



MINUTES

Ordinary Meeting

TUESDAY, 27 APRIL 2021

7.00PM

CITY OFFICES, 80 WILSON STREET, BURNIE

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**MINUTES OF THE OPEN SESSION ORDINARY MEETING
OF THE BURNIE CITY COUNCIL
HELD AT THE CITY OFFICES ON TUESDAY, 27 APRIL 2021**

HOUR: 5.58pm – 5.59pm
7.00pm – 8.00pm

TIME OCCUPIED: 1 hour 1 minute

PRESENT: Mayor S Kons, Deputy Mayor G Simpson, Cr A Boyd, Cr T Bulle, Cr K Dorsey, Cr A Keygan, Cr C Lynch, Cr D Pease.

Officers in Attendance:

General Manager (S Overland), Director Land and Environmental Services (P Earle), Director Works and Services (G Neil), Director Corporate (B Lynch), Chief Financial Officer (B Pilgrim), Executive Manager Corporate Governance (M Neasey), Governance Officer (N French) and Media and Communications Officer (F Loughran).

APOLOGIES: Cr T Brumby

‘CLOSED SESSION’: COUNCIL

The General Manager advised that in his opinion, the agenda items listed below are prescribed items in accordance with Clause 15 of the *Local Government (Meeting Procedures) Regulations 2015* (i.e. confidential matters), and therefore Council may by absolute majority determine to close the meeting to the general public.

	Meeting Regulations Reference
AC034-21 COUNCILLOR DECLARATIONS OF INTEREST	15(2)(g)
AC035-21 CONFIRMATION OF MINUTES OF THE 'CLOSED SESSION' MEETING OF COUNCIL HELD ON 23 MARCH 2021	15(2)(g)
AC036-21 APPLICATIONS FOR LEAVE OF ABSENCE	15(2)(h)
AC037-21 GENERAL MANAGER'S REPORT - CLOSED SESSION	15(2)(i)
AC038-21 PERSONNEL QUARTERLY REPORT - MARCH 2021	15(2)(a)
AC039-21 BURNIE WORKS	15(2)(a)
AC040-21 OUTSTANDING DEBTORS QUARTERLY REPORT - MARCH 2021	15(2)(j)
AC041-21 NON AGENDA ITEMS	15(2)(f)
AC042-21 MATTERS CONSIDERED IN CLOSED SESSION	15(2)(f)
AC043-21 AUTHORISATION TO DISCLOSE CONFIDENTIAL INFORMATION	15(2)(f)
AC044-21 COMPLETION OF CLOSED SESSION / MEETING ADJOURNMENT	15(2)(f)

RECOMMENDATION

“THAT the meeting be closed to the public to enable Council to consider agenda items AC034-21 to AC044-21 which are confidential matters as prescribed in Clause 15 of the Local Government (Meeting Procedures) Regulations 2015”

COUNCIL RESOLUTION**Resolution number: MO055-21****MOVED:** Cr A Keygan**SECONDED:** Cr D Pease

“THAT the meeting be closed to the public to enable Council to consider agenda items AC034-21 to AC044-21 which are confidential matters as prescribed in Clause 15 of the Local Government (Meeting Procedures) Regulations 2015”

For: Cr S Kons, Cr A Boyd, Cr K Dorsey, Cr C Lynch, Cr A Keygan, Cr G Simpson, Cr T Bulle, Cr D Pease.

Against:

CARRIED UNANIMOUSLY

Reg	Confidential Reason
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- | | |
|----------|--|
| 15(2)(a) | Personnel matters, including complaints against an employee of the council and industrial relations matters |
| 15(2)(b) | Information that, if disclosed, is likely to confer a commercial advantage or impose a commercial disadvantage on a person with whom the council is conducting, or proposes to conduct, business |
| 15(2)(c) | Commercial information of a confidential nature that, if disclosed, is likely to (i) prejudice the commercial position of the person who supplied it; or (ii) confer a commercial advantage on a competitor of the council; or (iii) reveal a trade secret |
| 15(2)(d) | Contracts, and tenders, for the supply of goods and services and their terms, conditions, approval and renewal |
| 15(2)(e) | The security of (i) the council, councillors and council staff; or (ii) the property of the council |
| 15(2)(f) | Proposals for the council to acquire land or an interest in land or for the disposal of land |
| 15(2)(g) | Information of a personal and confidential nature or information provided to the council on the condition it is kept confidential |
| 15(2)(h) | Applications by councillors for a leave of absence |
| 15(2)(i) | Matters relating to actual or possible litigation taken, or to be taken, by or involving the council or an employee of the council |
| 15(2)(j) | The personal hardship of any person who is resident in, or is a ratepayer in, the relevant municipal area |

In accordance with Regulation 34(1)(b) of the *Local Government (Meeting Procedures) Regulations 2015*, it is reported that the following matters were considered in Closed Session:

Agenda Item	Title	Brief Description
AC034-21	Councillor Declarations of Interest	A report to consider any declarations of interest by Councillors in any matter in the Agenda
AC035-21	Confirmation of Minutes of the Closed Session Meeting of Council held on 23 March 2021	A motion to confirm the Minutes of the previous meeting
AC036-21	Applications for Leave of Absence	A report to consider any requests for leave of absence by a Councillor
AC037-21	General Manager's Report – Closed Session	A report that considers various operational updates of a confidential nature
AC038-21	Personnel Quarterly Report – March 2021	A report to consider key indicators in personnel management
AC039-21	Burnie Works	A report to consider potential future operating models for Burnie Works
AC040-21	Outstanding Debtors Quarterly Report – March 2021	A report to review current outstanding debtors to Council
AC041-21	Non Agenda Items	A report to consider dealing with any matter that is not on the Council Agenda
AC042-21	Matters Considered in Closed Session	A report containing a brief description of all reports considered by Council in the Closed Session
AC043-21	Authorisation to Disclose Confidential Information	A report that authorises the Mayor and General Manager to disclose information if required during the course of implementing the decisions of Council
AC044-21	Completion of Closed Session/Meeting Adjournment	This report confirms the completion of Closed Session

RESUMPTION

At 7.00pm the Meeting of Council resumed in Open Session.

ACKNOWLEDGEMENT OF COUNTRY

The Mayor commenced the Open Session with the Acknowledgement of Country.

The Burnie City Council acknowledges Tasmanian Aborigines as the traditional owners of the land on which we are meeting and on which this building stands.

AUDIO RECORDING

It is noted that the Open Session of the Meeting will be audio recorded. The audio recording will be made available to the public in accordance with Regulation 33 of the *Local Government (Meeting Procedures) Regulations 2015*.

PRAYER

The meeting was opened with prayer by City Chaplain Chris Swain.

AO055-21 COUNCILLOR DECLARATIONS OF INTEREST

The Mayor requested Councillors to declare any interest that they or a close associate may have in respect of any matter appearing on the agenda.

There were no declarations of interest.

**AO056-21 CONFIRMATION OF MINUTES OF THE 'OPEN SESSION' MEETING
OF COUNCIL HELD ON 23 MARCH 2021****RECOMMENDATION:**

“THAT the minutes of the ‘Open Session’ of the Burnie City Council, held at the City Offices on 23 March 2021, be confirmed as true and correct.”

COUNCIL RESOLUTION

Resolution number: MO056-21

MOVED: Cr D Pease

SECONDED: Cr G Simpson

“THAT the minutes of the ‘Open Session’ of the Burnie City Council, held at the City Offices on 23 March 2021, be confirmed as true and correct.”

For: Cr S Kons, Cr A Boyd, Cr K Dorsey, Cr C Lynch, Cr A Keygan, Cr G Simpson, Cr T Bulle, Cr D Pease.

Against:

CARRIED UNANIMOUSLY

MOTIONS ON NOTICE**AO057-21 MOTION ON NOTICE - PARKING PROFITS - MULTISTOREY CAR PARK****FILE NO:** 15/5/2; 21/25532**PREVIOUS MIN:**

Councillor Ken Dorsey has given notice that he would move the following motion at this meeting:-

“Determine that all profit received from the MSCP be sequestered for CBD development and all work completed in the CBD be advertised as funds derived from parking.”

COUNCILLOR’S COMMENTS

Parking is the number one issue that Burnie residents speak of and is a constant complaint of residents. Burnie charges parking for a multitude of reasons primarily limited space; the town forms an isosceles triangle with the port, the waterfront and the highway. With the Port development and highway that encasing Burnie; there were limited parking spaces available and the council built the MSCP to accommodate and overcome the parking issues.

Since the development of the parking lot, there have been more prices changes than the markdown section of K-mart. This creates angst amongst the rate payers of Burnie who consider parking a “money grab” by an unfeeling, inconsiderate, and greedy Council that is only interested in taking money. This is a misguided evaluation of intent. Council’s concern is to ensure that there is the availability of parking in town at a reasonable price. The MSCP allows Burnie residents and visitors stress free (can’t be booked) parking at a reasonable price.

Therefore, it is incumbent on us, as Councillors, to dispel the concept of Council as a money hungry entity that has little regard for its’ citizenry. To do this, we continue to charge for parking and sequester the funds specifically designating for community use. If kept separate from the black hole of a cash flow and allocation of funds; we can maintain running balance that can be reviewed for allocation for special projects.

It is imperative that we are clear that all funds collected by Council are utilized for the benefit of the community and are judiciously (sometimes) administered; however, perception is reality in many cases, and to overcome the perception that Council waste ratepayer’s funds, we need to prudently allocate the funds to specific purposes and boldly advise the populace of this expenditure.

GENERAL MANAGER'S COMMENTS

Revenue from parking charges and monetary penalties collected by Council has historically provided a surplus which is redirected annually to fund a number of community initiatives and programs.

The nexus between parking revenues and expenditure on other programs has not been transparent. Parking revenues are consolidated within and applied from the general funds of the Council, and are not identified with the provision for any particular program or service.

Many municipal authorities seek to off-set a negative perception and reception to parking charges by clearly identifying the program areas within which parking funds are spend.

It would be useful to promoting understanding and acceptance of rates and charges within Burnie for the Council to be more transparent when setting expenditure programs and identify where revenues contribute in whole or part to particular program or service.

However, Council must retain flexibility to make decisions in accordance with need and priority within each budget cycle on how parking revenues are allocated.

A commitment to expend all surplus parking revenue on CBD redevelopment will remove discretion; and carries risk of a disproportionate and inequitable allocation of benefit from funds raised on use of parking space by both residents and visitors.

The principle behind the Motion is sound. However, the Motion itself is not supported.

COUNCIL RESOLUTION

Resolution number: MO057-21

MOVED: Cr K Dorsey

SECONDED: Cr C Lynch

"Determine that the yearly profits received from the MSCP be acquitted against the value of any new work/projects competed in the CBD or recreational spaces."

For: Cr K Dorsey, Cr C Lynch.

