

ANNUAL REPORT



19

20



GLENORCHY
CITY COUNCIL

Introduction	
Message from the Mayor	4
Message from the General Manager	6
About Glenorchy	10
Your Council	12
Aldermen	12
Executive Leadership Team	15
Directorate Reports	18
Our Performance	42
Strategic Planning and Performance Reporting	42
Making Lives Better	43
Open for Business	44
Valuing Our Environment	45
Leading Our Community	47
Building Image and Pride	48
Compliance Reporting	50
Public Health Statement	50
Aldermen Allowances and Reimbursement of Expenses	54
Meeting Attendance	55
Contracts for the Supply of Goods and Services	56
Public Interest Disclosures Act	60
Senior Employee Remuneration	61
Grants and Benefits Provided	62
Miscellaneous	65
Financial Reporting	66
Contents	67
Certification by General Manager	68
Financial Statements	70
Audit Opinion	126
Audit Panel Chair's Report	130

MESSAGE FROM THE MAYOR



KRISTIE JOHNSTON

Our strong focus on the best interest of the community, coupled with careful financial management, and the adoption of sound governance practices, provided Council with a stable position when dealt the worst 2019-20 had to throw at our community.

COVID-19 became the great social and economic interrupter of our generation. As the State Government worked hard to manage quarantine processes, borders, and public health restrictions, Council, as the level of government closest to the community, swung into action to provide the on-the-ground support our community needed to manage an entirely new, and safe, way life.

Aside from our important role with public health and ensuring our public spaces were as safe as possible, we recognised early on that the pandemic would have a significant impact

on the social well-being of our community. With restrictions on face-to-face contact, we found new ways to communicate with the community and to foster social connectedness, even if it meant going online.

Council provided regular video updates on changes to restrictions, tips and tricks for keeping connected and reached out to those most at risk of social isolation. I particularly enjoyed delivering daily “Mayor’s Story Time” on Facebook, an initiative promoting the importance of literacy and targeted at young children who during lockdown may not have had access to reading material.

It became apparent at the outset of the pandemic that the important public health restrictions were going to have a serious impact on our local economy. Our Council worked closely with our neighbouring metropolitan councils to deliver coordinated interim economic and social assistance packages in the lead up to the next budget discussions. This coordinated approach provided consistency and stability when our communities needed it most. We immediately provided relief to our people, including community and sporting groups, who felt the economic impact of COVID hard and fast. Likewise this coordinated approach was taken to developing budgets and providing additional COVID relief.

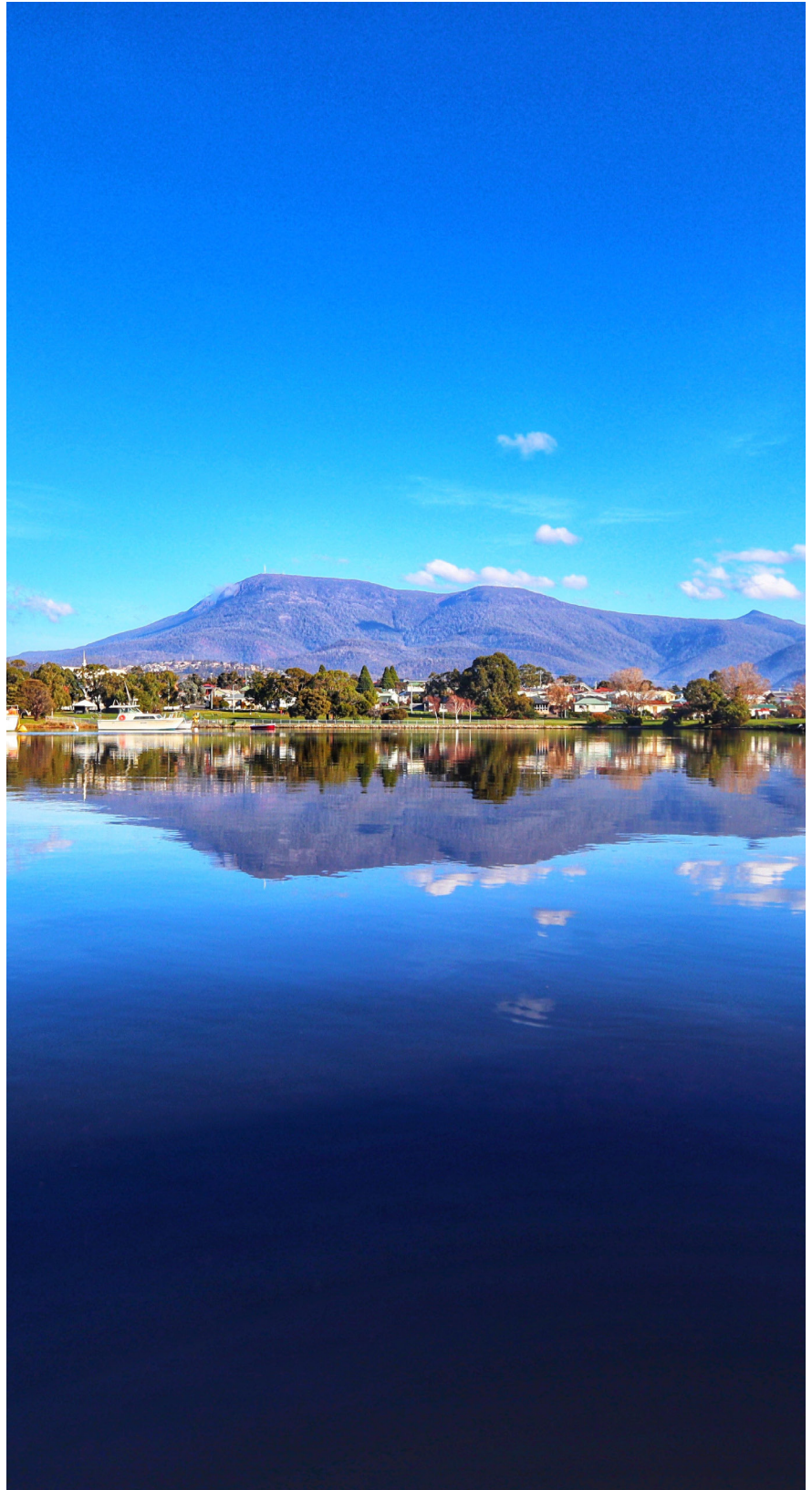
While COVID certainly dominated much of the news during 2019-20, our Council did not drop the ball in continuing to grow and strengthen the sustainability of our City. As Mayor, I am so proud to see big things happening in our city, right now, things that will benefit us all. As your biggest advocate, Council continues to proactively work with all levels of government – the private and community sectors – to ensure the needs of our community are front and centre. This advocacy is paying dividends with government investment in projects such as a local jobs hub, a new Child and Family Centre, and in education. With a \$1.9 billion pipeline of development already on the books, we are working hard to facilitate opportunities to create much needed new housing and jobs for our community, and to provide the infrastructure and public spaces that makes Glenorchy the best place to live, work, play, and invest in. Glenorchy is not only surviving but thriving!

Our Council has become known as the ‘turnaround Council’ – the Council that turns adversity, whether that be a Board of Inquiry or a global pandemic, into opportunity. We lead our community through difficult times. Doing this requires a team effort from everyone and a commitment to delivering on our Strategic Plan. I’d like to thank and acknowledge the General Manager, Tony

McMullen, and the Glenorchy City Council staff. Our staff genuinely care about our City and this is evident in the way they deliver services and the effort they put in to improving outcomes for our community.

I am particularly pleased at the way in which the Aldermanic body continues to conduct itself as representatives and leaders within the community. I thank each Alderman for the role that they play in developing strategies and policies, scrutinising the management of Council, and advocating for their community.

My final, and most important thanks, goes to community for your continued support and trust. We continue to work together to create something special - a Glenorchy that is inclusive, supports one another, is resilient, and embraces opportunities.



MESSAGE FROM THE GENERAL MANAGER



TONY MCMULLEN

2019-20 has been anything but a “business as usual” year. The final months of the 2019-20 financial year saw the rise of the COVID-19 global pandemic, which will forever mark this period as one of the most challenging that Glenorchy has faced.

Prior to the pandemic, and as late as February 2020, Council was on track to record a modest budget surplus, achieved through sound financial management and careful planning. This year’s outlook was full of promise, a step in the right direction, achieving stability and continuing to rebuild trust from our community.

At the close of 2019-20 year, as a direct result of the economic and social impacts of the pandemic and the steps we took to provide relief to our community, we have instead recorded a \$2.821m underlying

deficit (after end of year accounting adjustments are factored in). Major contributing factors to this were:

- a paper loss of \$4.45M arising from the impending sale of the Derwent Entertainment Centre to the Tasmanian Government for \$8M (with the sale proceeds to be invested in a reserve for community projects)
- the non-payment of our final dividend payment from TasWater (approximately \$1 million)
- reductions in receipts from user charges, including landfill, childcare and rental income
- measures taken under our Interim COVID-19 Community Assistance Package, including waiving rental instalments for grassroots community and sporting clubs and suspending collections on overdue rates
- unbudgeted expenses incurred due to the need to enact our business continuity plan so we could continue to deliver services to the community and keep our workforce fully engaged.

Council’s initial focus in our pandemic response was to ensure the wellbeing of our community members and the health and safety of Council’s staff. However, I am pleased to report that while there was an initial shift in focus in some areas of Council to manage the day to day changes

necessitated by large amounts of staff working from home, key projects and programs continued to be progressed and there was minimal service disruption to our ratepayers. I am immensely proud of the efforts of Council’s staff during the year to keep Council operational during the pandemic. I have great pride in their work ethic, and capability. While our entire workforce is deserving of this praise, I’d like to give special recognition to our front-line workers at our Works Centre and two child care centres who did not have the ability to work from home and continued their critical work under radically changed circumstances.

In spite of the pandemic, there remains plenty to celebrate from the 2019/20 year, with many projects started before the pandemic becoming even more significant now as we continue to map out our recovery. Some of our key achievements and highlights over the year are:

- launching our new Food Organics Garden Organics (FOGO) kerbside waste collection service which has seen over 2,000 tonnes of organic waste diverted from landfill so far
- negotiating the sale of the Derwent Entertainment Centre and Wilkinsons Point to the Tasmanian Government, paving the way for the development of the area into a world-class retail



and hospitality precinct and a new Tasmanian team in the National Basketball League.

- Securing over \$2m in grant funding for the the construction of 'destination' regional playgrounds on the Montrose Bay foreshore and at Giblins Reserve and releasing draft designs for consultation in May 2020.
- Developing a draft Master Plan for the redevelopment of the Glenorchy Mountain Bike Park at in Tolosa Park, with a focus on family-friendly riding, a broad range of track riding options, excellent contemporary facilities and connectivity to other riding opportunities.
- Continuing to progress the Glenorchy CBD Revitalisation Project, with the completion

of Stage 3B (Main Road from Tolosa Street to Regina Street) and the start of Stage 3C (Regina Street to Barry Street).

- Launching our Future Glenorchy program, which is a collection of long-term projects aimed at creating jobs and opportunities in Glenorchy by facilitating and supporting development across the city, improving paths, tracks and trails and making the city greener.
- Closer co-operation with other Greater Hobart councils and State and Federal governments on priority projects through the Hobart City Deal, an implementation plan for which was adopted in September 2019 and progressing a work plan

under the Greater Hobart Act.

- Launching 'Activity City' a website and program that showcases Glenorchy businesses. The Activity City initiative aims to provide a launchpad for our local business and encourages the whole community to buy local.
- Successfully completing the Ministerial Directions issued to Council in the wake of the Board of Inquiry, with formal acknowledgement of completion received from the Minister for Local Government. As we look forward, our Council's focus will turn towards economic recovery and continuing to help our community.

One of the key decisions we made as the pandemic began



to emerge was to access a \$5 million, three-year, no interest loan through the Tasmanian's Government's local government loan program. The money will be used to fund our COVID-19 Economic Recovery program, which will see us deliver a series of projects designed specifically to boost our local economy, drive a positive change toward our recovery from the disruption and provide exciting facilities and opportunities for our community. Projects include development of the Greater Glenorchy Plan, developing a regional sport and recreation hub, relocation of the Southern City BMX Track to Tolosa Park, and works which will support strategic investment in tourism, marine and defence, retail and hospitality precincts in the City.

We will also spend \$1.9 million next year on our COVID-19 Rate Relief Rebate which will see ratepayers' 2020-21 rates

bills remain the same as the previous year.

The financial sustainability of Council, both now and into the future, remains our biggest challenge. While the impacts of the COVID-19 pandemic are significant, with a predicted \$9.6m budget deficit next year and ongoing deficits until 2029-30, the bigger challenge we face is how we continue to meet the expectations of community for the provision of services and manage our asset portfolio of over \$700 million while keeping rates at a sustainable level.

Glenorchy City still charges the lowest rates (based on average rates per rateable property) of any of the six city councils in Tasmania, despite having comparable asset bases and infrastructure to maintain. While the increased investment in our city (there is \$1.9 billion in development currently in

the pipeline) is welcome, it increases the demand on our infrastructure networks (roads, parks, stormwater etc) and creates expectations of higher service levels, better facilities and improved infrastructure, all of which come at a cost

Despite these challenges, this is an exciting time for Glenorchy, with record investment and development in our city, major projects going ahead and the future looking bright.

Glenorchy residents are proud, resilient, and tough. I look forward to seeing what the coming years hold and to working with our community and the whole team at Glenorchy City Council to continue to make Glenorchy a better place, every day.

Tony McMullen

General Manager



ABOUT GLENORCHY

Located on the western shore of the Derwent River, Glenorchy is Tasmania's fourth largest local government area. Its estimated population in 2019 was 47,969, with a population density of 3.97 persons per hectare. There is an additional daily workforce population of approximately 11,179 people and 21,900 ratable properties.

Glenorchy City is 121 km² in area and encompasses Hobart's northern suburbs from north of the Queen's Domain to the Bridgewater Bridge and Causeway, and large parts of the Wellington Range and Wellington Park. It is known for its beautiful parks, reserves, tourist attractions, walking and mountain bike trails and its spectacular views of Mt Wellington, as well as being the commercial and industrial hub of Hobart.

Glenorchy was proclaimed a municipality in 1864 and was granted city status in 1964. The area's original inhabitants were the Mouheeneener Aboriginal people, who lived here for thousands of years.

Glenorchy's landscape and surrounds are varied and diverse, taking in the bustling business districts of Moonah and the Glenorchy CBD to the industrial precincts of Prince of Wales Bay to the tranquil bays and shores of the Derwent to the rolling foothills of Mt

Faulkner and Wellington Park. Over one third of Glenorchy is located in bushland, with the majority of the population located close to the river.

Like its geography, Glenorchy's population is diverse. More than 12% of population were born overseas, and almost 10% of households speak a language other than English. Between 2011 and 2016, the number of people who spoke a language other than English at home increased by 32%.

Glenorchy plays host to an emerging arts and cultural scene. It is the home of MONA, which attracts over 330,000 visitors per year, as well as the Derwent Entertainment Centre and the Moonah Arts Centre.

Residents of Glenorchy enjoy the best of both worlds, with access to a network of parks, reserves and trails, and proximity to the Hobart CBD and the rest of spectacular Southern Tasmania.

Glenorchy is also an exciting place to do business, accommodating light and heavy industry and a thriving retail and commercial precinct in Moonah and Derwent Park. Located within 15 minute drive of the Hobart CBD, but with the advantage of cheaper commercial and residential prices, it is an attractive option for business and residential investors and first home buyers.





YOUR COUNCIL

ALDERMEN



MAYOR

ALDERMAN KRISTIE JOHNSTON

First elected	2011
Elected Mayor	2014
Re-elected Mayor	2018

COMMITTEE MEMBERSHIP

- Safer Communities Committee
- Glenorchy Planning Authority
- General Manager's Performance Review Committee
- Citizen and Young Citizen of the Year Selection Committee



DEPUTY MAYOR

ALDERMAN BEC THOMAS

First elected	2018
Elected Deputy Mayor	2020

COMMITTEE MEMBERSHIP

- Healthy Communities Advisory Committee
- General Manager's Performance Review Committee
- Glenorchy Planning Authority



ALDERMAN JAN DUNSBY

First elected 2014

Re-elected 2018

COMMITTEE MEMBERSHIP

Glenorchy Planning Authority

Glenorchy Access Advisory Committee

Safer Communities Committee

Citizen and Young Citizen of the Year Selection Committee



ALDERMAN STEVEN KING

First elected 2008

Re-elected 2014, 2018

COMMITTEE MEMBERSHIP

Glenorchy Carols Committee



ALDERMAN SIMON FRASER

First elected 2018

COMMITTEE MEMBERSHIP

Glenorchy Emergency Management Committee

Glenorchy LEARN Committee



ALDERMAN ANGELA RYAN

First elected 2020

COMMITTEE MEMBERSHIP

Glenorchy Planning Authority

Audit Panel



ALDERMAN GAYE RICHARDSON

First elected

2018

COMMITTEE MEMBERSHIP

General Manager's Performance Review Committee

Glenorchy Carols Committee

Glenorchy Arts and Culture Advisory Committee



ALDERMAN MELISSA CARLTON OAM

First elected

2018

COMMITTEE MEMBERSHIP

Glenorchy Access Advisory Committee



ALDERMAN KELLY SIMS

First elected

2018

COMMITTEE MEMBERSHIP

Glenorchy Planning Authority

Glenorchy Arts and Culture Advisory Committee

Healthy Communities Advisory Committee



ALDERMAN PETER BULL

First elected

2018

COMMITTEE MEMBERSHIP

Audit Panel

Citizen and Young Citizen of the Year Selection Committee

YOUR COUNCIL

EXECUTIVE LEADERSHIP TEAM



GENERAL MANAGER

TONY MCMULLEN



DIRECTOR COMMUNITY AND CUSTOMER SERVICES

DAVID RONALDSON

Customer Services
Community
Public Compliance
Information Management



DIRECTOR STRATEGY AND DEVELOPMENT

DR. SAMANTHA FOX

Planning Services
Building and Plumbing
Environmental Health
City Strategy and Economic Development



DIRECTOR CORPORATE SERVICES

JENNY RICHARDSON

Corporate Governance

People and Culture

Finance and ICT

Executive Support / Office of the General Manager



DIRECTOR INFRASTRUCTURE AND WORKS

TED ROSS

Property, Environment and Waste

Infrastructure, Engineering and Design

OUR VISION

We are a proud city; a city of arts; of opportunity; of partnerships; a city that makes exciting things happen.

OUR MISSION

To deliver the community's vision, goals and priorities from the City of Glenorchy Community Plan 2015-2040

OUR VALUES

PEOPLE

We believe that each person is equal and has a positive contribution to make. The rights and opinions of all are heard, valued and respected.

DIVERSITY

We value differences that enrich our community and the positive contributions everyone can make in improving the quality of community life.

PROGRESS

We value innovation, flexibility and imagination in building a better and sustainable community.

PROSPERITY

We commit ourselves to achieving social and economic prosperity for all.

ENVIRONMENT

We work together to improve our City so we can enjoy a safe and healthy environment and a good quality of life. We respect our heritage and have pride in our City.

OUR GOALS

MAKING LIVES BETTER

As a Council, we exist to make a positive difference in the lives of the people in our community.

OPEN FOR BUSINESS

A vibrant economy is important for the jobs and wealth it brings to our community. We need to strengthen the perception of Council as encouraging development.

VALUING OUR ENVIRONMENT

Our environment underpins our way of life in Glenorchy. Council has a responsibility to manage the environment for future generations.

LEADING OUR COMMUNITY

The community looks to Council to advocate for its needs and lead it into a preferred future. Prudent governance of Council and the community's assets is an integral part of this.

DIRECTORATE REPORTS

INFRASTRUCTURE AND WORKS

Council's Infrastructure and Works Directorate is responsible for the provision of infrastructure services across all assets. This includes planning, construction and maintenance of roads, footpaths, bridges, stormwater, buildings, parks and reserves, playgrounds, and bushland areas. It also encompasses Council's waste services section including the Jackson Street landfill and the provision of kerbside services as well as the management of environment related activities at Council.

2019-20 has been a year of delivery with a focus on delivering projects approved by Council as a result of strategic business planning and engagement with the community.

ACHIEVEMENTS

Council reviewed its Waste Management Strategy, which included a focus on extending the life of the Jackson Street Landfill until at least 2030. Officers were able to overcome significant challenges in gaining approval for the extension, which included working closely with the Environmental Protection Agency to gain required environmental approval for the extension.

Council delivered the Food Organics Garden Organics (FOGO) kerbside service in February 2020 to over 20,000 residents. In the last quarter of 2019-20 the FOGO service resulted in over 100 tonnes of organic and green waste per week being diverted from landfill. Council also facilitated an exemption process for residents who were able to

demonstrate a commitment to home composting.

Other key achievements in waste management include:

- the roll out of the Recycle Coach app, which provides residents with reminders about upcoming bin collections as well as information on waste and recycling
- the development of a dedicated website for the Jackson Street Landfill to provide easier access to information about the landfill, and real-time open/closed status
- holding two successful free tip weekends where Glenorchy residents were able to dispose of general and green waste at the Jackson Street landfill without charge.

Council delivered \$13.4m in capital expenditure against a budget of \$14m. This is the first time in at least five years that Council has substantially delivered on our commitment to deliver projects. Significant projects delivered during the financial year included:





- the roll out of mobile ICT equipment (laptops and tablets) to allow remote working as part of Council's COVID-19 response
- construction of the Gould's Lagoon pathway and wildlife fence along Main Road, Austins Ferry
- replacement of the Moss Park Drive bridge as part of flood repair works
- progressing the Glenorchy CBD Revitalisation Project on Main Road from Tolosa Street to Regina Street
- carrying out over \$1.75m in footpath replacement and repair works on approximately 4.7km of footpaths across the city
- completing over \$3m in road resurfacing (over 13km in length) and heavy patching works including works on Elwick Road, Derwent Park Road and Sunderland Street in Moonah which trialled the use of recycled materials
- reconstruction of Clydesdale Avenue and Myella Drive
- the upgrade of the Claremont Football Club changerooms
- the successful delivery of the FOGO service to Glenorchy residents, including the roll out of over 20,000 bins
- installation of approximately 1.3km of stormwater mains, including upgrades at Leonard Avenue, Milton Crescent, Biara Street, Neera Court, Norman Circle, Mill Road and Gepp Parade.

This included service extension to properties that were unable to connect to Council's stormwater systems in the past, and

- a range of works to parks, sportsgrounds and recreation areas, including improvements to the Glenorchy Pool, installation of the Montrose Bay Pontoon, fencing upgrades to a number of sports grounds, assisting with the construction of the Claremont Men's Shed, and replacement of woodfire barbeques with electric barbeques at Tolosa Park.

Council continued with the development of a range of strategic documents to guide our future capital works programs, including:

- the endorsement of a ten-year Public Toilet Strategy that will see significant improvements to public toilets across Glenorchy
- the ongoing development of the Leasing and Licensing of Council Owned and Managed Property Policy to ensure a consistent, equitable, and transparent process, and
- the approval of a new Project Management Policy to guide the delivery of all projects across the organisation.

Council renewed its focus on improving the walkability of Glenorchy and produced a Paths, Tracks and Trails plan. The community was actively

engaged in the development of the plan that focusses on improving safety and accessibility. A condition assessment was undertaken of our footpath network using quad bikes, GPS, and high-resolution cameras to provide an accurate and standardised assessment. This assessment of footpaths identified maintenance and renewal works along with new trails, which will assist Council in prioritising our resources.

Council's land disposal section progressed the disposal of 14 parcels of underutilised land across the City. These disposals are part of a wider project to identify underutilised land that is fit to be repurposed. All funds from the sale of underutilised public land will go back into the improvement of Council's open space network to fund other special projects with a direct benefit to the community.

Council endorsed its Asset Management Strategy and associated Strategic Asset Management Plan 2019-2023 for infrastructure assets as required under the Local Government Act. These two key asset management documents set the direction and pathway for the implementation and documentation of asset management practices, plans, processes and procedures, and guide the overall asset management activities within the organisation.

CHALLENGES

Council's works depot faced significant challenges during COVID-19 and continued to undertake core maintenance and capital works with minimal disruption during this period. In addition, the team was responsible for closure and reopening of parks and facilities during this time. To assist the works crews, Council introduced a digital system to allow crews to more easily identify and prioritise defect repairs and other maintenance works. This upgrade will assist Council to moving towards a more pro-active maintenance program.

Council continues to work with TasWater on the decommissioning of the former Tolosa Dam. While the process has been delayed due to COVID-19 disruptions, Council and TasWater have been working together to develop a design solution that meets the needs of both organisations and the community, which will ensure that the area of the decommissioned reservoir becomes another iconic open space area for the Community to enjoy. Design work is expected to be completed during the first half of 2021 with a time-frame for construction determined after that.

FUTURE DIRECTION

Council continues planning and design work on the \$20m of funding received by the Australian Government to deliver a series of sport and recreation facilities, including the following:

- a new football (soccer) facility with improved grounds and lighting at the North Chigwell Oval (currently awaiting for final funding approval from the Australian Government)
- upgrade to the football (soccer) facilities at KGV in accordance with the KGV Masterplan which was adopted in May 2020. This includes an amenity building, synthetic playing surface, lighting, and changerooms. The final grant deed is currently with the Australian Government for approval
- a new amenity building, changerooms and toilet facilities at Glenorchy Recreation Ground on Eady Street. Final approval has been given by the Australian government and detailed designs have been completed. The facilities will be constructed during the 2021 calendar year
- new destination playspaces at the Montrose Foreshore (including a skate park) and Giblins Reserve in Goodwood. Community engagement and detailed designs for both playspaces have been completed and the funding has been approved by the



Australian Government. Construction is due to commence in 2021, and

- the upgrade of the Glenorchy Tennis Centre lights, which has also been funded by the Tasmanian Government, with works completed in December 2020.

Council continues to work with other southern Tasmanian councils on the following regional initiatives:

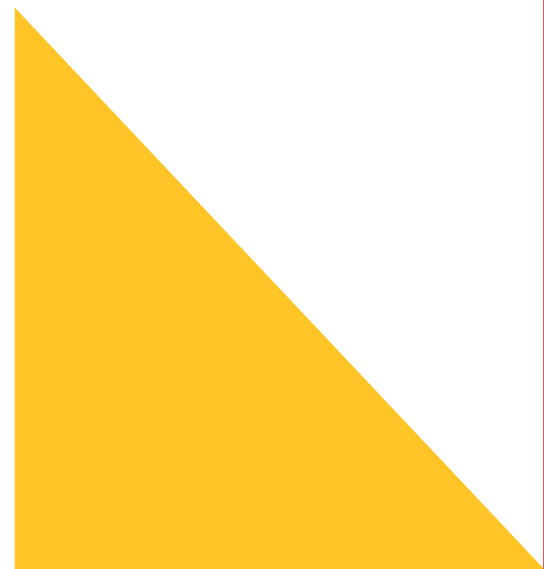
- Council is undertaking strategic work to assess how we can work with neighbouring councils and waste service providers to consider the location of a future waste transfer station for the region
- a regional flood warning system led by Glenorchy, in conjunction with Hobart City Council and Kingborough Council was commissioned in 2020 to provide early warning and information in an emergency

- as part of the Hobart City Deal, Council is considering Smart City initiatives with the other metropolitan councils, including the development of a digital twin and digital bus shelters, and
- Council also sits on a transport working group with the other metropolitan councils as part of City Deal negotiations. The aim of the working group is to help prioritise funding delivered under the program that delivers benefits to greater Hobart.

