Parks & recreation equipment	17,25	13,826	14,957
Capital work in progress	17	24,262	4,832
Receivables	14,26	2,711	359
Investment in associates	8	3,983	4,000
Investment in water corporation	12,14	169,874	167,697
Total Non-Current Assets		717,404	704,750
TOTAL ASSETS	2	785,342	768,550
CURRENT LIABILITIES			
Payables	27	5,759	5,797
Interest bearing liabilities	14,28	–	191
Provisions	29	4,146	3,714
Total Current Liabilities		9,905	9,702
NON-CURRENT LIABILITIES			
Interest bearing liabilities	14,28	–	–
Provisions	29	675	679
Total Non-Current Liabilities		675	679
TOTAL LIABILITIES		10,580	10,381
NET ASSETS		774,762	758,169
EQUITY			
Accumulated surpluses		551,265	531,553
Reserves	30	223,497	226,616
TOTAL EQUITY		774,762	758,169

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

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STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2018

	Accumulated Surplus		Asset Revaluation Reserve (note 30)		Fair Value Reserve (note 30)		Other Reserve (note 30)		TOTAL	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Balance at beginning of the financial year	531,553	515,519	223,470	220,022	(32,870)	(33,963)	36,016	33,963	758,169	735,544
Surplus for the year	21,162	16,781	–	–	–	–	–	–	21,162	16,781
Other comprehensive income										
Fair value revaluation of fixed assets	–	–	(6,750)	4,754	–	–	–	–	(6,750)	4,754
Fair value revaluation water corporation	–	–	–	–	2,177	1,093	–	–	2,177	1,093
Transfers to reserves	(12,206)	(11,927)	–	–	–	–	12,206	11,927	–	–
Transfers from reserves	10,756	9,874	–	–	–	–	(10,756)	(9,874)	–	–
Retirement & derecognition of assets	–	1,306	–	(1,306)	–	–	–	–	–	–
Balance at end of the financial year	551,265	531,553	216,720	223,470	(30,693)	(32,870)	37,466	36,016	774,762	758,169

* Balances may vary due to rounding
The above statement should be read in conjunction with accompanying notes.

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CASH FLOW STATEMENT

for the year ended 30 June 2018

	NOTES	INFLOWS (OUTFLOWS) 2018 \$'000	INFLOWS (OUTFLOWS) 2017 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		48,022	46,133
User charges (inclusive of GST)		6,869	5,233
Interest received		1,901	1,881
Government subsidies		2,704	3,169
Government grants (inclusive of GST)		2,811	3,828
Net GST refund (payment)		2,908	3,382
Other (inclusive of GST)		4,935	4,323
TOTAL RECEIPTS		70,150	67,949
Payments			
Wages and salaries		(17,280)	(16,933)
Interest		(8)	(18)
Other (inclusive of GST)		(31,464)	(30,453)
TOTAL PAYMENTS		(48,752)	(47,404)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	31	21,398	20,545
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant & equipment		(19,430)	(20,091)
Proceeds from sale of property, plant & equipment		2,320	–
Investment in Associate		118	(1,398)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES		(16,992)	(21,489)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	32	(191)	(180)
Government grants - capital		2,202	1,409
Loans repaid to (advanced by) Council		(2,376)	659
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES		(365)	1,888
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		4,041	944
Cash and cash equivalents at beginning of reporting period		59,328	58,384
Cash and cash equivalents at end of reporting period	13	63,369	59,328
Restrictions on Cash	13		
Financing Arrangements	28		

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

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

INTRODUCTION

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

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

1. Summary of Significant Accounting Policies

a) Basis of Accounting

These financial statements are a general purpose financial report that consists of the Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), and the *Local Government Act 1993* (as amended). Council has determined that it does not have profit generation as a prime objective. Consequently, where appropriate, Council has elected to apply options and exemptions within accounting standards that are applicable to not-for-profit entities. As a result this financial report does not fully comply with International Financial Reporting Standards.

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

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

This financial report has been prepared under the historical cost convention, except where specifically stated in notes 12, 14, and 17–25.

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

All entities controlled by Council that have material assets or liabilities, such as Special Committees of Management, and material subsidiaries or joint ventures, have been included in this financial report. All transactions between these entities and Council have been eliminated in full.

b) Use of Judgements and Estimates

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

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

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

Employee entitlements

Assumptions are used in determining Council's employee entitlement provisions. These assumptions are discussed in note 29.

Defined benefits superannuation fund obligations

Actuarial assumptions are used in determining Council's defined benefit superannuation fund obligations. These assumptions are discussed in note 33.

Fair value of property, plant and equipment

Assumptions and judgements are used in determining the fair value of Council's property, plant and equipment including assumptions about useful lives and depreciation rates. These assumptions are discussed in notes 10 and 17–25.

Investment in water corporation

Assumptions used in determining Council's valuation of its investment in TasWater are discussed in note 12.

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c) Leases

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

Operating leases as lessee

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

Operating leases as lessor

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

Where leases are commercial agreements, lease revenue is recorded on an accruals basis.

d) Allocation Between Current and Non-Current

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

e) Taxation

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

Goods and Services Tax (GST)

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

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

f) Significant Business Activities

Council is required to report the operating capital and competitive neutrality costs in respect of each significant business activity undertaken by the council. Council has determined that there are no such significant business activities.

g) Rounding

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

h) Impairment of Assets

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

i) Measurement of Fair Values

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

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

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

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

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

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

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

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

Note 12 Investment in Water Corporation

Note 14 Financial Instruments

Note 18 Non-Current Assets – Land

Note 19 Non-Current Assets – Land Under Roads

Note 20 Non-Current Assets – Buildings

Note 21 Non-Current Assets – Roads

Note 22 Non-Current Assets – Waste Management

Note 23 Non-Current Assets – Stormwater Infrastructure

Note 24 Non-Current Assets – Plant, Equipment & Furniture

Note 25 Non-Current Assets – Parks & Recreation Equipment

j) Contingent Assets, Contingent Liabilities and Commitments

These items, including accounting policies, are disclosed in notes 36, 38 and 33 respectively.

k) Disclosure of Changes in Accounting Policy and Estimates

Impact of applicable Australian Accounting Standards not yet operative

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

i) AASB 9

Financial Instruments

Effective date 1 January 2018

Extends the standard's application date to January 2018; introduces new requirements for the classification, measurement and de-recognition of financial assets and liabilities; introduces a chapter to deal with hedge accounting; and introduces a new impairment model for financial assets.

ii) AASB 1058

Income of Not-for-Profit Entities

AASB 15

Revenue from Contracts with Customers

AASB 2016-8

Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities

AASB 2015-8

Amendments to Australian Accounting Standards arising from AASB 15

Effective date 1 January 2018

AASB 15 will replace AASB 118 *Revenue*, AASB 111 *Construction Contracts* and a number of Interpretations. AASB 2016-8 provides Australian requirements and guidance for not-for-profit entities in applying AASB 9 and AASB 15, and AASB 1058 will replace AASB 1004 *Contributions*. Together they contain a framework for the recognition, measurement and disclosure of income including revenue from contracts with customers.

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- iii) AASB 16
Leases
Effective date 1 January 2019
Introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset, and a lease liability representing its obligations to make lease payments.
- iv) AASB 2014-10
Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

AASB 2015-10
Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB10 and AASB128

AASB 2017-5 defers the effective date of AASB 2014-10 to 1 January 2022
The amendments address an inconsistency between the requirements in AASB10, and those in AASB128 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if the assets are housed in a subsidiary. AASB 2015-10 has delayed the effective date of the amendments to 1 January 2018. i.e. the Trustee's financial statements for year ended 30 June 2019.

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

All other Australian accounting standards and interpretations with future effective dates are either not applicable to Council's activities or the possible impact on the financial statements has not yet been assessed.