Against: Cr S Kons, Cr A Boyd, Cr A Keygan, Cr G Simpson, Cr T Bulle, Cr D Pease.

LOST

Mayor S Kons vacated the chair, and Deputy Mayor G Simpson took the chair for Items AO058-21 to AO060-21, the time being 7.14pm.

MOTIONS ON NOTICE

AO058-21 MOTION ON NOTICE - BURNIE WASTE WATER TREATMENT PLANT

FILE NO: 15/5/2, 21/28631
PREVIOUS MIN:

Mayor Steve Kons has given notice that he would move the following motion at this meeting:-

“THAT Council urges the State Government and Taswater to urgently plan for an upgrade to the Burnie Wastewater Treatment Plant as it is reaching its capacity.”

COUNCILLOR’S COMMENTS

During recent discussions with representatives of Taswater I was alerted to the fact of capacity constraints with the Burnie Wastewater treatment plant

That when the plant was commissioned it unfortunately was not geared with the potential for expansion of the waste stream for the Municipality.

We are now in a situation where industrial and potentially residential expansion is hindered by the lack of capacity in the plant to treat more waste and particularly trade waste.

Action needs to be undertaken urgently as any new or existing industrial customers may be hindered in expanding their operations due to this capacity constraint.

GENERAL MANAGER’S COMMENTS

Planning and design for the current Burnie Waste Water Treatment Plant (WWTP) occurred in the early to mid 2000’s, with the plant being commissioned in 2008.

Design assumptions for the facility would have been based on current knowledge at that time and best projections of future demand. However a range of factors can influence actual demand on the WWTP, the current housing boom is an example of unexpected growth that may over time place pressure on the WWTP processing capacity.

Understanding the current needs of the community and planning for the future are necessary actions for managing infrastructure assets to ensure levels of service are maintained and contemporary standards are met.

There is a long time-frame between planning for a WWTP upgrade, obtaining necessary approvals, and progressing design and construction processes. WWTP generally require significant capital investment.

The Motion on Notice seeks to ensure that an appropriate processes is put in-place to assess current and future WWTP needs for our community and that appropriate provision is made to progress necessary works to meet future demand.

COUNCIL RESOLUTION

Resolution number: MO058-21

MOVED: *Cr S Kons*

SECONDED: *Cr D Pease*

“THAT Council urges the State Government and Taswater to urgently plan for an upgrade to the Burnie Wastewater Treatment Plant as it is reaching its capacity.”

For: Cr S Kons, Cr A Boyd, Cr K Dorsey, Cr C Lynch, Cr A Keygan, Cr G Simpson, Cr T Bulle, Cr D Pease.

Against:

CARRIED UNANIMOUSLY

MOTIONS ON NOTICE**AO059-21 MOTION ON NOTICE - BURNIE REGIONAL ART GALLERY -
POLISHING OF FLOOR****FILE NO:** 15/5/2, 21/28631**PREVIOUS MIN:**

Mayor Steve Kons has given notice that he would move the following motion at this meeting:-

“THAT Council seeks expressions of interest or seek quotes to undertake the polishing of the floor in the Art Gallery.”

COUNCILLOR’S COMMENTS

Whilst activity is subdued due to Covid it may be an opportune time to undertake this work.

The carpet in the Gallery is dated and a polished concrete floor may provide an opportunity to give the Gallery an uplift in its appearance and rather than replace the carpet this would produce savings by having a better contemporary surface floor finish.

The quotes could be on hand as soon as the Commonwealth Government arranges for the re-purposing of the original Gallery funding grant.

GENERAL MANAGER’S COMMENTS

Council has engaged consultants Hirst Projects to develop a Business Case to guide the transition of the Burnie Arts and Functions Centre (BAFC) to a cultural hub, integrating aspects of the Burnie Regional Art Gallery (BRAG) and Burnie Regional Museum (BRM).

The Business Case will be a key document in supporting Councils application for \$5M funding from the Australian Government

An element of this consultancy is to develop an infrastructure plan for the facility identifying necessary works. The focus of works may include:

- Addressing identified renewal needs for the BAFC building including necessary works to meet contemporary standards.
- Modernise the interior of the BAFC including the internal paths of travel and courtyard space. A roof over the courtyard space is considered a key element of the redevelopment.
- Provide a single point of entry into the facility, including plaza redevelopment and customer and ticketing arrangements.

- Integration works to incorporate the BRM and BRAG and may include display facilities, interpretation elements, redevelopment of the gallery space etc.

This infrastructure plan, when developed, will then be used to guide the determination of investment priorities, noting that a finite level of funding is available.

Following that decision, a coordinated and integrated approach to the design, specification and implementation of agreed works is required to ensure that the redeveloped facility is cohesive in terms of the function and aesthetic throughout and delivery of works is planned to ensure that the normal function of the BAFC can be maintained, so far as practical, during the redevelopment.

This approach requires an investment of time at the start of the project but provides greater certainty in terms of projects scope, cost and delivery timeline.

Undertaking works at this early stage of the project has some risk associated with potential rework if the function or aesthetic is not consistent in the final design for the facility.

COUNCIL RESOLUTION

Resolution number: MO059-21

MOVED: Cr S Kons

SECONDED: Cr K Dorsey

“THAT Council seeks expressions of interest or seek quotes to undertake the polishing of the floor in the Art Gallery.”

For: Cr S Kons, Cr A Boyd, Cr C Lynch, Cr G Simpson.

Against: Cr K Dorsey, Cr A Keygan, Cr T Bulle, Cr D Pease.

MAYOR TO DECIDE

MOTIONS ON NOTICE

**AO060-21 MOTION ON NOTICE - BURNIE ARTS AND FUNCTION CENTRE -
 ATRIUM OUTDOOR AREA**

FILE NO: 15/5/2, 21/28631

PREVIOUS MIN:

Deputy Mayor G Simpson advised that Item AO060-21 was withdrawn by Mayor S Kons.

Deputy Mayor G Simpson vacated the chair, and Mayor S Kons resumed the chair, the time being 7.25pm.

MOTIONS ON NOTICE

AO061-21 MOTION ON NOTICE - ELECTIONS

FILE NO: 15/5/2, 21/28831
PREVIOUS MIN:

Councillor Ken Dorsey has given notice that he would move the following motion at this meeting:-

“THAT Council submit to LGAT the following:

- 1) That Councillor candidacy in state or federal elections requires a leave of absence (starting at the time of announcing the candidacy) from the respective Council until the election is settled.***
- 2) That a Council Mayor’s successful candidacy in a state or federal election requires one of three options to be decided by the LGAT members:***
 - a) That no by-election be held and the Mayor is replaced on a countback similar to that of a Councillor***
 - b) That a successful Mayoral candidate in a state or federal election repay the community the cost of holding a special election.***
 - c) That the Deputy Mayor step into the position until the next Council election with current arrangements in place.”***

COUNCILLOR’S COMMENTS

From my understanding the role of Councillor is to serve the community independently. The decisions we make pertain solely to what is the best interest of “our” ratepayers. That the decisions and debates we have are free from outside influence and are made solely on our own beliefs. There have been voting blocks in the past with predetermined decisions – this is not the role of Council, we are to come to Council open minded with our own thoughts to make decisions in, what we believe, is the best interest of the community. There is a minority opinion that party affiliation should be maintained in a Council and lines drawn between good and evil – depending on which side of the aisle you set.

Some could argue that Councillor candidates for state or federal election are no longer representing their community; they are putting self above the community. The idea that they could potentially assist the community more by being in a state or federal position is misguided. Joining a party means a loss of free will and decision making; generally being relegated to the back bench with the important role of asking Dorothy Dixers and finding relevance by attending social functions with their name prominently displayed on their

jacket or an apology read that they wanted to attend but were unable. This is name recognition – not substance.

A sitting Mayor seeking election to a state or federal post does so with the knowledge that the likelihood of their election will create the need for a by-election to elect a new mayor at a substantial cost to the electorate. This defies their mandate as Mayor – the role of Mayor is to administer the resources of the community judiciously for the benefit of the community – is spending in excess of \$50,000 to replace a sitting Mayor a judicious use of rate payer's funds? In my opinion, no.

Therefore, a self-serving Mayoral candidate for a state or federal post is not acting in the best interest of their community. A Councillor candidate has also made it abundantly clear that they no longer wish to serve their respective community – they have a “higher” calling. Whilst no-one should be excluded from seeking new employment or election to a “more substantial” post, it should not be done at the expense of the ratepayers of their respective community. If Council is a stepping stone, maybe the candidate should step off the stone and take a plunge without ratepayer assistance.

GENERAL MANAGER'S COMMENTS

It is understood that the motion seeks to put forward a motion at LGAT General Meeting for consideration across a number of aspects relating to councillors standing for state and federal elections.

In relation to the first point of the candidacy period, Councillors may no longer serve concurrently as both a councillor and an elected state or federal member if successful. This was effected in legislation in recent years, requiring a successful state or federal candidate to then resign from their local government role. The motion seeks to have them also set aside their councillor role with a leave of absence during the candidacy period. However this would mean stepping aside from decisions and information that may continue to be important in their role if they are not successful in the state or federal election. Candidates have varying amounts of time available depending on their personal circumstances, and it may well be best left as a matter for each individual candidate to determine. All elected members are elected to serve and represent their communities and it can be equally argued that a councillor running for state or federal election is still seeking to serve their community, albeit in a different sphere.

The second point relates to the position of Mayor, should the mayor be successfully elected to state or federal government. The existing rules provide that a by-election be held if the ordinary election is more than six months away. However it is noted that the Director of Local Government commenced the Local Government Legislative Framework Review in 2019, as the context for developing the new Local Government Act. Council considered its views as a collective against a broad range of matters in the scope of the review, and provided formal feedback in the process.

Council's feedback (submitted then via LGAT and directly to DPAC) on the matter of mayoral elections stated:

“Further comment – that if a mayor resigns there should not be a requirement for a by-election. This is outside the scope of reform for no. 7 but is related feedback.”