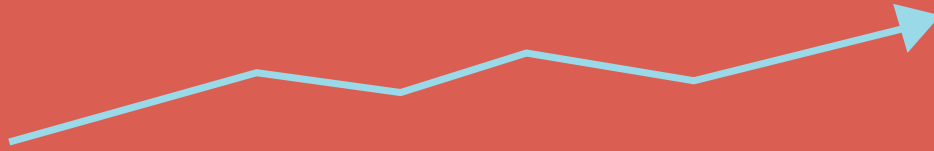
Council officers are well into the design of other projects to be delivered in 2020-21 and beyond, including new pathways around Lutana Woodlands, a shared pathway linking the intercity cycleway to MONA, new toilets at Giblins Reserve and the Moonah CBD, mountain bike trails in the Glenorchy Mountain Bike Park near Tolosa Park, and a range of other road and stormwater infrastructure projects.

Council will continue to work on key strategic documents, including the Sports and Recreation Strategy, the Playspace Strategy, the Urban Tree Strategy and the Skate Action Plan. Community consultation and engagement will be a key component of the development of these critical documents which will guide long-term outcomes and vision for our city.

Asset Management and the ongoing provision of affordable services will remain a key priority for Council. Council is currently undertaking a detailed reviewing of the condition of all our road assets and is developing plans to ensure the best use of resources, to deliver the service levels required by our community. With close to \$1b in assets, Council will continue to work towards maintaining assets in a serviceable condition and meeting our community's expectations.



IN THE 2019-2020 FINANCIAL YEAR, COUNCIL DELIVERED:



\$13.4M

IN CAPITAL EXPENDITURE



4.27^{KM}

OF FOOTPATHS IN POOR
CONDITION REPLACED

1.06^{KM}

OF NEW FOOTPATHS
ACQUIRED



13^{KM+}

OF ROADS
RESURFACED

2

CAR PARKS
REPLACED

1

BRIDGE
REPLACED



100⁺

STORMWATER PROPERTY
CONNECTIONS ACQUIRED

1.32^{KM}

OF STORMWATER
PIPES ACQUIRED

61

STORMWATER
PITS ACQUIRED



COMMUNITY AND CUSTOMER SERVICES

The Community and Customer Services Directorate comprises all of Council's community service functions including Community Engagement and Planning, Community Development and the Arts and Culture team. It also includes Council's Customer Services functions comprising front of house Customer service at Council Chambers, Council's call centre, animal management and parking compliance, and the management and delivery of service at the Derwent Entertainment Centre, Moonah Arts Centre and Council's long day care facilities at Berriedale and Benjafield.

ACHIEVEMENTS

Customer service

Throughout the year Council's Customer Services department has recorded the following:

- A total of 63,424 customers served at the front counter and over the phone
- 88% of calls to the call centre were answered within 60 seconds
- There was an average wait time of 27 seconds to answer each call
- A Customer Satisfaction (CSAT) Score (percentage of "satisfied" customers) of 92.1%, was received from 1,104 responses
- 13,203 Customer Service Requests were generated
- 19,470 articles of incoming correspondence received, registered and tasked to officers
- 9,015 Dogs were registered
- 645 infringements were issued for offences under the *Dog Control Act 2000*, and a further 4 fines issued for breaches of Council's Animal Management By-law.
- 395 barking complaints were received and investigated by animal management officers
- 366 Properties were inspected as part of Council's urban fire abatement program
- 98 Fire Abatement notices issued this financial year.

The year saw the development of Council's draft Customer Service Strategy. This involved extensive consultation with customers, residents, staff and Aldermen to not only find out what our customers need from Council in the Customer Service space, but also find out how we are currently doing and where we need to be in the future.

Customers' journeys through interactions with Council were mapped and analysed, with improvements and issues identified that were required to be addressed. The draft Strategy was released for

Public comment at the end of the financial year was adopted in September 2020.

Council's Customer Services team was recognised for their outstanding dedication and service by reaching the national final of the National Local Government Customer Service Awards in the Customer Service Team of the Year category.

Child Care Connections – Education and Care Services

Council operates two long day care services, Benjafield and Berriedale Child Care Centres. Both services have maintained a steady rate of utilisation throughout the year and enter 2020–21 with waiting lists.

Throughout the year, the services have maintained their focus on continuous improvement across all aspects of operations, including educational program and practice, children's health and safety, physical environments, relationships with children, collaborative partnerships with families and communities and governance and leadership. Child Care Connections top priority is always ensuring the safety, health and wellbeing of children attending its services, while improving both educational and developmental outcomes for all children. Both services remain compliant with all requirements under the Education and Care Services National Law and Regulations.

This year both Child Care

Connections services have participated in the Working Together program, an initiative in partnership with the Department of Education. Working Together is an opportunity for children in the community to play with other children in a fun, caring and safe education and care setting. Children and their families are provided with up to 400 hours of free early learning during the year before they start kindergarten. The initiative fosters supportive connections, assisting parents and carers through the transition from home into early learning and then onto kindergarten. The Working Together program continues to support the professional development of Child Care Connections educators. Educators have participated in Readiness training, Working in Partnerships, Parents Evaluation of Developmental Status (PEDS), cultural awareness and trauma-informed practice professional development. The training has provided educators with the opportunity to network and build relationships as well as connect and work through challenges experienced, whilst also enhancing the skills and knowledge of the Child Care Connections team.

The impact caused by the COVID-19 pandemic in early 2020 saw both services experience a decline in utilisation. From early April 2020, both services combined and operated predominantly from the Berridale Centre, with Benjafield only open on Mondays. Between April and early July 2020. The Australian Government's Child Care Relief package (making child care free to families during the Pandemic) has seen a gradual return to services and both centres will return to full operations in early July 2020. All aspects of the educational program at the Child Care Connections services were altered to ensure that all COVID-safe measures were in place.

The service is inclusive in its practice and this year has worked with all relevant and appropriate networks to ensure all children can participate as capable and valued contributors in partnership with their families to ensure the best start to life and transition to school.

Community Planning and Engagement

During the year Council's Community Planning and Engagement team has worked across Council to guide the planning and delivery of community engagement projects and major and civic events. The team also provided research and data to assist with the planning of a range of

Council facilities and services. Some of the work carried out during the year included:

- the delivery of two Community Yarns, which are facilitated public forums providing community members with the opportunity to talk with Council Aldermen and staff about what is important to them
- work on major engagement projects including the Montrose and Giblin's Street Reserve playspaces projects, skatepark relocation, Glenorchy Mountain Bike Masterplan, Your Story and the Public Toilet Strategy
- planning and development for an online engagement platform which will be implemented in the 2020–21 financial year. The online engagement platform will be used with other engagement methods to increase opportunities for the Glenorchy community to have their say on Council's activities and plans
- delivering the 'Glenorchy Carols - A Not So Silent Night' event at Tolosa Park, with highlights including the YMCA Holiday Village and Parade, the Not So Silent Combined Schools Choir and a stage program with almost 40 performances
- holding three Australian Citizenship Ceremonies, including an Australia Day ceremony where 125 people received their citizenship.

This was Glenorchy's largest ever citizenship ceremony

- the continuing support for the Claremont Community Library
- an online ceremony was held during Volunteer Week to recognise the wonderful work that volunteers do in our community. 42 individuals and two groups received awards, and
- The Moonah Taste of the World Festival, which was due to be held in March 2020 was, unfortunately, cancelled due to the COVID lockdown. However, in the months that followed, Council's events team worked with a variety of community groups and performers to produce a series of short films around the festival. The short films will be showcased as part of an 'online' Moonah Taste of the World Festival which will take place in early 2021.

Community Development

The 2019–20 financial year has seen Council's Community Development team continue to deliver important services to our Community, even despite the significant disruptions caused by COVID-19 restrictions from early March. The response to the COVID pandemic led to a change in the priorities of the team during the worst of the restrictions, as the focus turned to supporting the most vulnerable members of our community through the COVID lockdown.

As part of the response to

the pandemic, the Glenorchy COVID-19 Social Recovery Plan was developed, with input from the Community Department and the Emergency Management Team. Council's Social Recovery Coordinator led the team to focus on the urgent needs of the community during the pandemic.

In addition to holding regular meetings and sharing information with the State Government facilitated Southern Region Social Recovery Committee to provide situation reports on emerging community issues, the recovery team also worked with Council's Engagement Officer to develop 'Your Story' on-line social recovery survey. The survey listens to people's stories and experiences during the pandemic to help identify where its impacts were felt the most, to assist with the social recovery response.

Other specific actions taken in response to the COVID-19 pandemic were:

- the Community Development Team responded to the first wave of COVID-19 restrictions and took some kindness directly to local kids and young people in our community. One hundred Kids' 'Kindness Kits' filled with fun activities for children, as well as an online resource for parents to help keep households calm, safe and happy while everyone stayed at home. These were distributed to families at Council's two early childhood education centres
- 'Kindness Cards' were also

created, printed and distributed across the city, which provided community members with the opportunity to safely help a neighbour who may be self-isolating. The Kindness Cards, left on doorsteps or in letter boxes provided a phone number and offers of assistance, ranging from walking the dog, posting mail, putting bins out, picking up shopping or offering a friendly phone call (all from a safe distance of course). Council staff were assisted with the delivery of the cards by volunteers from the RACT

- an easy to read information booklet was developed for communities with low internet connection rates, ensuring that some of the most vulnerable people in our community still had access to important information during COVID-19 shut-downs. The information provided contacts for emergency relief, food delivery services, health info and services, transport, mental health supports and social supports
- Council worked with the YMCA to provide easy exercise sessions on Council's Facebook page
- the new 'Key to Kindness Arts Kit' Project was developed as an alternative to the 2020 Safer Communities Young People's Awards
- in the transition period

between lockdown and our young people heading back to the classroom, 100 'Back to School Kindness Kits' for 12-18 year-olds were developed, with some great support from local partners Troublesmiths, Woolworths Glenorchy, Mission Australia Youth Beat and Boomerang Bags Glenorchy. Distributed by Youth Beat through COVID-safe Pop-up Pick-up events, young people received some mindful colouring, loads of mental wellbeing ideas and resources, useful care items and yummy treats, all in a unique bag handmade by local upcycling masters

- Council, Tasmanian Health Services and Clarence City Council continued to partner to deliver the Live-Well, Live-Long health and wellbeing sessions for older people. This was re-designed in response to COVID-19. Participants received program information and related items delivered to their door and the sessions were recorded and played on radio. The radio sessions will continue to the end of 2020.

In addition to actions that were specifically required to respond to the COVID pandemic, the Community Development team continued with various planned and 'business as usual' activities. Achievements over the reporting period included:

- Council's Access Advisory

Committee worked with Council's Access and Inclusion Officer to complete an accessibility audit of the InterCity Cycleway. A successful International Day for People with Disability awareness event was also held at Montrose Bay Park

- Council's new Safer Communities Framework 2019-2029 was completed and officially launched in conjunction with the Salvation Army, with a community barbecue breakfast and lunch during Anti-Poverty Week
- the Safer Communities Young People's Awards were held during Children's Week at Montrose Bay High School, with Karadi Aboriginal Corporation and all primary schools in Glenorchy nominating students from their schools for an achievement
- Council's Safer Communities Officer utilised the National Motor Vehicle Theft Reduction Council funding to televise the 'Kids and Keys' commercial, which was developed by Council with the community. The safety commercial was shown on Southern Cross TV and featured in a Metro bus advertising campaign
- the Community Development team supported the Mental Health Week Expo at the Glenorchy Library and A Fairer Worlds mental health expo at Cosgrove High School.

- Council's Children, Youth and Families Officer worked with Playgroup Tasmania to hold pop-up-playgroups on Council front lawns, culminating in a Christmas Playgroup at St. Matthew's Church
- the Full Gear Motorbike Safety Program for young people was delivered in cooperation with Bucaan Community House in Chigwell
- Collections were undertaken to support Loui's Van and Foodbank Tasmania during Action August 2019, an initiative of Council's Community Development section that sought to support some of the most vulnerable people experiencing homelessness
- Council also facilitated and worked with the Glenorchy Youth Task Force to deliver youth programs and also host the annual 'Gig in the Gardens' music event for young people on the front lawn of Council chambers in the Glenorchy CBD
- A Communities Tas collaboration was developed to re-design and reprint the Family and Domestic Violence z-card that will include translations into several different languages. Work on the new publication commenced with Our Watch, Tas Police, Hobart Women's Shelter and other community organisations.

Arts and Culture

Council's Arts and Culture Program is based at the Moonah Arts Centre (MAC). The MAC's Annual Report is provided on page 31.

Glenorchy LEARNs and 26TEN

The Glenorchy LEARN (Learning, Engagement, Achievement, Respect and Networking) Committee continues to meet quarterly. Made up of representatives from Council, University College, Skills Tas, TasTAFE, the Department of Education (DoE) and the Glenorchy Library, the committee's role is to explore and share understanding of learning needs throughout our city. The committee has been heavily involved in the new DoE Cosgrove High project and continues to support the work of 26TEN in our community.

The 26Ten project delivered the successful 26TEN Glenorchy City Council Business Breakfast and information session for Glenorchy businesses hosted by Council and 26TEN which took place at KGV on 19 November 2019. The breakfast initiative was developed in response to the challenges of engaging small business. The Minister for Education and Training, the Honourable Jeremy Rockliff MP, attended the Business Breakfast as a guest speaker along with Tony Willmott of

TasWater and Royce Fairbrother as 26TEN Ambassador and business owner.

The stage two 26TEN funded project consolidated the achievements and the learnings from the stage one project in the previous year as well as supporting the 26TEN Glenorchy Community of Practice. This aims to become self-sustaining and targeting businesses in Glenorchy to increase participation and engagement with 26TEN, workplace literacy and the value of increasing skills for life-long learning.

Other achievements during the year included:

- Facilitating a partnership between Bucaan House Inc and three community organisations (Mission Australia Chigwell and Chigwell Child and Family Centre), to successfully apply for a 26TEN employer grant to provide literacy assistance at each of the partners' locations, through a mobile project, and
- Working with Council's Works Centre to successfully apply for a 26TEN employer grant to implement a digital learning program for Council's outdoor teams during the 2020-21 financial year.



MOONAH ARTS CENTRE

ANNUAL REPORT



The Moonah Arts Centre (MAC) is a hub for arts and culture in Glenorchy. MAC's aim is to enrich community by providing accessible and affordable arts and cultural experiences. MAC is owned and operated by Council and houses Council's Arts and Culture Program, which is part of the Community and Customer Services Directorate.

In 2019-20, MAC was visited by 30,960 people. These visitors engaged with MAC's diverse program, including exhibitions, workshops, performances and events.

MAC's building was closed to the public on Friday, 20 March 2020 because of COVID-19 restrictions, and all upcoming bookings and activities in the Centre were cancelled. Prior to the closure, MAC continued to be a highly sought-after venue. Spaces were being hired

by a range of not-for-profit, community, government, arts and cultural organisations and individual cultural producers. 96% of hirers used MAC's spaces for arts related activity.

MAC's visual arts program presented 30 exhibitions in the Exhibit, Project, Albert Hallway, Avago, Foyer and Courtyard spaces. Work by 399 artists was presented. One third of exhibitions presented work by artists from Glenorchy. Five Conversations with Artists

were presented as part of the program.

Exhibitions included Artists with Conviction, the annual exhibition of art by prisoners and staff of the Tasmania Prison Service. The second iteration of Waste-Ed Art was presented. This partnership with Council's Waste Services team featured collaborative artworks by primary school students from Glenorchy in response to the question "What happens to the food

we don't eat?". A photography exhibition and ceramics installation as part of the Mosaic Festival of Art, presented by Mosaic Disability Support Services. Hobiennale Festival presented two exhibitions at the MAC, by Sydney-based organisations Boomalli Aboriginal Artist Cooperative and artist-run initiative Firstdraft. Two local artists hosted a temporary radio station out of a car in the MAC Courtyard titled Moonah Community Radio. This station broadcast interviews with local community members, artists, and sound art commissions. The Religious Society of Friends presented Friends in Stitches: Quaker Narrative Embroidery Project in the Albert Hallway, a collection of embroidered panels that have toured around Australia.

Major project *'Into the Fold'* formed connections between creative women from migrant and multicultural communities in Glenorchy. The project aimed to create a sense of belonging within our community for people from diverse backgrounds. Into the Fold received funding from the Regional Arts Fund, Bellendena, 2A4 and Arts Tasmania. It involved a collaboration with eight artists from six countries (Syria, Eritrea, Afghanistan, Ethiopia, Sri Lanka and Sudan). The artists developed and printed fabric designs. The fabrics were exhibited at MAC and were planned to be featured in the Moonah Taste of

the World Festival.

Friday Nights Live saw live music at MAC every Friday night in July and August. The program was designed to be diverse — culturally, stylistically, age wise and audience wise. Over 800 people (aged from 3 to 85) attended the series, with many attending multiple events. There were nine events with 89 musicians in 16 bands, duos or solo acts. Three evenings premiered acts, music, or concert music that had never been performed before.

MAC's ever-popular school holiday activities ran in the Centre in July and October. These activities are led by artists for young people aged from zero to 17 years. In April (during MAC's closure), a range of fun practical activities were presented online.

MAC hosted the LGBTIQ Elders Dance Club in collaboration with All the Queens Men and Tas Pride. Supported by the Department of Premier and Cabinet, the project presented a free monthly social event for Lesbian, Gay, Bisexual, Trans and Gender Diverse, and Intersex elders and allies to learn new dances, enjoy delicious catering and chat.

Brothers of Country has received funding from the Australia Council for the Arts and Hydro Tasmania. Indigenous and African men began a process writing new songs in new ways that represent the experience of men in relationship to the





environment and the stories of different cultures. They took their collaboration to Launceston for Junction Arts Festival, where they continued to develop musical ideas together.

Glenorchy Carols, A Not So Silent Night, was successfully held at Tolosa Park in December with approximately 1,000 people attending. Over 20 groups performed on stage. Seven artists led the hugely popular YMCA Holiday Village preparing visual and musical components for the parade. The YMCA Holiday Village provides strong community participatory and engagement at the event. Musicians worked with schools in the lead up to the event to develop the Not So Silent Choir. This program brings skills development, confidence building and shared activities to local schools. Austins Ferry, Moonah, Springfield Gardens and Goodwood Primary Schools along with Cosgrove High School.

MAC also celebrated its fifth birthday in its Albert Road home. March 2020

saw a weekend of special activities, with well over 1,000 people attending. More than 120 Glenorchy artists were represented in the Glenorchy Open exhibition. A variety of performers aged from 11 to over 60 years presented song, poetry, stand-up comedy, classical guitar, piano, hip hop and beat box at the Glenorchy Open Mic. The Glenorchy Open Market saw a steady stream of people enjoying an artists' market and musical performances (and birthday cake).

When MAC closed its doors due to COVID-19, the MAC team's focus shifted to curating and producing online material. In this way, MAC was still able to reach audiences and support artists during the lockdown. To enable the delivery of this content, MAC developed a new website, Glenorchy Arts and Culture, at glenorchyarts.com.au. The goal is to showcase community creativity — people, stories, culture and arts. This website features projects based in Glenorchy, and ideally suited to digital space. The

site has allowed MAC to share creative content, but ultimately it will become a home for community content from the wider Glenorchy community. 10 videos have been developed for the site and several more are in production.

MAC promotes events and projects across multiple channels. These include Facebook, Instagram, YouTube, MAC website, Glenorchy Arts and Culture website, e-newsletter subscriptions and printed material. MAC maintains online listings and advertises in a selection of local publications.

MAC partners with individuals and community organisations to present and facilitate multi artform projects that engage with the community and to develop new work. These included Tasmania Performs, Mature Artists Dance Experience (MADE), Second Echo Ensemble, Sisters Akousmatica, DRILL Junior Company, Constance ARI and Kate Rich Feral MBA

While COVID-19 caused significant disruption to MAC's 2020 program, it also meant that MAC became adaptive, ensuring that the community and artists were kept at the forefront of plans. Activities have moved online, and others have been postponed to 2021. MAC continues to make sure that community safety and recovery is at the centre of planning and looks forward to working with the community as we move forward.

30 YEARS OF THE DERWENT ENTERTAINMENT CENTRE 1989–2019



The Tasmanian Government and Glenorchy City Council commissioned the Derwent Entertainment Centre in 1989 as a celebration of the 1988 bicentennial year. It was handed over to the Glenorchy City Council Mayor David Shields on 14 March 1989.

The official opening of the DEC was a concert by international performer Rick Astley, demonstrating that Tasmania now had the ability to host even the largest acts from around the world. The Astley Room on the lower ground floor of the DEC was named in recognition of this ground breaking event.

Regarded as Tasmania's premier entertainment venue throughout its life, the DEC has hosted concerts, conventions, exhibitions, dinners, trade shows, assemblies, sporting events, religious gatherings' school graduations, meetings and weddings. In recent years, the venue has also hosted a mass vaccination clinic in 2018 with the Tasmanian Government rolling out the free Meningococcal vaccination program across Tasmania. Holding 5,500 fully seated or 7,300 general admission the DEC is the largest capacity indoor venue in Tasmania

The Tassie Devils Australian National Basketball League team called the DEC home from 1989 to 1996. During that time, the DEC was always referred to as the "Devils' Den" by sports commentators. The Hobart Chargers later called

the DEC home for two years from 2017 while entered in the now disbanded SEABL Competition, again drawing large crowds to the venue and breaking SEABL box office attendance records.

The DEC has been home to the Southern Tasmanian Dancing Eisteddfods (STDE) since 2006. This annual 9-day event attracts dancers and dance schools from across Tasmania and the venue is transformed into a hive of activity, hairspray, feathers and sequences over the 9 days from 7am each morning until 11pm or later each night. The venue attracts over 3,000 performers and an total audience of over 22,000 for the duration of the event.

The DEC was set to see one of its biggest ever months in July 2020, with, STDE, Blue Man Group and the return of Disney on Ice, which was scheduled for record breaking crowds over 10 shows. However, the COVID-19 restrictions in Tasmania saw all activity at the DEC stop from March 2020.

There have been many great staff walk through the doors of the DEC, many staying for the long run. The venue has seen eight Venue Managers in

its 30 years, with prominent industry professional Judy Vince being the longest serving Manager from 1998 - 2009. The fountain of knowledge of the venue is held in the hands of the three (3) box office staff, Sharon Green, Louise Wilson and Debbie Westreicher who had over 75 years of service at the venue between the three of them with two being there from the beginning.

The current chapter in the life of the DEC will come to an end in late 2020. Glenorchy City Council will soon sell the DEC and the surrounding land to the Tasmanian Government, which will work with Larry Kestleman, the owner of the National Basketball league, to re-develop and upgrade the, which will become the home of a new Tasmanian NBL team. With plans to increase the capacity of the venue and breathe new life into the building, Glenorchy City Council and the whole of Tasmania looks forward to seeing what the future holds for the Derwent Entertainment Centre.

DERWENT ENTERTAINMENT CENTRE

CROWD RECORDS



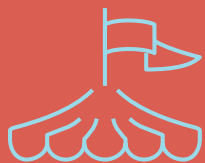
LARGEST CONCERT ATTENDANCE SEATING AND STANDING

RED HOT CHILLI PEPPERS
FEBRUARY 2019
7324 ATTENDEES



LARGEST MUSICAL THEATRE ATTENDANCE

GREASE - THE ARENA
SPECTACULAR
10 TO 13 JULY 1998 (6 SHOWS)
30,895 PATRONS



LARGEST CONCERT ATTENDANCE SEATING

ELTON JOHN - SEPTEMBER 2017 -
2 SHOWS OF
OVER 5,500 EACH



LARGEST CEREMONY ATTENDING

AUSTRALIAN VISIT OF
HIS HOLINESS THE DALAI LAMA
8 DECEMBER 2009
3,851 PATRONS



LARGEST SPORTING ATTENDANCE

"KEEPING IT REAL"
DANIEL GEALE
WORLD TITLE EVENT
31 AUGUST 2013
4,907 PATRONS



LARGEST EXHIBITION ATTENDANCE

HIA BUILDING EXPO 2003
2 TO 3 AUGUST 2003
10,036 PATRONS

CORPORATE SERVICES

Council's Corporate Services Directorate is the machinery that allows the rest of Council to function. It encompasses essential services such as finance, ICT, people and culture, risk and communications, as well as the critical area of corporate governance. Corporate Services also includes the Aldermanic and executive support functions of the Office of the General Manager.

The achievements of the Directorate and the rest of Council, in a year that achieved so much in such uncertain times, are highlighted below. Congratulations to all of our staff that have shown immense courage, adaptability and resilience to continue to serve this community through good times and tough times.

ACHIEVEMENTS

Finance and ICT

Council continued with its three year budget review process having successfully implemented zero-based budgeting in a number of areas. This method of budgeting starts from a zero base and requires all expenses to be justified for the period, rather than carrying over some expenses from the previous year. This enables Council to review its costs to ensure value for money procurement and to determine priority expenditure. Further roll out of this process will continue next year.

Council's long term financial management plan (LTFMP) was reviewed and re-written to align all known income and expenditure and provide a long-term view of Council's financial position. This has resulted in a more concise and accurate document to assist long term planning.

The biggest challenge faced by Council's IT team was to

facilitate and support a large number of staff transferring to work from home or at alternate locations during the COVID restrictions. COVID-19 sent a clear message that Council needed to be adaptable, agile and responsive with its IT capability to continue to be able to serve the community. This was achieved with a minimum of disruption to our community and we have been able to quickly recommence back at council when safe to do so.

Council also reviewed and updated its ICT Security Management Framework. This project has provided guidance to Council and allowed us to align with best-practice to implement IT security measures that had previously been identified. This includes the development of directives and policies to support staff in the implementation.

People and Culture

With a clear Council Human Resources strategy now in place, key steps have been completed in meeting its strategic goals. Replacement of paper-based processes with software solutions has delivered significant efficiencies and improved service levels across the organisation. The software packages, Skytrust and MyRecruitment+ have improved data analysis capability and provide a much more professional experience for users and applicants, allowing Council to better plan its future recruitment activities and WHS initiatives.

On the Work Health and Safety front, Council has approved a three-year Work Health and Safety plan that will dramatically improve our workplace safety controls and processes for all employees. Underpinning the plan is the use of ISO 45001 (Occupational health and safety management system) as an audit tool to identify and rectify any

identified deficiencies in our work methods and controls.

In March 2020, at the height of the COVID-19 lockdown, Council implemented processes and procedures to ensure that Council staff could quickly transition to working from home, while maintaining appropriate levels of safety and ICT security. These included assessments of home working environments from both a safety and technological perspective, to ensure that working from home arrangements were productive and safe.