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2. Functions/Activities of the Municipality

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

	Communities and People \$'000	City Future \$'000	Natural Environment \$'000	Roads* \$'000	Storm-water \$'000	Facilities Management \$'000	Governance \$'000	Unclassified/General Purpose \$'000	TOTAL \$'000
Expenses	11,043	2,361	5,831	7,711	1,036	2,421	8,487	19,348	58,239
2016/17 Comparative	14,009	2,515	7,107	13,843	1,482	2,635	7,807	8,019	57,416
Revenues	4,434	2,579	4,818	669	2,386	1,051	11,531	36,482	63,950
Grants	1,158	–	–	2,734	855	260	–	7	5,013
Total Operating Revenues	5,592	2,579	4,818	3,402	3,241	1,310	11,531	36,489	68,963
2016/17 Comparative	7,119	1,875	4,633	1,512	3,834	1,232	10,972	34,732	65,907
Change in net assets resulting from operations	(5,451)	218	(1,013)	(4,309)	2,205	(1,110)	3,044	17,141	10,724
2016/17 Comparative	(6,890)	(641)	(2,474)	(12,332)	2,352	(1,402)	3,165	26,712	8,491
Assets	N/A	N/A	699	286,881	100,695	113,636	N/A	283,431	785,342
2016/17 Comparative	N/A	N/A	704	300,321	97,633	113,148	N/A	256,744	768,550

Rates have been attributed to functions where appropriate. Balances may vary due to rounding. * Roads includes Land Under Roads

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

Communities and People

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

City Future

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

Natural Environment

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

Roads

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

Stormwater

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

Facilities Management

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

Governance

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

Unclassified/General Purpose

Transactions and assets not directly attributable to specific functions.

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3. Rates Income

Rates are based on a property's capital value. The Valuer-General last assessed capital value as at 1 July 2013. Since that date, the Valuer-General has advised biennial adjustment factors, which have been applied as at 1 July each year of issue.

	NOTES	2018 \$'000	2017 \$'000
Rate revenue raised		48,168	46,251
Less: Remissions	11	(2,154)	(2,168)
		46,014	44,083

Accounting policy – rates and charges

Rates income is recognised as revenue when Council obtains control over the assets comprising the receipt. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

4. User Charges

Fees		3,965	2,965
Rentals		674	633
Special Committee income	37	445	425
Other		1,211	1,022
		6,295	5,045

Accounting policy – user charges

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

5. Interest

Interest on financial assets	1,652	1,725
Interest on rates	275	235
	1,926	1,960

Accounting policy - interest income

Interest is recognised progressively as it is earned.

6. Grants

Grants made by the State Grants Commission	2,711	3,828
Capital grants made by Government:		
Blackspot	812	38
Roads to Recovery	953	1,131
Risdon Vale Change Rooms	80	–
Meehan Range MBT	165	–
Breakwater	175	–
Clarence Plains Reimaging	8	–
Risdon Vale BMX Competition	2	–
Warrane Community Garden	7	17
Seven Mile Beach Master Plan	–	50
Path Rosny Hill Road to Barn	–	70
Lindisfarne Oval Lighting	–	80
Rural Bus Stop	–	23
Operating grants made by Government:		
Australia Day Activities	4	–
Help to Health	63	–
Needs in an Age Friendly Integrated City	5	–
Walkable Futures	28	–
	5,013	5,237

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The Australian Commonwealth Government provides Financial Assistance Grants to Council for general purpose use and for the provision of local roads. In 2017/2018 the Commonwealth made early payment of two quarterly instalments for the following year. In accordance with AASB1004 *Contributions*, Council recognises these grants as revenue when it receives the funds and obtains control. This has impacted the Statement of Comprehensive Income and the surplus/(deficit) in the current year, increasing the operating surplus by \$1.37 million. A similar advance payment was received in 2016/2017 in respect of 2017/2018 for \$1.3 million and was recognised in that year. Due to advance payment of a similar amount being made in consecutive years, the net impact on the 2017/2018 operating surplus is immaterial. These variations in payment dates represent timing differences only; the total amount to be received by Council over the affected periods has not changed as a result of this timing difference.

Accounting policy – grant income

Grant income is recognised as revenue when Council obtains control over the assets comprising the receipt. Control over granted assets is normally obtained upon their receipt (or acquittal), or upon notification that a grant has been secured. Granted assets are valued at their fair value at the date of transfer.

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

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at balance date and conditions include a requirement to refund unused contributions. Revenue is then recognised as the various performance obligations under an agreement are fulfilled. Council does not currently have any reciprocal grants.

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

7. Contribution and Recognition of Assets

	2018 \$'000	2017 \$'000
Contributions and recognition of assets are made up of the following categories:		
Contributions of assets arising from subdivision of land	6,871	8,669
Contribution of assets made by State Government	2,500	–
	9,371	8,669

Accounting policy – income from contribution and recognition of assets

Contributed assets are recognised as revenue when Council obtains control over the assets comprising the receipt. Non-monetary contributions (including developer contributions) with a value in excess of Council’s recognition thresholds are recognised as revenue and as non-current assets. Non-monetary contributions below the thresholds are recorded as revenue.

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

8. Investment in Associates

Council has an interest in the Copping Refuse Disposal Site Joint Authority (CRDSJA). It uses the equity method to account for its interest. Council controls 45% (2016/17 45%) of the Authority’s votes. Council’s share of the Authority’s net assets is fixed at 48% or \$2,789,040 (2016/17 48% or \$2,433,937). Refer to the Cash Flow Statement for dividends received.

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

The following information is provided in relation to the CRDSJA:

Total assets	17,794	15,278
Total liabilities	(10,491)	(8,641)
Minority interest	(1,493)	(1,567)
Revenue	(7,395)	(6,689)
Profit (loss) after income tax expense	484	665
Council’s share of profit (loss) after income tax expense	*	267
Council’s share of income tax expense	(212)	(159)
Council’s share of prior year adjustments	*	–
Council’s share of income tax equivalents **	*	87

* Amount included in income statement ** Current year figure unavailable at time of signing accounts

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Council has an interest in C Cell Pty Ltd as Trustee (Trust). It uses the equity method to account for its interest. Council owns 32% (2016/17 40%) of the Trust's issued units. Council's share of the Trust's assets is also 32% or \$1,194,114 (2016/17 40% \$1,566,593). The Trust is located in Australia; its principal activity is to operate a hazardous landfill cell.

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

	2018 \$'000	2017 \$'000
Total assets	6,946	5,438
Total liabilities	(3,215)	(1,521)
Revenue	–	–
Profit (loss)	(185)	(84)
Council's share of profit (loss)	* (60)	(33)
Adjustment on sale of units	* 7	–

* Amount included in income statement

Accounting policy – accounting for investments in associates

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

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

Net proceeds on disposal of non-current assets	2,445	–
Carrying amount of non-current assets retired	(1,679)	(796)
Profit (loss) on disposal	766	(796)

Accounting policy – gain/loss on retirement or disposal of non-current assets

Gain or loss on disposal of an asset is determined when control of the asset has irrevocably passed to the buyer.

10. Depreciation

Depreciation was charged in respect of:

Buildings	424	403
Roads	7,928	8,195
Stormwater infrastructure	2,572	2,370
Waste management assets	6	18
Plant, equipment & furniture	262	423
Parks & recreation equipment	1,131	1,264
	12,322	12,674

Accounting policy – depreciation

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

Major depreciation periods used are listed below, and are consistent with the prior year unless otherwise stated:	Years
Roads	
Road seal	13–50
Road pavement	70
Bridges	80
Footpaths	15–60
Parks equipment	10–66
Plant & equipment	10
Stormwater	75
Waste management	15
Buildings	100

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11. Other Expenses

	NOTES	2018 \$'000	2017 \$'000
Other expenses includes:			
Rate remissions	3	2,154	2,168
Less Rate remission subsidies		(1,870)	(1,879)
Net Rate remissions		284	289
Electricity		1,366	1,256
Insurance		736	704
External Auditor - Tas Audit Office		44	41
External Auditor - Other		9	24
Aldermen's allowances		446	459
Rental expense relating to operating leases	33(b)	1,778	1,637
Family Day Care fee relief		1,426	1,540
Community Services support		99	96
Corporate support		1,223	1,136
Policy and promotion		849	1,262
External plant hire		586	450
Special Committees expenses	37	479	445
Other		1,217	1,595
		10,541	10,935

Accounting policy – expenses

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

Accounting policy – finance costs

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

12. Water Corporation

Investment revenue from water corporation			
Dividend revenue		2,187	2,152
Tax equivalent		979	999
Guarantee fee		152	167
This revenue is recognised when Council's right to receive it is established.		3,318	3,318
Fair value revaluation investment in water corporation			
Opening Balance 1 July		167,697	166,604
Total gains/(losses) recognised as other comprehensive income		2,177	1,093
Closing Balance 30 June		169,874	167,697

Accounting policy – investment assets

Council's investment in the Water Corporation is valued at its fair value at balance date. Fair value was determined by using Council's equity proportion for voting purposes, based on Schedule 2 of the Water Corporation's constitution, against the Water Corporation's net asset value at balance date. Council has an equity proportion for voting purposes of 10.58% in the Corporation. Any unrealised gains and losses at balance date are recognised in the Income Statement as other comprehensive income and appear in the Fair Value Reserve. This asset is classified as Level 3. Council has not bought or sold any share in this business during the reporting period.