COUNCIL RESOLUTION**Resolution number: MO060-21****MOVED:** Cr K Dorsey**SECONDED:** Cr C Lynch***“THAT Council submit to LGAT the following:***

- 1) That Councillor candidacy in state or federal elections requires a leave of absence (starting at the time of announcing the candidacy) from the respective Council until the election is settled.***
- 2) That a Council Mayor’s successful candidacy in a state or federal election requires one of three options to be decided by the LGAT members:***
 - a) That no by-election be held and the Mayor is replaced on a countback similar to that of a Councillor***
 - b) That a successful Mayoral candidate in a state or federal election repay the community the cost of holding a special election.***
 - c) That the Deputy Mayor step into the position until the next Council election with current arrangements in place.”***

For: Cr A Boyd, Cr K Dorsey, Cr C Lynch.**Against:** Cr S Kons, Cr A Keygan, Cr G Simpson, Cr T Bulle, Cr D Pease.**LOST**

MOTIONS ON NOTICE**AO062-21 MOTION ON NOTICE - INNER CITY RESIDENCES****FILE NO: 15/5/2, 21/28831****PREVIOUS MIN:**

Councillor Ken Dorsey has given notice that he would move the following motion at this meeting:-

“THAT Council:

- 1) Advise the Planning Commission that it wishes to allow residential living in the CBD as a permitted use without a planning permit on all floor levels excluding the ground street level and that parking for residents not be a requirement.***
- 2) And the manager for planning be instructed to prepare the necessary documentation and case to support this direction.”***

COUNCILLOR'S COMMENTS

Councillors have on many occasions considered and suggested inner-city living as a means to add vitality and growth to the Burnie CBD. Many of the buildings in town have empty second floors that could create a village type living in Burnie. This could be the impetus for growth and an alternative lifestyle that does not require regular use of a vehicle. People around the world have inner-city dwellings that do not provide parking. In many instances it is the reason to reside in the city.

Previously the Council introduced a levy on CBD ratepayers to fund the partial completion of the multistorey carpark. There is no reward for the CBD ratepayers for the money taken from them in the past as they are unable to utilise their premises to earn a greater income. It should also be noted that the rates paid in the CBD are greater than other areas such as residential and commercial partially due to the reality that Council provides parking facilities and maintains the streetscapes.

Discussion have faltered due to the need for any inner-city residential development or a change of use to residential to provide adequate vehicular parking. This is an oxymoronic argument, a business that employs 20 people does not need to provide parking, but an inner-city residence does? This defies logic.

In granting an application for an inner-city dwelling it must be abundantly clear that there is no provision for/or parking attached to this residence. Therefore, in the future likelihood of a sale, there cannot be any question as to the availability of parking. This is true of many inner-city business properties – once again, how does residential differ?

It becomes the sole responsibility of the purchaser or lessor to find a suitable location to house their vehicle (if they have one). The MSCP has a 40% occupancy rate except for maybe 10 days a year, this is clearly an alternative. A failure to meet the parking rules of the city will result in financial penalties – this is true of business owners, workers and subsequently residents. There is an abundance (oversupply) of private and public parking available in the CBD and accordingly it should be up to the CBD residents to fund their own parking by either the renting of Council or a private carparking facility. The future resident should not have to provide details of how the parking requirement will be met. Not the problem of Council.

This also raises the possibility of another trading opportunity in the sale of individual carparks in the city.

This would only apply, at this time, to the redevelopment of buildings in the Burnie CBD for residential use.

GENERAL MANAGER'S COMMENTS

The Tasmanian Planning Scheme (TPS) is the relevant planning instrument for the Burnie municipal area and contains –

- State Planning Provisions (SPPs) prepared and approved by the Minister for Planning to provide a common and consistent set of regulatory requirements for the use, development and protection of land in all municipal areas of Tasmania; and
- Local Provision Schedules (LPS) approved by the Minister for each municipal area to indicate the spatial application of the rules and requirements set by the SPPs, and to contain provisions which may be approved by the Minister and add to, modify or substitute for a matter to which the SPPs apply

The Motion seeks to remedy a perceived problem with the current provisions of the Tasmanian Planning Scheme as it applies to redevelopment of the upper floors of existing buildings for Residential use within the Burnie town centre; and anticipates two possible statutory options –

- a) Amend the SPPs as they apply to require a permit for new Residential use in an existing building, and appropriate arrangements for parking, on all land within Tasmania to which the Central Business zone applies; or
- b) Amend the Burnie LPS in relation to the Central Business zone to allow new Residential use within the upper floors of an existing building without need for a permit if located in a building above street level, and to remove any requirement for Residential use to provide an appropriate level of parking

The *Land Use Planning and Approvals Act 1993* contains separate requirements for the preparation and amendment of the SPPs and an LPS; and imposes a requirement that each must meet the respective SPP and LPS criteria sets out in the Act.

Only the Minister for planning may initiate and approve the making and amendment of the SPPs.

A planning authority may notify the Minister of a concern with the content or operation of the SPPs and request the Minister make an amendment. The Minister is only required to initiate a draft amendment if the matter is considered to have merit. The process for amendment is complex and timely, and must involve Statewide notification and exhibition because the amendment is likely to affect all municipal areas if approved.

The role of the Tasmanian Planning Commission in amending an SPP is to assist the Minister with independent merit and compliance advice and to administer the somewhat complex and drawn out processes, including exhibition and hearings, which must precede a Ministerial decision.

The Act provides a planning authority only may seek to amend an LPS and include provisions that add to, modify, or substitute for a matter in the SPPs if satisfied the amendment –

- a) provides for use or development of significant social, economic or environmental benefit to the State, a region or a municipal area; or
- b) is necessary because an area of land has particular environmental, economic, social or spatial qualities that require provisions that are unique to the land in substitution for, or in addition to, or modification of, the provisions of the SPPs; and
- c) will meet the LPS criteria set out in section 34 of the Act.

The process requires a planning authority must prepare and certify a draft amendment, and exhibit the draft and all supporting information for public consideration and comment. A final form of the draft amendment, and a report detailing the planning authority's views and opinions on any representations received during the exhibition period must be provided to the Tasmanian Planning Commission. The Commission must examine and determine the merit and compliance of the draft amendment, including by taking evidence at a hearing, before a decision to reject or approve.

A planning authority must not promote a change to the SPPs or initiate a draft amendment unless satisfied on quantifiable evidence that there is a problem, and that an alteration of the rules is necessary in order to provide a solution.

The Tasmanian Planning Scheme applies the Central Business zone to the land which contains the Burnie town centre as bounded by the Bass Highway, North Terrace, and the Burnie Port area.

The purpose of the Central Business zone is stated in the SPPs and includes *"to encourage Residential and Visitor Accommodation use above ground floor level if it supports the viability of the activity centre and an active street frontage is maintained"*. The intention is consistent with a shared zone purpose to *"provide for the concentration of the higher order business, retail, administrative, professional, community, and entertainment functions within*

Tasmania's primary centres" and to "encourage activity at pedestrian levels with active frontages and shop windows offering interest and engagement to shoppers".

Residential use is not prohibited, including by conversion of the upper floor in an existing building. A permit is required, and is assured if Residential use is located above ground floor level. A permit is discretionary if Residential use is located at ground level.

An interest to change the regulatory requirements for Residential use must be able to demonstrate –

- a) in relation to the SPPs, that purpose of the Central Business zone cannot be achieved because of a permit and parking requirement for Residential use; or
- b) in relation to an LPS –
 - i. application of the SPPs to the Burnie town centre imposes unreasonable constrain on the ability to provide significant (measurable) social, economic or environmental benefit to the State, a region or a municipal area unless the permit and parking requirements for Residential use are different to the requirements that apply elsewhere in Tasmania under the SPPs; or
 - ii. the particular environmental, economic, social or spatial qualities of the Burnie town centre are sufficiently unique to require provisions in relation to permit and parking requirements for Residential use that are different to the requirements that apply elsewhere in Tasmania under the SPPs; and
 - iii. there are sound supporting reasons consistent with the statutory objectives for land use planning, State Policy, regional land use strategy, and the Council's municipal strategic plan.

The SPP permit requirements for Residential use within the Burnie town centre are comparable with provisions that have applied under former planning schemes.

The Tasmanian Planning Scheme contains SPP Code C2 – Parking and Sustainable Transport which has a purpose to require an appropriate level of car parking space is available to meet the needs of each new use, including Residential use.

The Burnie LPS contains a special provision cited as the Burnie Town Centre Parking Specific Area Plan (SAP) which partially sets aside the requirements of Code C2 for the land in the Burnie town centre to which the Central Business zone applies.

The SAP is intended by Council to confirm a long-term commitment to provide shared public parking space within the Burnie town centre, and to exempt new use and development, with the exception of Residential and Visitor Accommodation use, from a requirement to make provision for parking.

The SPP Parking Code applies for new Residential and Visitor Accommodation use on land within the Burnie town centre.

The exception reflects an established and proven understanding in parking management practice that residents and users of visitor accommodation exhibit significantly different parking behaviours to those of other users, and therefore may require independent provision for parking.

The Parking Code intends certainty and security for the number and location of parking space available to a use over its life, and does not allow temporary arrangements, or that it be left to chance or be the responsibility of individual successive owners or occupiers.

The Code does not mandate every use must make a physical provision for parking; and requires only that a new or changed use must appropriately address the difference between the requirement applying for an existing use and the requirement under the Code for a new use.

In common with most SPP standards, the Code provides two options for satisfying the objective –

- a) provide the minimum number of on-site parking spaces as set by the deemed to comply Code standard for the particular use; or
- b) demonstrate the merit of alternate arrangements for a particular site and use by reference to the considerations set out in the performance standard

There are many possible options for satisfying the requirement – including by demonstrating that parking is not required, or that alternate sites are available to provide certain and secure parking for residents.

The Motion seeks to set aside the legal requirement on a proponent to address how a proposed use will make appropriate arrangements for provision of parking as required under the Tasmanian Planning Scheme

The level of car ownership in northwest Tasmania, and the limited potential for the Burnie town centre to provide a fully self-contained environment within which the requirement for residents to own or use a car is eliminated, means it is not appropriate to set aside the legal requirement for new or changed use to address provision for parking.

COUNCIL RESOLUTION**Resolution number: MO061-21****MOVED:** *Cr K Dorsey***SECONDED:** *Cr C Lynch****“THAT Council:***

- 1) Advise the Planning Commission that it wishes to allow residential living in the CBD as a permitted use without a planning permit on all floor levels excluding the ground street level and that parking for residents not be a requirement.***
- 2) And the manager for planning be instructed to prepare the necessary documentation and case to support this direction.”***

For: *Cr S Kons, Cr A Boyd, Cr K Dorsey, Cr C Lynch, Cr A Keygan, Cr G Simpson, Cr T Bulle, Cr D Pease.*

Against:

CARRIED UNANIMOUSLY

PUBLIC QUESTION TIME**AO063-21 PUBLIC QUESTION TIME****FILE NO: 15/5/5**

In accordance with Clause 31 of the Local Government (Meeting Procedures) Regulations 2015 Council conduct a Public Question Time.

Our Process for Public Questions

A public question must be provided to Council in writing prior to the start of the meeting. You can submit your question at any time online at www.burnie.net or complete a form at the entry to the Meeting Room.

You can submit your question at any time prior to this online at www.burnie.net. There is a limit of two questions per person.

Your question will be read out by the Mayor during the meeting.

Council Meetings are recorded.