The year also saw the commencement of negotiations to replace the Glenorchy City Council Enterprise Agreement (2016), which expires in late 2020. Preparations for the negotiation of the 2020 Enterprise Agreement were interrupted by the current COVID crisis, however it is anticipated that negotiations will re-commence in late October/early November 2020 to agree on the industrial arrangements for the next 3-4 years.

Council continues to roll out its Workforce Development Plan, which will help us plan for and adapt to the changing needs of our workforce to enable us to efficiently deliver services to the community. The Plan will also help to identify important positions in our workforce and develop specific employees for future opportunities. This will greatly reduce Council's exposure to business risk in losing critical skills.

Corporate Governance

In December 2019, Council successfully satisfied all of the 58 Ministerial Directions issued by the Minister for Local Government in January of 2018 following the Board of Inquiry into Council. In June 2020, the Minister for Local Government advised Council that the reporting requirements had now changed and that Council would only be required to report annually on the status of its governance arrangements by providing its Audit Panel Chair's report to the Minister. The completion of the Ministerial Directions highlights the considerable effort that Council has gone to, to improve its governance practices and demonstrates that the Minister has confidence in Council and its operations.

The focus on embedding sound corporate governance practices across Council continued, with the development of detailed risk reporting, compliance management and business continuity planning. These improved practices enabled Council to respond prudently to the COVID-19 threat and continue to provide core services to our community. Continuing Council's preparedness for emergency events or business disruption will be a key focus in the coming year.

Executive Support and Communications

The imposition of COVID-19 restrictions in early March, and particularly restrictions on the

size of gatherings and public events, meant that Council was unable to allow members of the public to attend Council or Glenorchy Planning Authority meetings.

Long established meeting practices had to quickly adapt, as technological solutions were found to allow both remote attendance at meetings by Aldermen and to live-stream meetings on the internet so that members of the public could still attend. Despite some initial problems, 'online' Council meetings have been a success with more people tuning in (on average) than would ordinarily attend Council meetings.

Council's meetings from March onwards were held in this way, with no firm date as to when members of the public will be able to recommence attendance at meetings.

The focus of Council's communications team during the first half of the year was to develop and begin implementation of a communications strategy to increase the level of, and ease of access to, information about Council's operations by members of the public. During the pandemic restrictions, the team was able to execute these, ensuring that the public was regularly updated by various forms of critical pandemic information from both Council and the Tasmanian Government. This included regular updates from the Mayor and daily information

about restrictions such as park and facility closures, or tips for surviving the COVID lockdown. Internal communications was also a focus, with Council staff working both remotely and on-site needing to be kept up to date with operational information to allow Council to continue functioning and delivering services.

Council also began work on re-developing Council's external website (www.gcc.tas.gov.au) with the focus on making important information easier to find, improving the range of online services, and increasing readability and accessibility. Design work for the new site is underway with the official launch to occur by December 2020.

CHALLENGES

While COVID-19 has had a huge impact on our community, staff and services, Council continues to support and assist with a number of initiatives including rebates on rate increases, the financial hardship policy to assist residential and commercial rates and the deferral of commercial rents, subject to meeting the criteria.

The full financial impact of COVID-19 on Council's budget will not be known until the conclusion of the 2020-21 financial year, however at the end of the 2019-20 financial year, our prudent estimates have shown that Council will record a significant budget deficit. An extremely hard

decision was made to freeze all staff wage increases due in May 2020 until Council's financial position and the impacts of COVID-19 were better understood.

The requirement to have as many people as possible working from home or at alternate locations provided insight into Council's IT capability and equipment requirements. Council's IT equipment is primarily designed for an office environment that would need substantial investment to cope should another wave require all staff to work from home for extensive periods of time.

While Council has been and continues to be, successful in attracting high-quality appointees to vacant positions, there is a distinct shortage of staff statewide in some specialised areas. This will remain an ongoing challenge, to be addressed as part of Council's Workforce Development Plan.

FUTURE DIRECTION

Council has revised its Code for Tenders and Contracts, which will soon be presented to Council for adoption. The revised code will improve and de-centralise Council's procurement activities to improve efficiency, but will also achieve open and fair competition, fairness, consistency and transparency of process, and improve the value for money that the community receives. There will

also be an increased focus on supporting Tasmanian businesses as appropriate.

A full review of Council's core IT systems and IT staff structure will commence shortly. With the speed that technology changes and as advances are developed, Council needs to remain agile and able to adapt to ensure the best outcomes for all stakeholders.

COVID-19 has provided a number of opportunities for Council including the review of its emergency management procedures and development of an internal management plan. It is hoped that the need for this type of plan will not come to fruition, however it is important that Council is prepared, tests regularly and provides assurance to its staff and the community that it can respond to such events by having well developed plans in place.

PERFORMANCE HIGHLIGHTS



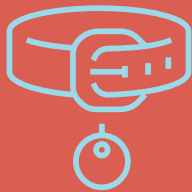
13,203

CUSTOMER SERVICE
REQUESTS GENERATED



63,424

CUSTOMERS SERVED AT FRONT
DESK AND CALL CENTRE



9,015

DOGS REGISTERED



645

DOG CONTROL FINES ISSUED



366

PROPERTIES INSPECTED
FOR FIRE ABATEMENT
WITH 98 NOTICES ISSUED



19,470

INCOMING LETTERS
PROCESSED

STRATEGY AND DEVELOPMENT

The Strategy and Development Directorate incorporates the key regulatory functions of Planning services, Building and Plumbing and Environmental Health, as well as being responsible for Strategic Planning, Economic Development and corporate reporting against Council's Annual Plan.

ACHIEVEMENTS

The 2019-20 financial year, and particularly the impacts of the COVID-19 pandemic, saw considerably increased activity across the directorate, as efforts were shifted towards helping Glenorchy's economy recover from the pandemic, and activity in the planning and building sectors began to increase.

Glenorchy Economic Development Strategy

In late 2019, businesses, governments, educators, not-for-profits and investors came together under Council's EPIC group to come up with actions to grow the City's economy. Together we created the Glenorchy Economic Development Strategy, which articulates how we will reach our goals:

- We will create a strong economy and jobs for the future.
- We will encourage business diversity, innovation and new technologies to stimulate jobs, creativity and collaboration.
- We will be a place where business can establish, continue and flourish.

The Strategy, endorsed by Council in February 2020, includes five objectives and 50 actions, to create jobs for our people and make our City more active and liveable.

Economic Recovery Plan

In April 2020, Council prepared an Economic Recovery Plan, bringing forward ten projects from the Glenorchy Economic Development Strategy to create jobs in the sectors hardest hit by the COVID-19 pandemic. The projects include a small business incubator, projects to showcase the City's arts and culture and build visitation, understand our City's identity and create plans for activated, thriving business precincts.

Ten projects being progressed under the Economic Recovery Package are:

- Activity City – a business support program and buy local campaign
- Greater Glenorchy Plan – planning for strategic investment in tourism, retail and hospitality
- City Scape – creating a vibrant city centre for Glenorchy

- Green-shoots in Glenorchy – a small business and start-up incubator
- Showcase – delivering an Arts and Culture Strategy and showcasing our creativity
- Corridor of Modern Art – leveraging Glenorchy's arts and culture reputation through a public art trail and tourism asset
- Marine and Defence precinct and innovation – leveraging the marine and defence precinct
- Regional Sport and Recreation Hub
- Cycling Hub, and
- Making Berriedale Peninsula Caravan Park development ready.

Activity City

In April 2020, Council launched Activity City – an online database that showcases local businesses making, trading and providing services in Glenorchy and encourages residents to buy local. Local businesses can join for free, upload information about their business and access business support. Activity City also provides businesses with information about accessing business grants, free advice



and programs as well as links to sources of government funding. Council actively promotes Activity City, uploading video's about local businesses, posting on social media, as well as through advertising on billboards, posters and signs.

Open for Business Review

Glenorchy is open for business. To ensure we are making it easy for developers and residents to understand the rules about development in our city, in 2019-20, Council completed the Open for Business Review.

The review considered the information we provide about various planning, building, plumbing and environmental health regulatory application and approval processes. It also considered the services provided by Council staff and whether advice provided to customers is clear and solution focused. In addition, the review considered if there is more we can do to improve development outcomes, such as client-

centric, concierge approaches for major developers.

The review identified a series of recommendations, which will be implemented from 2020-21 through departmental workplans.

Future Glenorchy

In 2019-20, Council commenced *Future Glenorchy*, a program that strategically coordinates several projects aimed at growing Glenorchy and improving the liveability of our city. *Future Glenorchy* is supporting development across our city, through implementing the Glenorchy Economic Development Strategy and Economic Recovery Plan, as well as progressing development and facilitating major projects. Projects to improve liveability were also progressed, improving paths, tracks and trails, developing new play spaces and making our city greener.

Sale of the Derwent Entertainment Centre and Wilkinsons Point

In April 2019, following public consultation, Council resolved to dispose of land at Wilkinsons Point, subject to public access to the foreshore, the GASP infrastructure and Loyd Road being maintained. This followed the decision in 2018 to dispose of the Derwent Entertainment Centre.

In late 2019, Council negotiated with Larry Kestelman of LK Group, to establish a sports and entertainment hub on the point and a Tasmanian NBL Team. In February 2020, Council agreed to sell the DEC and Wilkinsons Point to the Tasmanian Government, which will invest more than \$60 million in the project, and work with LK Group to redevelop the DEC and Wilkinsons Point.

Major project facilitation

Council officers provided advice on small and large-scale developments across

the municipality to facilitate economic development and housing. This included providing information about planning requirements and processes for the Windermere Bay development at the former Claremont Primary School site, reviewing a planning scheme amendment for Wilkinsons Point and providing advice on the development at the Hobart Showgrounds.

Council also progressed the Opportunity Mapping Project, an online mapping tool to identify opportunities for development in Glenorchy, including land suitable for new businesses, industry, commercial and housing.

CHALLENGES

The biggest challenge faced by staff was the need to continue to provide services during the COVID-19 pandemic. This required changes to process to accommodate staff working from home, and the closure of Council Chambers to the general public, which meant that face to face meetings with stakeholders such as developers or applicants were unable to take place.

The need to shift the focus of the activities under Council's newly created Economic Development Strategy towards economic recovery presented a significant challenge, which our staff were able to meet head on in the development and initial set up of the Economic Recovery Program, and its incorporation into Council's budget and forward planning.

FUTURE DIRECTION

Council's development team (planning, building and sections) are anticipating an increase in the number of planning and building applications and other activity as a result of COVID stimulus measures and economic activity in the northern suburbs of Hobart. A number of significant developments have either commenced or are in planning stages. The focus of these teams will be to continue providing a high level of service and meet all statutory time frames, despite the increased workload.

Projects under the Economic Recovery Plan will be progressed and implemented during the year, including the Corridor of Modern Art (COMA Project) and the development of the Greater Glenorchy Plan.



333

VACCINATIONS ADMINISTERED AT
COUNCIL IMMUNISATION CLINICS

1,022

VACCINATIONS ADMINISTERED AT
SCHOOL IMMUNISATION CLINICS



730

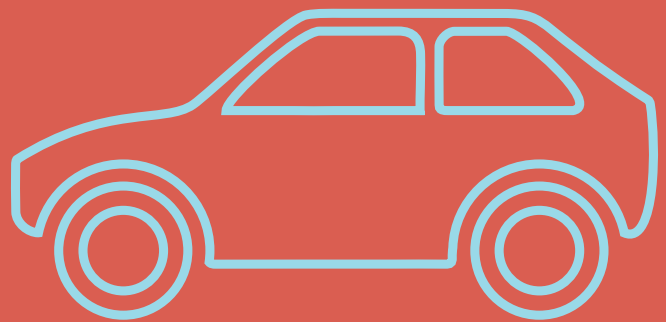
FOOD BUSINESSES
INSPECTIONS

364

REGISTERED
FOOD BUSINESSES

18

ABANDONED VEHICLES
COLLECTED AND DISPOSED



OUR PERFORMANCE

STRATEGIC PLANNING AND PERFORMANCE REPORTING



Council’s vision for Glenorchy City and our community is set out in the *Glenorchy City Council Community Plan 2015-2040*. Our strategic planning framework aims to achieve the goals set out in the Community Plan by implementing objectives and strategies set out in a 10-year Strategic Plan. Those objectives and strategies are actioned annually through Council’s Annual Plan.

How do we measure our performance?

Council’s performance is measured against the actions identified in our Annual Plan which guides Council’s operations from year to year. The Annual Plan has a life of four years but is updated

annually at the same time as Council’s budget. It sets out the specific actions that Council will pursue for the following 12 months, each of which is aligned with an objective and strategy from the Strategic Plan.

The management team reports to Council on the progress of assigned annual plan actions each quarter during the financial year.

Annual Plan performance

The *Glenorchy City Council Annual Plan 2019-2020* identified 93 actions for the 2019-20 financial year. Of those, 20 actions were designated as ‘priority’ items, of which 11 were ‘complete’ or ‘on track’ at the end of the year, while the remaining 9 have not

been met. For the 9 priority goals that were not met, 6 were delayed or cancelled due to the COVID-19 disruption, while others are close to complete and being actively progressed or are pending a Council or external decision.

Naturally, Council’s overall annual plan performance was impacted considerably as COVID-19 took hold and organisational priorities were refocussed on the response.

The report identifies which annual plan actions were either cancelled or delayed due to the COVID-19 pandemic, and also those which are pending a decision of either Council or an external body before they can be progressed.

ACTION STATUS

Complete	On Track	Behind	Overdue
Annual Plan Priority Action			

MAKING LIVES BETTER

OBJECTIVE 1.1 KNOW OUR COMMUNITIES AND WHAT THEY VALUE

STRATEGY 1.1.1 GUIDE DECISION MAKING THROUGH CONTINUED COMMUNITY ENGAGEMENT BASED ON OUR COMMUNITY PLAN

Actions	Status
Quarterly Yarns: 4 Events	1
Support the operation of Council's Special Committees	
Engage with our communities to guide our decision-making, using the Community Engagement Strategy	

STRATEGY 1.1.2: ENCOURAGE DIVERSITY IN OUR COMMUNITY BY FACILITATING OPPORTUNITIES AND CONNECTIONS.

Actions	Status
Commence preparing the Community Development Strategy	2
Implement the Multicultural Spaces Plan and Framework	

OBJECTIVE 1.2 SUPPORT OUR COMMUNITIES TO PURSUE AND ACHIEVE THEIR GOALS

STRATEGY 1.2.1 ENCOURAGE AND SUPPORT COMMUNITIES TO EXPRESS AND ACHIEVE THEIR ASPIRATIONS

Actions	Status
Implement the Community Safety Framework	
Implement the access Action Plan 2016–2021	2
Implement the Successful Ageing Framework	2

STRATEGY 1.2.2 BUILD RELATIONSHIPS AND NETWORKS THAT CREATE OPPORTUNITIES FOR OUR COMMUNITIES

Actions	Status
Review the Children and Families Strategy	
Implement the Healthy Communities Plan	2
Partner with other stakeholders to support priority initiatives which address social disadvantage	
Convene inter-agency groups to address gaps in services for children under 12 (GAIN*), Youth 12 - 25 (YANG*) and older adults (Linkages)	2

1 Cancelled COVID-19
2 Delayed COVID-19

STRATEGY 1.2.3: PROMOTE CREATIVE EXPRESSION AND PARTICIPATION AND LIFE-LONG LEARNING AS PRIORITIES FOR OUR COMMUNITIES

Actions	Status
Deliver the Moonah Taste of the World Festival	1
Deliver Carols by Candlelight	
Foster the growth and development of the Multicultural Hub	2
Plan, promote and present an annual program of arts and cultural exhibitions, workshops, concerts and events	
Support the delivery of the ANZAC Day Ceremony	1
Support the delivery of the Citizenship ceremonies	
Plan, promote and deliver activities that address community learning opportunities, in conjunction with the LEARN network	

OBJECTIVE 1.3: FACILITATE AND/OR DELIVER SERVICES TO OUR COMMUNITIES

STRATEGY 1.3.1: DIRECTLY DELIVER DEFINED SERVICE LEVELS TO OUR COMMUNITIES

Actions	Status
Develop a Customer Service Strategy	3
Implement the Customer Service Strategy	3
Develop a system for monitoring customer satisfaction	
Deliver Customer Service Charter commitments	
Deliver Council services, maintenance program and waste management according to Council's Customer Service Charter commitments and Service Level agreement	

OPEN FOR BUSINESS

OBJECTIVE 2.1 STIMULATE A PROSPEROUS ECONOMY

STRATEGY 2.1.1 FOSTER AN ENVIRONMENT THAT ENCOURAGES INVESTMENT AND JOBS

Actions	Status
Undertake an Open for Business Review to improve development facilitation	
Improve information processes and facilitation of development	
Consult on and finalise the Glenorchy Local Provisions Schedule	
Commence identifying amendments required to Glenorchy's Planning Scheme to facilitate growth	
Review industrial, commercial and residential land use supply and demand	
Provide quality, sustainable, compliant childcare services for Glenorchy children	
Manage a program of events at the Derwent Entertainment Centre	
Provide community and recreation facilities	

1. Cancelled COVID-19
2. Delayed COVID-19
3. Pending a Council decision

STRATEGY 2.1.2 BUILD RELATIONSHIPS WITH GOVERNMENT AND THE PRIVATE SECTOR THAT CREATE JOB OPPORTUNITIES FOR OUR COMMUNITIES

Actions	Status
Develop an Economic Development Strategy	
Develop prospectuses and investment opportunity maps	
Facilitate business development workshops and support industry growth	

OBJECTIVE 2.2 IDENTIFY AND SUPPORT PRIORITY GROWTH SECTORS**STRATEGY 2.2.1 TARGET GROWTH SECTORS BASED ON OUR UNDERSTANDING OF THE CITY'S COMPETITIVE ADVANTAGES**

Actions	Status
Progress major projects in the municipality	
Facilitate major developments and investments that contribute ongoing benefits to Glenorchy	
Identify sites suitable for major developments	
Develop an online portal to map opportunities for development and investment	4
Implement the Leasing Policy	

VALUING OUR ENVIRONMENT**OBJECTIVE 3.1 CREATE A LIVEABLE AND DESIRABLE CITY****STRATEGY 3.1.1 REVITALISE OUR CBD AREAS THROUGH INFRASTRUCTURE IMPROVEMENTS**

Actions	Status
Complete Stage 3b of the Glenorchy CBD Revitalisation Project	
Implement the CBD Public Art Project	2

STRATEGY 3.1.2 ENHANCE OUR PARKS AND PUBLIC SPACES WITH PUBLIC ART AND CONTEMPORARY DESIGN

Actions	Status
Develop the Future Glenorchy Program	
Implement the Future Glenorchy Program	
Develop masterplans for Wellington and Tolosa Parks, including decommissioning Tolosa Reservoir	2
Implement the open space strategy, including repurposing of underutilised land	
Update the KGV masterplan	2
Invest strategically in parks, reserves and sporting facilities	
Commence externally funded playground and recreation facility projects	
Develop a public toilet plan	

STRATEGY 3.1.3 MANAGE THE CITY'S TRANSPORT NETWORK AND THE ASSOCIATED INFRASTRUCTURE TO PROMOTE SUSTAINABILITY, ACCESSIBILITY, CHOICE, SAFETY AND AMENITY FOR ALL MODES OF TRANSPORT

Actions	Status
Progress the Northern Suburbs Transit Corridor	
Deliver the capital works program	
Deliver the Safer Footpath and Linking Glenorchy projects	

STRATEGY 3.1.4 DELIVER NEW AND EXISTING SERVICES TO IMPROVE THE CITY'S LIVEABILITY

Actions	Status
Implement FOGO	
Commence extension of the Jackson Street Landfill	
Implement the Waste Management Strategy	
Ensure compliance of developments with the Planning Scheme, including heritage requirements	
Ensure compliance of buildings with the National Construction Code	
Support introduction of expiration dates on building and plumbing permits	
Implement the Expiry of Permit Project plan	

OBJECTIVE 3.2 MANAGE OUR NATURAL ENVIRONMENTS NOW AND FOR THE FUTURE

STRATEGY 3.2.1 IDENTIFY AND PROTECT AREAS OF HIGH NATURAL VALUES

Actions	Status
Manage Wellington Park	

STRATEGY 3.2.2 ENCOURAGE ACCESS TO AND APPRECIATION OF NATURAL AREAS THROUGH THE DEVELOPMENT OF TRAIL NETWORKS AND ENVIRONMENTAL EDUCATION

Actions	Status
Implement a strategic approach to protecting natural values	
Deliver the Environment Engagement Program to promote natural values	

STRATEGY 3.2.3 ENHANCE, PROTECT AND CELEBRATE THE DERWENT FORESHORE

Actions	Status
Install water sensitive urban design elements to improve water quality	
Undertake water quality monitoring and reporting, including through the Derwent Estuary Program	

LEADING OUR COMMUNITY

OBJECTIVE 4.1 GOVERN IN THE BEST INTERESTS OF OUR COMMUNITY

STRATEGY 4.1.1 MANAGE COUNCIL FOR MAXIMUM EFFICIENCY, ACCOUNTABILITY AND TRANSPARENCY

Actions	Status
Monitor Council expenditure and drive efficiency across the organisation	
Develop and monitor Council's Budget, Long Term Financial Plan, Annual Plan and Annual Report	
Implement the Project Management Framework	
Deliver on all priority Audit Panel recommendations	

STRATEGY 4.1.2 MANAGE THE CITY'S ASSETS SOUNDLY FOR THE LONG-TERM BENEFIT OF THE COMMUNITY

Actions	Status
Ensure we are prepared for disaster and maintain Emergency Management Strategies	
Implement the Asset Management Strategy	
Conclude the Derwent Park Stormwater Reuse Scheme	
Manage the fire risk in bushland reserves	

STRATEGY 4.1.3 MAXIMISE REGULATORY COMPLIANCE IN COUNCIL AND THE COMMUNITY THROUGH OUR SYSTEMS AND PROCESSES

Actions	Status
Continue to ensure residents and businesses comply with dog management, parking and environmental health regulations	
Implement the Governance Framework compliance Action Plan	

OBJECTIVE 4.2 PRIORITISE RESOURCES TO ACHIEVE OUR COMMUNITIES' GOALS

STRATEGY 4.2.1 DEPLOY THE COUNCIL'S RESOURCES EFFECTIVELY TO DELIVER VALUE

Actions	Status
Implement the ICT Strategy	
Investigate new and mobile technology to drive efficiency improvements	
Implement the Corporate Risk Management Directive	
Implement best practice procurement processes	

STRATEGY 4.2.2 ENSURE THAT WE HAVE A SKILLED, CAPABLE AND SAFETY-FOCUSED WORKFORCE

Actions	Status
Implement the Workforce Development Plan	2
Implement the People and Culture Strategy and 2020 Enterprise Agreement	2
Measure and improve staff satisfaction	2
Measure and improve safety performance	

OBJECTIVE 4.3 BUILD STRONG RELATIONSHIPS TO DELIVER OUR COMMUNITIES' GOALS

STRATEGY 4.3.1 FOSTER PRODUCTIVE RELATIONSHIPS WITH OTHER LEVELS OF GOVERNMENT, OTHER COUNCILS AND PEAK BODIES TO ACHIEVE COMMUNITY OUTCOMES

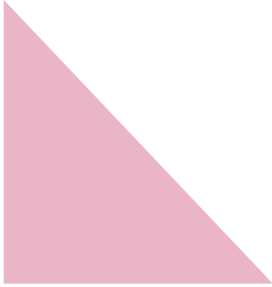
Actions	Status
Support implementation of the Hobart City Deal	4
Work with other governments and partners to lever Investment in Glenorchy	4
Actively work with LGAT and other Councils	
Actively participate in the Greater Hobart Committee and the Greater Hobart Advisory Group	

BUILDING IMAGE AND PRIDE

OBJECTIVE 5.1 ALL THE ACTIVITIES OF COUNCIL CONTRIBUTE TO AND SUPPORT OUR COMMUNITY'S GOAL TO BUILD IMAGE AND PRIDE

STRATEGY 5.1.1 WE WILL SHOW PRIDE IN OUR CITY AND OTHERS WILL SEE IT

Implement the Product of Glenorchy Project	Status
Implement the Product of Glenorchy Project	
Participate in the Welcoming Cities Network	
Implement the Multicultural Ambassador program	2
Facilitate community and business activation in public spaces	
Partner with Destination Southern Tasmania to promote Glenorchy to visitors	
Develop a whole of Council communications plan to actively promote Council's activities and achievements	
Promote Glenorchy via social media and online	
Engage proactively with the media	
Commence developing an Arts and Culture Strategy	
Partner with Glenorchy Art and Sculpture Park to progress the development of permanent and temporary artworks at GASP	
Deliver Glenorchy Volunteer Awards	
Deliver Glenorchy staff achievement awards	
Contribute to Keep Australia Beautiful Awards	
Deliver Safer Communities Young Peoples Awards	



COMPLIANCE REPORTING¹

PUBLIC HEALTH STATEMENT

SECTION 72(1)(AB)

Section 72(1) (ab) of the *Local Government Act 1993* requires Council to prepare a statement that describes the extent to which Council has carried out its functions under the *Public Health Act 1997* and the *Food Act 2003* during the financial year.

The statement must also outline the resources allocated to public health by Council and the extent to which its goals, objectives, policies and programs in relation to public health meet the needs of people within our municipal area.

Council's Public and Environmental Health program is managed by the Environmental Health team within Council's Strategy and Development Directorate. The program includes activities to support the Strategy 3.2 from Council's Strategic Plan, which is 'Manage our natural environments now and for the future'.

In 2019–20, the Environmental Health Services team comprised a Coordinator Environmental Health Services, a Senior Environmental Health Officer, three Environmental Health Officers and an Environmental Health Technical Officer. Council's immunisation program is also overseen by the Environmental Health team as well as contracted Authorised Nurse Immunisers.

The Environmental Health's Services expenditure budget for the 2019–2020 financial year was \$688,799 (which includes staff salaries). The section also generated \$26,172 in income, primarily from licencing. This represents a significant reduction in revenue from previous years, which was due to the extension of current registrations for a 6-month period by the Tasmanian State Government due to impact of COVID-19 restrictions on food businesses.

The Environmental Health Section administers the following key pieces of legislation (and their associated regulations):

1. *Public Health Act 1997*
2. *Food Act 2003*
3. *Local Government Act 1993*
4. *Litter Act 2007*
5. *Environmental Management and Pollution Control Act 1994*

The key regulatory areas under these Acts include:

- food safety
- notifiable diseases (food borne illnesses)
- immunisations
- places of assembly
- public health risk activities
- unhealthy premises
- public health and environmental nuisances
- disease prevention and control
- public health education and promotion
- water quality monitoring
- on-site wastewater management
- cooling towers and warm water systems, and
- pollution events.

The tables below outline the statistics for Environmental Health activities undertaken by Council during the 2019–2020 financial year under various legislation.