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

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TasWater and State Government memorandum of understanding

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

13. Current Assets – Cash and Cash Equivalents

	2018 \$'000	2017 \$'000
Cash at bank and on hand	2,046	4,328
Interest bearing deposits	61,323	55,000
	63,369	59,328
Unrestricted	23,598	20,542
Subject to external and/or internal restrictions	39,771	38,786
	63,369	59,328

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

Accrued long service leave ¹	2,303	2,766
Unexpended specific purpose contributions ²	4,360	4,398
Council discretionary reserves ³	33,108	31,622
	39,771	38,786

¹ These monies have been set aside to fund long service leave payment obligations.

² These monies are required to be spent on public open space, car parking & community services.

³ These monies are set aside at the discretion of Council and primarily represent funds for infrastructure renewal

Accounting policy – cash and cash equivalents

Cash and cash equivalents are valued at face value. For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand, deposits at call and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

14. Financial Instruments

a) Risk exposures

Credit risk:

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

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

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

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

Market risk:

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

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

Interest rate risk:
This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council's financial instruments comprise cash and cash equivalents, receivables, payables and interest bearing liabilities. Its main exposure to this risk is through its interest bearing liabilities which are disclosed at Note 28 and in this note.

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

	2018 \$'000	2017 \$'000
Financial Assets		
Cash and cash equivalents	63,369	59,328
Financial Liabilities		
Interest bearing liabilities	–	(191)
Net exposure	63,369	59,137

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

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

Net Result		
+1%	613	586
-1%	(613)	(586)
Equity		
+1%	613	586
-1%	(613)	(586)

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

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

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

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b) Interest rate risk exposure

	Note	Effective (weighted) average interest rate %	Variable & floating interest rate \$'000	Fixed Interest Rate Maturity			Non interest bearing \$'000	Total \$'000
				< 1 Year \$'000	1–5 years \$'000	> 5 years \$'000		
2018								
Financial Assets								
Cash	5,13	2.63	8,369	55,000	–	–	–	63,369
Receivables incl rates*	15,26	4.59	–	2,285	102	2,609	1,672	6,668
		Total	8,369	57,285	102	2,609	1,672	70,037
Financial Liabilities								
Creditors	27	–	–	–	–	–	6,354	6,354
Interest bearing liabilities	28	–	–	–	–	–	–	–
		Total	–	–	–	–	6,354	6,354
2017								
Financial Assets								
Cash	5,13	2.64	4,328	55,000	–	–	–	59,328
Receivables incl rates*	15,26	4.71	–	2,042	125	234	1,737	4,138
		Total	4,328	57,042	125	234	1,737	63,466
Financial Liabilities								
Creditors	27	–	–	–	–	–	4,307	4,307
Interest bearing liabilities	28	5.57	–	191	–	–	–	191
		Total	–	191	–	–	4,307	4,498

*Refer to note 15 for more information regarding ageing of receivables.

c) Net fair value

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

	Actual 2018		Actual 2017	
	Carrying amount \$'000	Aggregate net fair value \$'000	Carrying amount \$'000	Aggregate net fair value \$'000
Financial assets				
Cash and cash equivalents	63,369	63,369	59,328	59,328
Investment Water Corporation	169,874	169,874	167,698	167,698
Receivables	6,668	6,668	4,138	4,138
Total	239,911	239,911	231,164	231,164
Financial liabilities				
Payables	–	–	1,980	1,980
Interest bearing liabilities	–	–	191	195
Total	–	–	2,171	2,175

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

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	FAIR VALUE HIERARCHY	VALUATION TECHNIQUE	NOTE	INPUTS USED
Financial assets				
Cash and cash equivalents	Level 1	Carrying amounts are a reasonable approximation of fair value.	13	Carrying amounts.
Investment Water Corporation	Level 3	Application of Council's ownership interest to the corporation's net asset value at balance date.	12	Council's ownership interest. The corporation's net asset value at balance date.
Receivables	Level 3	Carrying amounts are a reasonable approximation of fair value.	15, 26	Carrying amounts.
Financial liabilities				
Payables	Level 3	Carrying amounts are a reasonable approximation of fair value.	27	Carrying amounts.
Interest bearing liabilities	Level 3	Use of a discount rate equal to the average of mid rates of Commonwealth Government securities maturing on or near 30 June each year for the remaining life of the liabilities.	28	Mid rates of Commonwealth Government securities maturing on or near 30 June each year for the remaining life of the liabilities. Loan instalments payable.

d) Accounting Policies

Accounting policies in respect of financial assets and financial liabilities are disclosed in the notes related to those assets and liabilities.

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

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

Council classifies its investments as:

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

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

Investment in associates: Council's share of the movement in the net assets of its associates between balance dates is recognised in the income statement each year as capital income (refer note 8).

Investment in water corporation: any unrealised gains and losses on holdings at balance date are recognised each year through the Income Statement to a Fair Value Reserve (refer note 30).

e) Terms and conditions

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

f) Fair value measurements recognised in the balance sheet

Council's investment in the Water Corporation is measured at fair value, and is classified as a Level 3. Its classification has not changed. This investment is not subject to credit or market risks. A reconciliation of movements in the fair value of this asset is included in Note 12.

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15. Current Assets –Receivables

	2018 \$'000	2017 \$'000
Rates receivable	2,188	2,042
Other debtors	1,769	1,737
	3,957	3,779
The ageing analysis of receivables is as follows:		
0–30 days	862	622
31–60 days	9	32
61–90 days (not impaired)	–	1
+91 days (not impaired)	3,086	3,124
	3,957	3,779

Accounting policy – receivables

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

All rates debtors are included in +91 days outstanding. No provision has been made for impairment because any such provision would generally be immaterial. Unpaid rates are recoverable on the sale of the property concerned. No material bad debts were written off during either year.

Certain amounts raised by way of rates equivalents (which are not a charge on the land) in respect of Hobart Airport are subject to dispute which had not been resolved at balance date. The amount raised but unpaid at 30 June 2018 was \$1,621,224 (30 June 2017 \$1,207,235). This matter is currently the subject of an action before the Federal Court.

16. Current Assets – Other

Stores and materials (at average cost)	133	99
Other	423	384
	556	483

Accounting policy – stores and materials

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

Stores and materials acquired at no cost, or for nominal consideration, are recorded at current replacement cost at the date of acquisition.

17. Infrastructure Assets

Movements in infrastructure assets for the year were as follows:

	Opening balance 1 July 2017 \$'000	Depreciation expense for year \$'000	Additions \$'000	WIP transferred to expenses \$'000	Reclassifica- tions / adjustments \$'000	Written down value of retirements / derecognition \$'000	** Net revaluation increment (decrement) \$'000	Closing balance 30 June 2018* \$'000
Land	74,848	–	2,500	–	–	(1,617)	–	75,731
Land under roads	100,849	–	2,162	–	–	–	–	103,011
Buildings	38,301	(424)	–	–	28	–	–	37,905
Roads	199,473	(7,927)	2,067	–	–	–	(9,743)	183,870
Waste management	705	(6)	–	–	–	–	–	699
Stormwater infrastructure	97,633	(2,572)	2,641	–	–	–	2,993	100,695
Plant, equipment & furniture	1,099	(262)	–	–	–	–	–	837
Parks & recreation equipment	14,957	(1,131)	–	–	–	–	–	13,826
Capital Work in Progress (WIP)	4,832	–	19,430	–	–	–	–	24,262
Total	532,697	(12,322)	28,800	–	28	(1,617)	(6,750)	540,836

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

	Opening balance 1 July 2017 \$'000	Depreciation expense for year \$'000	Additions \$'000	WIP transferred to expenses \$'000	Reclassifica- tions / adjustments \$'000	Written down value of retirements / derecognition \$'000	** Net revaluation increment (decrement) \$'000	Closing balance 30 June 2018* \$'000
Land	71,447	–	–	–	–	–	3,401	74,848
Land under roads	100,270	–	579	–	–	–	–	100,849
Buildings	32,338	(403)	5,144	–	–	(131)	1,353	38,301
Roads	193,087	(8,195)	15,229	–	–	(648)	–	199,473
Waste management	723	(18)	–	–	–	–	–	705
Stormwater infrastructure	97,271	(2,370)	2,743	–	–	(11)	–	97,633
Plant, equipment & furniture	1,410	(423)	112	–	–	–	–	1,099
Parks & recreation equipment	12,701	(1,264)	3,525	–	–	(5)	–	14,957
Capital Work in Progress (WIP)	4,184	–	1,013	(365)	–	–	–	4,832
Total	513,431	(12,673)	28,345	(365)	–	(795)	4,754	532,697

* Balances may vary slightly due to rounding
** Recognised as Fair Value Revaluation of Fixed Assets in Other Comprehensive Income

Accounting Policy – acquisitions of assets

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

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

Land under roads is recognised in accordance with AASB 116 *Property, Plant and Equipment*. Because such land is generally acquired for no or nominal consideration, when it is recognised its cost is its fair value. Consistent with the Report to Parliament by the Auditor-General No. 5 of 2013-2014 Infrastructure Financial Accounting in Local Government, Council has recognised land under roads acquired prior to 1 July 2008 in its 2015 Financial Statements; Council’s past policy was to not recognise these assets.