Please note:

- Parliamentary Privilege does not apply at Council Meetings
- If it is not possible to answer the question at the meeting, the General Manager will provide a written answer within 10 days
- The question and answer cannot be debated
- The Mayor may refuse to accept a question

Ian Jones of Burnie asked:

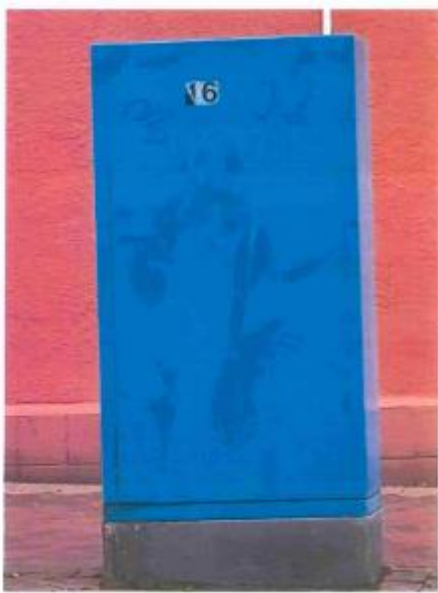
1. *When will Council proceed with live casting of council meetings?*

The General Manager replied that a report will be presented to council for consideration at the next meeting.

Justin McErlain, representing Business North West, of Burnie asked:

1. *Will Burnie City Council support BNW as it works with the respective departments to start the process to paint the utility boxes? And provide assistance from works and services to achieve this task?*

Can we replace this fine piece of art found around Burnie:



With this found around Launceston:



The Mayor replied that council would take the question on notice and would provide a response in writing.

COMMUNITY AND ECONOMIC DEVELOPMENT**AO064-21 FINANCIAL MANAGEMENT
SPONSORSHIP AND DONATIONS
FINANCIAL ASSISTANCE GRANTS 2020-21****FILE NO: 13/22/1****PREVIOUS MIN:**

MAKING BURNIE 2030 – CORPORATE PLAN REFERENCE:

Direction	1~AN ATTRACTIVE PLACE TO LIVE, WORK AND PLAY
Objective	1.3~A community that promotes and values its broad range of quality leisure, recreational and sporting opportunities.
Strategy	1.3.1~Enhance and promote opportunities for recreation and leisure around our natural assets

1.0 RECOMMENDATION:

“THAT Council approves the following grants totalling \$24,972 from the Special Round of Council’s Financial Assistance Grants to Clubs, Organisations and Individuals for 2020/2021.

<i>Burnie Arts Council</i>	<i>\$2,000</i>
<i>Burnie Coastal Art Group</i>	<i>\$5,083</i>
<i>Burnie Probus Club</i>	<i>\$1,399</i>
<i>Emu Valley Rhododendron Gardens</i>	<i>\$4,500</i>
<i>Natone Football Club</i>	<i>\$9,000</i>
<i>Penguin Rehab and Release</i>	<i>\$2,000</i>
<i>Soroptimists International</i>	<i>\$990</i>
<i>Total</i>	<i>\$24,972</i>

2.0 SUMMARY

Council’s Special Financial Assistance Grants to Clubs and Organisations 2020/2021 opened on Wednesday 3 February and closed on Wednesday 17 March 2021.

Council’s budget for the Special financial assistance for clubs and organisations is \$25,000. A total of fifteen financial assistance applications have been received seeking assistance totalling \$70,649.

Applications have been reviewed and prioritised in line with the purpose of the Financial Assistance Policy and the results of this process are attached.

3.0 BACKGROUND

Council's policy Financial Assistance Grants (CP-CBS-SG-002) sets out a framework for Council to provide financial assistance to Burnie based clubs and community organisations who work to benefit the community of Burnie.

In developing the 2020/21 Budget Council provided support to community organisations under the COVID Support package.

It was anticipated that this would be funded from the Financial Assistance Grants budget and there would therefore be no opportunity to run the normal Financial Assistance Grants rounds in this financial year.

However a recent review indicates that there are sufficient remaining funds for Council to allocate \$25,000 for one Round in this financial year.

4.0 LEGISLATIVE REQUIREMENTS

There are no legislative requirements impacting on this report.

5.0 POLICY CONSIDERATIONS

The grant process is conducted in accordance with Council's policy *Financial Assistance Grants* (CP-CBS-SG-002), which is reviewed periodically by Council.

6.0 FINANCIAL IMPACT

Following COVID support measures provided in 2020-21, an amount of \$25,000 is the remaining budget for Council's 2020-2021 financial assistance program.

7.0 DISCUSSION

The merits of each application are considered against criteria underpinned by a project plan, promotion of the project, sustainability of project, administration and financial support/other sponsorship (if applicable), contribution to community, meeting target needs and goals of Council's strategic plan (if applicable).

8.0 RISK

The level of risk in providing the community grants is low.

9.0 CONSULTATION

The applications for the Special Financial Assistance Grant were provided at a Council Workshop on 30 March 2021.

ATTACHMENTS

1. [!\[\]\(4729e517bc6a7cd81c8025b9646574fb_img.jpg\)](#) Financial Assistance Grants 2020-21

COUNCIL RESOLUTION

Resolution number: MO062-21

MOVED: *Cr C Lynch*

SECONDED: *Cr G Simpson*

“THAT Council approves the following grants totalling \$24,972 from the Special Round of Council’s Financial Assistance Grants to Clubs, Organisations and Individuals for 2020/2021.

<i>Burnie Arts Council</i>	<i>\$2,000</i>
<i>Burnie Coastal Art Group</i>	<i>\$5,083</i>
<i>Burnie Probus Club</i>	<i>\$1,399</i>
<i>Emu Valley Rhododendron Gardens</i>	<i>\$4,500</i>
<i>Natone Football Club</i>	<i>\$9,000</i>
<i>Penguin Rehab and Release</i>	<i>\$2,000</i>
<i>Soroptimists International</i>	<i>\$990</i>
<i>Total</i>	<i>\$24,972</i>

For: Cr S Kons, Cr A Boyd, Cr K Dorsey, Cr C Lynch, Cr A Keygan, Cr G Simpson, Cr T Bulle, Cr D Pease.

Against:

CARRIED UNANIMOUSLY

Financial Assistance Grants 2020/2021: Special Round

No.	Name of Organisation	Description of Project	Total Cost	Org. Contrib.	Assistance Sought	Recommended	Not Recommended	Comments
1	Abbeyfield Australia Ltd	Provide a carport in the car park area for residents, housekeeper and visitor cars.	\$16,189	\$6,189	\$10,000		\$10,000	
2	Burnie Arts Council	5 year funding for costs of website subscription and annual website maintenance. Annual website subscription \$330, annual maintenance \$560 = \$890 x 5 years = \$4,450	\$4,450	\$1,100	\$3,350	\$2,000	\$1,350	
3	Burnie Coastal Art Group	Replace Workroom roof \$5,083 and assistance with rates for three (3) years at \$1,200 per year.	\$6,283	\$0	\$6,283	\$5,083	\$1,200	Assistance to replace roof.
4	Burnie District Gemstone Club	Solar Panel Installation	\$6,500	\$0	\$6,500		\$6,500	
5	Burnie Probus Club	To purchase a Asus Vivobook 50918 notebook computer	\$1,399	\$0	\$1,399	\$1,399		
6	Burnie United Soccer & Sporting Club	Assistance to set up a First Aid/Medical room at Montello.	\$9,042	\$1,500	\$7,542		\$7,542	
7	City Marions Hockey Club	To purchase a 3 x 6 heavy duty gazebo, multi sidewall kit and printing on two sides.	\$2,564	\$641	\$1,923		\$1,923	
8	Coast FM Community Radio	Equipment upgrade - purchase a production mixer.	\$4,091	\$0	\$4,091		\$4,091	Coast FM is based in Wynyard.
9	Emu Valley Rhododendron Gardens	Extension / Renovation of the tea and function area and coffee machine.	\$7,345	\$2,345	\$5,000	\$4,500	\$500	
10	Fellowship of Australian Writers North West	Heightened community awareness of FAWNWW.	\$2,386	\$200	\$2,186		\$2,186	
11	Loxley Traditional Archers	Archery Community Equipment upgrade	\$4,293	\$507	\$3,266		\$3,266	
12	Natone Football Club	Assistance to upgrade lighting at Natone ground.	\$19,500	\$10,000	\$9,000	\$9,000		
13	Penguin Rehab & Release	To purchase essential PPE items for volunteers releasing rehabilitated penguins back to the wild - wetsuits, dive boots & gloves.	\$15,061	\$11,942	\$3,119	\$2,000	\$1,119	
14	Soroptimist International	To celebrate 100 years of service our project is to plant 100 trees to offset carbon footprint.	\$1,300	\$310	\$990	\$990		
15	Yeoman Football Club	Update the club rooms - painting interior, affix an awning & new photo frames.	\$6,000	\$0	\$6,000		\$6,000	
			\$106,403	\$34,734	\$70,649	\$24,972	\$45,677	
						\$24,972 Recommended		

Budget \$25,000
Remaining \$28

CORPORATE AND BUSINESS SERVICES**AO065-21 POLICY REVIEW
FLYING OF FLAGS CP-CBS-SG-015**

FILE NO: 4/14/2
PREVIOUS MIN: AO155-19

MAKING BURNIE 2030 – CORPORATE PLAN REFERENCE:

Direction	7~AN ENGAGING AND ACCOUNTABLE LEADERSHIP FOCUSED ON A STRONG FUTURE
Objective	7.1~A Council that provides engaging and effective leadership to Burnie.
Strategy	7.1.1~Formulate policy that is equitable, inclusive and responsive to current needs, and ensure decision-making is informed and accountable.

1.0 RECOMMENDATION:

“THAT Council adopt the revised Flying of Flags Policy CP-CBS-SG-015, as presented.”

2.0 SUMMARY

This report provides for a review of the existing Council Policy titled Flying of Flags (CP-CBS-SG-015).

3.0 BACKGROUND

The purpose of this policy is to provide guidelines on how and when the Australian National Flag and other flags are flown on Council land and at civic buildings. In addition the policy ensures that Council demonstrates dignity and respect to flags by ensuring longstanding national protocol is followed.

The existing policy was last reviewed and adopted by the Council on 18 June 2019 and is due to be reconsidered.

4.0 LEGISLATIVE REQUIREMENTS

There is no legislative requirement for the Council to have a policy relating to the flying of flags.

The Department of Prime Minister provides the framework for the flying of flags under the Australian National Flags Protocol. Additionally, the Tasmanian Government through the State Protocol Office administers state requirements regarding the flying of flags.

5.0 POLICY CONSIDERATIONS

The report presents a formal policy position for the Council which will emphasise the required guidelines and provide accountability, control and delegation where required.

Revisions to Council policies are made on an ongoing basis in order to meet Strategy 7.1.1 of the Corporate Plan:

“Formulate policy that is equitable, inclusive and responsive to current needs, and ensure decision-making is informed and accountable.”

6.0 FINANCIAL IMPACT

There are no financial implications associated with this report.