Food Act 2003	2019–20		2018–19	
	Number	Inspections	Number	Inspections
Registered food businesses	364	575 (routine) 155 (follow-up)	373	663 (routine) 141 (follow-up)
Temporary food permits	187	2	253	17
Improvement notices	0	0	2	8
Prohibition orders	0	N/A	1	2
Infringement notices	1	N/A	10	N/A

Public Health Act 1997	2019–20		2018–19	
	Number	Inspections	Number	Inspections
Notifiable disease notification/investigations	9	9	13	13
Gastroenteritis outbreak investigations in vulnerable population settings	2	2	1	1
Vaccinations administered at Council immunisation clinics	333	N/A	217	N/A
Vaccinations administered at school immunisation clinics	1,022	N/A	2,043	N/A
Registered cooling tower and warm water systems	22	0	22	0
Immunisation record requests	66	N/A	154	N/A
Registered public health risk activity premises (tattooing and ear/body piercing)	8	8	7	14
Licensed operators - Public Health Risk activity	25	N/A	23	N/A
Registered water carters	2	0	2	0
Licensed special events (Place of Assembly)	3	1	6	3
Water samples	Beaches and rivulets	5 sites 79 samples	7 sites 87 samples	
	Pools	11 pools 91 samples	11 pools 119 samples	

BUILDING ACT 2016	2019–20		2018–19	
	Number	Inspections	Number	Inspections
Plumbing permits assessed (on-site waste water approvals)	7	7	10	10
Food verification assessments (approval of plans for new or alterations to existing food premises)	6	6	14	14

Local Government Act 1993 Environmental Management And Pollution Control Act 1994 Litter Act 2007	2019-20		2018-19	
	Number	Inspections	Number	Inspections
Public/environmental health nuisances investigated	330	123	428	199
Development application referrals	104	N/A	69	N/A
Abatement Notices issued	0	0	2	5
Environmental Protection Notices issued	1	1	0	0
Infringement notices (litter, nuisance)	0	N/A	3*	N/A

*this is the 'total number of infringements issued across all the legislation except for the Food Act 2003 which is reported separately.

2019-2020 Key Actions/Initiatives	Actioned
Enhance, protect and celebrate the Derwent Foreshore	Yes
Maximise regulatory compliance in Council and the community through our systems and processes	Yes

COVID-19 Pandemic

The COVID-19 pandemic created many challenges for Council's Environmental Health team during the financial year. The changes to online learning for schools meant that the school-based immunisation program was cancelled at the last minute and rescheduled for when children returned to school in June 2020. However, the total number of children vaccinated at school remained consistent with the expected numbers at the start of the school year.

State Government restrictions also meant that many of the businesses regulated by the team were closed, meaning that the team's role became focused on educating food businesses which were forced to operate under a different model due to the COVID-19 restrictions (for example, restaurants moving to becoming exclusively takeaway food businesses). The restrictions also saw public health risk activity (tattooists and piercers) businesses within Glenorchy being forced to close for an extended period of time.

Food Businesses in Glenorchy

The Environmental Health team continues to ensure that food safety remains a high priority for the City. Inspections of food businesses in Tasmanian are undertaken according to their assigned risk rating and inspection frequency, in line with the Tasmanian Risk Classification System.

The number of registerable food premises slightly decreased for the 2019–20 period, in addition to this there was a decrease in the number of inspections undertaken to ensure compliance with

the *Food Standards Code*. This was due to the State Government restrictions forcing the closures of many different businesses during the pandemic. Inspections are an opportune time to proactively include health promotion, disease prevention and risk management information to proprietors and food handlers.

School Based Immunisation Program

In the 2019–20 period, numbers of children immunised as a part of the school-based immunisation program declined by 50%. This decline is primarily due to the reduction in children requiring the Meningococcal ACWY vaccine that was being offered to grade 10 students. As a result of the mass vaccination program undertaken in 2018, many students have now received this free vaccination and do not require any additional doses.

Recreational Water Quality

Recreational water quality monitoring as part of the Derwent Estuary Program in 2019–20 saw improvements in the health of the Derwent Estuary. These improvements enabled two environmental sampling sites within the municipality, Elwick Bay and MONA Jetty, to be upgraded from a rating of "fair" to "good" based on a rolling 5-year average.

All samples taken from the environmental and primary contact sites within the municipality remained below the 140 enterococci trigger level, except on one occasion where there was a high-test result at the environmental site at Cameron Bay. The reason for this failure was investigated

with TasWater, however the source of the contamination could not be identified.

Community Enquiries

In providing support to our community the Environmental Health team responded to 598 enquiries from the public on a range of issues including noise and smoke pollution, litter and rubbish dumping and unsightly and unhealthy premises.

Many of these require specific responses or on-site inspections and investigations and the focus of these is to mediate suitable outcomes rather than to use more rigorous enforcement methods.

ALDERMEN ALLOWANCES AND REIMBURSEMENT OF EXPENSES

SECTION 72(1)(CB)

	Allowance*	Car Allowance - Mayor	Expenses	Total
Ald. Johnston (Mayor)	\$104,089	\$8,055	\$1,369	\$113,513
Ald. Stevenson† (Deputy Mayor)	\$25,416	\$0	\$337	\$25,753
Ald. Thomas† (Deputy Mayor)	\$38,488	\$0	\$1,116	\$39,604
Ald. King	\$29,741	\$0	\$487	\$30,228
Ald. Dunsby	\$29,741	\$0	\$1,167	\$30,907
Ald. Carlton	\$29,741	\$0	\$414	\$30,155
Ald. Richardson	\$29,741	\$0	\$416	\$30,157
Ald. Bull	\$29,741	\$0	\$1,040	\$30,781
Ald. Fraser	\$29,741	\$0	\$1,337	\$31,078
Ald. Sims	\$29,741	\$0	\$860	\$30,601
Ald. Ryan†	\$13,363	\$0	\$109	\$13,472
TOTAL	\$389,542	\$8,055	\$8,651	\$406,248

* Councillor (Aldermen) allowances are set by the State Government under the Local Government (General) Regulations 2015 and are based on the number of voters in each local government area.

† Ald Stevenson held the position of Deputy Mayor until resigning, effective 31 December 2019.

† Ald Thomas was elected as Deputy Mayor on 28 January 2020.

† Ald Ryan was elected as an Alderman effective from on 20 January 2020.

MEETING ATTENDANCE

SECTION 72(1)(CC)

Council Meetings

Aldermen	Attended
1 July 2019 – 30 June 2020 (15 held)	
Ald. Johnston (Mayor)	14
Ald. Stevenson (D. Mayor) †	6
Ald. Thomas (D. Mayor)	15
Ald. Bull	14
Ald. Carlton †	11
Ald. Dunsby	15
Ald. Fraser	13
Ald. King	15
Ald. Richardson	14
Ald. Ryan †	7
Ald. Sims	13

† Ald Stevenson resigned from Council effective 31 December 2019 (last meeting attended on 23 December 2019).

† Ald Ryan was elected as an Alderman on 20 January 2020 (first meeting attended on 28 January 2020).

† Ald Carlton was granted a leave of absence for three (3) consecutive meetings.

Glenorchy Planning Authority Meetings

Aldermen	Attended
1 July 2019 – 30 June 2020 (13 held)	
Ald. Johnston (Mayor)	13
Ald. Stevenson (D. Mayor) †	3
Ald. Thomas (D. Mayor)	11
Ald. Dunsby	12
Ald. Ryan †	4
Ald. Sims	8
Ald. Fraser (proxy)	4
Ald. King (proxy)	1

† Ald Stevenson held a position on the committee until resigning from Council. Last meeting attended on 16 December 2019.

† Ald Ryan commenced on the committee on 16 March 2020.

Audit Panel Meetings

Committee Members	Attended
1 July 2018 – 30 June 2019 (7 held)	
Mr. R. Hogan (Chair) †	4
Mr. D. Sales	6
Mr. M. Stevens	5
Ald. Stevenson †	3
Ald. Bull	6
Mr M Derbyshire (Chair) †	2
Ald. Ryan	1

† Ald Stevenson resigned from Council effective 31 December 2019 (last Audit Panel meeting attended on 4 October 2020).

† Mr Hogan's term of the panel expired on during the financial year (last meeting attended on 6 December 2019).

† Mr Derbyshire was appointed as an independent member / Chair on 28 January 2020 (first meeting attended 28 February 2020).

† Ald Ryan was appointed to the Audit Panel on 24 February 2020 (first Audit Panel Meeting attended on 1 May 2020).

Council Workshops

Aldermen	Attended
8 July 2019 – 22 June 2020 (41 held)	
Ald. Johnston (Mayor)	41
Ald. Stevenson (D. Mayor) †	16
Ald. Dunsby	40
Ald. Carlton †	31
Ald. Fraser	36
Ald. King	41
Ald. Richardson	39
Ald. Thomas (D. Mayor)	38
Ald. Bull	36
Ald. Sims	19

† Ald Stevenson attended 16 out of 22 Workshops before leaving Council.

† Ald Carlton was granted a leave of absence for a period in which 5 workshops were held.

CONTRACTS FOR THE SUPPLY OF GOODS AND SERVICES

REGULATION 29(1), LOCAL GOVERNMENT (GENERAL) REGULATIONS 2015

For the purposes of Section 72(1)(e) of the *Local Government Act 1993*, contracts for the supply or provision of goods or services valued at or exceeding \$250,000 (excluding GST), which were entered into in the 2019–20 financial year were:

Description of the contract	Period of the contract	Period of any options for extending the contract	Contract Sum or estimated contract sum ¹	Business name of the successful contractor	Business address of the successful contractor
Cleaning of Council Facilities	15 July 2019 to 30 June 2022	2 years	Schedule of Rates	Lazaro Cleaning Services	6/111 Macquarie Street Reserve Bank Building Hobart TAS 7000
Supply of Plant and Equipment, with and without operators	1 July 2019 to 30 June 2022	1 year	\$800,000 (estimated)	Panel of providers	Various
Myella Drive Pavement Works Maroni Rd to Claremont Link Road	4 September 2019 to 31 October 2019	Nil	\$276,643.13	Stabilised Pavements of Australia Pty Ltd	1/90 Central Avenue Derwent Park TAS 7009
Clydesdale Avenue Pavement Work Kirkland Avenue to Tolosa Street	30 November 2019 to 24 February 2020	Nil	\$660,333.26	Spectran Contracting Group Pty Ltd	4-6 Birdwood Ave Moonah TAS 7009
Retail electricity supply - unmetered public lighting for a 3-year term	1 July 2019 to 30 June 2022	Nil	\$1,669,323 (estimated)	Aurora Energy	Level 1 21 Kirksway Place Hobart TAS 7001
Standing Offer for the Provision of Composting Services	17 February 2020 to 16 February 2021	1 year	\$981,000	Pure Living Soil Pty Ltd	849 Interlaken Road Oatlands TAS 7120
Purchase of FOGO bins and caddies	4 November 2019 to 10 January 2020	Nil	\$873,865	Mastec Pty Ltd	6 Creswell Road Largs North SA 5016
Goulds Lagoon Footpath Stage 3 Granton	29 April 2020 to 8 July 2020	Nil	\$254,235.15	Downer EDI Works	3 Whitestone Drive Austins Ferry TAS 7011
Landscaping Materials Supply Standing Offer	2 June 2020 to 2 June 2023	2 years	\$500,000 (estimated)	Panel of providers	Various

The following contracts, where the contract does not specify extensions, were extended by resolution of the Council pursuant to Regulation 23(5)(b) of the *Local Government (General) Regulations 2015*:

Description of the contract	Period of the contract	Period of extension options specified in the contract (if any)	Additional period as a result of the resolution	Value ¹	Contractor's business name	Contractor's business address	Reason
Labour Hire Services	26 March 2018 to 25 March 2020	NIL	25 March 2020 to 25 September 2020	\$540,000	Various (is a panel contract)	Various	Extension required to enable finalisation of a current tender process
Management and Operation of Glenorchy War Memorial Aquatic Centre	1 October 2015 to 31 March 2018	1 October 2018 to 31 March 2020	31 March 2020 to 30 September 2020	\$30,000	YMCA Inc		Extension required to enable finalisation of a current tender process
Kerbside Recycling and Refuse Collection	7 August 2018 to 1 February 2023	1 February 2023 to 31 January 2025	1 February 2025 to 16 February 2027	\$1,680,000	Veolia Environmental Services (Australia) Pty Ltd	Level 4 Bay Centre, 65 Pirrama Road Pyrmont NSW	Contract variation for additional supplies of services not provided for in the original contract.

For the purposes of Section 72(1)(e) of the Local Government Act 1993, the following contracts were awarded as the result of non-application of public tender processes due to the prescribed situations under Regulation 27(a) and (i): NIL

For the purposes of section 72(1)(e) of the *Local Government Act 1993*, contracts for the supply or provision of goods or services valued at or exceeding \$100,000 (excluding GST) but less than \$250,000, entered into, or extended in the 2019–20 financial year were:

Contracts entered into:

Description of the contract	Period of the contract	Periods of any options for extending the contract	Contract Sum or estimated contract sum ¹	Business name of the successful contractor	Business address of the successful contractor
Supply of Stratacell System, Tree Grates and Guards, Root Systems	22 October 2019 to 28 February 2021	Nil	\$107,750	City Green Pty Ltd	821 Pacific Highway Sydney NSW 2067
Registration for Provision of Traffic Management Services	1 July 2019 to 30 June 2021	1 year	\$120,000 (estimated)	Panel of providers	Various
Bridge Remediation Works – Brent Street Bridge, Creek Rd Bridge, the Cycle Path Bridge and Main Rd Claremont Overpass	23 January 2020 to 27 March 2020	Nil	\$123,310	Maintenance Systems Pty Ltd	34 Derwent Park Road Moonah TAS 7000
Leonard Avenue Stormwater Upgrades	6 January 2020 to 10 February 2020	Nil	\$164,500	Water Industry Solutions Pty Ltd	568 Main Road Rosetta TAS 7010
Delivery (to households) of FOGO Bins and Caddies	31 January 2020 to 13 February 2020	Nil	\$196,000 (estimated)	State-wide Mobile Bin Solutions Pty Ltd	43 Bangalee Street Lauderdale TAS 7021
Design Consultancy – Glenorchy Montrose and Giblins Playspace Developments	13 February 2020 to 30 April 2020	Nil	\$153,165	The Trustee for Inspiring Place Unit Trust	210 Collins Street Hobart TAS 7000
Wilkinsons Point Test Pits and Bores	18 March 2020 to 30 June 2020	Nil	\$100,500	Cova Thinking Pty Ltd	40 Molle Street Hobart TAS 7000
Stormwater Relining Program 2020-21	29 June 2020 to 30 June 2021	Nil	\$119,000	Machos Pty Ltd	4/73 Droughty Point Road Rokeby TAS 7019
Design and construct LED Lighting – Glenorchy Tennis Centre	6 May 2020 to 30 June 2020	Nil	\$149,644	Precision Lighting and Electrical Service Pty Ltd	Howard Court Arana Hills QLD 4054
Abbotsfield Park Changerooms Upgrade	24 May 2020 to 30 June 20	Nil	\$142,897	JPN Builders	9 Glen Lea Road Pontville TAS 7030

Description of the contract	Period of the contract	Periods of any options for extending the contract	Contract Sum or estimated contract sum ¹	Business name of the successful contractor	Business address of the successful contractor
Directional Drilling for Stormwater Upgrade Works	2 June 2020 to 11 August 2020	Nil	\$246,000	Water Industry Solutions Pty Ltd	568 Main Road Rosetta TAS 7010
CBD Revitalisation Project Stage 3C - Paver installation Works	29 June 2020 to 30 June 2021	Nil	\$152,926.20	Ron Duncan Paving Pty Ltd	14 Tamar Crescent Greens Beach TAS 7270
Greater Glenorchy Precinct Plan	18 June 2020 to 30 January 2021	6 months	\$84,500	The 20	210 Collins Street Hobart TAS 7000
	24 June 2020 to 30 January 2021	6 months	\$111,000	ERA Planning	7 Commercial Street North Hobart TAS 7000

Contracts extended: NIL

1 For term of contract including extension options, excluding GST and at the time of tender or contract award.

PUBLIC INTEREST DISCLOSURES ACT

SECTION 86, PUBLIC INTEREST DISCLOSURES ACT 2002

Council's PID procedures

As a public body, Glenorchy City Council is committed to the aims and objectives of the *Public Interest Disclosures Act 2002*.

In accordance with the Act, Council's has adopted a set of procedures for reporting disclosures of improper conduct or detrimental action by Council's members, officers and employees. Council's procedures are contained in its 'Model PID Procedures Manual', which was re-adopted by Council on 2 October 2017. The manual can be accessed on Council's website (www.gcc.tas.gov.au).

Reportable PID matters

Pursuant to the requirements of section 86 of the *Public Interest Disclosures Act 2002*, Council provides the following information relating to actions taken under the Act during the 2019-20 financial year.

Section of PID Act	Disclosure Requirement	Reportable matters in 2019-20
86(b)	number and types of disclosures made to the public body during the year and the number of those disclosures that the public body determines to be public interest disclosures	0
86(c)	number of disclosures determined by the public body to be public interest disclosures that it investigated during the year	0
86(d)	number and types of disclosed matters referred to the public body during the year by the Ombudsman	0
86(e)	number and types of disclosed matters referred during the year by the public body to the Ombudsman to investigate	0
86(f)	number and types of investigations of disclosed matters taken over by the Ombudsman from the public body during the year	0
86(g)	number and types of disclosed matters that the public body has decided not to investigate during the year	0
86(h)	number and types of disclosed matters that were substantiated on investigation and the action taken on completion of the investigation	0
86(i)	any recommendations of the Ombudsman under this Act that relate to the public body	0

SENIOR EMPLOYEE REMUNERATION

SECTION 72(1)(CD)

Remuneration Bands	Number of employees 2019-20	Number of employees 2018-19
\$260 001 - \$280 000	1	1
\$220 001 - \$240 000	2	2
\$200 001 - \$220 000	2	2
\$160,001 - \$180,000	0	2
\$60,001 - \$80,000	0	1
\$40,001 - \$60,000	0	2

Total annual remuneration is defined as the total of the following:

1. base salary payable to the employee
2. amount of employer superannuation contributions to the superannuation fund of the individual
3. non-monetary benefits include annual and long service leave movements and non-monetary benefits (such as housing, subsidised goods or services etc)
4. other allowances and benefits include all other forms of employment allowances (excludes reimbursements such as travel, accommodation or meals), payments in lieu of leave, and any other compensation paid and payable
5. gross value for the use of a fully-maintained motor vehicle provided to the employee, and
6. value of any other allowances or benefits paid or payable to, or provided for, the benefit of the employee.

GRANTS AND BENEFITS PROVIDED

SECTION 77

GRANTS	
Organisation	Amount
Glenorchy Golden Years Club	\$1,000
Child Health Association Inc	\$1,000
Springfield Gardens Primary School	\$1,000
West Moonah Community House	\$1,000
Colony 47	\$1,000
Friends of Zafira	\$1,000
Multicultural Council of Tasmania	\$1,000
You good forums	\$1,000
The Salvation Army	\$1,000
Bucaan Community House Inc	\$1,000
Golden Wattle Club Inc	\$1,000
Ukrainian Association of Tasmania	\$1,000
Straight Up Roasters	\$300
Wild Pepper Isle	\$300
Nexta Party	\$300
Oceanic Spa	\$300
Seoul Korean BBQ	\$300
Kings Massage	\$300
Best Bite Foods Pty Ltd	\$300
Mirror Image Mobile Detailing	\$300
Cycling South	\$12,000
Glenorchy Historical Society	\$2,200
Naidoc School Initiatives	\$450
	\$29,050

IN-KIND CONTRIBUTIONS, REDUCED OR WAIVED FEES AND/OR CHARGES, ASSISTANCE PROVIDED	
Cash Contributions and Donations	
Eric Reece Scholarship	\$3,000
Glenorchy Community Fund	\$4,000
Glenorchy Art and Sculpture Park	\$95,500
Food Donations	\$6,428
Book Donations	\$43,550
School Bursaries	\$2,350
Mayoral Sporting and Academic Fund	\$2,900
Total Cash Contributions and Donations	\$157,728

IN-KIND CONTRIBUTIONS, REDUCED OR WAIVED FEES AND/OR CHARGES, ASSISTANCE PROVIDED	
Organisation	Amount (inc GST)
Dog registration fees – Pensioner discounts	\$40,607
Waiver of Planning and Development application and processing fees	\$649
Waiver of Environmental Health (temporary food business) fee	\$9,917
Waiving of Landfill Fees - various community organisations	\$6,235
Waiver venue hire fees - MAC	\$19,165
Waiver Tolosa Park Hut fee	\$60
Waiver of Chigwell Barn fees	\$85
DEC ticket giveaway values	\$6,114
Distributed books 1300 books to nursing homes, schools and community houses in Glenorchy	\$43,550
Food donations to charitable organisations	\$6,428
Total in-kind contributions - Fees / Charges waived / Non cash donations	\$132,810

TENANTED PROPERTIES WITH DISCOUNTED RENT (COVID-19 FINANCIAL ASSISTANCE PACKAGE)		
Tenant	Address	COVID-19 rent discount applied
Glenorchy Scouts Australia	3A Austins Ferry Road, Austins Ferry (part)	\$18.80
Glenorchy City Tennis Club	8 Alcorso Drive, Berriedale	\$198.60
Goodwood Community Centre	20A Acton Crescent, Goodwood	\$35.20
Guides Tasmania	1 to 5 Booth Avenue, Glenorchy	\$22.96
Guides Tasmania	5 Box Hill Road, Claremont	\$16.55
Model Makers & Collectors Association Inc.	Goodwood Park 137 Howard Road, Goodwood	\$18.21
Southern City BMX Club	671 Main Road, Berriedale (part)	\$22.26
Lance Atkinson – Claremont Indigenous Boxing Club	17 Westfield Street, Claremont	\$66.78
A.Y.C. Netball Association Inc	37 Bayswater Road, Moonah	\$2,750
Claremont Football Club	1B Dewar Place, Claremont	\$2,274.17
Berriedale Bowls Club	4 Alcorso Drive, Berriedale	\$807.20
Southern Tasmanian Softball Association	Gepp Parade, Derwent Park	\$642.60
Sporting Shooters Association, Glenorchy Inc.	210 Tolosa Street, Glenorchy (part)	\$592.94
Tasmanian Transport Museum	2B Anfield Street, Glenorchy	\$29.68
Lions Club of Glenorchy	637 Main Road, Berriedale	\$213.00
The Abbeyfield Society	17 Moorina Crescent, Berriedale	\$25.52
St Anne's Cricket Club	103 Cadbury Road, Claremont	\$341.95
Life without Barriers Inc.	210 Tolosa Street, Glenorchy (part)	\$43.14
Scout Association (Tas)	25 Anfield Street, Glenorchy	\$27.50
Glenorchy Golden Years Club Inc	314 Main Road, Glenorchy	\$32.56
Collinsvale Community Association	14 Hall Road, Collinsvale (part)	\$15.89
Glenorchy History Group	2 Tolosa Street, Glenorchy (part)	\$1.00
Knights Cricket Club	10 Hall Road, Collinsvale (part)	\$759.06
Collinsvale Machinery & Social Club	14 Hall Road, Collinsvale (part)	\$84.23
Claremont Petanque Club	103 Cadbury Road, Claremont (part)	\$145.33
Migrant Resource Centre	1A Anfield Street, Glenorchy	\$9,480.04
Claremont Junior Football Club	103 Cadbury Road, Claremont	\$165.00
The Trustees of the Diocese of Tasmania	374 Main Road, Glenorchy (part)	\$412.38
Glenorchy Tennis Club	8 Alcorso Drive, Berriedale	\$198.60
Glenorchy Cricket Club	1B Anfield Street, Glenorchy	\$3,179.59
West Moonah Community House	130 Springfield Avenue, West Moonah	\$26.73
Claremont Mens Shed	15 Main Road, Claremont	\$27.50
Football Federation	16-18 Grove Road, Glenorchy	\$17,896.32
Austins Cottage	14-16 Austins Ferry Road, Austins Ferry	\$13.59

MISCELLANEOUS

CODE OF CONDUCT COMPLAINTS

Section 72(1)(ba)

No code of conduct complaints were upheld either wholly or in part during the 2019–20 financial year.

CODE OF CONDUCT COSTS

Section 72(1)(bb)

Council did not expend any costs in respect of any code of conduct complaints during the 2019–20 financial year.

ENTERPRISE POWERS

Section 72(1)(ca)

Council did not exercise any of the powers available under section 21 of the *Local Government Act 1993* in the 2018–19 financial year.

LAND DONATED UNDER SECTION 177

Section 72(1)(da)

Council did not make any donations of land pursuant to section 177 of the *Local Government Act 1993* during the 2019–20 financial year.

OTHER PRESCRIBED MATTERS

Section 72(1)(e)

See Contracts for the Supply of Goods and Services (page 56).

19



20

FINANCIAL REPORTING



GLENORCHY
CITY COUNCIL

Certification by the General Manager	68
Financial Statements	70
Statement of Comprehensive Income	70
Statement of Financial Position	71
Statement of Changes in Equity	72
Statement of Cash Flows	73
Notes to the Financial Report	74
Note 1 Overview	74
Note 2 Revenue	78
Note 3 Expenses	81
Note 4 Current Assets	84
Note 5 Investment in TasWater	86
Note 6 Non-current assets	87
Note 7 Current liabilities	94
Note 8 Non-current liabilities	98
Note 9 Other financial information	99
Note 10 Other matters	114
Audit Opinion	126
Audit Panel Chair's Report	130

CERTIFICATION BY GENERAL MANAGER

GLENORCHY CITY COUNCIL 2019-2020 FINANCIAL REPORT

Certification of the Financial Report

The financial report presents fairly the financial position of the Glenorchy City Council as at 30 June 2020 and the results of its operations and cash flows for the year then ended, in accordance with the *Local Government Act 1993* (as amended), Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board.