Where assets are constructed by Council, cost includes all design costs, materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of attributable variable and fixed overheads. Due to an upgrade of ICT systems during the year no assets were capitalised from Work in Progress in 2017/2018. This has resulted in Work in Progress being higher and infrastructure assets lower than otherwise expected. There has been an immaterial consequential effect on depreciation expense.

Accounting policy – revaluations of assets

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

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

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

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18. Non-Current Assets – Land

	2018 \$'000	2017 \$'000
Land at fair value closing balance	75,731	74,848

Fair Value Hierarchy

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

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

Valuation technique

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

19. Non-Current Assets – Land under roads

Land under roads at fair value closing balance	103,011	100,849
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Fair Value Hierarchy

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

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

Valuation technique

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

20. Non-Current Assets – Buildings

Buildings at fair value	33,720	33,720
Less : Accumulated depreciation	(4,286)	(3,976)
	29,434	29,744
Buildings at cost	8,636	8,636
Less: Accumulated depreciation	(165)	(79)
	8,471	8,557
	37,905	38,301

Fair Value Hierarchy

The fair value measurement for buildings has been categorised as a level 2 fair value based on the inputs to the valuation technique used (refer to Note1 i) and details below).

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

Valuation technique

The fair value of buildings other than those recorded at cost was determined by the Valuer-General, based on 1 July 2012 market values, to which an index factor has been applied consistent with the Valuer-General's 2017 adjustment factors for valuations within the municipality.

21. Non-Current Assets – Roads

Roads at fair value	406,794	410,911
Less : Accumulated depreciation	(222,924)	(211,438)
	183,870	199,473

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Fair Value Hierarchy

The fair value measurement for roads has been categorised as a level 3 fair value based on the inputs to the valuation technique used (refer to Note1 i) and details below).

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

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

Roads includes earthworks, substructures, seals, kerbs and crossings relating to roads and footpaths. Road assets have been valued at current replacement cost written down to reflect the portion of the economic life that has expired. Current replacement cost has been established as at 1 July 2017 based upon information provided by Council's engineering officers.

A minor increase/decrease in asset units was derived through the revaluation process taking effect from 1 July 2017 and is not considered to be material. This increase/decrease was due to the undertaking of a full reconstruction of Council's asset register for this asset class, providing an improved register structure and greater quality of information. Comparative information has not been adjusted to reflect this change in asset units due to the impracticality of doing so, given that the previous asset register is incompatible with the newly constructed asset register.

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

22. Non-Current Assets – Waste Management

	2018 \$'000	2017 \$'000
Waste management assets at fair value	930	930
Less : Accumulated depreciation	(231)	(225)
	699	705

Fair Value Hierarchy

The fair value measurement for waste management assets has been categorised as a combination of level 2 and level 3 fair values based on the inputs to the valuation technique used (refer to Note1 i) and details below).

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

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

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

23. Non-Current Assets – Stormwater Infrastructure

Stormwater infrastructure assets at fair value	194,728	174,840
Less : Accumulated depreciation	(94,033)	(77,207)
	100,695	97,633

Fair Value Hierarchy

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

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

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

Stormwater infrastructure assets have been valued at current replacement cost written down to reflect the portion of the economic life that has expired. Current replacement cost has been established based on information provided by Council's engineering officers as at June 2017.

A minor increase/decrease in asset units was derived through the revaluation process taking effect from 1 July 2017 and is not

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considered to be material. This increase/decrease was due to the undertaking of a full reconstruction of Council's asset register for this asset class, providing an improved register structure and greater quality of information. Comparative information has not been adjusted to reflect this change in asset units due to the impracticality of doing so, given that the previous asset register is incompatible with the newly constructed asset register.

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

24. Non-Current Assets - Plant, Equipment & Furniture

	2018 \$'000	2017 \$'000
Plant, equipment & furniture assets at cost	3,452	3,452
Less : Accumulated depreciation	(2,615)	(2,353)
	837	1,099

Fair Value Hierarchy

The fair value measurement for plant, equipment & furniture has been based on cost.

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

Valuation technique, unobservable inputs, inter-relationship between unobservable inputs and fair value
Current replacement cost of items of plant, equipment and furniture has been based on the cost of assets.

25. Non-Current Assets – Parks & Recreation Equipment

Parks & recreation equipment at fair value	24,101	24,101
Less : Accumulated depreciation	(10,275)	(9,144)
	13,826	14,957

Fair Value Hierarchy

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

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

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

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

26. Non-Current Assets – Receivables

Deferred payment – property transfer	–	359
Loan to C Cell Pty Ltd	2,400	–
Construction contribution – Cricket Tasmania	311	–
	2,711	359

27. Current Liabilities – Payables

Trade creditors	–	1,980
Other creditors and accruals	5,759	3,817
	5,759	5,797

General creditors are unsecured, not subject to interest charges, and are normally settled by the relevant due date or 30 days.

Accounting policy – payables

Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received.

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28. Interest Bearing Liabilities

	2018 \$'000	2017 \$'000
Bank loans (current)	–	191
Financing Arrangements		
Unrestricted access was available at the reporting date to the following financial accommodation:		
Total Facilities		
Bank overdraft	1,000	1,000
Corporate credit cards	40	40
Loans	–	191
	1,040	1,231
Used at reporting date		
Bank overdraft	–	–
Corporate credit cards	–	13
Loans	–	191
	–	204
Unused at reporting date		
Bank overdraft	1,000	1,000
Corporate credit cards	40	27
	1,040	1,027

The bank overdraft facility may be drawn at any time, and terminated by the bank without notice. Any overdraft at balance date is recognised at the principal amount. Interest rates are variable.

Accounting policy – interest bearing liabilities

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

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

29. Provisions

Current		
Employee entitlements*		
Annual leave**		
Opening balance	1,461	1,597
Additional provisions	1,529	564
Amounts used	(1,148)	(700)
Closing balance	1,842	1,461
Long service leave		
Opening balance	2,257	2,185
Additional provisions	382	242
Amounts used	(466)	(301)
Closing balance	2,173	2,126
Payroll tax attributable to long service leave	131	127
Total long service leave provision	2,304	2,253
Total Provisions	4,146	3,714
** The above includes annual leave purchased during the year	48	56

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	2018 \$'000	2017 \$'000
Non-Current		
Employee entitlements*		
Long service leave		
Opening balance	679	757
Additional provisions	(43)	(117)
	636	640
Payroll tax attributable to long service leave	39	39
Closing balance	675	679

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

Accounting policy – employee entitlements

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

Wages and Salaries, Annual Leave and Sick Leave

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

Long Service Leave

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

Retirement Benefit Obligations

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

Since the defined benefits superannuation fund to which Council contributes is fully funded and is recognised as a multi-employer scheme no liability is required to be recognised. No asset is recognised as the surplus attributable to each contributing council cannot be accurately calculated. Further disclosure regarding this matter is made at note 34. Council has no further obligations with respect to defined contribution funds.