7.0 DISCUSSION

The existing policy has been revised in accordance with the **attached** for consideration. The revisions are largely administrative, the substance and intent of the policy remains unchanged.

The policy, whilst largely based upon national and state guidelines, remains applicable on the basis that there are a number of Council specific protocols and delegations which exist in the policy.

For example the policy empowers the Mayor and General Manager to use their delegation with regard to the flying of flags on occasions such as during civic ceremonies, on occasions when dignitaries may visit the area and during times of mourning.

8.0 RISK

As a governing body, it is important for Council to follow correct flag protocol to ensure that our national and state symbols are treated with dignity and respect. The risk of not following correct protocol may result in offence to some members of the community.

9.0 CONSULTATION

The revised policy has been discussed with relevant Council staff, in particular with those areas who are responsible for the flying of flags.

Referral to Council Workshop was not considered necessary on the basis that the substance and intent of the existing policy remains unchanged.

ATTACHMENTS

1. [Draft Flying of Flags Policy](#)

COUNCIL RESOLUTION**Resolution number: MO063-21*****MOVED: Cr A Keygan******SECONDED: Cr K Dorsey******“THAT Council adopt the revised Flying of Flags Policy CP-CBS-SG-015, as presented.”***

For: Cr S Kons, Cr A Boyd, Cr K Dorsey, Cr C Lynch, Cr A Keygan, Cr G Simpson, Cr T Bulle, Cr D Pease.

Against:

CARRIED UNANIMOUSLY

 BURNIE CITY COUNCIL			COUNCIL POLICY Flying of Flags (DRAFT)	
Approved By:	Council	Document Code:	CP-CBS-SG-015	
Doc Controller:	Director Corporate and Commercial Services	Version:	4.0	
File:	4/14/2	Approved Date:	TBC	
		Next Review Date:	+4 years	

1 PURPOSE

The purpose of this policy is to provide guidelines on how and when the Australian National Flag and other flags are flown.

2 OBJECTIVE

To ensure Council demonstrates dignity and respect to the Australian National Flag by ensuring longstanding national protocol is followed.

3 SCOPE

This policy applies to flags flown on any Council land or facility.

4 POLICY

4.1 Flying of the Flags

Council will comply with the requirements, guidelines and the advice of the Department of the Prime Minister and Cabinet and the State Protocols Office for the flying of flags.

The Australian National Flag, the Tasmanian Flag, and the Australian Aboriginal Flag are to be flown on every working day of the year at the City Offices.

Flags are to be flown on Anzac Day at the Burnie Park Cenotaph. Flags are to be flown at the Burnie Arts and Function Centre for Australia Day.

The following other flags may be flown on Council land or facilities:

- The Australian Aboriginal flag;
- The Governor General's flag;
- The State Governor's flag;
- The flag of any visiting Head of State, ambassador or like dignitary;
- The Council's Corporate flag;
- Any other flag as directed by the Department of the Prime Minister and Cabinet and the State Protocols Office.

The General Manager may direct any other flags to be flown for local days or events of significance in consultation with the Mayor. In doing so the protocols for flying the National and State Flags must not be breached.

COUNCIL POLICY		
 Flying of Flags (DRAFT)		
Approved By:	Council	Document Code: CP-CBS-SG-015
Doc Controller:	Director Corporate and Commercial Services	Version: 4.0
File:	4/14/2	Approved Date: TBC
		Next Review Date: +4 years

4.2 Flying Flags at Half Mast

There are occasions when the flags will be flown at half-mast as a sign of mourning.

Flags will be flown at half-mast at the direction of Department of the Prime Minister and Cabinet or the State Protocols Office. The Mayor may direct the flags to be flown at half-mast on the death of a prominent local citizen or on the day of their funeral.

When lowering a flag at half mast position, it is to be briefly raised to the peak of the flagpole and then lowered ceremoniously.

Flags flown at half-mast will never be flown at night, even if it is illuminated.

4.3 Handling the Flags

Flags should be treated with respect and dignity and the Australian National Flag must always take precedence over all other flags.

After the national flag, the order of precedence of flags is: national flag of other nations, state and territory flags, other Australian flags prescribed by the Flags Act 1953, ensigns and pennants.

The following general guidelines apply to the flying of the flags:-

- The flags should be raised no earlier than first light and should be lowered no later than dusk – it may only be flown at night when illuminated
- The Australian National Flag should be raised first and lowered last, unless all other flags at the ceremony are raised and lower simultaneously
- Two flags should not be flown on the same flagpole
- The Australian National Flag should not be any smaller than any other flag being flown and should always be flown on the flagpole to the left when facing the building
- The flags should not be displayed upside down under any circumstances, not even to express a situation of distress, it should always be flown aloft and free and should not be allowed to fall or lie upon the ground
- Flags that are damaged, decayed or faded should not be displayed
- When flown at 'half-mast' the flags should be positioned one-flag down from the mast peak

5 LEGISLATION

Flags Act 1953

		COUNCIL POLICY
		Flying of Flags (DRAFT)
Approved By:	Council	Document Code: CP-CBS-SG-015
Doc Controller:	Director Corporate and Commercial Services	Version: 4.0
File:	4/14/2	Approved Date: TBC
		Next Review Date: +4 years

6 RELATED DOCUMENTS

Not applicable.

7 OTHER REFERENCES

Australian Department of the Prime Minister and Cabinet: Australian National Flags Protocol.

Policy Endorsement	
Responsibility:	It is the responsibility of the Director Corporate and Commercial Services to administer and review this policy. It is the responsibility of the Customer Services Team to ensure the integrity of this policy is maintained at the City Offices. It is the responsibility of the Governance Unit to maintain this policy within the Corporate Document Framework.
Minute Reference:	TBC
Council Meeting Date:	TBC
Strategic Plan Reference:	Strategy 7.1.1 Formulate policy that is equitable, inclusive and responsive to current needs, and ensure decision-making is informed and accountable.
Previous Policies Replaced:	This policy replaces the previous Flying of Flags Policy CP-CBS-SG-015 v3.1 approved by Council on 18 June 2019, Item AO155-19.
Date of Commencement:	TBC
Publication of policy:	Members of the public may inspect this policy at the City Offices, or access it on Council's website (www.burnie.net)

CORPORATE AND BUSINESS SERVICES**AO066-21 AUDITOR-GENERAL'S REPORT ON THE FINANCIAL STATEMENTS
OF STATE ENTITIES****FILE NO: 13/2/3****PREVIOUS MIN:**

MAKING BURNIE 2030 – CORPORATE PLAN REFERENCE:

Direction	7~AN ENGAGING AND ACCOUNTABLE LEADERSHIP FOCUSED ON A STRONG FUTURE
Objective	7.4~A sustainable, viable financial future is assured and accountability is demonstrated through open and transparent processes.
Strategy	7.4.1~Ensure a long term strategic focus drives financial policy and decisions.

1.0 RECOMMENDATION:***“THAT Council:***

- 1) Note the information contained within the report.***
- 2) Consider the results of the Auditor-General's report within the Council's revised Financial Management Strategy, and broader budget development process.***
- 3) Note that further assessment with regard to the Council's asset sustainability ratio will be undertaken, with a subsequent report to be provided to the Audit Committee outlining recommended improvements to be implemented.”***

2.0 SUMMARY

The purpose of this report is to provide the Council with the Auditor-General's Report No. 11 of 2020-21 which outlines the aggregated financial statements of all 29 councils including subsidiaries, but excluding other local government entities.

The report provides an overview of the report findings as it relates to the Burnie City Council and supports advice provided to the Council in the development of its Financial Management Strategy and budget for the 2021-22 financial year.

3.0 BACKGROUND

The Tasmanian Audit Office is mandated to carry out the audit of the financial statements of the Treasurer and all Tasmanian State entities and audited subsidiaries of State entities.

The aim of the audit is to enhance the degree of confidence in the financial statements by expressing an opinion on whether they present fairly, in all material respects, the financial performance and position of the entity and were prepared in accordance with the relevant financial framework.

Additionally the Auditor-General provides a financial analysis of Tasmanian local government entities subject to audit, comprising 29 councils, 4 subsidiaries and 6 other entities.

The report provided is prepared taking account of the 2019-2020 financial year. It should be noted that there was not an equivalent report compiled last financial year on the basis that at that time some councils were late in submitting their financial statements on account of the impacts of COVID-19.

Of note in the report is the section related to the aggregated financial statements for the 29 councils and subsidiaries. This assessment of the aggregated financial results for 2019-20 is the focus of this report, specific to the results that relate to the Burnie City Council.

4.0 LEGISLATIVE REQUIREMENTS

In accordance with the *Local Government Act 1993*, the Council collectively is responsible for developing and monitoring the implementation of strategic plans and budgets.

Additionally the Council is responsible for the delivery of efficient and effective provision of services and facilities and the management of assets, all of which are underpinned by the financial sustainability of the Council.

5.0 POLICY CONSIDERATIONS

The Council will consider the adoption of its revised Financial Management Strategy at the Council meeting of 27 April 2021.

The revised Financial Management Strategy takes account of the outcomes of the Auditor-General's report as a means of ensuring there are strategies in place to increase Council's financial sustainability over the term of the Financial Management Strategy.

The Financial Management Strategy then underpins the development of the Council's budget for the 2021-22 financial year, which will be presented to the Council at a later date.

6.0 FINANCIAL IMPACT

The most significant financial impact that arises from this report is addressed in the following section and relates to the financial sustainability of the Council, both in the prior years assessed by the Auditor-General, but also into the future.

The current Annual Plan and Budget Estimates for the Council, adopted on 18 August 2020 (AO199-20), predicts and underlying deficit for the Council of \$2.185 million in the 2020-21 financial year.

To this end, the Council is currently considering the delivery of non core services in order to assess their ongoing sustainability, with a view to delivering the equivalent services to the community, but in a more financially sustainable way.

7.0 DISCUSSION

Aggregated Financial Result - Table 5

The Burnie City Council has realized an operating deficit (underlying structural deficit) for three of the past four financial years analysed in the Auditor-General's report, averaged at \$787,000 per annum (refer page 22).

This is consistent with the council's decision to reduce the rates burden to its community across the three previous financial years. The result is conversely indicative of the operational capacity and service delivery of the Council, not having been reviewed with a view to providing the corresponding financial savings necessary in order to enable a balanced budget position.

Additionally the negative financial impact of COVID-19 over the past twelve months has been significant to the Council. The Auditor-General's report indicates that this is indicative across all councils in the state, brought about by the provision of relief and assistance to the community to assist in alleviating the financial burden faced by them during the pandemic, including:

- Rate waivers;
- Waiving of penalty interest on outstanding rates;
- No fee for services incurred;
- Extending financial hardship policies;
- Bringing forward capital works funding to fast track works in order to aid economic recovery;
- Periods of free parking;
- Additional costs incurred in staffing, contractor costs and consumables to ensure that adequate physical distancing, hygiene and cleaning measures were implemented in both the workplace and the community;
- Employees transitioning to working from home arrangements necessitating considerable investment in technology;

For the Burnie City Council specifically this also included significantly less income derived from discretionary services such as parking, development, event and facility hire, and the cessation of a number of dividend payments that would have ordinarily been paid by various entities if not for the pandemic.