Tony McMullen
General Manager

Date: 14th JANUARY 2021



STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

	Note	Budget 2020 \$'000	Actual 2020 \$'000	Actual 2019 Restated \$'000
Income from continuing operations				
Recurrent income				
Rates and charges	2.1	41,466	40,995	39,940
Statutory fees and fines	2.2	2,907	2,471	2,527
User fees	2.3	9,451	8,402	9,639
Grants	2.4	5,115	5,052	3,611
Contributions - cash	2.5	143	471	143
Interest	2.6	463	346	497
Other income	2.7	468	524	849
Investment revenue from Water Corporation	2.9, 5.1	2,172	1,086	2,024
		62,185	59,347	59,230
Capital income				
Capital grants received specifically for new or upgraded assets	2.4	579	767	833
Contributions - non-monetary assets	2.5	-	1,406	3,284
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	2.8	(423)	(1,656)	(1,474)
Impairment of Assets Held For Sale	4.5	-	(4,450)	-
		156	(3,932)	2,643
Total income from continuing operations		62,341	55,415	61,872
Expenses from continuing operations				
Employee benefits	3.1	(24,624)	(23,635)	(21,603)
Materials and services	3.2	(14,635)	(15,382)	(15,210)
Impairment of receivables	3.3	-	(357)	(5)
State Fire Commission Contribution	3.4	(5,899)	(5,899)	(5,642)
Depreciation and amortisation	3.5	(13,719)	(14,151)	(12,898)
Finance costs	3.6	(31)	(147)	(169)
Other expenses	3.7	(2,627)	(1,057)	(2,360)
		(61,535)	(60,628)	(57,887)
Result from continuing operations		806	(5,213)	3,986
Net result for the year		806	(5,213)	3,986
Other comprehensive income				
Items that will not be reclassified subsequently to net result				
Fair value adjustments on equity investment assets	5.1, 9.1	-	(44,413)	24,173
Net asset revaluation increment/(decrement)	9.1	-	17,738	11,421
Total Other Comprehensive Income		-	(26,675)	35,594
Total Comprehensive result		806	(31,887)	39,579

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

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

	Note	2020 \$'000	2019 Restated \$'000
Assets			
Current assets			
Cash and cash equivalents	4.1	3,531	4,438
Trade and other receivables	4.2	1,709	1,905
Investments	4.3	12,015	11,000
Inventories	4.4	91	116
Non-current assets classified as held for sale	4.5	11,063	741
Contract assets	4.6	100	129
Other assets	4.7	385	250
Total current assets		28,896	18,578
Non-current assets			
Investment in water corporation	5.1	146,905	191,317
Property, infrastructure, plant and equipment	6.1	702,917	701,080
Right-of-use assets	6.2	1,209	-
Total non-current assets		851,030	892,397
Total assets		879,926	910,975
Liabilities			
Current liabilities			
Trade and other payables	7.1	3,781	3,894
Trust funds and deposits	7.2	316	339
Provisions	7.3	4,753	4,534
Lease liabilities	7.4	747	-
Contract liabilities	7.5	1,701	1,107
Interest-bearing loans and borrowings	8.1	1,004	963
Total current liabilities		12,301	10,836
Non-current liabilities			
Provisions	7.3	3,859	3,952
Lease liabilities	7.4	470	-
Interest-bearing loans and borrowings	8.1	1,155	2,159
Total non-current liabilities		5,484	6,112
Total liabilities		17,785	16,948
Net Assets		862,141	894,028
Equity			
Accumulated surplus		529,019	534,381
Reserves	9.1	333,122	359,647
Total Equity		862,141	894,028

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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2020

2020	Note	Accumulated Surplus 2020 \$'000	Asset Revaluation Reserve 2020 \$'000	Fair Value Reserve 2020 \$'000	Other Reserves 2020 \$'000	Total Equity 2020 \$'000
Balance at beginning of the financial year		534,381	355,613	(5,586)	9,620	894,028
Restated opening balance		534,381	355,613	(5,586)	9,620	894,028
Net result for the year		(5,213)	-	-	-	(5,213)
Other Comprehensive Income:						
Fair Value adjustment on equity investment assets	5.1, 9.1	-	-	(44,413)	-	(44,413)
Net asset revaluation increment/(decrement)	9.1	-	17,738	-	-	17,738
Total comprehensive income		529,169	373,351	(49,999)	9,620	862,141
Transfers to reserve		(149)	-	-	149	-
Transfers between reserves		(149)	-	-	149	-
Balance at end of the financial year		529,019	373,351	(49,999)	9,770	862,141

2019		Accumulated Surplus 2019 \$'000	Asset Revaluation Reserve 2019 \$'000	Fair Value Reserve 2019 \$'000	Other Reserves 2019 \$'000	Total Equity 2019 \$'000
Balance at beginning of the financial year		525,385	349,870	(29,759)	9,314	854,810
Prior period error adjustment	6.1	1,710	(5,678)	-	-	(3,968)
Restated opening balance		527,095	344,192	(29,759)	9,314	850,842
Net result for the year		4,204	-	-	-	4,204
Prior period error adjustment		(219)	12	-	-	(207)
Restated Net result for the year		3,986	12	-	-	3,997
Other Comprehensive Income:						
Fair Value adjustment on equity investment assets	5.1, 9.1	-	-	24,173	-	24,173
Net asset revaluation increment/(decrement)	9.1	-	15,016	-	-	15,016
Restated comprehensive income		3,986	15,027	24,173	-	43,186
Total comprehensive income		531,081	359,220	(5,586)	9,314	894,028
Transfers to reserve		(306)	-	-	306	-
Transfers from reserve		3,607	(3,607)	-	-	-
Transfers between reserves		3,300	(3,607)	-	306	-
Balance at end of the financial year		534,381	355,613	(5,586)	9,620	894,028

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 Inflows/ (Outflows) \$'000	2019 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates		40,862	39,824
Statutory fees and fines		2,486	2,527
User charges and other fines (inclusive of GST)		7,933	9,112
Grants (inclusive of GST)		5,099	3,611
Developer contributions (inclusive of GST)		91	143
Interest received		346	497
Rents (inclusive of GST)		507	801
Investment revenue from water corporation	2.9	1,086	2,024
Other receipts (inclusive of GST)		500	818
Net GST refund/(payment)		-	6
Payments to suppliers (inclusive of GST)		(22,592)	(23,398)
Payments to employees (inclusive of redundancies)		(23,479)	(22,026)
Finance costs paid		(147)	(169)
Net cash provided by (used in) operating activities	9.2	12,691	13,770
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(12,592)	(11,072)
Proceeds from sale of property, infrastructure, plant and equipment		557	238
Capital grants (inclusive of GST)		1,267	833
Payments for investments		(1,015)	-
Cash in lieu of public assets		380	-
Net cash provided by (used in) investing activities		(11,403)	(10,001)
Cash flows from financing activities			
Repayment of lease liabilities (principal repayments)		(1,232)	-
Repayment of interest bearing loans and borrowings		(963)	(1,138)
Net cash provided by (used in) financing activities	9.3	(2,195)	(1,138)
Net increase (decrease) in cash and cash equivalents		(907)	2,632
Cash and cash equivalents at the beginning of the financial year		4,438	1,807
Cash and cash equivalents at the end of the financial year	9.4	3,531	4,438
Restrictions on cash assets	4.1	1,707	1,716

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

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1 OVERVIEW

1.1 REPORTING ENTITY

- (a) The Glenorchy City Council was established on 24 October 1964 and is a body corporate with perpetual succession and a common seal. Council's main office is located at 374 Main Road Glenorchy.
- (b) The purpose of the Council is to:
- provide for health, safety and welfare of the community;
 - to represent and promote the interests of the community;
 - provide for the peace, order and good government in the municipality.

1.2 BASIS OF ACCOUNTING

These financial statements are a general purpose financial report that consists of a Statement of Profit and Loss and Other Comprehensive Income, Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, and the *Local Government Act 1993 (LGA1993) (as amended)*. Council has determined that it does not have profit generation as a prime objective. Consequently, where appropriate, Council has elected to apply options and exemptions within accounting standards that are applicable to not-for-profit entities.

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

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

This financial report has been prepared under the historical cost convention, except where specifically stated in notes 4.3, 4.5, 5.1, 6.1, 7.3, 8.1.

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, have been included in this financial report. All transactions between these entities and Council have been eliminated in full. Details of entities not included in this financial report based on their materiality are detailed in note 10.2.

1.3 USE OF JUDGEMENTS AND ESTIMATES

Judgements and Assumptions

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

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

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

1.3 USE OF JUDGEMENTS AND ESTIMATES (CONT.)

Employee entitlements

Assumptions are utilised in the determination of Council's employee entitlement provisions. These assumptions are discussed in note 7.3.

Defined benefit superannuation fund obligations

Actuarial assumptions are utilised in the determination of Council's defined benefit superannuation fund obligations. These assumptions are discussed in note 9.5.

Fair value of property, infrastructure, plant & equipment

Assumptions and judgements are utilised in determining the fair value of Council's property, plant and equipment including useful lives and depreciation rates. These assumptions are discussed in note 6.1.

Investment in water corporation

Assumptions utilised in the determination of Council's valuation of its investment in TasWater are discussed in note 5.1.

Landfill / Tip Rehabilitation

Assumptions and judgements are utilised in determining Council's landfill close-down and restoration costs. These are discussed in note 7.3.

1.4 FUNCTIONS/ACTIVITIES OF THE COUNCIL

(a) Revenue, expenditure and assets attributable to each function as categorised in (c) below:

	Capital Income	Recurrent Income	Total Revenue	Total Expenditure	Surplus/ (Deficit)	Assets
Governance and administration						
2019 - 2020	-	46,832	46,832	21,108	25,724	180,804
2018 - 2019	-	45,631	45,631	18,664	26,967	215,544
Property, infrastructure, plant & equipment						
2019 - 2020	(3,932)	41	(3,892)	17,861	(21,753)	460,758
2018 - 2019	2,643	83	2,726	17,543	(14,817)	457,962
Waste management						
2019 - 2020	-	6,485	6,485	4,743	1,742	665
2018 - 2019	-	6,596	6,596	4,702	1,894	562
Community, environment & public health						
2019 - 2020	-	223	223	3,647	(3,424)	1,551
2018 - 2019	-	386	386	3,211	(2,825)	1,010
Planning & Building Control						
2019 - 2020	-	1,452	1,452	1,972	(520)	1,129
2018 - 2019	-	1,182	1,182	1,599	(417)	981
Community services						
2019 - 2020	-	1,669	1,669	3,328	(1,659)	688
2018 - 2019	-	1,625	1,625	3,113	(1,488)	592
Recreation facilities						
2019 - 2020	-	1,268	1,268	4,459	(3,191)	232,747
2018 - 2019	-	2,161	2,161	5,016	(2,855)	232,960
Economic development						
2019 - 2020	-	-	-	401	(401)	-
2018 - 2019	-	9	9	298	(289)	-
Cultural facilities and services						
2019 - 2020	-	531	531	2,138	(1,607)	665
2018 - 2019	-	638	638	2,305	(1,666)	562
Public order, fire and safety						
2019 - 2020	-	803	803	1,570	(767)	920
2018 - 2019	-	846	846	1,350	(504)	801
Other - not attributable						
2019 - 2020	-	45	45	(600)	644	-
2018 - 2019	-	72	72	86	(14)	-
Total						
2019 - 2020	(3,932)	59,347	55,415	60,628	(5,213)	879,926
2018 - 2019	2,643	59,230	61,872	57,887	3,986	910,975

1.4 FUNCTIONS/ACTIVITIES OF THE COUNCIL (CONTINUED)

(b) Reconciliation of Assets above with the Statement of Financial Position at 30 June:

	2020	2019
Current assets	28,896	18,578
Non-current assets	851,030	892,397
	879,926	910,975

(c) Governance and administration

Operation and maintenance of council chambers, administration offices, and councillors.

Property, infrastructure, plant & equipment

Construction, maintenance and cleaning of road, streets, footpaths, bridges, parking facilities and street lighting. Operation and maintenance of open or deep drainage systems in urban areas, including the lining of piping of creeks but excludes drainage associated with road works, flood mitigation and agriculture.

Waste management

Collection, handling, processing and disposal of all waste materials.

Community, environment & public health

Operation and maintenance of Council facilities including halls (excluding indoor sports complexes).

Environmental Health includes disease control, food surveillance, public-use building standards, health education and promotion, water quality, workplace safety and cemeteries. Environmental management includes strategies and programs for the protection of the environment and regulations of activities affecting the environment.

Planning & Building Control

Administration of the town planning scheme, subdivisions and urban and rural renewal programs. The development and maintenance of building constructions standards.

Community services

Administration and operation of dog registration, operation of pounds, control of straying stock, and noxious weeds. Operation of the Child Care Centre, operation and support of the performing arts, museum and the presentation of festivals. Community Development which provides for the implementation of a process by which strategies and plans can be developed so that the Council

can fulfil their general responsibility for enhancing the quality of life of the whole community.

Recreation facilities

Operation and maintenance of sporting facilities (includes swimming pools, active and passive recreation and recreation centres).

Economic development

Operations involves working with businesses, industry representatives, not-for-profits and the community to develop our Economic Development Strategy.

Cultural facilities and services

Focus is on developing multiculturalism, arts and culture.

Public order, fire and safety

Public compliance, parking roads traffic and animal management.

Other - not attributable

Fleet management and internal plant operation not attributed elsewhere.

NOTE 2 REVENUE

NOTE 2.1 RATES AND CHARGES

Council uses Assessed Annual Valuation (AAV) as the basis of valuation of all properties within the municipality. The AAV of a property is its gross annual rental value excluding GST, municipal rates, land tax and fixed water and sewerage, but is not less than 4% of the capital value.

The valuation base used to calculate general rates for 2019-20 was \$459.72 million. The 2019-20 Non Residential rate in the AAV dollar was \$0.08328, the Residential rate in the AAV dollar was \$0.07634 (2018 \$0.08937).

	2020 \$'000	2019 \$'000
Rates charges	34,796	33,945
Interest charges	34	57
Penalty charges	208	196
Recovery of legal charges	34	58
State Fire Commission contribution	5,924	5,684
Total rates and charges	40,995	39,940

The Office of the Valuer-General undertook a revaluation of the municipality with the revaluation applied in the rating year commencing 1 July 2019.

Accounting policy under AASB 15 and AASB 1058 - applicable from 1 July 2019

Council recognises revenue from rates and annual charges for the amount it is expected to be entitled to at the beginning of the rating period to which they relate, or when the charge has been applied. Rates and charges in advance are recognised as a financial liability until the beginning of the rating period to which they relate.

Refer to note 10.3 for accounting policy related to AASB 15 and AASB 1058.

Accounting policy under AASB 118 and AASB 1004 - applicable for 2019 comparative

Rates and charges income

Rate 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 year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

NOTE 2.2 STATUTORY FEES AND FINES

	2020 \$'000	2019 \$'000
Registration and Licences	407	660
Development and Buildings	1,663	1,427
General Fines and Infringements	401	440
Total statutory fees and fines	2,471	2,527

Accounting policy under AASB 15 and AASB 1058 - applicable from 1 July 2019

Fees and fines (including parking fees and fines) are recognised when or as the performance obligation is completed, or when the taxable event has been applied and Council has an unconditional right to receive payment.

Refer to note 10.3 for accounting policy related to AASB 15 and AASB 1058.

Accounting policy under AASB 118 and AASB 1004 - applicable for 2019 comparative

Statutory fee and fine income

Fees and fines (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

NOTE 2.3 USER FEES

	2020 \$'000	2019 \$'000
Childcare	374	485
Venue Fees & Costs Reimbursed	1,035	1,760
Garbage and recycling	6,408	6,397
Rental Revenue	520	900
Other Fees and Charges	64	96
Total user fees	8,402	9,639

Accounting policy under AASB 15 and AASB 1058 - applicable from 1 July 2019

Council recognises revenue from user fees and charges when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

NOTE 2.3 USER FEES (CONT.)**Rental income**

Rents are recognised as revenue when the payment is due. Rental payments received in advance are recognised as a payable until they are due.

Licences granted by Council are all either short-term or low value and all revenue is recognised at the time that the licence is granted rather than the term of the licence.

Refer to note Note 10.3 for accounting policy related to AASB15.

Accounting policy under AASB 118 and AASB 1004 - applicable for 2019 comparative**User fee income**

Fee income is recognised as revenue when the service has been provided, or the payment is received, whichever first occurs.

NOTE 2.4 GRANTS

Grants were received in respect of the following:

	2020 \$'000	2019 \$'000
Summary of grants		
Federally funded grants	4,322	3,932
State funded grants	1,497	511
Total	5,819	4,444

Grants - Recurrent		
Commonwealth Government Financial Assistance Grants - General Purpose	994	986
Commonwealth Government Financial Assistance Grants - Roads	1,491	1,439
Sponsorships	-	9
Family and children	1,136	1,026
State Government - May 2018 Flood event reimbursement	1,234	-
Other	196	150
Total recurrent grants	5,052	3,611

Accounting policy under AASB 15 and AASB 1058 - applicable from 1 July 2019

Council recognises untied grant revenue and those without performance obligations when received. In cases where funding includes specific performance obligations or is to acquire or construct a recognisable non-financial asset, a liability is recognised for funds received in advance and recognises income as obligations are fulfilled.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin. For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Council.

Refer to Note 10.3 for accounting policy related to AASB 15 and AASB 1058.

Accounting policy under AASB 1004 - applicable for 2019 comparative

The Australian Commonwealth Government provides untied Financial Assistance Grants to Council for general purpose use and the provision of local roads. Previously, in accordance with AASB1004:Contributions, Council recognised these grants as revenue when it received the funds and obtained control.

Grant income - recurrent and capital

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

Where grants recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant is also disclosed.

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

In both years the Commonwealth has made early payment of the first two quarterly instalments for the following year. The early receipt of instalments resulted in Commonwealth

NOTE 2.4 GRANTS (CONT.)

Government Financial Assistance Grants being above that originally budgeted in 2019-20 by \$46,794, (2018-19, \$26,042). This has impacted the Statement of Comprehensive Income resulting in the Surplus/(deficit) being higher by the same amount.

	2020 \$'000	2019 \$'000
Capital grants received specifically for new or upgraded assets		
Capital Grants - State Government - Granton cycle way	-	200
Capital Grants - State Government - Flood early warning system	-	75
Capital Grants - State Government - Eady street sporting facilities upgrade	-	77
Capital Grants - State Government - Blackspot and vulnerable road users	67	-
Capital Grants - Federal Government - Peltro Street Cycleway	-	52
Capital Grants - Federal Government - Roads to Recovery	700	429
Total capital grants	767	833

Conditions on grants

Non-reciprocal grants which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:

	2019 \$'000
Unexpended at the close of the previous reporting period	403
Less: expended during the current period from revenues recognised in previous reporting periods:	
Community health	(403)
	(403)
Net increase (decrease) in non-reciprocal grant revenues for the year:	(403)

NOTE 2.5 CONTRIBUTIONS

	2020 \$'000	2019 \$'000
(a) Cash		
Recharge work contributions	11	55
Recreational, leisure and community facilities	80	80
Other	48	8
Contributions - Monetary assets	332	-
Total	471	143
(b) Non-monetary assets		
Donated assets	1,406	2,922
Contributions Non Monetary Assets	-	363
Total	1,406	3,284
Total contributions	1,877	3,428

Accounting policy under AASB 15 - applicable from 1 July 2019

Council recognises contributions without performance obligations when received. In cases where the contributions is for a specific purpose to acquire or construct a recognisable non-financial asset, a liability is recognised for funds received in advance and income recognised as obligations are fulfilled.

Accounting policy under AASB 1004 - applicable for 2019 comparative**Contribution income**

Contributions are recognised as revenue when Council obtains control over the assets comprising the receipt.

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

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

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

Where contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular

NOTE 2.5 CONTRIBUTIONS (CONT.)

manner or used over a particular period and those conditions were undischarged at balance date, the unused contribution is also disclosed. The note also discloses the amount of unused contribution from prior years that was expended on Council's operations during the current year.

NOTE 2.6 INTEREST

	2020 \$'000	2019 \$'000
Bank and Investment Interest	346	497
Total	346	497

Accounting policy**Interest income**

Interest is recognised progressively as it is earned.

NOTE 2.7 OTHER INCOME

	2020 \$'000	2019 \$'000
Fuel Tax Credits	86	79
State Fire Commission contribution	236	226
Refund	-	28
Other	201	516
Total other income	524	849

Accounting policy**Other income**

Other income is recognised as revenue when the payment is due.

Operating leases as lessor

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

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

NOTE 2.8 NET GAIN/(LOSS) ON DISPOSAL OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT.

	2020 \$'000	2019 \$'000
Proceeds of sale	557	238
Written down value of assets disposed	(2,192)	(1,713)
Costs incurred on disposal	(20)	-
Total	(1,656)	(1,474)

Accounting policy**Gains and losses on asset disposals**

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

NOTE 2.9 INVESTMENT REVENUE FROM WATER CORPORATION

	2020 \$'000	2019 \$'000
Dividend revenue received	1,086	1,139
Tax equivalent received	-	145
Guarantee fee received	-	740
Total investment revenue from water corporation	1,086	2,024

Accounting policy**Investment revenue**

Dividend revenue is recognised when Council's right to receive payment is established and it can be reliably measured.

NOTE 3 EXPENSES**NOTE 3.1 EMPLOYEE BENEFITS**

	2020 \$'000	2019 \$'000
Wages and salaries	22,815	21,101
Workers compensation	697	258
Superannuation	2,457	2,308
Fringe benefits tax	36	54
Redundancy	162	-
	26,168	23,720
Less amounts capitalised	(2,533)	(2,117)
Total employee benefits	23,635	21,603

Accounting policy**Employee benefits**

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease

NOTE 3.1 EMPLOYEE BENEFITS (CONT.)

in asset or an increase of a liability has arisen that can be measured reliably.

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

NOTE 3.2 MATERIALS AND SERVICES

	2020 \$'000	2019 \$'000
Contract payments	8,250	7,513
Materials and services	5,074	5,521
Plant and equipment maintenance	233	254
Utilities	1,208	1,247
Consultants	617	675
Total materials and services	15,382	15,210

Accounting policy**Materials and services expense**

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

Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

NOTE 3.3 IMPAIRMENT OF RECEIVABLES

	2020 \$'000	2019 \$'000
Sundry debtors		
Facilities Hire	328	-
Landfill Charges	5	5
Other cost reimbursements	24	-
Total impairment of receivables	357	5

Accounting policy**Impairment expense**

Expenses are recognised when Council has determined there to be an increase in the credit risk of a financial asset since initial recognition.

NOTE 3.4 STATE FIRE COMMISSION CONTRIBUTION

	2020 \$'000	2019 \$'000
Fire Service Contribution	5,899	5,642
Total State Fire Service contribution	5,899	5,642

Accounting policy**State Fire Service Contribution**

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

NOTE 3.5 DEPRECIATION AND AMORTISATION

	2020 \$'000	2019 \$'000
Buildings and Other land improvements	1,672	1,798
Valuation Roll	62	62
Plant and Equipment		
Plant and vehicles	331	352
Equipment and Furniture	895	865
Infrastructure		
Roads	7,911	7,856
Drainage	2,040	1,966
Right-of-use of assets	1,240	-
Total depreciation and amortisation	14,151	12,898

Accounting policy**Depreciation and amortisation expense**

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

Buildings, land improvements, plant and equipment, infrastructure and other assets having limited useful lives are systematically depreciated over their useful lives to Council in a manner which reflects consumption of the service potential embodied in those assets. Right-of-use assets are amortised over the lease term. Estimates of remaining useful lives

NOTE 3.5 DEPRECIATION AND AMORTISATION (CONT.)

and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation and amortisation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and remaining values and a separate depreciation rate is determined for each component.

Land and road earthwork assets are not depreciated on the basis that they are assessed as not having a limited useful life.

Straight line depreciation is charged based on the residual useful life as determined each year.

Major depreciation and amortisation periods used are listed below and are consistent with the prior year unless stated:

Buildings	Period
free hold buildings	20 - 100 years
buildings, fixed equipment and furniture	5 - 100 years
Plant and Equipment	
fixtures, fittings and furniture	3 - 20 years
computer systems and technical equipment	3 - 10 years
Roads	
road pavements and seals	22 - 40 years
road pavement base	70 - 80 years
road formation and earthworks	non depreciable
road kerb, channel and minor culverts	75 years
traffic management device	15 - 75 years
Bridges	
bridges	20 - 80 years
Other Infrastructure	
drainage	10 - 135 years
recreational, leisure and community facilities	5 - 80 years
off street car parks	22 - 80 years
Intangible assets	
intangible assets	5 years
Right-of-use of assets	
Right-of-use of assets	1 - 5 years

NOTE 3.6 FINANCE COSTS

	2020 \$'000	2019 \$'000
Interest - borrowings	116	169
Interest - lease liabilities	31	-
Total finance costs	147	169

Accounting policy**Finance expense**

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

Finance costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised. No borrowing costs were capitalised during the current or prior period.

Finance costs include interest on bank overdrafts, borrowings, leases and unwinding of discounts.

NOTE 3.7 OTHER EXPENSES

	2020 \$'000	2019 \$'000
External auditors' remuneration (Tasmanian Audit Office)	60	60
Internal auditors' remuneration (WLF Accounting) (2019 WLF Accounting / Deloitte)	25	91
Aldermanic allowances	390	384
Grants and Specific Purpose Benefits	36	22
Land Tax	491	466
Lease payments variable lease payment	55	1,336
Total other expenses	1,057	2,360

Accounting policy**Other expenses**

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

NOTE 4 CURRENT ASSETS**NOTE 4.1 CASH AND CASH EQUIVALENTS**

	2020 \$'000	2019 \$'000
Cash on hand	14	125
Cash at bank	3,517	4,313
Total cash and cash equivalents	3,531	4,438

Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:

Internal Restrictions

	2020 \$'000	2019 \$'000
Statutory Reserves	1,182	1,117
Derwent Entertainment Centre Automatic Teller Machine	-	91

External Restrictions

	2020 \$'000	2019 \$'000
i) Glenorchy City Concert Brass Account	10	28
ii) Trust funds and deposits (note 7.2)	316	339
iii) Grants received in advance (7.5)	199	140
Restricted funds	1,707	1,716
Total unrestricted cash and cash equivalents	1,824	2,723

Accounting policy**Cash and cash equivalents**

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

Restricted funds

- i) Includes the Council Special Committee Glenorchy City Concert Brass Band.
- ii) Includes refundable building, contract and other refundable amounts held in trust by Council for completion of specific purposes.
- iii) Represents grant funding received in advance until specific performance obligations required under funding arrangements are completed.

NOTE 4.2 TRADE AND OTHER RECEIVABLES

	2020 \$'000	2019 \$'000
Current		
Rates debtors	757	600
Sundry Debtors	877	982
Provision for expected credit loss - other debtors	(351)	(13)
Net GST receivable	425	336
Total trade and other receivables	1,709	1,905

	2020 \$'000
Reconciliation of movement in expected credit loss	
Carrying amount at 1 July	13
Amounts written off during the year	(19)
Amounts recovered during the year	-
Increase / (decrease) in provision recognised in profit or loss	357
Carrying amount at 30 June	351

	2019 \$'000
Reconciliation of movement in expected credit loss	
Carrying amount at 30 June 2018 under AASB 139	1,621
Amounts restated through Accumulated Funds	-
Carrying amount at 1 July under AASB 9	1,621
Amounts written off during the year	(1,613)
Amounts recovered during the year	-
Increase/(decrease) in provision recognised in profit or loss	5
Carrying amount at 30 June	13

For ageing analysis of the financial assets, refer to note 9.9

Accounting policy**Trade and other receivables**

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

NOTE 4.2 TRADE AND OTHER RECEIVABLES (CONT.)

information. Council has established a provision matrix to facilitate the impairment assessment.

For rate debtors, Council takes the view that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rate debtors, Council uses the presumptions that assets more than 30 days past due have a significant increase in credit risk and those more than 90 days will likely be in default. Council writes off receivables when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

NOTE 4.3 INVESTMENTS**Current**

	2020 \$'000	2019 \$'000
Term deposits - more than 3 months	12,015	11,000
Total investments	12,015	11,000

Council currently holds investments at Westpac Banking Corporation \$6 million and Commonwealth Bank of Australia \$6 million.

Accounting policy**Investments**

Investment in financial assets with cash flows are held for payments of principal and interest and are classified and measured at amortised cost.