30. Reserves

a) Composition

Asset Revaluation Reserve (Represents net increments arising from the revaluation of non-current assets).	216,720	223,470
Infrastructure Renewal Reserve (Represents unused amounts collected to fund future renewal of existing infrastructure assets).	31,491	29,790
Commonwealth Funded Programmes Reserve (Represents unused funds subject to grant programmes operated by the Commonwealth Government. Such funds are subject to grant agreements and are applied as such).	1,463	1,248
General Reserve (Represents amounts appropriated for general future uses, typically planned projects, expected events and contingencies).	1,617	1,832
Rosny Park Child Care Reserve (Represents the cumulative operating result of the Rosny Park Child Care Centre. Meets ongoing operations of the centre).	394	271

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	2018 \$'000	2017 \$'000
Car Parking Reserve (Represents funds contributed in lieu of providing car parking as part of commercial developments. Provides for provision of alternative car parking facilities in the areas collected).	355	1,105
Public Art Reserve (Represents funds contributed by developers in lieu of providing public art as part of commercial developments. Provides an alternative means for the creation of public art in the areas/precincts in which it was collected).	21	–
Public Open Space Reserve (Represents funds contributed in lieu of providing public open space as part of subdivision developments. Provides for purchase of alternative public open space assets in the areas collected).	1,829	1,570
Headworks Reserve (Represents funds contributed by property developers to provide for future augmentation of Council infrastructure to meet additional capacity demands arising from property development).	300	203
Fair Value Reserve (Represents increments/decrements in the fair value of Council's equity share in the Water Corporation).	(30,693)	(32,870)
	223,497	226,618

b) Movements

Asset Revaluation Reserve		
Balance at the beginning of the financial year	223,470	220,022
Net increment (decrement) on revaluation of assets	(6,750)	4,761
Transfer to equity on derecognition of assets*	–	(1,313)
	216,720	223,470

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

	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000		2018 \$'000	2017 \$'000
	Infrastructure Renewal Reserve		Commonwealth Funded Programmes Reserve		General Reserve		Rosny Park Child Care Reserve				
Balance at the beginning of the financial year	29,790	28,413	1,248	1,234	1,832	1,868	271	204			
Amount transferred from accumulated surplus	11,272	10,999	221	127	74	76	123	67			
Amount transferred to accumulated surplus	(9,571)	(9,622)	(6)	(113)	(289)	(112)	–	–			
Balance at the end of the financial year	31,491	29,790	1,463	1,248	1,617	1,832	394	271			
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	
	Car Parking Reserve		Public Art Reserve		Public Open Space Reserve		Headworks Reserve		Fair Value Reserve		
Balance at the beginning of the financial year	1,105	905	–	–	1,570	1,219	203	124	(32,870)	(33,963)	
Amount transferred from accumulated surplus	140	200	21	–	259	378	97	79	–	–	
Fair Value adjustment on revaluation	–	–	–	–	–	–	–	–	2,177	1,093	
Amount transferred to accumulated surplus	(890)	–	–	–	–	(27)	–	–	–	–	
Balance at the end of the financial year	355	1,105	21	–	1,829	1,570	300	203	(30,693)	(32,870)	

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31. Reconciliation of Net Cash Inflow from Operating Activities to Surplus/(Deficit)

	2018 \$'000	2017 \$'000
Net cash inflow from operating activities	21,398	20,545
Depreciation	(12,294)	(12,674)
Contribution of assets	9,308	8,687
Gain/(Loss) on retirement or disposal of assets	766	(796)
Share of net results of associates	301	418
Government grants - capital	2,202	1,409
Derecognition of assets previously capitalised	–	(370)
Change in operating assets and liabilities		
Increase (decrease) in rates receivable	146	118
Increase (decrease) in other debtors and prepayments	(107)	(216)
Increase (decrease) in stock on hand	34	1
(Increase) decrease in creditors and accruals	(164)	(487)
(Increase) decrease in provision for employee entitlements	(428)	146
Surplus/(Deficit)	21,162	16,781

32. Reconciliation of liabilities arising from financing activities

Interest-bearing loans and borrowings		
Balance as at 1 July 2017	191	–
Changes from financing cashflows:		
Cash Repayments	(191)	–
Balance as at 30 June 2018	–	–

33. Commitments for Expenditure

a) Capital Commitments

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

Buildings	283	86
Infrastructure	3,214	4,368
	3,497	4,454
These expenditures are payable:		
Not later than one year	3,497	4,454
	3,497	4,454

b) Operating Lease Commitments

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

Not later than one year	1,355	1,464
Later than one year and not later than five years	3,189	3,588
Later than five years	609	1,225
	5,153	6,277

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c) Operational Contracts

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

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

Estimated remaining payments under these contracts total \$12.44 million.

34. Superannuation

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund (the Fund), a sub-fund of the Tasplan Superannuation Fund (Tasplan). The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund’s assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 34 of AASB 119 *Employee Benefits*, Council does not use defined benefit accounting for these contributions.

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

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

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

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

The actuarial review concluded that:

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

The Actuary recommended that in future the Council contribute 9.5% of salaries in 2017/18 and 0% of salaries from 1 July 2018 to 30 June 2021.

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

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

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

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

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

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

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

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

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

The Fund is a defined benefit Fund.

During the reporting period the amount of contributions paid to defined benefits schemes was \$123,154 (2016/17 \$115,209), and the amount paid to accumulation schemes was \$2.06 million (2016/17 \$1.89 million).

During the next reporting period the expected amount of contributions to be paid to defined benefits schemes is \$100,000, and to accumulation schemes is \$2.17 million.

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

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

As at 30 June 2017 the fund had 134 members and the total employer contributions and member contributions for the year ending 30 June 2017 were \$1,777,084 and \$267,506 respectively.

35. Subsequent Events

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

36. Contingent Assets

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

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

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

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

Carrying amounts and depreciation expense in respect of these assets were:	\$'000
Bellerive Oval – written down value at derecognition (1 July 2012)	24,062
Copping Landfill – written down value at derecognition (1 July 2012)	2,691
	26,753
Depreciation was charged in 2011/12 on these assets as follows:	
Bellerive Oval	850
Copping Landfill	70
	920

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

Accounting policy – contingent assets

Council owns the Bellerive Oval and has leased this asset to Cricket Tasmania for a minimum period of 45 years. Council is part owner of the Copping landfill site. The landfill and associated land has been leased to the Copping Refuse Disposal Site Joint Authority for 50 years. Both of these leases are dated 2001. It is Council's opinion that control over these assets including maintenance obligations has been effectively transferred to the lessees, making the probability that significant future economic benefits will flow to Council unlikely (other than rental income). Other than the relevant value of the land Council has not included these assets in its balance sheet. This treatment is in accordance with *AASB 137 Provisions, Contingent Liabilities and Contingent Assets*.

37. Special Committees

Under Section 24 of the *Local Government Act 1993* a Council may appoint Special Committees. The Council had 6 such Committees in operation as at 30 June 2018.

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

	Income	Expenditure	Net Result	Net Assets
	2017/18	2017/18	2017/18	2017/18
Committee	\$'000	\$'000	\$'000	\$'000
Alma's Activities Centre Clarence	93	103	(10)	113
Lindisfarne Community Activities Centre	39	34	5	31
Risdon Vale Hall Committee	6	4	2	15
Clarence City Band	26	17	9	39
Howrah Community Centre	278	318	(40)	48
Geilston Bay Community Centre	3	3	–	3
	445	479	(34)	249
* Due to timing of receipt of these records, some data remains unaudited.				
	2016/17	2016/17	2016/17	2016/17
	\$'000	\$'000	\$'000	\$'000
Alma's Activities Centre Clarence	82	76	6	123
Lindisfarne Community Activities Centre	30	33	(3)	26
Risdon Vale Hall Committee	6	4	2	13
Clarence City Band	18	19	(1)	25
Howrah Community Centre	285	311	(26)	71
Geilston Bay Community Centre	4	2	2	3
	425	445	(20)	261

38. Contingent Liabilities

	2018	2017
	\$'000	\$'000
Bank guarantees in existence at balance date were as follows:		
Howrah Bowls Club	300	300
OHA Football Club	37	37
Rosny Park Tennis Club	45	45
Sunshine Tennis Centre	60	60
Geilston Bay Tennis Club	54	54
	496	496

Council has agreed to provide a financial contribution of \$1.0 million in respect of the proposed Kangaroo Bay breakwater project, conditional on the breakwater and associated marina extension project obtaining required permits/leases and funding. These conditions have not yet been met and neither the likelihood nor the timing of meeting the conditions is known. Note: As contingent liabilities, the above items have not been brought to account.