Taking account of these challenges, it should be noted that the assessment of the Auditor-General reports up to the 2019-20 financial year. With the previously indicated impacts of COVID-19 and the structural deficits over many years for the Burnie City Council, this year's financial position is expected to be in the order of \$2.3 million deficit this financial year.

Underlying Surplus or (Deficit) – Figure 9

An underlying surplus ratio is calculated by the Auditor-General to provide a more relative and consistent performance indicator for councils. It assesses the recurrent income and expenditure of a council, but excludes extraordinary factors that may arise in any year which are not reflective of normal business. Examples may include income provided for capital works or eligible termination payments.

The results for this metric are consistent with the Aggregated Financial Statements, indicating that the Council has realised an underlying deficit in the past three of the four financial years assessed by the Tasmanian Audit Office (refer page 24).

Asset Sustainability Ratio – Figure 16

The asset sustainability ratio is determined from a council's financial statements and assesses its capacity to renew its assets at a pace that will ensure they are maintained sustainably. The Burnie City Council has the lowest asset sustainability ratio in the state at an average of 47% (refer page 34).

In assessing this matter initial observations are that this is due to three fundamental factors:

- A disparity in the quality of data between the Asset Management System and the financial system which are managed and updated independently.
- Despite Council providing sufficient funding to meet its renewal obligations in the Asset Management Plan, a substantial proportion of this funding each year is utilised to construct new assets.
- The financial treatment of asset data during the preparation of the Council's financial statements could be improved to ensure more accurate reporting.

Cash Expense Cover Ratio – Figure 18

This metric is used to assess whether the level of unrestricted cash held by a council is considered appropriate by the Auditor-General. In accordance with the benchmarks used by the Tasmanian Audit Office the Burnie City Council has an adequate level of unrestricted cash.

8.0 RISK

The following table identifies the relevant risks associated with this report and how they may need to be addressed to either eliminate or reduce the risks.

Risk Category	Risk identified	Ways to eliminate or reduce the risk
Assets and infrastructure	Poor asset sustainability ratio resulting in the inability to invest the required renewal expenditure to maintain existing assets at the current standard.	Review the Council's Asset Management Plan; asset management condition assessment data; and review the accounting treatment of the existing capital works program.

Risk Category	Risk identified	Ways to eliminate or reduce the risk
Financial	Current financial operating deficits are unsustainable. If not addressed this would necessitate the need for significantly increased rate income.	Council consider the delivery of its existing services with a view to identifying potential cost savings. A review in regard to Council entities be undertaken to consider potential cost savings or efficiencies that may be possible.
Political	Significant rate increases would be unpalatable to the community.	Identify cost savings for the Council as a means of reducing the pressure on rate increases.
Strategic	Inability for the Council to consider new strategic priorities for the community.	Set aside new capital works and/or consider different ways of delivering existing strategic projects, as a means of reducing the corresponding increase new assets create on operational recurrent expenditure.

9.0 CONSULTATION

This report is tabled for consultation with the Council's Audit Committee at its meeting of 28 April 2021.

ATTACHMENTS

1. [Report of the Auditor-General - No. 11 2020-21 - Report on the Financial Statements of State Entities](#)

COUNCIL RESOLUTION**Resolution number: MO064-21****MOVED:** *Cr T Bulle***SECONDED:** *Cr D Pease****“THAT Council:***

- 1) Note the information contained within the report.***
- 2) Consider the results of the Auditor-General’s report within the Council’s revised Financial Management Strategy, and broader budget development process.***
- 3) Note that further assessment with regard to the Council’s asset sustainability ratio will be undertaken, with a subsequent report to be provided to the Audit Committee outlining recommended improvements to be implemented.”***

For: Cr S Kons, Cr A Boyd, Cr K Dorsey, Cr C Lynch, Cr A Keygan, Cr G Simpson, Cr T Bulle, Cr D Pease.

Against:

CARRIED UNANIMOUSLY

A large decorative graphic on the right side of the page, composed of a grid of hexagons. The top row has three hexagons with a blue sky. The middle section has several hexagons showing various Tasmanian landscapes, including mountains and forests. The bottom section has hexagons with a blue background and white silhouettes of the Tasmanian coat of arms.

**Report of the Auditor-General
No. 11 of 2020-21**

Auditor-General's Report on the
Financial Statements of State entities

Volume 2

Audit of State entities and audited
subsidiaries of State entities
31 December 2019 and 30 June 2020

25 March 2021

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The Role of the Auditor-General

The Auditor-General's roles and responsibilities, and therefore of the Tasmanian Audit Office, are set out in the *Audit Act 2008* (Audit Act). The Auditor-General's role as Parliament's auditor is unique.

Our primary responsibility is to conduct financial or 'attest' audits of the annual financial statements of State entities. State entities are defined in the Interpretation section of the Audit Act. We also audit those elements of the Treasurer's Annual Financial Report reporting on financial transactions in the Public Account, the General Government Sector and the Total State Sector.

Audits of financial statements are designed to add credibility to assertions made by accountable authorities in preparing their financial statements, enhancing their value to end users. Following the completion of financial audits, we report findings and outcomes to Parliament.

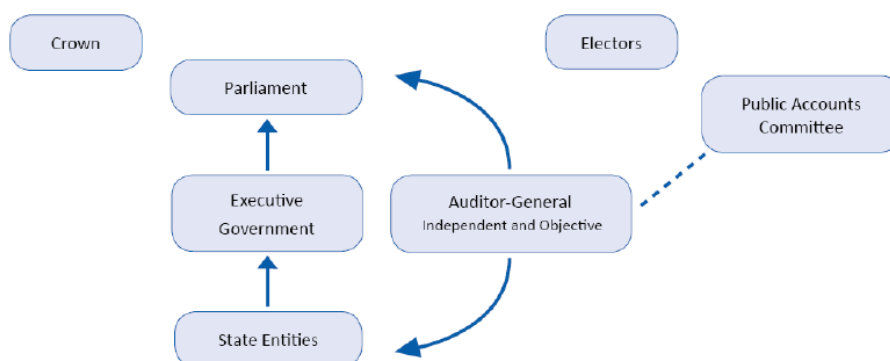
We also conduct performance audits and compliance audits. Performance audits examine whether a State entity is carrying out its activities effectively and doing so economically and efficiently. Audits may cover all or part of a State entity's operations, or consider particular issues across a number of State entities.

Compliance audits are aimed at ensuring compliance by State entities with directives, regulations and appropriate internal control procedures. Audits focus on selected systems (including information technology systems), account balances or projects.

We can also carry out investigations, but only relating to public money or to public property. In addition, the Auditor-General is responsible for state service employer investigations.

Where relevant, the Treasurer, a Minister or Ministers, other interested parties and accountable authorities are provided with opportunity to comment on any matters reported. Where they choose to do so, their responses, or summaries thereof, are detailed within the reports.

The Auditor-General's Relationship with the Parliament and State Entities



2021

(No. 3)



2021
PARLIAMENT OF TASMANIA

Auditor-General's Report on the Financial Statements of State entities

Volume 2

**Audit of State entities and audited subsidiaries of State entities
31 December 2019 and 30 June 2020**

25 March 2021

Presented to both Houses of Parliament pursuant to
Section 29 of the *Audit Act 2008*

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25 March 2021

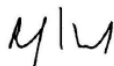
President, Legislative Council
Speaker, House of Assembly
Parliament House
HOBART TAS 7000

Dear President, Madam Speaker

Report of the Auditor-General No. 11 of 2020-21: Auditor-General's Report on the Financial Statements of State entities, Volume 2 - Audit of State entities and audited subsidiaries of State entities 31 December 2019 and 30 June 2020

In accordance with the requirements of section 29 of the *Audit Act 2008*, I have the pleasure in presenting the second volume of my report on the audit of the financial statements of State entities and audited subsidiaries of State entities for the years ended 31 December 2019 and 30 June 2020.

Yours sincerely



Rod Whitehead
Auditor-General

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Introduction

The Auditor-General has the mandate to carry out the audit of the financial statements of the Treasurer and all Tasmanian State entities and audited subsidiaries of State entities. The aim of a financial audit is to enhance the degree of confidence in the financial statements by expressing an opinion on whether they present fairly¹, in all material respects, the financial performance and position of State entities and were prepared in accordance with the relevant financial reporting framework.

This report updates and completes the information provided in *Report of the Auditor-General No. 8 of 2020-21: Auditor-General's Report on the Financial Statements of State entities, Volume 1 - Audit of State entities and audited subsidiaries of State entities 31 December 2019 and 30 June 2020*. This second volume contains the findings from all audits completed for the years ended 31 December 2019 and 30 June 2020 together with commentary on the local government sector.

This report has been prepared as at 3 March 2021. Due to some client specific matters still being addressed, two audits had yet to be completed.

The information provided in this report summarises the financial audits undertaken under sections 16 and 18 of the Audit Act. Audits undertaken by arrangement under section 28 of the Audit Act are not included in this report.

Overview of this report

This report summarises the outcomes of audits of financial statements of State entities and audited subsidiaries of State entities for the years ended 31 December 2019 and 30 June 2020.

This report includes summaries relating to:

- the timeliness of financial reporting
- audit opinions on financial statements
- audit findings
- prior period errors
- the local government sector.

Guide to using this report

Guidance relating to the use and interpretation of financial information included in this report can be found at the Tasmanian Audit Office (Office) website: www.audit.tas.gov.au

The guidance includes information on the calculation and explanation of financial ratios and performance indicators and the definition of audit finding risk ratings.

¹ Give a true and fair view in the case of entities reporting under the *Corporations Act 2001*.

Results of financial statement audits

Introduction

The Auditor-General has the mandate to carry out the audit of the financial statements of the Treasurer and all Tasmanian State entities and audited subsidiaries of State entities. The aim of an audit is to enhance the degree of confidence in the financial statements by expressing an opinion on whether they present fairly, in all material respects, the financial performance and position of the entity and were prepared in accordance with the relevant financial reporting framework.

This chapter summarises the financial audits undertaken under sections 16 and 18 of the Audit Act. Audits undertaken by arrangement under section 28 of the Audit Act are not included.

Submission of financial statements

State entities and audited subsidiaries of State entities are required to submit financial statements to the Auditor-General within 45 days after the end of each financial year. For 31 December 2019 and 30 June 2020 financial reporting, the deadlines fell on 14 February 2020 and 14 August 2020, respectively. Before accepting the financial statements as submitted, the Auditor-General determines whether the financial statements are complete in all material respects.