NOTE 4.4 INVENTORIES

	2020 \$'000	2019 \$'000
Inventories held for distribution	91	116
Total inventories	91	116

Accounting policy**Inventories**

Inventories held for distribution are measured at cost adjusted when applicable for any loss of service potential. Other inventories are measured at the lower of cost and net realisable value. Where inventories are acquired at no cost, or for nominal consideration, the cost shall be the current replacement cost as at the date of acquisition.

NOTE 4.5 ASSETS HELD FOR SALE

	2020 \$'000	2019 \$'000
Internal transfer from Land, Buildings, Other Infrastructure, Transport and Drainage assets		
Land	4,991	-
Buildings	6,573	19
Other infrastructure	217	-
Transport	3,032	-
Drainage	700	722
Sub Total	15,513	741
Impairment expense adjustment Derwent Entertainment Centre Assets	(4,450)	-
Total assets held for sale	11,063	741

Council by absolute majority approved a motion in December 2019 to dispose of the building known as the Derwent Entertainment Centre and surrounding land and infrastructure known as Wilkinson's Point. Council has recognised the amount between the sale price and book value as an impairment expense. Settlement took place on 4 November 2020. Council has also entered into a process of disposing of surplus land and building assets. A number of property parcels are being actively marketed with settlement expected before 30 June 2021.

Accounting policy**Assets held for sale**

A non-current asset held for sale (including disposal groups) is measured at the lower of its carrying amount and fair value less costs to sell, and is not subject to depreciation. Non-current assets, disposal groups and related liabilities are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

NOTE 4.6 CONTRACT ASSETS

	2020 \$'000	2019 \$'000
Current		
Accrued Income	100	129
Total contract assets	100	129

Accounting policy under AASB 15 and AASB 1058 - applicable from 1 July 2019

Council recognises a contractual asset for work in progress where a performance obligation is satisfied by transferring a promised good or service to the customer, before the customer pays consideration or the payment is due. Contractual assets are transferred to receivables when the right to receive payment becomes unconditional.

Council reviews contractual assets for impairment and provides as appropriate.

Refer to Note 10.3 for accounting policy related to AASB 15 and AASB 1058.

NOTE 4.7 OTHER ASSETS

	2020 \$'000	2019 \$'000
Current		
Prepayments	385	250
Total other assets	385	250

Accounting policy**Other assets**

Other current assets are carried at amortised cost using the effective interest rate method.

NOTE 5 INVESTMENT IN TASWATER**NOTE 5.1 INVESTMENT IN WATER CORPORATION**

	2020 \$'000	2019 \$'000
Opening balance	191,317	167,145
Fair Value adjustments on equity investment assets	(44,413)	24,173
Total investment in TasWater	146,905	191,317

Council has derived returns from the water corporation as disclosed at Note 2.9.

Accounting policy**Equity Investment**

As Council's investment in TasWater is held for long-term strategic purposes, Council has elected under AASB 9: Financial Instruments to irrevocably classify this equity investment as designated at fair value through other comprehensive income. Subsequent changes in fair value on designated investments in equity instruments are recognised in other comprehensive income (for fair value reserve, refer note 9.1) and not reclassified through the profit or loss when derecognised. Dividends associated with the equity investments are recognised in profit and loss when the right of payment has been established and it can be reliably measured.

Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date. At 30 June 2020, Council holds 10.18% (2019 10.29%) ownership interest in TasWater which is based on Schedule 2 of the Corporation's Constitution.

NOTE 6 NON-CURRENT ASSETS**NOTE 6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT**

	2020 \$'000	2019 \$'000
Summary		
at cost	23,670	22,187
Less accumulated depreciation	(10,376)	(9,286)
	13,294	12,901
at fair value as at 30 June	1,077,703	1,075,839
Less accumulated depreciation	(388,081)	(387,661)
	689,622	688,179
Total	702,917	701,080
Property		
Land		
at fair value as at 30 June	61,193	66,314
	61,193	66,314
Land under roads		
at fair value at 30 June	148,310	140,900
	148,310	140,900
Total Land	209,503	207,214
Buildings		
at fair value as at 30 June	89,517	107,397
Less accumulated depreciation	(46,108)	(57,866)
	43,408	49,531
Valuation Roll		
at cost as at 30 June	370	370
Less accumulated depreciation	(242)	(180)
	128	190
Total Property	253,039	256,934
Plant and Equipment		
Plant and Vehicles		
at cost	4,358	3,999
Less accumulated depreciation	(2,038)	(1,905)
	2,320	2,094

Equipment and Furniture		
at cost	14,745	12,825
Less accumulated depreciation	(8,096)	(7,201)
	6,649	5,625
Infrastructure		
Roads		
at fair value as at 30 June	551,373	539,239
Less accumulated depreciation	(261,166)	(252,116)
	290,207	287,123
Drainage		
at fair value as at 30 June	227,311	221,990
Less accumulated depreciation	(80,807)	(77,679)
	146,504	144,311
Works in progress		
Capital works in progress at cost	4,198	4,993
Total property, infrastructure, plant and equipment	702,917	701,080

NOTE 6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONT.)

2020	Balance at beginning of financial year \$'000	Acquisition of assets \$'000	Assets held for sale \$'000	Revaluation increments (decrements) (note 9.1) \$'000	Depreciation and amortisation (note 3.5) \$'000	Written down value of disposals \$'000	Impairment losses recognised in profit or loss (a) \$'000	Transfers \$'000	Balance at end of financial year \$'000
Property									
Land	66,314	-	(4,991)	-	-	(130)	-	-	61,193
Land under roads	140,900	136	-	7,274	-	-	-	-	148,310
Total land	207,214	136	(4,991)	7,274	-	(130)	-	-	209,503
Buildings	49,531	174	(6,771)	1,068	(1,672)	(247)	-	1,327	43,408
Total buildings	49,531	174	(6,771)	1,068	(1,672)	(247)	-	1,327	43,408
Valuation Roll	190	-	-	-	(62)	-	-	-	128
Total Valuation Roll	190	-	-	-	(62)	-	-	-	128
Total property	256,934	310	(11,762)	8,341	(1,734)	(377)	-	1,327	253,039
Plant and Equipment									
Plant and vehicles	2,094	-	-	-	(331)	(73)	-	629	2,320
Equipment and furniture	5,625	-	-	-	(895)	-	-	1,919	6,649
Total plant and equipment	7,719	-	-	-	(1,226)	(73)	-	2,549	8,969
Infrastructure									
Roads	287,123	705	(3,032)	6,256	(7,911)	(921)	-	7,986	290,207
Drainage	144,311	391	21	3,141	(2,040)	(821)	-	1,502	146,504
Total infrastructure	431,434	1,096	(3,010)	9,397	(9,951)	(1,742)	-	9,488	436,711
Works in progress									
Other non current asset	4,993	12,568	-	-	-	-	-	(13,363)	4,198
Total works in progress	4,993	12,568	-	-	-	-	-	(13,363)	4,198
Total property, infrastructure, plant and equipment	701,080	14,111	(14,772)	17,738	(12,911)	(2,192)	-	-	702,917

NOTE 6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONT.)

Reconciliation of property, infrastructure, plant and equipment (continued)

2019	Balance at beginning of financial year \$'000	Acquisition of assets \$'000	Assets held for sale \$'000	Revaluation increments (decrements) (note 9.1) \$'000	Depreciation and amortisation (note 3.5) \$'000	Written down value of disposals \$'000	Impairment losses recognised in profit or loss (a) \$'000	Transfers \$'000	Balance at end of financial year \$'000
Property									
Land	66,287	71	-	-	-	(77)	-	33	66,314
Land under roads	140,456	444	-	-	-	-	-	-	140,900
Total land	206,743	515	-	-	-	(77)	-	33	207,214
Buildings	38,415	242	(19)	1,838	(1,798)	(295)	(916)	12,063	49,531
Total buildings	38,415	242	(19)	1,838	(1,798)	(295)	(916)	12,063	49,531
Valuation Roll	252	-	-	-	(62)	-	-	-	190
Total Valuation Roll	252	-	-	-	(62)	-	-	-	190
Total property	245,410	757	(19)	1,838	(1,860)	(371)	(916)	12,096	256,934
Plant and Equipment									
Plant and vehicles	2,015	-	-	-	(352)	(88)	-	518	2,094
Equipment and furniture	5,893	-	-	-	(865)	(30)	-	627	5,625
Total plant and equipment	7,908	-	-	-	(1,217)	(117)	-	1,145	7,719
Infrastructure									
Roads	278,843	1,495	-	8,468	(7,856)	(993)	-	7,167	287,123
Drainage	139,668	1,065	(722)	4,722	(1,966)	(221)	-	1,764	144,311
Total infrastructure	418,511	2,560	(722)	13,189	(9,822)	(1,215)	-	8,931	431,434
Works in progress									
Other non current asset	16,102	11,062	-	-	-	-	-	(22,172)	4,992
Total works in progress	16,102	11,062	-	-	-	-	-	(22,172)	4,992
Total property, infrastructure, plant and equipment	687,931	14,379	(741)	15,027	(12,898)	(1,703)	(916)	-	701,080

NOTE 6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONT.)**Accounting policy****Recognition and measurement of assets**

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

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

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

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

	Threshold
	\$'000
Land	1.5
Buildings	1.5
Plant and vehicles	1.5
Equipment and furniture	1.5
Roads	1.5
Drainage	1.5
Valuation Roll	1.5
Other non current assets	1.5

Revaluation

Council has adopted the following valuation bases for its non-current assets:

Land	fair value
Buildings	fair value
Plant and vehicles	cost
Equipment and Furniture	cost
Roads	fair value
Drainage	fair value
Valuation Roll	cost
Other non current assets	cost
Investment in water corporation	fair value

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

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

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

Impairment of assets

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

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

Land under roads

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

NOTE 6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONT.)

Prior period adjustment

Comparative figures have been restated in the Statement of Financial Position and Statement of Changes in Equity as a result of a number of identified errors in prior financial years. These changes are a result of prior period errors in Accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

Council recognised Found assets for the asset classes Roads (\$1.1M), Drainage (\$190K), Land (\$40K) and Buildings (including Other Land Improvements \$985K) during the Financial Year ending 30 June 2020 and accordingly adjustments were made to update the assets and their respective accumulated depreciation to reflect the fair values of these assets.

A Road asset (Fire Trail \$101K) and Drainage assets (Pits and Drains \$32K) were derecognised as they were found not to be in existence during the Financial Year ending 30 June 2020 and as such derecognition adjustments were made to the asset classes.

Revaluation adjustments were made to the Road, Drainage and Buildings (including Other Land Improvements) asset classes during the Financial Year ending 30 June 2019 that were not reflected correctly at the time and have now been adjusted in the prior Financial Year ending 30 June 2019. The Roads assets included a Cycleway incorrectly revalued in a prior year based on incorrect dimensions (\$5.9M), Drainage assets incorrectly revalued (\$9.1K) and Buildings and Other Land Improvements incorrectly revalued (\$2.6K).

Depreciation expense of some assets in the asset class Equipment and Furniture were were not updated in the Financial Year ending 30 June 2018 (\$262K) and 30 June 2019 (\$243K) with the result that these assets were not depreciated during those years. The error was identified during the Financial Year ending 30 June 2020 and Council updated and restated the prior periods depreciation expense.

Other adjustments for Equipment and Furniture include an addition (\$4K) and a disposal (\$22K) not reflected in the 2019 financial statements, and identified during the current financial year and prior year comparatives were adjusted.

As all the above adjustments reflected characteristics of assets that existed or did not exist in the prior period. An adjustment to the prior period balances has been made in the 2019/20 Financial Statements. Adjustments were made in the Statement of Comprehensive Income, Statement of Financial Position for "Property, infrastructure, plant & equipment" and in Statement of Changes in Equity for "Opening Asset Revaluation Reserve", "Accumulated surplus" and "Comprehensive result". The prior period adjustments are detailed below:

Statement of Financial position

Carrying amount of Property, infrastructure, plant & equipment as at 1 July 2018 was decreased by \$2,749K due to the impact of Prior period error adjustments.

Statement of Changes in Equity

Total equity as at 1 July 2018 was decreased by \$3,968K due to the impact of Prior period error adjustment in the Asset revaluation reserve and Accumulated surplus. The impact of assets not depreciated decreased the reported net result for 2018/19 by \$208K and as a result the total adjustment to equity at 30 June 2019 was a decrease of \$4,175K.

NOTE 6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONT.)

For the Year Ended 30 June 2019 Closing Balance Prior period net adjustment	30 Jun 2019 (Unadjusted) \$'000	30 Jun 2019 (Adjusted) \$'000	Prior Year Adj \$'000
A) Statement of Financial Position			
Property, Infrastructure, Plant & Equipment			
At fair value	1,101,321	1,098,026	(3,295)
Less accumulated depreciation	(396,066)	(396,946)	(880)
Total Property, infrastructure, plant & equipment	705,255	701,080	(4,175)
Opening Balance Prior period adjustment			
	1 Jul 2018 (Unadjusted) \$'000	1 Jul 2018 (Adjusted) \$'000	Prior Year Adj \$'000
Property			
Land			
Land at fair value	66,247	66,287	40
Land under roads at fair value	140,456	140,456	-
	206,703	206,743	40
Buildings			
At fair value	90,242	93,383	3,141
Less accumulated depreciation	(52,811)	(54,968)	(2,156)
	37,430	38,415	985
Plant & Equipment			
Plant & Vehicles			
At cost	3,728	3,687	(42)
Less accumulated depreciation	(1,689)	(1,671)	18
	2,039	2,015	(24)
Equipment & Furniture			
At cost	12,399	12,399	-
Less accumulated depreciation	(6,268)	(6,506)	(238)
	6,131	5,893	(238)
Infrastructure			
Roads			
At fair value	521,317	515,470	(5,846)
Less accumulated depreciation	(237,586)	(236,628)	958
	283,731	278,843	(4,888)
Drainage			
At fair value	217,514	217,774	260
Less accumulated depreciation	(78,003)	(78,106)	(103)
	139,511	139,668	158

NOTE 6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONT.)

For the Year Ended 30 June 2019 Closing Balance Prior period net adjustment	1 Jul 2018 (Unadjusted) \$'000	1 Jul 2018 (Adjusted) \$'000	Prior Year Adj \$'000
B) Statement of Changes in Equity			
i) Total equity at the beginning of the financial year 1 July 2018			
Accumulated Surplus	525,385	527,095	1,710
Asset Revaluation Reserve	349,870	344,192	(5,678)
Fair Value reserve	(29,759)	(29,759)	-
Other Revenue Reserves	9,314	9,314	-
Balance at the end of the financial year	854,810	850,842	(3,968)
ii) Movement during the financial year ended 30 Jun 2019			
Asset addition adjustments	25,478	25,489	11
Asset disposal adjustments	(1,717)	(1,703)	14
Revaluation adjustments	15,016	15,027	12
Depreciation (Assets identified as not being depreciated)	(12,655)	(12,898)	(243)
Total movement during the year	644	426	(207)

NOTE 6.2 RIGHT-OF-USE ASSETS

A) Right-of-use assets	Property \$'000	Plant and Equipment \$'000	Infrastructure \$'000	Total \$'000
Gross carrying amount				
Balance at 1 July 2019	-	-	-	-
Adoption of AASB 16	660	1,789	-	2,449
Additions	-	-	-	-
Disposals	-	-	-	-
Balance at 30 June 2020	660	1,789	-	2,449
Accumulated amortisation and impairment				
Balance at 1 July 2019	-	-	-	-
Adoption of AASB 16	-	-	-	-
Disposals	-	-	-	-
Amortisation expense	(165)	(1,075)	-	(1,240)
Balance at 30 June 2020	(165)	(1,075)	-	(1,240)
Net book value at 30 June 2020	495	714	-	1,209

NOTE 6.2 RIGHT-OF-USE ASSETS (CONT.)**Accounting policy under AASB 16 - Applicable from 1 July 2019****Leases - Council as Lessee**

In contracts where Council is a lessee, Council recognises a right-of-use asset and a lease liability at the commencement date of the lease, unless the short-term or low-value exemption is applied. Refer to note 7.4 for details on accounting policy of lease liability.

A right-of-use asset is initially measured at cost comprising the initial measurement of the lease liability adjusted for any lease payments made before the commencement date (reduced by lease incentives received), plus initial direct costs incurred in obtaining the lease and an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

All right-of-use assets are measured as described in the accounting policy for property, infrastructure, plant and equipment in Note 6.1. Also, Council applies AASB 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the aforesaid note.

Right-of-use assets are amortised over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

Refer to note 10.3 for further details on adoption of AASB 16.

NOTE 7 CURRENT LIABILITIES**NOTE 7.1 TRADE AND OTHER PAYABLES**

	2020 \$'000	2019 \$'000
Trade payables	662	1,086
Fringe Benefit Tax payable	8	9
Accrued expenses	3,111	2,799
Total trade and other payables	3,781	3,894

Accounting policy**Trade and other payables**

Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received. General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.

NOTE 7.2 TRUST FUNDS AND DEPOSITS

	2020 \$'000	2019 \$'000
Refundable building deposits	312	318
Other refundable deposits	4	21
Total trust funds and deposits	316	339

Refundable building deposits are held pending the completion of the retention period for the purchase of built assets. Other refundable deposits primarily include key deposits for Council Halls, and are refundable following cessation of activities by the keyholder.

Accounting policy**Refundable deposits**

Amounts received as refundable deposits and retention amounts controlled by Council are recognised as Trust funds until they are returned, forfeited or the defects liability period is completed.

NOTE 7.3 PROVISIONS

	Annual Leave \$ '000	Personal Leave \$ '000	Long Service Leave \$ '000	Landfill Restoration \$ '000	Other \$ '000	Total \$ '000
2020						
Balance at beginning of the financial year	1,987	908	2,119	3,119	353	8,486
Additional provisions	1,719	669	235	-	250	2,872
Amounts used	(1,557)	(660)	(334)	(30)	(166)	(2,746)
Balance at the end of the financial year	2,148	917	2,020	3,089	438	8,612
Current	2,148	917	1,296	-	391	4,753
Non-current	-	-	724	3,089	47	3,859
Total provisions	2,148	917	2,020	3,089	438	8,612

* Other Provisions include Payroll Tax \$315,762, Employee Support Provision \$ 47,171 and Redundancy Provision \$74,830.

	Annual Leave	Personal Leave	Long Service Leave	Landfill Restoration	Other	Total
2019						
Balance at beginning of the financial year	2,019	886	2,206	4,034	687	9,832
Additional provisions	1,694	761	309	-	(103)	2,661
Amounts used	(1,726)	(739)	(396)	-	(231)	(3,092)
Other adjustments	-	-	-	(915)	-	(915)
Balance at the end of the financial year	1,987	908	2,119	3,119	353	8,486
Current	1,987	908	1,333	-	305	4,534
Non-current	-	-	785	3,119	48	3,952
Total provisions	1,987	908	2,119	3,119	353	8,486

* Other Provisions include Payroll Tax \$305,862 and Employee Support Provision \$ 47,171.

(a) Employee benefits

	2020	2019
The following assumptions were adopted in measuring the present value of employee benefits:		
Weighted average increase in employee costs	2.00%	2.50%
Weighted average discount rates	0.45%	1.08%
Weighted average settlement period (days)	11	11
Employee Numbers	309	342

Accounting policy**Employee benefits****i) Short term obligations**

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating personal leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end

of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

ii) Other long term employee benefit obligations

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

NOTE 7.3 PROVISIONS (CONT.)

match, as closely as possible, the estimated future cash outflows.

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

iii) Defined benefit plans

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

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund (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.

v) Defined contribution plans

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

(b) Land fill restoration

	2020 \$'000	2019 \$'000
Non-current	3,089	3,119
Total	3,089	3,119

Accounting policy**Land fill restoration**

Under legislation, Council is obligated to restore the Jackson Street landfill site to a particular standard. Current engineering projections indicate that the landfill site will cease operation in 2024 and restoration work is expected to commence shortly thereafter. The forecast life of the landfill site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the estimated value of the expected costs of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard and budgeted costs for that work/independent specialist advice. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Council does not expect to receive reimbursement from a third party.

NOTE 7.4 LEASE LIABILITIES

	2020 \$'000	2019 \$'000
Lease liabilities	1,217	-
Total lease liabilities	1,217	-
Current	747	-
Non-Current	470	-
Total	1,217	-

NOTE 7.4 LEASE LIABILITIES (CONT.)

Lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

	Minimum lease payments due						
	Within 1 Year \$ '000	1-2 Years \$ '000	2-3 Years \$ '000	3-4 Years \$ '000	4-5 Years \$ '000	After 5 Years \$ '000	Total \$ '000
As at 30 June 2020							
Lease payments	761	268	207	3	-	-	1,239
Finance charges	(15)	(6)	(3)	()	-	-	(23)
Net present value	747	262	205	3	-	-	1,217

A Concessionary lease expense of \$54,969.44 was recognised in the income statement with no future cashflow.

Concessionary lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

	Minimum lease payments due						
	2020 Year \$ '000	Within 1 Year \$ '000	1-2 Years \$ '000	2-3 Years \$ '000	3-4 Years \$ '000	4-5 Years \$ '000	Total \$ '000
Variable lease payments not included in the measurement of leases	55	()	-	-	-	-	55
Total payment	55	()	-	-	-	-	55

Accounting policy under AASB 16 - Applicable from 1 July 2019**Leases - Council as Lessee**

The lease liability is measured at the present value of outstanding payments that are not paid at balance date, discounted by using the rate implicit in the lease/incremental borrowing rate, being 1.25%.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Short-term leases and leases of low-value assets

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases i.e. leases with a lease term of 12 months or less and leases of low-value assets i.e., when the value of the leased asset when new is \$10,000 or less. Council recognises the lease payments associated with these leases as expense on a straight-line basis over the lease term.

Exposure from variable lease payments

All of the leases are operating leases. Council is not exposed to any variable leases in future years.

Exposure from extension options and termination options

Council is currently proposing to continue with the operating leases for the equipment and fleet that it currently utilises.

Exposure from residual value guarantees

Council is not exposed to residual values as part of its operating leases.

Exposure from leases not yet commenced but committed

Council is not exposed to leases that have not commenced but have been committed to at this time.

Restrictions and covenants imposed by leases

Council is not exposed to lease terms and covenants that are outside the normal terms and conditions of commercial leases.

Sale and leaseback transactions

Council has not entered into any sale and leaseback transactions.

NOTE 7.5 CONTRACT LIABILITIES

	2020 \$'000	2019 \$'000
Contract Liabilities		
Current		
Revenue received in advance	1,701	1,107
Total contract liabilities	1,701	1,107

Accounting policy under AASB 15 and AASB 1058 - applicable from 1 July 2019

Council recognised the following contract liabilities with customers:

- i)** Rates and charges in advance represents amounts received by Council prior to the commencement of the rating or charging period. Revenue is recognised by council at the beginning of the rating or charge period to which the advance payment relates.
 - ii)** Grants received in advance includes funding for upskilling employees reading and writing skills, working with younger children, Taste of the World festival, Multicultural Hub, and a range of other community activities. The funds received are under an enforceable contract which require Council to construct an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue.
 - iii)** Upfront payments of funding are recognised as a contract liability until performance obligations in accordance with AASB 15 are satisfied and recognition criteria are met.
- Refer to Note 10.3 Other Significant Accounting Policies for accounting policy related to AASB 15 and AASB 1058.

NOTE 8 NON-CURRENT LIABILITIES**NOTE 8.1 INTEREST-BEARING LOANS AND BORROWINGS**

	2020 \$'000	2019 \$'000
Current		
Borrowings - secured	1,004	963
	1,004	963
Non-current		
Borrowings - secured	1,155	2,159
	1,155	2,159
Total interest-bearing loans and borrowings	2,159	3,122
Borrowings		
Borrowings are secured over Council assets.		
The maturity profile for Council's borrowings is:		
Not later than one year	1,004	963
Later than one year and not later than five years	1,100	2,020
Later than five years	55	139
Total	2,159	3,122

Accounting policy**Interest bearing liabilities**

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

Interest is expensed as it accrues and no interest has been capitalised during the current or comparative reporting period. There have been no defaults or breaches of the loan agreement during the period. Borrowings are secured by way of mortgages over the general rates of the Council.

NOTE 9 OTHER FINANCIAL INFORMATION**NOTE 9.1 RESERVES**

		Balance at beginning of reporting year \$'000	Increment \$'000	(Transfer to Comprehensive Income) \$'000	Balance at end of reporting year \$'000
2020	Property				
	Land	51,954	7,274	-	59,228
	Buildings	12,052	1,068	-	13,119
		64,006	8,341	-	72,347
	Infrastructure				
	Roads	220,566	6,256	-	226,822
	Drainage	71,041	3,141	-	74,182
		291,607	9,397	-	301,004
	Plant and vehicles	-	-	-	-
	Furniture and equipment	-	-	-	-
	Total asset revaluation reserve	355,613	17,738	-	373,351
2019	Property				
	Land	51,954	-	-	51,954
	Buildings	10,214	1,838	-	12,052
		62,168	1,838	-	64,006
	Infrastructure				
	Roads	212,098	8,468	-	220,566
	Drainage	66,319	4,722	-	71,041
		278,418	13,189	-	291,607
	Others				
	Plant and vehicles	2,740	-	(2,740)	-
	Furniture and equipment	867	-	(867)	-
		3,607	-	(3,607)	-
	Total asset revaluation reserve	344,192	15,027	(3,607)	355,613

The asset revaluation reserve was established to capture the movements in asset valuations upon the periodic revaluation of Council's assets.

9.1 RESERVES (CONT.)

(b) Fair value reserve

		Balance at beginning of reporting year \$'000	Increment \$'000	(Transfer to Comprehensive Income) \$'000	Balance at end of reporting year \$'000
2020	Equity Investment assets				
	Investment in water corporation	(5,586)	(44,413)	-	(49,999)
	Total fair value reserve	(5,586)	(44,413)	-	(49,999)
2019	Equity Investment assets				
	Investment in water corporation	(29,759)	24,173	-	(5,586)
	Total fair value reserve	(29,759)	24,173	-	(5,586)

Council has to designate its investment in Taswater as an equity investment at fair value through other comprehensive income. Subsequent changes in fair value are reflected in the reserve and will not be reclassified through the profit or loss when derecognised.

(c) Other reserves

		Balance at beginning of reporting year \$'000	Increment \$'000	(Transfer to Comprehensive Income) \$'000	Balance at end of reporting year \$'000
2020	Statutory Revenue Reserves	1,117	-	65	1,182
	Non Statutory Revenue Reserves	8,503	-	84	8,587
	Total Other reserves	9,620	-	149	9,770
2019	Statutory Revenue Reserves	1,081	-	36	1,117
	Non Statutory Revenue Reserves	8,233	-	270	8,503
	Total Other reserves	9,314	-	306	9,620

The resort and recreation reserve was established to control contributions received from developers that will, upon completion of developments be utilised to develop recreation and other facilities for residents in the respective development areas.