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39. Financial Management Indicators

	2018 \$'000	2017 \$'000	2016 \$'000	2015 \$'000	2014 \$'000
Net financial assets/(liabilities)	56,746	52,726	51,900	51,036	46,379
This measure shows whether Council's total liabilities can be met by its liquid assets. An excess of total liabilities over liquid assets means that, if all liabilities fell due at once, additional revenue would be needed to fund the shortfall.					
Underlying surplus/(deficit)	7,852	4,803	1,939	4,322	3,899
This measure shows Council's estimated operating result net of non-structural items such as specific purpose capital grants and other contributions of capital.					
Net financial liabilities ratio	86%	84%	85%	85%	79%
<i>Net financial liabilities/recurrent income</i> This ratio indicates the net financial obligations of Council compared to its recurrent income. *Benchmark: > 0% (within range of -50% to 0% is acceptable)					
Underlying surplus ratio	11.9	7.7	3.2	7.2	6.7
<i>Underlying surplus/(deficit)/recurrent income</i> This ratio serves as an overall measure of financial operating effectiveness. *Benchmark: >1.0					

40. Asset Management Indicators

Asset consumption ratio roads	45%	49%	46%	48%	48%
Asset consumption ratio stormwater	52%	56%	57%	56%	58%
Asset consumption ratio buildings	89%	90%	90%	91%	91%
<i>Depreciated replacement cost/Current replacement cost</i> This ratio indicates the level of service potential available in Council's existing asset base based on accounting estimates. *Benchmark: >60%					
Asset renewal funding ratio	96%	98%	104%	106%	107%
<i>Projected capital outlays/Projected capital expenditure funding</i> This ratio measures Council's capacity to fund future asset replacement requirements based on its 10 Year Financial Management Plan. *Benchmark: 100% (within range of 90% to 100% is acceptable)					
Asset sustainability ratio	79%	80%	88%	92%	86%
<i>Capital outlays on replacement or renewal of existing assets/Annual depreciation expense</i> This ratio calculates the extent to which Council is maintaining operating capacity through renewal of its existing asset base. *Benchmark: 100%					
* Benchmarks as per Auditor-General Report to Parliament 2013/2014					

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41. Related Party Transactions

a) Responsible Persons

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

Aldermen	Ald Doug Chipman (Mayor)	Ald Richard James
	Ald Jock Campbell (Deputy Mayor)	Ald Kay McFarlane
	Ald Heather Chong	Ald John Peers
	Ald Peter Cusick	Ald Debra Thurley
	Ald Doug Doust	Ald Sharyn von Bertouch
	Ald Daniel Hulme	Ald James Walker
General Manager	Andrew Paul	

b) Aldermen Remuneration

	Allowances \$'000	Superannuation ¹ \$'000	Vehicle ² \$'000	Reimbursement of expenses \$'000	Total \$'000
2017/2018					
Ald D Chipman (Mayor)	100	–	14	3	117
Ald J Campbell (Deputy Mayor)	52	–	–	–	52
Ald H Chong	28	–	–	3	31
Ald P Cusick	28	–	–	1	29
Ald D Doust	28	–	–	2	30
Ald D Hulme	28	–	–	0	28
Ald R James	28	–	–	3	31
Ald K McFarlane	28	–	–	8	36
Ald J Peers	28	–	–	1	29
Ald D Thurley	28	–	–	0	28
Ald S von Bertouch	28	–	–	6	34
Ald J Walker	28	–	–	7	35
Total	432	–	14	34	480
2016/17					
Ald D Chipman (Mayor)	98	–	8	4	110
Ald J Campbell (Deputy Mayor)	47	–	–	2	49
Ald H Chong	28	–	–	9	37
Ald P Cusick	28	–	–	1	29
Ald D Doust	28	–	–	4	32
Ald D Hulme	28	–	–	5	33
Ald R James	28	–	–	4	32
Ald K McFarlane	28	–	–	9	37
Ald J Peers	28	–	–	2	30
Ald D Thurley	28	–	–	2	30
Ald S von Bertouch	28	–	–	5	33
Ald J Walker	28	–	–	1	29
Total	425	–	8	48	481

The above statement of Allowances and Expenses paid to the Mayor, Deputy Mayor and Aldermen is provided in accordance with Section 72 of the *Local Government Act 1993*, and AASB 124 *Disclosure of Related Party Transactions*.

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

² Includes total cost of providing and maintaining vehicles provided for private use, including registration, insurance, fuel & other consumables, maintenance costs and parking. Amount shown is net of costs reimbursed.

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41. Related Party Transactions (cont.)

c) Key Management Personnel Remuneration

	Salary ¹ \$'000	Superannuation ² \$'000	Vehicles ³ \$'000	Non Monetary Benefits ⁴ \$'000	Total \$'000
2017/2018					
General Manager	242	23	12	(14)	263
Group Manager Engineering Services	169	21	12	25	227
Corporate Treasurer	163	20	12	(5)	190
Manager Health & Community Development	160	20	12	15	207
Manager City Planning	143	18	12	7	180
Corporate Secretary*	139	17	10	(15)	151
Manager Corporate Support/Legal Counsel**	34	4	3	5	46
Manager Customer Contact***	88	11	–	6	105
Manager Human Resources	123	16	12	(2)	149
Total	1,261	150	85	22	1,518

* To April 2018 ** From April 2018 *** From August 2017

2016/2017

General Manager	237	23	12	8	279
Group Manager Asset Management	176	22	12	(135)	75
Acting Group Manager Asset Management *	74	9	6	3	92
Corporate Treasurer	154	20	12	3	189
Manager Health & Community Development	152	19	12	(19)	164
Manager City Planning	139	17	12	(6)	163
Corporate Secretary	134	17	12	(38)	125
Manager Communication & Marketing **	72	9	4	(27)	58
Manager Human Resources	125	16	12	15	168
Total	1,262	152	94	(197)	1,311

*From 4 January 2017 ** To 26 October 2017

The above statement of total annual remuneration paid to employees of Council who hold positions designated by Council as being senior positions is provided in accordance with Section 72 of the *Local Government Act 1993*, and AASB 124 *Disclosure of Related Party Transactions*.

¹ Salary includes all forms of consideration paid and payable for services rendered and compensated absences.

² Superannuation means the contribution to the superannuation fund of the individual.

³ The value of vehicles provided reflects that amount specified in individual employment agreements.

⁴ Other non-monetary benefits represents movements in accruals for annual and long service leave.

d) Remuneration Principles

Aldermen Aldermen are paid allowances and compensation for certain expenses consistent with the *Local Government Act 1993*.

Executives Remuneration of key management personnel is based on an assessment of current market remuneration for similar positions. Employment terms and conditions of senior executives are contained in individual employment contracts or relevant industrial awards.

Short term incentive payments Council does not make short term incentive payments.

Termination benefits No termination benefits were paid to executives during the 2018 or 2017 financial years.

e) Transactions with Related Parties

The following interest(s) have been notified to the General Manager by Councillors pursuant to S84 of the *Local Government Act 1993* in respect of any body or organisation with which Council has major financial dealings:

Councillor:	Ald Debra Thurley
Nature of Interest:	Director/Secretary R M Worbey Constructions Pty Ltd
Date Interest Existed:	1 July 2017 to 21 December 2017
Nature of Relevant Dealings:	R M Worbey Constructions Pty Ltd: Payments made by Council totalling \$142,388 for various civil tenders and infrastructure maintenance.

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Independent Auditor’s Report

To the Aldermen of Clarence City Council

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Clarence City Council (Council), which comprises the balance sheet as at 30 June 2018 and the income statement, statement of changes in equity and cash flow statement for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification by the General Manager.

In my opinion the accompanying financial report:

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

Basis for Opinion

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

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

My audit responsibility does not extend to the budget figures included in the financial report and the asset renewal funding ratio disclosed in note 38 to the financial report and accordingly, I express no opinion on them. Furthermore, I express no opinion on the General Manager’s determination that Council did not have any Significant Business Activities for inclusion in the financial report as required by Section 84(2)(da) of the *Local Government Act 1993*.

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

Responsibilities of the General Manager for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Ric De Santi
Deputy Auditor-General
Delegate of the Auditor-General

Tasmanian Audit Office

26 September 2018
Hobart

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APPENDIX A

The following is a statement of allowances and expenses paid to the Mayor, Deputy Mayor and aldermen provided in accordance with Section 72 of the *Local Government Act 1993*.