The Treasurer's Annual Financial Report (TAFR), comprising the statements reporting on the transactions within the Public Account during the financial year and the balances in the Public Account at the end of the financial year and those statements required to be prepared in accordance with the requirements of any written law, are to be submitted to the Auditor-General before 30 September each year.

State entities and subsidiaries of State entities 31 December 2019 and 30 June 2020

158

Financial statements submitted

86%

Financial statements submitted on time

TAFR comprising General Government Sector (GGS) financial statements and Public Account statements

Financial statements received 29 September 2020

For the years ended 31 December 2019 and 30 June 2020, 22 State entities failed to meet their submission deadline, compared to 20 State entities² that failed to meet the submission

² The Report of the Auditor-General No. 6 of 2019-20, Auditor-General's Report on the Financial Statements of State entities Volume 2 - Audit of State entities and audited subsidiaries of State entities 2018-19 reported 14 entities failed to meet their submission deadline. This number was for the 30 June 2019 balance date only and did not include entities where the audits had been dispensed.

deadline for the years ended 31 December 2018 and 30 June 2019. The increase was not unexpected given difficulties many entities encountered in preparing financial statements as a consequence of the impact of COVID-19.

The financial statements received for Aboriginal Land Council of Tasmania and its subsidiary palawa Enterprise Unit Trust had not been accepted by the Auditor-General as complete in all material respects at the time of this report.

Audit completion

Audit completion

As at the time of this report, 120 audits of financial statements for the years ended 31 December 2019 and 30 June 2020 had been completed. The audits of the financial statements for Aboriginal Land Council of Tasmania and its subsidiary palawa Enterprise Unit Trust had not been completed as the financial statements received from these entities had not been accepted by the Auditor-General as complete in all material respects at the time of this report.

Figure 1: Completed audits for State entities and audited subsidiaries by sector and legislative base



Timeliness of audit completion

The Auditor-General must audit the financial statements and issue an audit report outlining compliance with relevant legislation and accounting standards within 45 days of the date of submission. For financial statements submitted on 14 February 2020 and 14 August 2020, our deadlines fell on 30 March 2020 and 28 September 2020, respectively.

The audit of the financial statements in TAFR are required to be completed in sufficient time to enable the Treasurer to table the report in Parliament by 31 October each year.

State entities and audited subsidiaries of State entities 31 December 2019 and 30 June 2020

56³

Audits reports issued within deadline

TAFR comprising GGS financial statements and Public Account statements

Audit reports issued within deadline on 30 October 2020

Fifty three audits for the years ended 31 December 2019 and 30 June 2020 were not completed within required deadlines, compared to 39 for 31 December 2018 and 30 June 2019. The impacts of COVID-19, including working remotely, greater reliance on technology and delayed client responsiveness, combined with staff shortages in the Office, significantly affected our ability to complete audits within the statutory timeframes.

Audit opinions on financial statements

Types of audit opinions on the financial statements

The Auditor-General is required to issue an opinion on each financial statement audit conducted under the Audit Act. Australian Auditing Standards prescribe the auditor's reporting responsibilities, including the responsibility to form an opinion on whether the financial statements present fairly, in all material respects, the financial performance and position of State entities and were prepared in accordance with the relevant financial reporting framework.

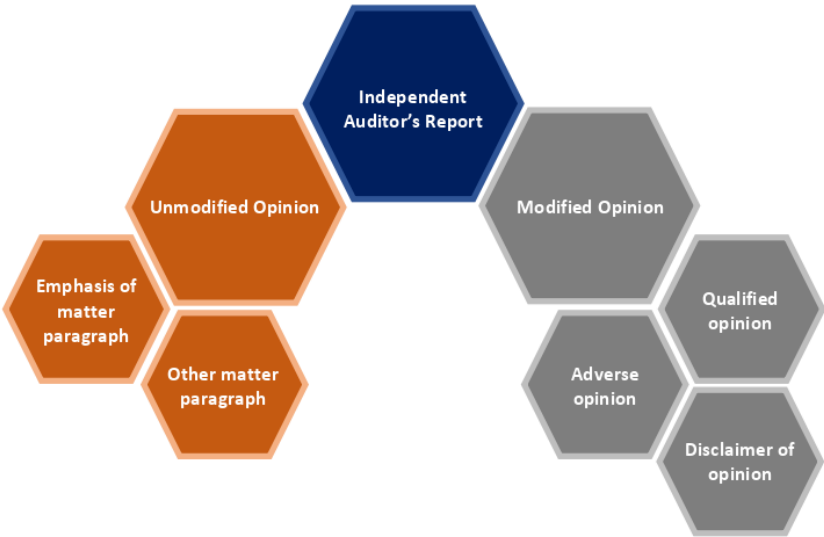
An opinion may be either:

- unmodified, when the auditor concludes that the financial statements were prepared, in all material respects, in accordance with the applicable financial reporting framework
- modified, (i.e., qualified opinion, adverse opinion or disclaimer of opinion) if the auditor concludes that the financial statements as a whole were not free from material misstatement or was unable to obtain sufficient appropriate audit evidence.

The types of audit opinions that may be issued in an independent auditor's report are depicted in Figure 2.

³ Based on completed audits, excluding dispensed with audits.

Figure 2: Types of audit opinions



The auditor can also communicate additional matters in the auditor’s report while still expressing an unmodified opinion on the financial statements: this is achieved by including an emphasis of matter or other matter paragraph. The purpose of this is to draw the attention of the users to relevant information, which in itself is not significant enough to result in a modified opinion.

Audit opinions expressed on financial statements

The number and type of auditor’s opinion expressed for completed financial statement audits are summarised in Figure 3.

Figure 3: Audit opinions for 31 December 2019 and 30 June 2020 audits



Qualified audit opinions

A qualified audit opinion is issued when a specific part of the financial statements contains a material misstatement or adequate evidence to support a material area cannot be obtained, but the remainder of the financial statements is fairly presented, in accordance with the relevant financial reporting framework.

King Island Council	<p>Council undertook an independent revaluation of road infrastructure as at 30 June 2020 and recognised the valuation in the financial statements for the year ended 30 June 2020.</p> <p>Notwithstanding the revaluation on 30 June 2020, the audit opinion on the financial statements remained modified due to the possible effect on comparability of the 30 June 2019 road infrastructure and associated asset revaluation reserve balances.</p>
National Trust of Australia (Tasmania)	<p>As at 30 June 2019, the Trust held certain heritage collections but not all of these assets were not recognised in the financial statements. The Trust recognised the remaining heritage collection assets during 2019-20.</p> <p>Notwithstanding recognition of the remaining items, the audit opinion on the 30 June 2020 financial statements remained modified due to the possible effect on comparability of the 30 June 2019 heritage collection assets balances.</p>

Audit opinions issued with an emphasis of matter paragraph

Two unmodified audit opinions were issued with an emphasis of matter paragraph, which was used to highlight matters that, although appropriately presented or disclosed in the financial statements, were fundamentally important to bring to the financial statement users' attention so as to assist with their understanding of the financial statements. Including an emphasis of matter paragraph does not modify the audit opinion.

An emphasis of matter paragraph was included in the auditor's report for the following entities:

Tasmanian Public Finance Corporation (TASCORP)	<p>The emphasis of matter paragraph drew attention to a note in the financial statements which described TASCORP's application of Treasurer's Instruction GBE-08-52-09P <i>Accounting Treatment of the Mersey Community Hospital Fund by the Tasmanian Public Finance Corporation</i> in respect of the Mersey Community Hospital Fund (MCH Fund).</p>
--	--

Tasmanian Affordable Housing	The emphasis of matter paragraph drew attention to notes 2 and 15 in the financial statements. Note 2 stated assets and liabilities were presented in decreasing order of liquidity and were not distinguished between current and non-current. Note 15 stated the directors resolved to adopt a non-going concern basis due to the activities of Tasmanian Affordable Housing having ceased.
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Audit opinions issued with a material uncertainty related to going concern paragraph

Two unmodified audit opinions were issued with a material uncertainty related to going concern paragraph, which was used to highlight disclosures made in the financial statements about the existence of material uncertainty related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern.

The identification of a material uncertainty is a matter that is important to users' understanding of the financial report. The use of a separate section with a heading that includes reference to the fact that a material uncertainty related to going concern exists alerts users to this circumstance. Including a material uncertainty related to going concern paragraph does not modify the audit opinion.

A material uncertainty related to going concern paragraph was included in the auditor's report for the following entities:

Abt Railway Ministerial Corporation	<p>The emphasis of matter paragraph drew attention to note 1.3 in the financial statements which disclosed Abt Railway Ministerial Corporation, as a consequence of the impact of the COVID 19 pandemic, incurred a loss of \$0.25m for the year ended 30 June 2020.</p> <p>Abt Railway Ministerial Corporation had projected a loss of \$5.00m before depreciation and Government appropriation revenue for the year ending 30 June 2021. There was uncertainty as to the amount of appropriation revenue Abt Railway Ministerial Corporation would receive for the year ending 30 June 2021 and whether it had sufficient financial resources to cover the projected loss.</p> <p>Note 1.3 stated these events or conditions, along with other matters, indicated a material uncertainty existed that may cast significant doubt on Abt Railway Ministerial Corporation's ability to continue as a going concern.</p>
National Trust of Australia (Tasmania) (the Trust)	The emphasis of matter paragraph drew attention to Note 1(u) in the financial report, which indicated that the Trust had a negative working capital of \$0.24m at 30 June 2020, a decline of \$0.62m from the prior year. In addition, after excluding income arising from the initial recognition

of heritage collection assets, the Trust incurred a loss of \$0.32m for the year ended 30 June 2020.

There is uncertainty as to whether the Trust has sufficient financial resources to cover a similar decline in the year ending 30 June 2021. As stated in Note 1(u), these events or conditions, along with other matters as set forth in Note 1(u), indicated that a material uncertainty existed that may cast significant doubt on the Trust's ability to continue as a going concern.

Findings from 31 December 2019 and 30 June 2020 audits

31 December 2019 30 June 2020		31 December 2018 30 June 2019	
146	140	186*	138*
Audit matters raised	Audit matters raised in prior periods assessed as unresolved	Audit matters raised	Audit matters raised in prior periods assessed as unresolved

* Figures have been amended from the 2019 Report, with findings for all December 2018 and June 2019 completed audits being included.

Deficiencies in internal controls, accounting issues, governance matters and unresolved issues identified during an audit are reported to management, those charged with governance of State entities and relevant Ministers. These are communicated by way of management letters, which include finding observations, related implications, recommendations and risk ratings. Management responses to findings are also reported together with the expected dates matters are to be resolved by.

Each finding is categorised as high, moderate or low risk, depending on its potential impact. The definition of these risk categories is contained in the *Guide to using reports on the audit of financial statements of State entities*, which is available on the Office's website: www.audit.tas.gov.au

The following tables summarise findings for 31 December 2019 and 30 June 2020 by both area and sector.