	2020 \$'000	2019 \$'000
Total Reserves	333,122	359,647

NOTE 9.2 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS (DEFICIT)

Reconciliation of cash flows from operating activities to surplus (deficit)	2020 \$'000	2019 \$'000
Result from continuing operations	(5,213)	3,986
Depreciation/amortisation	12,911	12,898
Depreciation of right-of-use assets	1,240	-
(Profit)/loss on disposal of property, infrastructure, plant and equipment	1,656	1,474
Impairment losses	4,807	35
Capital grants received specifically for new or upgraded assets	(2,173)	(3,284)
Change in assets and liabilities:		
Decrease/(increase) in trade and other receivables	196	(8)
Decrease/(increase) in other assets	(135)	(9)
Decrease/(increase) in inventories	25	(7)
Decrease/(increase) in contract assets	28	-
Increase/(decrease) in trade and other payables	(1,346)	63
Increase/(decrease) in trust funds and deposits	(24)	(1,346)
Increase/(decrease) in provisions	126	-
Increase/(decrease) in contract liabilities	594	(32)
Net cash provided by/(used in) operating activities	12,691	13,770

NOTE 9.3 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Statement of Cash Flows as cash flows from financing activities.

	Interest-bearing loans and borrowings \$'000	Lease Liabilities \$'000
Balance as at 1 July 2019	3,122	-
Adjustment due to AASB16 adoption	-	2,449
Restated balance as at 1 July 2019	3,122	2,449
Acquisitions / New leases	-	-
Changes from financing cash flows:		
Cash received	-	-
Cash repayments	(963)	(1,232)
Balance as at 30 June 2020	2,159	1,217
Balance as at 1 July 2018	4,259	-
Changes from financing cash flows:		
Cash received	-	-
Cash repayments	(1,138)	-
Balance as at 30 June 2019	3,122	-

NOTE 9.4 RECONCILIATION OF CASH AND CASH EQUIVALENTS

Cash and cash equivalents (see note 4.1)	3,531	4,438
Total reconciliation of cash and cash equivalents	3,531	4,438

NOTE 9.5 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 Benefit, Council does not use defined benefit accounting for these contributions.

For the year ended 30 June 2020 the Council contributed 3.5% 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, the Council is required to meet its share of the deficiency.

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

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

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

The actuarial review concluded that:

- 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
- 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.
- 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.

Given the strong financial position of the Fund, the Actuary recommended that the Council consider a contribution holiday and contribute 0% of salaries from 1 July 2018 to 30 June 2021.

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

Council also contributes to other accumulation schemes on behalf of a number of employees; however 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 consistent with the method used at the previous actuarial review in 2014.

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

- In terms of Rule 27.4 of the Tasplan Trust Deed (Trust Deed), there is a risk that employers within the Fund may incur an additional liability

NOTE 9.5 SUPERANNUATION (CONT.)

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.
- The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. Thus the Fund is not able to prepare standard AASB119 defined benefit reporting.
- During the reporting period the amount of contributions paid to defined benefits schemes was \$15,578 (2018-19, \$14,119), and the amount paid to accumulation schemes was \$2,533,216 (2018-19, \$2,317,602).

- During the next reporting period the expected amount of contributions to be paid to defined benefits schemes is \$17,000, and the amount to be paid to accumulation schemes is \$2,600,000.
- As reported above, 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.
- An analysis of the assets and vested benefits of sub-funds participating in the Scheme, prepared by Rice Warner Pty Ltd as at 30 June 2019, showed that the Fund had assets of \$56.64 million and members' Vested Benefits were \$47.32 million. These amounts represented 0.6% and 0.5% respectively of the corresponding total amounts for Tasplan.

As at 30 June 2019 the fund had 107 members and the total employer contributions and member contributions for the year ending 30 June 2019 were \$1,000,322 and \$221,484 respectively.

NOTE 9.6 COMMITMENTS

	2020 \$'000	2019 \$'000
Capital Expenditure Commitments		
Plant and equipment	211	-
Roads	57	2,588
Drainage	222	739
Total Capital expenditure commitments	490	3,327
Contractual commitments		
Contractual commitments at end of financial year but not recognised in the financial report are as follows:		
Garbage collection and disposal contract	2,409	2,395
Total contractual commitments	2,409	2,395

NOTE 9.7 OPERATING LEASES**(a) Operating lease commitments under AASB 117 - applicable for 2019 comparatives**

Council as lessee has a number of leases with various providers supplying Photocopier / Printer equipment, Council trucks and a property lease for the Terry Street building.

At the reporting date, Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):

	2019 \$'000
Operating leases	
Not later than one year (restated)	1,282
Later than one year and not later than five years (restated)	1,225
	2,507

For a reconciliation of operating lease commitments under AASB 117 and lease liabilities under AASB 16, refer to note 10.3

(b) Operating lease maturity receivables - applicable for 2019 comparatives

Council as a lessor has a number of leases for council lands and buildings used as sporting facilities, car parks, communication towers on council lands, community groups and associations and others.

Future minimum rentals receivable under non-cancellable operating leases are as follows:

	2019 \$'000
Not later than one year	434
Later than one year and not later than five years	1,484
Later than five years	2,353
	4,271
Total contingent rents recognised as income in the period	738

	2020 \$'000	2019 \$'000
i) Maturity analysis of operating lease payments to be received - Adoption of AASB 16		
Year 1	355	434
Year 2	255	446
Year 3	259	404
Year 4	179	401
Year 5	147	232
Year 6 and onwards	2,597	2,353
Total	3,792	4,271
The following table presents the amounts reported in profit or loss:		
Lease income on operating leases	374	738

Therein lease income relating to variable lease payments that do not depend on an index or rate.

NOTE 9.8 CONTINGENT LIABILITIES AND CONTINGENT ASSETS**Contingent liabilities**

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

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

Council operates a landfill at Jackson Street Glenorchy. Council will have to carry out site rehabilitation works in the future. At balance date Council has accurately assessed the financial implications of such works and provided a Provision for Landfill Rehabilitation.

Guarantees for loans to other entities

Council has not provided a guarantee to any other entity.

NOTE 9.9 FINANCIAL INSTRUMENTS**(a) Interest Rate Risk**

The exposure to interest rate risk and the effective interest rates of financial assets and non-lease financial liabilities, both recognised and unrecognised, at balance date are as follows. For lease liabilities refer to Note 7.4.

2020			Fixed interest maturing in:			Non-interest bearing \$'000	Total \$'000
	Weighted average interest rate	Floating interest rate \$'000	1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
Financial assets							
Cash and cash equivalents		3,517	-	-	-	14	3,531
Investments	1.69%	12,015	-	-	-	-	12,015
Trade and other receivables		-	-	-	-	1,709	1,709
Investment in water corporation		-	-	-	-	146,905	146,905
Total financial assets		15,533	-	-	-	148,628	164,160
Financial liabilities							
Trade and other payables		-	-	-	-	3,781	3,781
Trust funds and deposits		-	-	-	-	316	316
Interest-bearing loans and borrowings	5.41%	-	1,004	1,100	55	-	2,159
Other current liabilities		-	-	-	-	-	-
		-	1,004	1,100	55	4,096	6,256
Net financial assets (liabilities)		15,533	(1,004)	(1,100)	(55)	144,531	157,905
2019							
2019			Fixed interest maturing in:			Non-interest bearing \$'000	Total \$'000
	Weighted average interest rate	Floating interest rate \$'000	1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
Financial assets							
Cash and cash equivalents		4,313	-	-	-	125	4,438
Investments	2.59%	11,000	-	-	-	-	11,000
Trade and other receivables		-	600	-	-	1,305	1,905
Investment in water corporation		-	-	-	-	191,317	191,317
Total financial assets		15,313	600	-	-	192,747	208,660
Financial liabilities							
Trade and other payables		-	-	-	-	3,894	3,894
Trust funds and deposits		-	-	-	-	339	339
Interest-bearing loans and borrowings	6.38%	-	963	2,020	139	-	3,122
Total financial liabilities		-	963	2,020	139	4,233	7,355
Net financial assets (liabilities)		15,313	(363)	(2,020)	(139)	188,514	201,306

NOTE 9.9 FINANCIAL INSTRUMENTS (CONT.)**(b) Fair Value**

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

	Total carrying amount as per Balance Sheet		Aggregate net fair value	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Cash and cash equivalents	3,531	4,438	3,531	4,438
Investments	12,015	11,000	12,015	11,000
Trade and other receivables	1,709	1,905	1,709	1,905
Investment in water corporation	146,905	191,317	146,905	191,317
Total financial assets	164,160	208,660	164,160	208,660
Financial liabilities				
Trade and other payables	3,781	3,894	3,781	3,894
Trust funds and deposits	316	339	316	339
Lease liabilities	1,217	-	1,217	-
Interest-bearing loans and borrowings	2,159	3,122	2,226	3,228
Other financial liabilities	1,701	1,107	1,701	1,107
Total financial liabilities	9,173	8,462	9,239	8,568

(c) Credit Risk

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

(d) Risks and mitigation

The risks associated with our main financial instruments and our policies for minimising these risks are detailed below.

Market risk

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

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets

and liabilities that we use. Non derivative interest bearing assets are predominantly short term liquid assets. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk.

Our loan borrowings are sourced from major Australian banks by a tender process. Finance leases are sourced from major Australian financial institutions. Overdrafts are arranged with major Australian banks. We manage interest rate risk on our net debt portfolio by:

- ensuring access to diverse sources of funding;
- reducing risks of refinancing by managing in accordance with target maturity profiles; and
- setting prudential limits on interest repayments as a percentage of rate revenue.

We manage the interest rate exposure on our debt portfolio by appropriate budgeting strategies and obtaining approval for borrowings from the Department of Treasury and Finance each year.

NOTE 9.9 FINANCIAL INSTRUMENTS (CONT.)

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

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

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

Credit risk

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

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

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

It is Council's policy that some customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their credit rating, financial position, past experience and industry reputation.

In addition, receivable balance are monitored on an ongoing basis with the result that Council's exposure to bad debts is not significant.

Council may also be subject to credit risk for transactions which are not included in the Statement of Financial Position, such as when Council provides a guarantee for another party. Details of our contingent liabilities are disclosed in note 9.8.

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

	Financial Institutions	Total
2020		
Cash and cash equivalents	3,531	3,531
Trade and other receivables	1,709	1,709
Investments and other financial assets	12,015	12,015
Total contractual financial assets	17,256	17,256
2019		
Cash and cash equivalents	4,438	4,438
Trade and other receivables	1,905	1,905
Investments and other financial assets	11,000	11,000
Total contractual financial assets	17,343	17,343

Movement in Provisions for Impairment of Trade and Other Receivables

	2020	2019
	\$'000	\$'000
Balance at the beginning of the year	13	1,621
New Provisions recognised during the year	357	5
Amounts already provided for and written off as uncollectible	(19)	(1,613)
Amounts provided for but recovered during the year	-	-
Balance at end of year	351	13

NOTE 9.9 FINANCIAL INSTRUMENTS (CONT.)**Ageing of Trade and Other Receivables**

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

	2020 \$'000	2019 \$'000
Current (not yet due)	612	993
Past due by up to 30 days	81	75
Past due between 31 and 180 days	769	288
Past due between 181 and 365 days	187	255
Past due by more than 1 year	60	294
Total Trade & Other Receivables	1,709	1,905

Ageing of individually impaired Trade and Other Receivables

At balance date, other debtors representing financial assets with a nominal value of \$351,074 (2018-19: \$13,368) were impaired. The amount of the provision raised against these debtors was \$351,074 (2018-19: \$13,368). The individually impaired debtors relate to general and sundry debtor and have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of Trade and Other Receivables that have been individually determined as impaired at reporting date was:

	2020 \$'000	2019 \$'000
Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 180 days	41	-
Past due between 181 and 365 days	4	-
Past due by more than 1 year	306	13
Total Trade & Other Receivables	351	13

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

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

To help reduce these risks we:

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

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

NOTE 9.9 FINANCIAL INSTRUMENTS (CONT.)

The table below lists the contractual maturities for non-lease Financial Liabilities. For lease liabilities refer to Note 7.4.

These amounts represent the discounted cash flow payments (ie principal only).

2020	6 mths or less \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	3,781	-	-	-	-	3,781	3,781
Trust funds and deposits	316	-	-	-	-	316	316
Interest-bearing loans and borrowings	497	508	851	249	55	2,159	2,159
Total financial liabilities	4,593	508	851	249	55	6,256	6,256
2019	6 mths or less \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	3,894	-	-	-	-	3,894	3,894
Trust funds and deposits	339	-	-	-	-	339	339
Interest-bearing loans and borrowings	476	486	1,005	1,015	139	3,122	3,122
Total financial liabilities	4,709	486	1,005	1,015	139	7,354	7,354

(e) Sensitivity disclosure analysis

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

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

Interest rate risk

2020	\$'000	-2 %		+1%	
		-200 basis points		+100 basis points	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets:					
Cash and cash equivalents	3,531	(71)	(71)	35	35
Investments	12,015	(240)	(240)	120	120
Trade and other receivables	1,709	(34)	(34)	17	17
Financial liabilities:					
Interest-bearing loans and borrowings	2,159	43	43	(22)	(22)

2019	\$'000	-2 %		+1%	
		-200 basis points		+100 basis points	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets:					
Cash and cash equivalents	4,438	(89)	(89)	44	44
Investments	11,000	(220)	(220)	110	110
Trade and other receivables	1,905	(38)	(38)	19	19
Financial liabilities:					
Interest-bearing loans and borrowings	3,122	62	62	(31)	(31)

NOTE 9.10 FAIR VALUE MEASUREMENTS

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

- Investment in water corporation
- Property, infrastructure plant and equipment
 - Land
 - Buildings, including footpaths & cycleways
 - Roads
 - Bridges
 - Other infrastructure

Council does not measure any liabilities at fair value on a recurring basis.

Council also has assets measured at fair value on a non-recurring basis as a result of being reclassified as assets held for sale. These comprise the Derwent Entertainment Centre and a range of land and buildings identified as not required, as disclosed in note 4.5. A description of the valuation techniques and the inputs used to determine the fair value of this land is included below under the heading 'Land held for sale'.

(a) Fair Value Hierarchy

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

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the Council. The table presents the Council's assets and liabilities measured and recognised at fair value at 30 June 2020.

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

NOTE 9.10 FAIR VALUE MEASUREMENTS (CONT.)

	Note	Level 1	Level 2	Level 3	Total
Recurring fair value measurements		\$'000	\$'000	\$'000	\$'000
Investment in water corporation	5.1	-	-	146,905	146,905
Land	6.1	-	209,503	-	209,503
Buildings	6.1	-	-	43,408	43,408
Roads, including footpaths & cycleways	6.1	-	-	290,207	290,207
Drainage	6.1	-	-	146,504	146,504
		-	209,503	627,024	836,527
Non-recurring fair value measurements					
Assets held for sale	4.5	-	-	11,063	11,063
		-	-	11,063	11,063
As at 30 June 2019					
	Note	Level 1	Level 2	Level 3	Total
Recurring fair value measurements		\$'000	\$'000	\$'000	\$'000
Investment in water corporation	5.1	-	-	191,317	191,317
Land	6.1	-	207,214	-	207,214
Buildings	6.1	-	-	49,531	49,531
Roads, including footpaths & cycleways	6.1	-	-	287,123	287,123
Drainage	6.1	-	-	144,311	144,311
		-	207,214	672,282	879,496
Non-recurring fair value measurements					
Assets held for sale	4.5	741	-	-	741
		741	-	-	741

Transfers between levels of the hierarchy

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

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

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

(b) Highest and best use

All assets are valued at fair value in this note and are being used for their highest and best use.

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

- **Level 1 Measurements (recurring and non-recurring)** - Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- **Level 2 Measurements (recurring and non-recurring)** - same as Level 1 above plus, inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- **Level 3 measurements (recurring)** - Unobservable inputs for the asset or liability.

Investment property and Investment in water corporation

Refer to Notes 6.2 and 5.1 respectively for details of valuation techniques used to derive fair values.

NOTE 9.10 FAIR VALUE MEASUREMENTS (CONT.)**Land**

Land fair values were determined by the Valuer-General effective 30 June 2018. Level 2 valuation inputs were used to value land in freehold title as well as land used for special purposes, which is restricted in use under current planning provisions. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. All freehold land reserved for public open space is valued at a discount to market value based on legal precedents. The most significant input into this valuation approach is price per square metre.

Land under roads

Land under roads is based on Valuer-General valuations at 30 June 2020 using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights, private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation.

Buildings

The fair value of buildings including buildings of a specialist nature (eg heritage buildings) and including Parks and recreation infrastructure were determined by a qualified independent Valuer effective 30 June 2018 and indexed at 2.18% for the financial year ended 30 June 2020 (2019 3.38%). The most significant input into this valuation approach was price per square metre.

In determining the level of accumulated depreciation the asset has been disaggregated into significant components which exhibit useful lives. Allowance has been made for the typical asset life cycle and renewal treatments of each component, residual value at the time the asset is considered to be no longer available for use.

While the unit rates based on square metres can be supported by market evidence (level 2), the estimates of residual value and useful life that are used to calculate accumulated depreciation comprise unobservable inputs (level 3). Where these other inputs are significant to the valuation the overall valuation has been classified as level 3. The table at (d) below summarises the effect that changes in the most significant unobservable inputs would have on the valuation.

Infrastructure assets

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

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

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

The level of accumulated depreciation for infrastructure assets was determined based on the age of the asset and the useful life adopted by Council for the asset type. Estimated useful lives and residual values are disclosed in Note 6.1.

The calculation of CRC involves a number of inputs that require judgement and are therefore classed as unobservable. While these judgements are made by qualified and experienced staff, different judgements could result in a different valuation. The table at (d) below summarises the effect that changes in the most significant unobservable inputs would have on the valuation.

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

Transport assets including Roads, footpaths & cycleways

Council categorises its road infrastructure into urban and rural roads and then further sub-categorises these into sealed and unsealed roads. Urban and rural roads are managed in segments based on intersections. An intersection is where a road intersects another road. All road segments are then componentised into

NOTE 9.10 FAIR VALUE MEASUREMENTS (CONT.)

formation, pavement, sub-pavement and seal (where applicable). Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

CRC is based on the road area multiplied by a unit price; the unit price being an estimate of labour and material inputs, services costs, and overhead allocations. Council assumes that pavements constructed after 1984 are constructed to 40cm depths. All other pavements are constructed to depths of 20cm or less. For internal construction estimates, material and services prices are based on existing supplier contract rates or supplier price lists and labour wage rates are based on Council's Enterprise Bargaining Agreement (EBA). Where construction is outsourced, CRC is based on the average of completed similar projects over the last few years.

Drainage

A full valuation of drainage infrastructure was undertaken by Council's Engineer and Asset Coordinator, effective 30 June 2015. Similar to roads, drainage assets are managed in segments; pits and pipes being the major components. A full revaluation of Stormwater and drainage assets as at 30 June 2016 and indexed at 2.18% for the year ended 30 June 2020 (1.50% 2017, 2.42% 2018, and 3.38% 2019).

Consistent with roads, Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment and that a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

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

Other Infrastructure

Other infrastructure is not deemed to be significant in terms of Council's Statement of Financial Position.

(d) Changes in recurring level 3 fair value measurements

The changes in level 3 property plant and equipment assets with recurring fair value measurements are detailed in note 6.1 (Property, infrastructure, plant and equipment). Investment in water corporation, which is classified as level 3 has been separately disclosed in note 5.1

There have been no transfers between level 1, 2 or 3 measurements during the year.

(e) Valuation processes

Council uses unit rates based on internal estimating software where available or a contracted rate when the internal information is not available. Where there is no basis to provide a rate from these two sources Rawlinson's Construction Cost Guide is used.

Council's current policy for the valuation of property, infrastructure, plant and equipment, investment in water corporation is set out in notes 5.1 and 6.1.

Non-recurring fair value measurements are made at the point of reclassification by a registered valuer.

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

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

Council borrowings are measured at amortised cost with interest recognised in profit or loss when incurred. The fair value of borrowings disclosed in note 8.1 equates to the carrying amount as the carrying amount approximates fair value (level 2).

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

NOTE 9.11 EVENTS OCCURRING AFTER BALANCE DATE

(a) Council entered into a sale agreement for the sale of the building known as Derwent Entertainment Centre and surrounding land and infrastructure known as Wilkinson's Point with the Tasmanian State Government. Settlement took place on 4 November 2020.

NOTE 10 OTHER MATTERS**NOTE 10.1 RELATED PARTY TRANSACTIONS**

(i) Alderman Remuneration

Short term employee benefits

Name	Position	Period	2020 Short term employee benefits				Total allowances and expenses section 72 \$
			Allowances \$	Vehicles ¹ \$	Total Compensation AASB 124 \$	Expenses ² \$	
K Johnston	Mayor	Full Year	104,089	8,055	112,144	1,369	113,513
M Stevenson	Deputy Mayor	01/07/2019 to 01/01/2020	25,416	-	25,416	337	25,753
B Thomas	Deputy Mayor	28/01/2020 to 30/06/2020	38,488	-	38,488	1,116	39,604
S King	Alderman	Full Year	29,741	-	29,741	487	30,228
J Dunsby	Alderman	Full Year	29,741	-	29,741	1,167	30,907
M Carlton	Alderman	Full Year	29,741	-	29,741	414	30,155
G Richardson	Alderman	Full Year	29,741	-	29,741	416	30,157
P Bull	Alderman	Full Year	29,741	-	29,741	1,040	30,781
S Fraser	Alderman	Full Year	29,741	-	29,741	1,337	31,078
K Sims	Alderman	Full Year	29,741	-	29,741	860	30,601
A Ryan	Alderman	20/01/2020 to 30/06/2020	13,363	-	13,363	109	13,472
Total			389,542	8,055	397,597	8,651	406,248

Name	Position	Period	2019 Short term employee benefits				Total allowances and expenses section 72 \$
			Allowances \$	Vehicles ¹ \$	Total Compensation AASB 124 \$	Expenses ² \$	
K Johnston	Mayor	Full Year	101,754	9,243	110,997	1,655	112,651
M Stevenson	Deputy Mayor	Full Year	49,275	-	49,275	814	50,089
S King	Alderman	Full Year	29,074	-	29,074	382	29,456
J Dunsby	Alderman	Full Year	29,074	-	29,074	382	29,456
M Carlton	Alderman	Full Year	29,074	-	29,074	382	29,455
G Richardson	Alderman	Full Year	29,074	-	29,074	382	29,456
P Bull	Alderman	Full Year	29,074	-	29,074	732	29,805
S Fraser	Alderman	Full Year	29,074	-	29,074	382	29,455
B Thomas	Alderman	Full Year	29,074	-	29,074	394	29,468
K Sims	Alderman	Full Year	29,074	-	29,074	926	30,000
Total			383,618	9,243	392,861	6,431	399,291

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

2 Section 72(1)cb of the Local Government Act 1993 requires the disclosure of expenses paid to Aldermen. Expenses include travel & telecommunication reimbursements and professional development.

NOTE 10.1 RELATED PARTY TRANSACTIONS (CONT.)

(ii) Key Management Personnel Remuneration

2020		Short term employee benefits				Post employment benefits			
Remuneration band	Number of Employees	Salary ¹ \$	Short-term Incentive Payments ² \$	Vehicles ³ \$	Other Allowances and Benefits ⁴ \$	Super-annuation ⁵ \$	Termination Benefits ⁶ \$	Non-monetary Benefits ⁷ \$	Total \$
\$260 001 - \$280 000	1	229,881	-	7,486	2,120	28,229	-	3,793	271,509
\$220 001 - \$240 000	2	378,027	-	-	6,978	50,051	-	21,593	456,649
\$200 001 - \$220 000	2	348,072	-	-	6,746	46,114	-	11,788	412,721
	Total	955,980	-	7,486	15,845	124,394	-	37,174	1,140,879

2019		Short term employee benefits				Post employment benefits			
Remuneration band	Number of Employees	Salary ¹ \$	Short-term Incentive Payments ² \$	Vehicles ³ \$	Other Allowances and Benefits ⁴ \$	Super-annuation ⁵ \$	Termination Benefits ⁶ \$	Non-monetary Benefits ⁷ \$	Total \$
\$260 001 - \$280 000	1	233,654	-	6,498	-	28,673	-	(2,559)	266,265
\$200 001 - \$220 000	2	345,375	-	5,064	-	44,899	-	12,915	408,253
\$160 001 - \$180 000	2	273,308	-	5,300	-	35,530	-	15,391	329,529
\$60 001 - \$80 000	1	53,265	-	-	1,060	6,925	-	4,863	66,113
\$40 001 - \$60 000	2	87,249	-	-	-	11,342	-	6,346	104,937
	Total	992,851	-	16,862	1,060	127,368	-	36,954	1,175,096

- 2 Short term incentive payments are non-recurrent payments which depend on achieving specified performance goals within specified timeframes. These payments are capped at 15% of base salary.
- 3 Includes total cost of providing and maintaining vehicles provided for private use, including registration, insurance, fuel and other consumables, maintenance cost and parking (including notional value of parking provided at premises that are owned or leased and fringe benefits tax).
- 4 Other allowances and benefits includes all other forms of employment allowances (excludes reimbursements such as travel, accommodation or meals), payments in lieu of leave, and any other compensation paid and payable.
- 5 Superannuation means the contribution to the superannuation fund of the individual.
- 6 Termination benefits include all forms of benefit paid or accrued as a consequence of termination.
- 7 Non-monetary benefits include annual and long service leave movements.

NOTE 10.1 RELATED PARTY TRANSACTIONS (CONT.)**(iv) 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. The employment terms and conditions of senior executives are contained in individual employment contracts and prescribe total remuneration, superannuation, annual and long service leave, vehicle and salary sacrifice provisions.

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

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

Short term incentive payments

The Council does not set fixed performance targets with goals and indicators. Short term incentive payments were not awarded during the current year.

Termination benefits

Termination payments were not paid during the current year.

(v) Transactions with related parties

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

In accordance with s84(2)(b) of the *Local Government Act 1993*, no interests have been notified to the General Manager in respect of any

body or organisation with which the Council has major financial dealings.

(vi) Loans and guarantees to/from related parties

There are no loans in existence at balance date that have been made, guaranteed or secured by the council to a related party.

(vii) Commitments to/from related parties

There are no commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party.

Transactions with related parties that have not been disclosed

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

- Payment of rates on a primary residence
- Dog registration

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

NOTE 10.2 SPECIAL COMMITTEES AND OTHER ACTIVITIES

Glenorchy City Council recognises a special committee when the committee has been adopted by Council under section 24 of the *Local Government Act 1993*. The Glenorchy City Brass Band is a special committee of Council and maintains its own books and records and operates a separate bank account.

NOTE 10.3 OTHER SIGNIFICANT ACCOUNTING POLICIES AND PENDING ACCOUNTING STANDARDS

(a) Taxation

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

Goods and services tax (GST)

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

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

(b) Impairment of non-financial assets

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

(c) Allocation between current and non-current

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

(d) Contingent assets, contingent liabilities and commitments

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

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

(e) Budget

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

(f) Adoption of new and amended accounting standards

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

(i) AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities*

Council adopted AASB15 and AASB1058 using the modified retrospective method of transition, with the date of initial application of 1 July 2019. In accordance with the provisions of this transition approach, Council recognised the cumulative effect of applying these new standards as an adjustment to opening Accumulated surpluses at the date of initial application, i.e., 1 July 2019. Consequently, the comparative information presented has not been restated and continues to be reported under the previous standards on revenue and income. In addition, Council has applied the practical expedients and elected to apply these standards retrospectively only to contracts and transactions that were not completed contracts at the date of initial application, i.e., as at 1 July 2019.