	Allowance	Expenses	Total Amount
Alderman Campbell, Deputy Mayor	52,008.65	118.16	52,126.81
Alderman Chipman, Mayor ¹	114,082.48	2,773.06	116,855.54
Alderman Chong	28,498.32	3,518.33	32,016.65
Alderman Cusick	28,498.32	740.44	29,238.76
Alderman Doust	28,498.32	1,774.45	30,272.77
Alderman Hulme	28,498.32	234.00	28,732.32
Alderman James	28,498.32	3,124.92	31,623.24
Alderman McFarlane	28,498.32	8,273.79	36,772.11
Alderman Peers	28,498.32	1,133.52	29,631.84
Alderman Thurley	28,498.32	44.50	28,542.82
Alderman von Bertouch	28,498.32	6,182.47	34,680.79
Alderman Walker	28,498.32	6,619.78	35,118.10
	451,074.33	34,537.42	485,611.75

¹ The Mayor also receives a fully maintained vehicle for private use.

APPENDIX B

The following is a statement of attendance of aldermen at meetings of Council during the 2017–18 financial year in accordance with Section 72 of the *Local Government Act 1993*.

	Meetings held	Meetings attended
Alderman Campbell*, Deputy Mayor	20	18
Alderman Chipman, Mayor	20	18
Alderman Chong	20	20
Alderman Cusick*	20	19
Alderman Doust	20	15
Alderman Hulme	20	17
Alderman James	20	19
Alderman McFarlane	20	17
Alderman Peers*	20	19
Alderman Thurley*	20	18
Alderman von Bertouch*	20	17
Alderman Walker	20	19

*Leave of Absence approved:

- Alderman Campbell – 17 July 2017 to 17 August 2017
- Alderman Chipman – 18 August 2017 to 15 September 2017, and Council meeting of 18 June 2018
- Alderman Cusick – Council meeting of 16 October 2017
- Alderman Doust – Council meetings of 19 March 2018 and 16 April 2018
- Alderman Hulme – 18 August 2017 to 10 September 2017, and Council meeting of 5 February 2018
- Alderman Peers – Council meeting of 7 May 2018
- Alderman Thurley – Council meeting of 28 May 2018
- Alderman von Bertouch – Council meetings of 5 and 26 February 2018
- Alderman Walker – Council meeting of 16 April 2018

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APPENDIX C

The following is a report in relation to contracts for supply or provision of goods or services valued at or exceeding \$250,000 (excluding GST) that is entered into or extended between 1 July 2017 and 30 June 2018. This is in accordance with Regulation 29 of the *Local Government (General) Regulations 2015*.

Contract description	Contract start date	Original contract expiry	Amended contract expiry	Period of any options to extend the contract	Total value of tender awarded excl. GST	Business name of successful contractor	Location of contractor business
C1118-16 Kangaroo Bay Promenade – Reclamation works	3/07/2017	20/10/2018	18/1/2018		\$775,816.79	DCS Civil Tas Pty Ltd	181 East Tinderbox Rd, Blackmans Bay TAS 7052
C1149-17 Lauderdale Oval – Sports ground lighting – construction	25/09/2017	17/11/2018			\$305,650.00	Stowe Australia Pty Ltd	47A Federal St North Hobart TAS 7002
T1168-17 Bayfield Street – Streetscape redevelopment	14/8/2017	22/12/2018			\$1,890,529.45	Batchelor Construction Group Pty Ltd	115 Browns Rd, Kingston TAS 7050
T1174-17 Footpath reconstruction	04/12/2017	02/12/2018			Schedule of rates	Earth Innovations Pty Ltd	4–5 Attunga Drive, Sorell TAS 7172
T1174-17 Footpath reconstruction	04/12/2017	02/12/2018			\$553,439.30	Downer EDI Works Pty Ltd	3 Whitestone Drive, Austins Ferry TAS 7011
T1175-17 Lindisfarne streetscape – Stage 3B construction	24/07/2017	03/11/2018	17/11/2018		\$508,801.00	Kelly Civil Contracting Pty Ltd	1/5 Runway Place Cambridge TAS 7170
T1181-17 Sugarloaf Road reconstruction	01/10/2017	14/12/2018			\$433,799.00	RCCC Civil Contracting Pty Ltd	13 Ascot Drive, Huntingfield TAS 7055
C1191-17 Annual Reseal Programme 2017–18	17/10/2017	30/03/2019			Part A \$528,844.40 Part B \$533,439.30	Downer Australia Pty Ltd Downer Australia Pty Ltd	3 Whitestone Drive Austins Ferry TAS 7011
Q1197-17 Lindisfarne Oval lighting construction	01/04/2018	15/06/2019			\$269,774.00	Contact Electrical Pty Ltd	48 New Town Rd, New Town TAS 7008
T1199-17 Asphalt resurfacing works	30/04/2018	01/06/2018			\$712,028.78	Downer EDI Works Pty Ltd	3 Whitestone Drive, Austins Ferry TAS 7011
C1212-18 Simmons Park Road and car parking	26/03/2018	19/06/2019			\$818,452.64	Dcs Civil Tas Pty Ltd	181 East Tinderbox Rd, Blackmans Bay TAS 7052

The following is a report in relation to contracts for supply or provision of goods or services valued at or exceeding \$100,000 (excluding GST) but less than \$250,000 that is entered into or extended between 1 July 2017 and 30 June 2018. This is in accordance with Regulation 29 of the *Local Government (General) Regulations 2015*.

C1103-16 Roches Beach Canal dune construction, Lauderdale	1/08/2017	29/09/2018			\$105,714.50	Batchelor Construction Group Pty Ltd	115 Browns Rd, Kingston TAS 7050
Q1180-17 Gordons Hill Road kerb and gutter works	04/09/2017	17/11/2018			\$123,193.46	Downer Edi Works Pty Ltd	3 Whitestone Drive, Austins Ferry TAS 7011
Q1182-17 Mannata Street culvert construction, Lauderdale	09/10/2017	09/02/2018			\$194,521.00	Statewide Earthworks Pty Ltd	52 Atkins Rd, Granton TAS 7030
Q1183-17 Wentworth Park soccer grounds – irrigation upgrade	18/09/2017	06/10/2017			\$169,350.00	The Baker Group	9 Hudson Fysh Drive, Western Junction TAS 7212
C1189-17 Gellibrand Drive/Rifle Range Road curve improvement works	23/05/2018	24/08/2019			\$195,965.00	Statewide Earthworks Pty Ltd	52 Atkins Rd, Granton TAS 7030
C1193-17 Cohuna Street road reconstruction	30/10/2017	22/12/2018			\$166,160.00	Statewide Earthworks Pty Ltd	52 Atkins Road Granton TAS 7030
C1204-17 Rosny Bus Mall pavement repair	16/04/2018	4/05/2019			\$128,350.00	Spectran Contracting Pty Ltd	4-6 Birdwood Avenue Moonah TAS 7009

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APPENDIX D

Statement of Grants and Benefits provided in accordance with Section 77 of the *Local Government Act 1993*

** amount excludes GST*

Will Splann	130.00	Karen Wild-Allen	130.00	Lindisfarne Memorial Tennis Club	1,500.00
Lincoln Arnold	130.00	Taylor Brooks	130.00	Risdon Vale Neighbourhood Centre	2,492.00
Jamie-Lee Bird	130.00	Maddison Brooks	130.00	South Arm Peninsula Residents Assoc.	3,000.00
Meg Garnsey	130.00	Joshua Brooks	130.00	Lindisfarne Community Activity Centre	1,317.00
Charlotte Chambers	130.00	Tyler Penwright	130.00	South Arm Calverton Hall Inc	671.00
Meesa Albert	130.00	Jemma Smith	130.00	Sunshine Tennis Club Inc	1,500.00
Ebony Altimira	130.00	Plasticwise Eastside	150.00	Geilston Bay Tennis Club	1,500.00
M & L Charlsworth	150.00	Alanna Monks	130.00	Motor Yacht Club of Tasmania	1,336.36
Lily O'Donnell	130.00	Tasmanian Women's AFL Team	300.00	Eastern Shore Croquet Club Inc	1,150.00
Sarah Beltz	150.00	Amelia McMahon	130.00	Rotary Club of Howrah	1,495.00
Lions Club of Hobart Town	120.00	Mikayla Cooper	130.00	Bellerive Historical Society Inc	1,500.00
Cremorne Playgroup	150.00	Rotary Club of Hobart	109.09	Lions Club of Clarence Inc	1,500.00
Mitchell Fleming	130.00	William Broomhall	130.00	Richmond Fellowship of Tasmania	1,500.00
Mackenzie Wilson	130.00	TasTafe Certificate IV Community Services Students	50.00	Lauderdale Fire Brigade	1,200.00
Olivia Read	130.00	Chloe Kitto	130.00	Trustees of the Diocese	681.82
Mitchell Shott-Hanlon	130.00	David Wylie	130.00	Clarence Sea Scouts	1,200.00
Benjamin Spinks	130.00	Luke Plamer	100.00	Lindisfarne Cricket Club	1,000.00
Cameron Monks	130.00	Chris Casbault	130.00	Cambridge Volunteer Fire Brigade	1,200.00
Finlay Rossiter-Hill	150.00	Maximus Murray	100.00	Dragons Breast Tasmania Hobart Inc	1,495.00
Amelia Cox	130.00	Surf Life Saving Tasmania	15,858.82	Lindisfarne RSL Sub Branch Inc	1,500.00
Charlotte Wheller	130.00	Rosny College	100.00	Shane Howard	130.00
Lucy Eade	100.00	Bellerive Primary School	100.00	R F Pelley	150.00
Rueben Bradford	150.00	St Johns Catholic School	100.00	Samuel Chivers	130.00
Sam Curtain	150.00	Risdon Vale Primary School	100.00	Kate Davis	130.00
Sophie Hallsworth	130.00	Clarendon Vale Primary School	100.00	Justin Rossiter	130.00
Meisha Austin	130.00	Eastside Lutheran College	100.00	Leisl Wylie	130.00
Acton Park Landcare	150.00	Bayview Secondary College	100.00	Rebecca Oliver	130.00
Ella Marsh	130.00	South Arm Primary School	100.00	Bellerive Primary School Assoc.	708.00
Melodie Armstrong	130.00	St Cuthbert's School	100.00	Tangara Recreational Trails Inc	1,420.00
Emma Roberts	130.00	The Cottage School	100.00	Noah Howard	130.00
Scott Webb	130.00	Southern Support School	100.00	Hobart Cat Centre	5,228.14
Olympia Football Club U17 Girls Team	300.00	Montagu Bay Primary School	100.00	Business East Inc	29,340.00
Timothy James Coad	150.00	Rose Bay High School	100.00	Cycling South	11,500.00
Sophie DiVenuto	130.00	Mackillop College	100.00	* Fee waived – no monetry amount recorded	
Samuel Colrain	130.00	John Paul II Catholic School	100.00	Risdon Vale Neighbourhood Centre	675.00
Christopher Colrain	130.00	Richmond Primary School	100.00	Clarendon Vale Neighbourhood Centre	207.00
Tom Rasmussen	150.00	Howrah Primary School	100.00	Lions Club of Clarence Inc	214.00
Clarendon Vale Primary School Assoc.	1,650.00	Lindisfarne North Primary School	100.00	Buddhist Community of Tasmania	1,045.00
Abigail Browne	130.00	Rokeby Primary School	100.00	Warrance Mornington Neighbourhood Centre	700.00
Noah Browne	130.00	Lauderdale Primary School	100.00	Rural Rate Remissions	
Luke Palmer	130.00	Cambridge Primary School	100.00		139,632.00
Mackenzie Walker	130.00	Warrane Primary School	100.00	Special Rate Remissions	6,483.00
Leah Felsch	130.00	Clarence High School	100.00	Commercial Rate Remissions	7,619.00
Oliver Blackborrow	130.00	Clifton Beach Surf Life Saving Club	6,250.00	Conservation Covenants Remissions	3,821.00
William Robertson	130.00	Rural Alive and Well Inc	12,000.00	Public Benefit Discount and Community service obligations to individuals and groups for leased council properties	
Amelie McCarthy	130.00	Clarendon Vale Neighbourhood Centre	3,000.00		220,070.35
Stefanie McCarthy	130.00	Southern Support School Assoc.	12,000.00	* Other community service obligations will be identified when leases are reviewed.	
Ava Faint	130.00	Eastern Shore Meals on Wheels	1,500.00		
Stuart Peel	130.00	Dominoes Basketball Club	1,000.00		
Cantiamo Ladies Choir	150.00	Lindisfarne Sailing Club	1,500.00		
Brooke Williams	130.00	U3A Clarence Inc	1,500.00		
Izach Collins	130.00				

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APPENDIX E OPERATIONS OF THE CLARENCE AQUATIC CENTRE

Council operates the Clarence Aquatic Centre as a public swimming facility in order to promote water skills within the community and to provide year round aquatic facilities to meet the community's recreational swimming needs. Centre management is undertaken by an independent contractor.

While the operation is not considered to be a significant business activity, Council does provide a material Community Service Obligation in respect of the centre, this being disclosed in the interests of transparency.

Revenue for the year was \$83,241 (2016–17, \$89,777) and expenditure was \$514,722 (2016–17, \$545,659). The resulting Community Service Obligation is \$431,480 (2016–17, \$455,882).

APPENDIX F SINGLE AND JOINT AUTHORITIES

Copping Refuse Disposal Site Joint Authority

The Copping Refuse Disposal Site Joint Authority (Authority) is established under Section 30 of the *Local Government Act 1993*. The Authority is jointly owned by Clarence City Council, Sorell Council, Tasman Council and Kingborough Council.

Principal Objectives – as defined by Joint Authority

The principal objectives and goals of the Authority are:

- a) To manage and operate the site for the purposes of waste treatment, landfill disposal, resource recovery, and/or energy generation and for related purposes and in a manner which conforms to the environmental approvals and to manage the Balance Area;
- b) To manage successfully the operation of the site and balance area, which may be by or involve third parties by:
 - i. operating efficiently in accordance with sound commercial practice;
 - ii. maximising the net worth of the authority's assets; and
 - iii. operating and managing both to maximise benefits to participating councils; and
- c) To perform such other functions and provide such other services and facilities either on or off the site as are necessary for achieving the principal objectives and goals, which may be by or involve third parties, including but not limited to waste transfer stations and waste transport services.

Key Activities

Key activities for the Authority were as follows:

- Approximately 114,000 tonnes of waste was deposited at the landfill site, which was a slight increase on the volume of waste deposited in the previous year. The landfill is licenced to accept 104,000 tonnes per annum. The Authority has previously applied to have the annual permitted tonnes increased. The request was not granted. However, permission to exceed the annual limit was provided on condition that the excess is directly attributable to building activity rather than putrescible waste.

Budget and Performance

- The Authority's unaudited consolidated financial statements show a net profit before tax of \$925,761 (2016, \$997,895). Revenue exceeded budget due to the receipt of low level contaminated soil. Expenditure was negatively impacted by the cost associated with constructing the current landfill cell. Additional financial information relating to this Authority is included in Note 7 of Council's financial statements.

Southern Tasmanian Councils Authority

The Southern Tasmanian Councils Authority is established as a Joint Authority under Part 3 Division 4 of the *Local Government Act 1993*.

The Authority consists of Brighton, Central Highlands, Clarence City, Derwent Valley, Glamorgan/Spring Bay, Glenorchy City, Hobart City, Huon Valley, Kingborough, Sorell, Southern Midlands and Tasman Councils.

The principal objective of the Authority is to enable members to work together to facilitate and co-ordinate agreed regional development strategies and actions to achieve sustainable economic, environmental and social outcomes for the southern region.

The principal functions of the Authority are:

- to monitor, identify and agree on regional development issues, strategies and priorities that are intended to progress the collective interests of the southern region;
- to develop and promote reports, plans, programs and other actions to address agreed regional development issues, strategies and priorities, and

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- to facilitate communications, cooperative working relationships and joint action between members and with the State and Commonwealth governments and other identified stakeholders to address agreed regional development strategies and priorities.

Key Activities

Key activities for the authority were as follows:

- Met with the Leader of the Tasmanian Labor Party, The Hon. Rebecca White MP
- Provided a submission to the Projects of Regional Significance process
- Received updates on South Eastern Regional Development Association, planning reform, South Central Sub-region and Common Services
- Provided oversight of Waste Strategy South
- Developed a budget strategy for 2018-19
- Developed an Annual Plan for 2017-18
- Conducted roundtable discussions for STCA mayors
- Conducted an Annual General Meeting and produced an annual report
- Produced four quarterly reports
- Received a presentation from the Auditor-General and Deputy Auditor-General
- Received a presentation from Dr Tom Remenyi, Antarctic Climate and Ecosystems Cooperative Research Centre and Ms Alison Johnson, climate and energy consultant
- Received a presentation from Chris Jones, Editor of The Mercury newspaper
- Participated in the Southern Tasmanian Household Energy Bulk Purchase program
- Completed the Regional and Municipal Community Emissions and Energy Use project
- Completed the Southern Tasmanian Coastal Knowledge project

Budget and Performance

Financial statements at the time of writing this report were not available.

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