As Council has applied the modified retrospective approach, it has applied the practical expedient described in AASB15.C5(c) for all contract modifications that occurred before

NOTE 10.3 OTHER SIGNIFICANT ACCOUNTING POLICIES AND PENDING ACCOUNTING STANDARDS (CONT.)

application date. In doing so Council did not retrospectively restate the contract for those modifications in accordance with AASB15.20-21. Instead, Council reflected the aggregate effect of all of the modifications that occur before the beginning of the earliest period presented when:

- Identifying the satisfied and unsatisfied performance obligations
- Determining the transaction price
- Allocating the transaction price to the satisfied and unsatisfied performance obligation.

(i) AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities* (continued)

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

The impact of the new standard has changed in the timing of revenue recognition, treatment of contracts costs and contracts which contain a financing element. Under the new income recognition model applicable to not-for-profit entities, Council determines whether an enforceable agreement exists and whether the promises to transfer goods or services to the customer are 'sufficiently specific'. If an enforceable agreement exists and the promises are 'sufficiently specific' (to a transaction or part of a transaction), Council applies the general AASB15 principles to determine the appropriate revenue recognition. If these criteria are not met, Council considers whether AASB1058 applies.

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

AASB 1058 applies when Council receives volunteer services or enters into other transactions in which the consideration to acquire

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

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

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

For further details on individual revenue streams refer to their accompanying policy note.

There was no impact of adopting AASB 15 and AASB 1058 on the Statement of Comprehensive income and Statement of Financial Position. There was no material impact on Council's Statement of Cash Flows.

NOTE 10.3 OTHER SIGNIFICANT ACCOUNTING POLICIES AND PENDING ACCOUNTING STANDARDS (CONTINUED)

(g) Adoption of new and amended accounting standards (continued)

(ii) AASB 16 *Leases*

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

Council has applied this standard from 1 July 2019 using a retrospective approach (partial) with cumulative catch-up. This does not require Council to restate comparative figures, but does require the presentation of both qualitative and quantitative disclosures for affected items, along with a corresponding adjustment to the opening balance of Accumulated surpluses for transitional effects of re-measurement.

AASB 16 has resulted in most of Council's operating leases being brought onto the statement of financial position. There are limited exceptions relating to short-term leases and low-value assets which are disclosed in note 3.7.

The calculation of the lease liability has taken into account appropriate discount rates, assumptions about the lease term, and increases in lease payments. A corresponding right to use assets has been recognised, which has been amortised over the term of the lease. Rent expense is no longer shown. The profit and loss impact of the leases has been through amortisation and interest charges. Council's current operating lease expenditure is shown at Note 3.6. In the Statement of Cash Flows lease payments has been shown as cash flows from financing activities instead of operating activities.

a) Impact of the new definition of a lease

Council has made use of the practical expedient available on transition to AASB 16 not to reassess whether a contract is or contains a lease. Instead contracts containing a lease under AASB 17 or Interpretation 4 at transition will continue to be applied to those contracts entered or modified before 1 January 2019.

The change in definition of a lease mainly relates to the concept of control. AASB 16 determines

whether a contract contains a lease on the basis of whether the customer has the right to control the use of an identified asset for a period of time in exchange for consideration. This is in contrast to the focus on 'risks and rewards' in AASB 17 and Interpretation 4.

b) Impact of lessee accounting

i) Former operating leases

AASB 16 changes how Council accounts for leases previously classified as operating leases under AASB 17, which were off balance sheet.

Applying AASB 16, for all leases, Council:

- a) Recognises right-of-use of assets and lease liabilities in the statement of financial position, initially measured at the present value of the future lease payments;
- b) Recognises depreciation of right-of-use assets and interest on lease liabilities in profit or loss;
- c) Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within financing activities) in the Statement of cash flows.

Lease incentives (e.g rent-free period) are recognised as part of the measurement of the right-of-use assets and lease liabilities whereas under AASB 117 they resulted into the recognition of a lease incentive, amortised as a reduction of rental expenses generally on a straight-line basis.

Under AASB 16, right-of-use assets are tested for impairment in accordance with AASB 136.

For short-term leases (lease term of 12 months or less) and leases of low-value assets (such as tablet and personal computers, small items of office furniture and telephones), Council has opted to recognise a lease expense on a straight-line basis as permitted by AASB 16. This expense is presented within 'other expenses' in profit or loss.

ii) Former finance leases

AASB 16 requires that Council recognises as part of its lease liability only the amount expected to be payable under a residual value guarantee, rather than the maximum amount guaranteed as required by AASB 117. This change did not have a material effect on the Council's financial statements

NOTE 10.3 OTHER SIGNIFICANT ACCOUNTING POLICIES AND PENDING ACCOUNTING STANDARDS (CONT.)

iii) Lessor accounting

Lessor accounting under AASB 16 remains largely unchanged. For finance leases, the lessor recognises a receivable equal to the net investment in the lease. Lease receipts from operating leases are recognised as income either on a straight-line basis or another systematic basis where appropriate. However, AASB 16 has changed and expanded the disclosures required, in particular with regard to how a lessor manages the risks arising from its residual interest in leased assets.

Under AASB 16, an intermediate lessor accounts for the head lease and sub-lease as two-separate contracts. The intermediate lessor is required to classify the sub-lease as a finance or operating lease by reference to the right-of-use asset arising from the head lease (and not by reference to the underlying asset as was the case under AASB 117).

Transition

On transition to AASB16, Council recognised additional right-of-use assets and additional lease liabilities, recognising the difference in Accumulated surpluses. The impact on transition is summarised below.

1 July 2019	Note	\$'000
Right-of-use assets	6.2	2,449
Lease liabilities	7.4	(2,449)
Accumulated surpluses		

Reconciliation of operating lease commitments under AASB 117 and lease liabilities under AASB 16

As a lessee, the weighted average incremental borrowing rate applied to lease liabilities recognised in the statement of financial position on the date of initial application was 1.25%. The difference between the operating lease commitments disclosed previously by applying AASB117 and the value of the lease liabilities recognised under AASB16 on 1 July 2019 as disclosed in note 7.4 is explained as follows:

Operating lease commitments disclosed as at 30 June 2019 (Restated)	2,507
Discounted using Council's weighted average incremental borrowing rate of 1.25%	(58)
Lease liability recognised as at 1 July 2019	2,449

(h) Pending Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2020 reporting periods. Council's assessment of the impact of the relevant new standards and interpretations is set out below.

(i) AASB 2017-5 *Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Correction*, applicable to annual reporting periods beginning on or after 1 January 2022.

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

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

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

NOTE 10.4 SIGNIFICANT BUSINESS ACTIVITIES

The operating capital and competitive neutrality costs of the Council's significant business activities:

	Derwent Entertainment		Landfill Operations		Childcare Centres	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Revenue						
Government Grants	-	-	-	-	1,174	1,030
User Charges	754	1,586	3,394	5,246	374	485
Other Income	81	80	42	50	10	32
Total Revenue	835	1,666	3,436	5,296	1,558	1,548
Expenditure						
Direct						
Employee Costs	584	722	1,037	1,093	1,370	1,299
Materials and Contacts	579	899	848	1,676	120	147
Other	4	4	385	19	5	1
Indirect						
Engineering & Administration	146	203	284	349	187	181
Total Expenses	1,314	1,828	2,554	3,137	1,682	1,627
	(479)	(163)	882	2,159	(124)	(79)
Notional cost of free services received						
Capital Costs						
Depreciation and amortisation	9	194	37	15	49	46
Opportunity cost of capital	265	345	25	32	28	36
Total Capital Costs	274	538	61	48	76	82
Competitive neutrality adjustments						
Rates and land tax	56	57	17	16	24	23
Loan guarantee fees						
	56	57	17	16	24	23
Calculated Surplus/(Deficit)	(809)	(758)	803	2,096	(224)	(185)
Tax Equivalent rate	30%	30%	30%	30%	30%	30%
Taxation equivalent	-	-	241	629	-	-
Competitive neutrality costs	(809)	(758)	562	1,467	(224)	(185)

NOTE 10.4 SIGNIFICANT BUSINESS ACTIVITIES (CONT.)**Accounting policy****Significant business activities**

Council is required to report the operating, capital and competitive neutrality costs in respect of each significant business activity undertaken by the Council. Council's disclosure is reconciled above. Council has determined, based upon materiality that the Derwent Entertainment Centre, Child care centres and the Landfill as defined above are considered significant business activities. Competitive neutrality costs

include notional costs i.e. income tax equivalent, rates and loan guarantees. In preparing the information disclosed in relation to significant business activities, the following assumptions have been applied:

- opportunity cost of capital based upon indicative yield of the Federal Government 10 year bond rate.
- rates and charges based upon council's rate 2019-20 rate calculation.
- engineering and administration costs have been based upon a charge of 12.5% of direct operating costs.

NOTE 10.5 MANAGEMENT INDICATORS

	Benchmark	2020 \$'000	2019 \$'000	2018 \$'000	2017 \$'000
(a) Underlying surplus or deficit					
Recurrent income (Adjusted)		59,858	59,442	55,275	54,002
Less recurrent expenditure (Adjusted)		62,678	59,599	55,188	53,399
Underlying surplus/(deficit)	>0	(2,821)	(157)	87	603

The intent of the underlying result is to show the outcome of a council's normal or usual day to day operations.

Councils operations were effected by changes in economic conditions brought about by the COVID-19 pandemic as well as a decision by TasWater to not pay a budgeted dividend. In addition Council renewed a number of failed assets prior to the end of their effective lives.

	Benchmark	2020 \$'000	2019 \$'000	2018 \$'000	2017 \$'000
(b) Underlying surplus ratio					
Underlying surplus or deficit		(2,821)	(157)	87	603
Recurrent income*		59,858	59,442	55,275	54,002
Underlying surplus ratio %	2.50% - 5.00%	-4.71%	-0.26%	0.16%	1.12%

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

Council's underlying surplus/deficit reflects deficits in three of the last four years. The negative ratios indicate that Council did not generate sufficient revenue to fulfil its operating requirements. Council budgeted for an ongoing sustainable financial position in 2019/20, however economic circumstances have changed the actual result. Council approved a Long Term Financial Plan as part of the Annual Budget approved in June 2020 that reports a return to Surplus in 2029/30.

	Benchmark	2020 \$'000	2019 \$'000	2018 \$'000	2017 \$'000
(c) Net financial liabilities					
Liquid assets less		17,256	17,343	16,349	13,385
Total liabilities		17,785	16,947	20,934	19,709
Net financial liabilities	>0	(529)	396	(4,585)	(6,324)

NOTE 10.5 MANAGEMENT INDICATORS (CONT.)

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.

Council recorded negative results in three of the last four years, primarily due to the reduction in Council's cash holdings as capital grant funding has been expended on capital works projects and borrowings have been reduced. Council adopted a Long Term Financial Management Plan as part of the 2020/21 Budget on 19 June 2020 that plans a surplus of Liquid Assets over Total Liabilities going forward.

	Benchmark	2020 \$'000	2019 \$'000	2018 \$'000	2017 \$'000
(d) Net financial liabilities ratio					
Net financial liabilities		(529)	396	(4,585)	(6,324)
Recurrent income*		59,858	59,442	55,275	54,002
Net financial liabilities ratio %	0% - (25%)	-0.88%	0.67%	-8.29%	-11.71%

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

As noted in note (c) the declining trend reflects Councils reducing cash balances that has included capital grant funding for projects close to being completed.

	2020 \$'000	2019 \$'000	2018 \$'000	2017 \$'000
(e) Asset consumption ratio				
An asset consumption ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.				
Transport				
Depreciated replacement cost	290,207	287,123	283,731	276,966
Current replacement cost	551,373	539,239	521,317	503,894
Asset consumption ratio %	53%	53%	54%	55%
Buildings and other land improvements				
Depreciated replacement cost	43,408	49,531	37,430	45,459
Current replacement cost	89,517	107,397	90,242	95,899
Asset consumption ratio %	48%	46%	41%	47%
Stormwater and Drainage				
Depreciated replacement cost	146,504	144,311	137,294	143,791
Current replacement cost	227,311	221,990	214,748	213,821
Asset consumption ratio %	64%	65%	64%	67%

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

Council is maintaining assets against standards.

NOTE 10.5 MANAGEMENT INDICATORS (CONT.)

	Benchmark	2020 \$'000	2019 \$'000	2018 \$'000	2017 \$'000
(f) Asset renewal funding ratio					
An asset renewal funding ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.					
Transport					
Projected capital funding outlays**		103,885	100,345	97,439	82,533
Projected capital expenditure funding***		103,885	100,345	97,439	82,533
Asset renewal funding ratio %	90-100%	100%	100%	100%	100%
Buildings and other land improvements					
Projected capital funding outlays**		27,553	27,127	25,046	21,894
Projected capital expenditure funding***		27,553	27,127	25,046	21,894
Asset renewal funding ratio %	90-100%	100%	100%	100%	100%
Stormwater and Drainage					
Projected capital funding outlays**		14,990	15,623	16,561	17,910
Projected capital expenditure funding***		14,990	15,623	16,561	17,910
Asset renewal funding ratio %	90-100%	100%	100%	100%	100%

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

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

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

This ratio measures Council's capacity to fund future asset replacement requirements. The above results indicate that the Council is presently planning to fund all required asset renewal over the next 25 year period.

		2020 \$'000	2019 \$'000	2018 \$'000	2017 \$'000
(g) Asset sustainability ratio					
Capex on replacement/renewal of existing assets		9,055	7,819	6,959	11,179
Annual depreciation expense		12,849	12,836	12,822	12,494
Asset sustainability ratio %	100%	70%	61%	54%	89%

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

The ratio trend over the last four years reflects the current long term strategy to maintain replacement and renewal capital programs for the long term sustainability of Council's assets.

NOTE 10.5 MANAGEMENT INDICATORS (CONT.)

2020	Capital renewal expenditure 2020 \$'000	Capital new /upgrade expenditure 2020 \$'000	Total Capital Expenditure 2020 \$'000
By asset class			
Buildings and other land improvements	443	884	1,327
Transport	7,209	776	7,986
Stormwater	588	914	1,502
Other	814	1,734	2,549
Total	9,055	4,308	13,363

2019	Capital renewal expenditure 2019 \$'000	Capital new /upgrade expenditure 2019 \$'000	Total Capital Expenditure 2019 \$'000
By asset class			
Buildings and other land improvements	654	2,018	2,672
Transport	5,568	896	6,465
Stormwater	870	478	1,348
Other	726	445	1,171
Total	7,819	3,837	11,656

NOTE 10.6 MATERIAL BUDGET VARIATIONS

Council's original budget was adopted by the Council on 17 June 2019. The original projections on which the budget was based have been affected by a number of factors. These include State and Federal Government decisions including new grant programs, changing economic activity, the weather, and by decisions made by the Council. Material variations of more than 10% are explained below:

Revenues**1 Statutory fees and fines**

Revenue was down \$436K on budget (15%) due mainly to a reduction in general fees and fines as well as food licences deferred to the 2020/21 financial year.

2 User fees

Revenue was down \$1,049K on budget (11%) due to reduced activity at the Derwent Entertainment Centre, a reduction in landfill income and rental revenue for Council venues during the latter part of the financial year.

3 Interest

Revenue was down \$117K on budget (25%) due to reduced interest rates.

4 Investment revenue from Water Corporation

Revenue income down \$1,086K on budget (50%) due to a reduction in dividend income from TasWater.

Expenses**1 Employee benefits**

The decrease of \$989K on budget (4.0%) was due to a larger than expected number of employee vacancies during the early part of the financial year.

2 Impairment of debts

Impairment of \$357K (Budget \$0) for a significant number of debtors was not budgeted for as it arose from a unforeseen circumstances (COVID-19) - the impact of which was unknown at the time of setting the budget.

3 Materials and services

An increase on budget of \$747K (5%) due mainly to an increased labour hire costs and recycling disposal costs.

4 Depreciation and amortisation

An increase on budget of \$432K (3%) due mainly to the change in Accounting Standard AASB116 to capitalise all leases and amortise over the useful life not budgeted.

5 Other expenses

A decrease on budget of \$1,570K (59.8%) due mainly to the reduction in lease expenses following the unbudgeted change in Accounting Standard AASB116 to capitalise all leases in the Statement of Financial Position upon commencement, and reduce the liability with the monthly repayment.

AUDIT OPINION



Independent Auditor's Report

To the Alderman of Glenorchy City Council

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Glenorchy City Council (Council), which comprises the statement of financial position as at 30 June 2020 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification by the General Manager.

In my opinion the accompanying financial report:

- (a) presents fairly, in all material respects, Council's financial position as at 30 June 2020 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 (including Independence Standards)* (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, the asset renewal funding ratio disclosed in note 10.5(f), nor the Significant Business Activities disclosed in note 10.4 to the financial report and accordingly, I express no opinion on them.

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

Key Audit Matters

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

Why this matter is considered to be one of the most significant matters in the audit	Audit procedures to address the matter included
<p>Property, infrastructure, plant and equipment <i>Refer to notes 3.5, 6.1 and 9.10</i></p>	<ul style="list-style-type: none"> • Assessing the scope, expertise and independence of experts involved in the valuations. • Assessing the appropriateness of the valuation methodology and the key assumptions used. • Testing on a sample basis, the mathematical accuracy of indexation calculations. • Evaluating the adequacy of disclosures made in the financial report, including those regarding key assumptions used.
<p>Council's non-current assets includes land, buildings and material long-life infrastructure assets, such as roads, and drainage assets valued at fair value totalling \$689.62m. The fair value of these assets are based on market values and current replacement cost. Council undertakes revaluations on a regular basis to ensure valuations represent fair value.</p> <p>In 2019-20, Council revalued land under roads, buildings, roads, and drainage assets. The valuations were determined by internal and external experts and are highly dependent upon a range of assumptions and estimated unit rates.</p>	

Other Information

The General Manager is responsible for the other information. The other information comprises the information included in the Council's annual report for the year ended 30 June 2020, but does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

...2 of 4

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 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.

...3 of 4

- 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.

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



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

Tasmanian Audit Office

15 January 2021
Hobart

AUDIT PANEL CHAIR'S REPORT

BACKGROUND / INTRODUCTION

Glenorchy City Council's Audit Panel was formally established by a decision of Council. The operation of the Panel is guided by Council's Audit Panel Charter which is based on the requirements of the Local Government (Audit Panels) Order issued by the Minister for Local Government under section 85B (1) of the Local Government Act 1993.

AUDIT PANEL MEMBERSHIP AND MEETINGS

Membership of the Audit Panel comprises two Councillors and three independent members. Following their election to Council in January 2018, Aldermen Matt Stevenson and Peter Bull were appointed to the Audit Panel. Alderman Stevenson resigned effective 31 December 2019. In February 2020 Alderman Angela Ryan was appointed to the Panel in accordance with Council's Committee Nominations and Appointment Policy.

During 2019-20 the independent members of the Panel were Robert Hogan (resigned: Dec 2019), David Sales, Michael Stevens and Mike Derbyshire (appointed: January 2020). Mr Hogan was Chair of the Panel until December 2019 and Mr Derbyshire was appointed as Chair from January 2020.

MEETINGS OF THE PANEL

The Panel met six times during the financial year ending 30 June 2020. In addition to Panel

members, meetings were also attended by a range of Council staff including the General Manager, Director Corporate Services, Manager Finance and ICT, Manager Corporate Governance, Governance and Insurance Advisor, Senior Risk and Assurance Advisor, Accounting Co-ordinator and Minutes Secretary (who acts as secretariat for the Panel).

Representatives from Council's Internal Auditors, Deloitte and WLF, as well as representatives from the Tasmanian Audit Office (TAO) and Council's insurance broker, also attended Audit Panel meetings.

ROLE OF THE PANEL

The role of the Audit Panel is to support the elected Council by providing independent assurance and advice in relation to Council's financial reporting and controls, risk management framework and practices, internal controls, legislative compliance, long term planning, fraud control and corruption prevention. Its role is complemented by both internal and external auditors.

The main responsibilities of the Audit Panel include reviewing:

- whether the annual financial statements of the Council accurately represent the state of affairs of Council
- whether and how the Part 7 plans (these include the Strategic Plan, Long Term Financial Plan and Strategic Asset Management Plan) are integrated and the processes by which, and assumptions under which, those plans were prepared
- the accounting, internal control, anti-fraud, anticorruption and risk

management policies, systems and controls that the Council has in relation to safeguarding its long-term financial position

- whether the Council is complying with the provisions of the Act and any other relevant legislation, and
- whether the Council has taken any action in relation to previous recommendations provided by the Audit Panel to the Council, and so, what that action was and its effectiveness.

In addition, as the result of a Ministerial Direction issued by the then Minister for Planning and Local Government, the Panel was directed by Council to review and report annually on compliance with a range of matters including Local Government legislation, Council policy, procedures and codes and Council's Statement of Expectations between Aldermen and the General Manager.

EXTERNAL AND INTERNAL AUDIT

External Audit

As legislated, Council's external audit service is provided by TAO, whose staff attended two Audit Panel meetings during the 2019-20 financial year. During these meetings, the Audit Panel and TAO officers reviewed and discussed Council's interim and final Financial Report for 2018-19 including the TAO completion report.

The Panel also discussed with TAO staff the 2019-20 Financial Year Audit Strategy and Plan and a review of key audit areas identified for the year. In addition, outstanding

audit recommendations from previous external audits were reviewed including findings from the previous 2018-2019 audit.

There was a total of five (5) findings that needed to be addressed by Council. The Audit Panel has followed up progress on these matters during 2019-20.

Internal Audit

Internal audits support the work of Council and the Audit Panel by reviewing Council's systems and operations in accordance with an agreed internal audit plan. The plan is based on a risk management approach, is reviewed annually and can be altered should specific issues require attention.

These audits aim to identify how well risks are managed, whether the right processes are in place, whether agreed procedures are being followed and whether improvement can be made.

Recommendations to address issues or to adopt improvements are considered by Council's management. The final report reviewed by the Audit Panel and all recommendations are monitored by the Audit Panel at each ordinary meeting, to ensure they are implemented.

To discuss the progress of the internal audits undertaken during the year, senior staff from WLF attended two Audit Panel meetings.

Council approved the 2109 to 2022 internal audit program in October 2019. The revised internal audit program for 2019-20 includes:

- Fraud Risk Assessment - Accounts Payable (Completed)

- Change Management Audit (Completed)
- Asset Management Maturity Audit
- Procurement and Tendering Probity Audit
- Fraud Risk Assessment - Contract Management

The contract for Risk Assurance Service (Internal Audit) was finalised in September 2018 and terminates on 2 September 2020.

Covid-19 delayed the roll out of the 2019-20 internal audit program and the remaining scheduled audits will be carried out as soon as practically possible.

An audit from the 2018-2019 internal audit program, Workforce Specialisation and Licensing, was reported in July 2019.

An audit findings report "Accounts Payable Fraud Risk Assessment - November 2019" was received from RSM Australia. The Panel noted the very satisfactory situation in respect of Council's accounts payable area.

Received the audit findings report: Change Management Audit 2019. Identified risks have been included in Council's audit recommendations register for future monitoring.

The Panel was provided the findings of Council's Childcare Services audit undertaken by the DoE's Education and Childcare Unit. The Panel is pleased to note compliance with National Quality Standards in all areas within Council's child care facilities.

The Audit Panel regularly monitors progress with adopted internal audit recommendations. As at

June 2020 there were 19 recommendations outstanding of which 6 related to areas identified as being of high, significant or notable risk. This compares to the situation in June 2019 when there were 32 recommendations still to be finalised including 19 recommendations that related to areas identified as being high, significant or notable risk.

While there is some difficulty in comparing year on year progress, as new audit recommendations are added and completed recommendations are removed, the Audit Panel is pleased to note the significant progress that has been made by Council during the year in addressing outstanding audit recommendations, and look forward to further progress in 2020-21.

The Panel would like to acknowledge the funding that was provided in 2019-20 budget by Council to enable the implementation of internal audit recommendations.

OTHER PANEL ACTIVITIES DURING THE REPORTING PERIOD

During the year under review the Audit Panel:

- monitored progress with, and reporting on, the action plan to address Ministerial Direction 5(b)
- monitored the roll-out of the legislative compliance process
- monitored and reviewed the Compliance Status Summary Report which records the status of Council's compliance with regulatory obligations on an ongoing basis
- finalised the internal audit

- program for 2019-20
- received and noted Council's Risk Appetite Statement and Strategic Risk Register
- continued to review and advocate for implementation of outstanding audit recommendations
- received an update on the status of the Information Maturity Assessment Plan Report
- reviewed and endorsed the Financial Statements for financial year ending June 2019
- meet with TAO to discuss the 2018-19 audit and any issues that arose and recommendations made
- oversaw the 2019-20 External Audit planning process
- reviewed the Procurement in Local Government Report 2019-20, issued by the TAO
- monitored progress towards the implementation of the actions arising from the Ministerial Directions issued following the Board of Inquiry Report
- received a brief on Council's Good Governance Framework and the results of the desktop audit of Council's performance in the governance area together with outstanding action items
- considered and noted the revised Fraud Control and Corruption Prevention Framework and Plan
- provided with, and considered a briefing on Council's ICT Security Framework and Cyber Risk Management
- received and considered the Financial Management Strategy 2019-2028 and the Asset Management Strategy 2019-2023 and concluded

that Council's plans are sufficiently integrated

- received a report on the Business Continuity Policy and Framework, including considerations in response to the Covid-19 threat
- regularly reviewed and commented on General Manager's Quarterly Report information and issues raised by this information, as well as periodic Financial Performance Reports
- reviewed quarterly status updates on Significant Risk, Insurance and Legal Matters
- received information about the renewal of Council's insurance for both 2019-20 and 2020-21 including proposed changes in insurance coverage for some items in 2020-21
- reviewed credit card expenditure incurred by Council's General Manager

Audit Panel members also attended Audit Panel workshops conducted by the Local Government Association and two meetings of the Southern Region Council Audit Panel Chairs. In addition, Audit Panel members attend Council workshops over the course of the year where relevant.

MINISTERIAL DIRECTIONS PROGRESS REPORT

The Panel is pleased to confirm that Council has now completed all the Ministerial Directions issued in January 2018, except for Direction 5(b). Direction 5(b) requires the Audit Panel to undertake an annual review Council's compliance with the Local Government Act, various regulations, codes, policies and procedures.

No recurrence of any of the matters identified in the Ministerial Directions has been identified by the Audit Panel.

The Panel can confirm ongoing compliance with Ministerial Direction 5(b) and that all items identified are included in the Audit Panel's Annual Work Plan.

The Minister has informed Council that quarterly progress reporting is no longer necessary and that two annual reports will be required to cover the period from 1 October 2019 to 30 September 2021. In June 2020 it was agreed with representatives from Local Government that the Audit Panel Chair's annual report to Council will satisfy the annual reporting requirements.

Mike Derbyshire

Chair, Audit Panel

August 2020