Table 1: 31 December 2019 and 30 June 2020 audit findings by area

	High Risk	Moderate Risk	Low Risk	Total
Assets	3	16	15	34
IT Systems and Security	1	18	15	34
Expenditure	-	1	6	7
Payroll	-	9	14	23
Revenue/Debtors	1	5	7	13
Governance	2	4	6	12
Policies and Procedures	-	4	6	10
Other	2	5	6	13
Total	9	62	75	146

Table 2: 31 December 2019 and 30 June 2020 audit findings by sector

	High Risk	Moderate Risk	Low Risk	Total
General Government Sector	-	22	23	45
Government businesses	-	10	15	25
Local government	9	29	36	74
Other	-	1	1	2
Total	9	62	75	146

High risk findings

High risk findings for Assets were identified at Huon Valley, King Island and West Coast Councils, and related to the currency of infrastructure valuations and componentisation of unsealed roads. The high risk IT Systems and Security finding related to a change in financial reporting software at Hobart City Council (Hobart City).

Other high risk findings related to:

- Brighton Council (Brighton) – cash receipts were processed into the general ledger and could not be reversed. Any error or omission was corrected by general journals which were not reviewed or reconciled.
- Clarence City Council (Clarence City) – lack of segregation of duties in processing of journals.
- Northern Midlands Council (Northern Midlands) – lack of management review of expert valuation reports/workings.

- Northern Tasmania Regional Development Corporation Ltd – recognition of council contributions.
- Tasman Council – year end reconciliation processes.

Management responses acknowledging and providing proposed responses to these matters have been received from the respective entities.

Moderate risk findings

Moderate risk findings covered a broad range of matters. Moderate risk findings for Assets related to less pervasive findings associated with asset revaluation processes and reconciliation of asset registers.

Account security and software access controls dominated the moderate findings in the IT Systems and Security category. Issues also included methods of calculating leave balances, controls surrounding bank reconciliation processes and breakdowns in the design and implementation of key internal controls in payroll, payments and receipting systems. The Other classification findings include a number of accounting and financial reporting matters.

Low risk findings

Low risk findings were found across all areas but were generally considered to be isolated, non-systemic or procedural in nature. In some cases they represented opportunities to improve existing processes or further strengthen existing controls, particularly in Assets, IT systems and security and payroll.

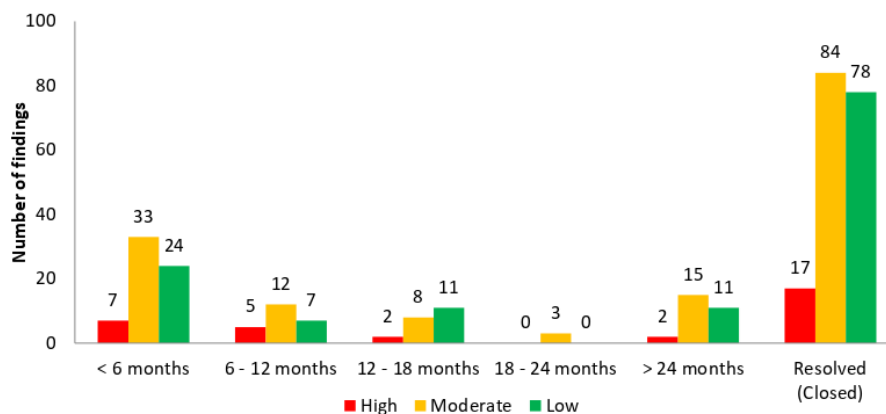
Prior year findings

45%

Issues previously reported remained unresolved

Unresolved prior years findings are followed up each year to confirm whether they have been resolved or satisfactorily addressed by management. The status of previously reported findings is summarised in Figure 4.

Figure 4: Previously reported findings (yet to be resolved from date corrective action was due) aging analysis



Efficient resolution of audit findings is crucial to reduce an entity's exposure to risk. During 2019-20, 56.1% of issues previously reported were resolved. Only four high risk issues over 12 months old had yet to be resolved, two of which were over 24 months old. These related to:

- discrepancies with the recognition of heritage collection assets held by National Trust of Australia (Tasmania)
- inadequate segregation of duties across multiple areas at Glamorgan Spring Bay Council
- information security policy for Tasracing Pty Ltd
- revaluation of land, roads, drainage and other structures at West Coast Council.

Table 3: Prior years unresolved audit findings by area

	High Risk	Moderate Risk	Low Risk	Total
Assets	4	15	5	24
IT Security	6	20	9	35
Expenditure	-	7	3	10
Payroll	-	6	14	20
Revenue/Debtors	-	4	3	7
Governance	-	2	6	8
Policies and Procedures	1	11	7	19
Other	5	6	6	17
Total	16	71	53	140

High risk findings previously reported but not yet resolved largely related to asset valuations. Other high risk findings related to bank reconciliations, segregation of duties, revenue reporting, documentation and various internal processes.

Unresolved Moderate risk and Low risk findings covered a broad range of matters. The majority related to assets, IT security, many of which had extended lead times for resolution, and payroll.

Table 4: Prior years unresolved audit findings by sector

	High Risk	Moderate Risk	Low Risk	Total
General Government Sector	3	26	17	47
Government businesses	1	3	8	12
Local government	12	39	27	78
Other	-	3	1	4
Total	16	71	53	140

Local government entities had the largest number of unresolved prior year findings as well as the largest number of high risk findings. These high risk findings predominantly related the implementation and controls related to IT system. GGS entities had two unresolved high risk findings, the majority of which also related to asset valuations. A detailed breakdown of current and prior year findings by entity can be found in Appendix B.

Prior period errors

Eighteen prior period errors were reported in the completed audits for 31 December 2019 and 30 June 2020, with 17 identified by the entities themselves and one identified by the auditor. This was higher than the prior financial year where nine prior period errors were reported. Seven of the prior period errors were not deemed material, with the entity deciding to process the misstatement as a prior period error.

A prior period error represents an omission or misstatement in an entity's financial statements for one or more prior periods. For reported prior period errors the following disclosures are required in the financial statements:

- (a) the nature of the prior period error
- (b) for each prior period presented, to the extent practicable, the amount of the correction for each financial statement line item affected
- (c) the amount of the correction at the beginning of the earliest prior period presented.

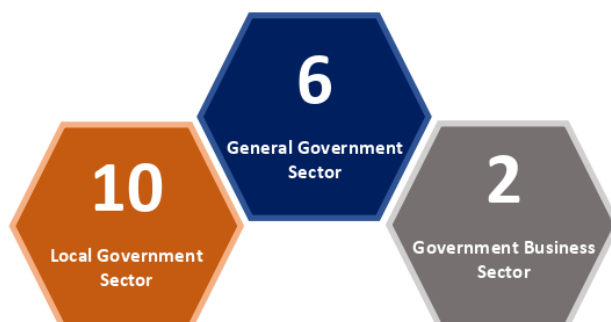
Where it is impracticable to adjust figures for a particular prior period, the financial statements must disclose the circumstances that led to the existence of the condition and a description of how and from when the error had been corrected.

Audit procedures undertaken to assess the appropriateness of prior period errors included:

- inspection and testing of evidence leading to the occurrence and quantification of the error
- consideration of the size and nature of the misstatements, both in relation to particular classes of transactions, account balances or disclosures and the financial statements as a whole
- discussions with management to confirm the appropriateness of the accounting treatment and disclosures to be made in the financial statements
- an assessment by the Office's technical committee for review of the proposed accounting treatment and disclosures.

Where material errors impact financial results and balances prior to the comparative year, a restated third statement of financial position may be required to be presented. Of the 11 entities that disclosed material prior period errors, none presented a third statement of financial position.

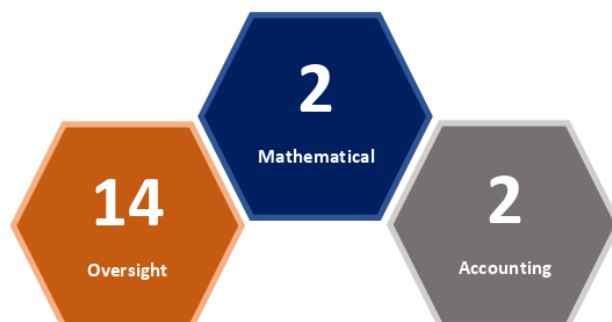
Figure 5: Prior period errors - by sector



Ten of the errors occurred in the local government sector, two errors in the Government business sector and six in the GGS, with the majority of errors relating to assets.

Prior period errors arose from a failure to use available and reliable information which could reasonably have been expected to be obtained and taken into account in the preparation and presentation of the financial statements. These included mathematical mistakes, the application of accounting policies, oversights or misinterpretations of facts.

Figure 6: Prior period errors - by nature



Given the size, nature and complexity of assets recognised in statements of financial position, it is not surprising most prior period errors arose in this area. These included found assets, assets recorded that were not owned or controlled and costs incorrectly recorded as work-in-progress.

There was no commonality in the cause of these errors, making it difficult to predict the likelihood of similar undetected errors across other entities.

Further particulars of the 18 prior period errors are provided below.

9

Assets recognition/valuation

Glenorchy City Council (Glenorchy City) (Local Government)	<p>During the revaluation of assets in 2019-20, Glenorchy City identified transport, stormwater and drainage, land and buildings and other improvements assets that were not previously recorded in the asset register.</p> <p>Infrastructure assets including accumulated depreciation, together with accumulated funds had been understated by \$2.34m at 1 July 2018.</p>
Glenorchy City (Local Government)	<p>During 2019-20, Glenorchy City noted a fire trail not under its control and stormwater assets recorded but not in existence.</p> <p>These assets were derecognised resulting in transport, stormwater and drainage assets and accumulated surplus being reduced by \$0.13m at 1 July 2018.</p>
Glenorchy City (Local Government)	<p>During the revaluation of assets in 2019-20, Glenorchy City identified transport assets included a cycleway incorrectly revalued in a prior year based on incorrect dimensions.</p> <p>Infrastructure assets were overstated by \$5.91m, together with accumulated funds, at 1 July 2018.</p>

Kingborough Council (Local Government)	<p>During 2019-20, Kingborough Council identified errors in the calculation of values of non-cash vested (contributed) assets that were capitalised at incorrect values in previous financial years.</p> <p>Infrastructure assets were overstated by \$1.98m, together with accumulated funds (contributions revenue, net of depreciation), at 1 July 2018.</p>
Sorell Council (Local Government)	<p>During the revaluation of transport infrastructure and land, and through a review of buildings, stormwater and land improvement assets, Sorell Council identified:</p> <ul style="list-style-type: none"> • assets not previously recorded • assets not owned by Sorell Council • assets that could not be found or should not have been valued. <p>The impact on the 2018-19 financial statements was net assets and accumulated surplus were both overstated by \$0.30m. In addition, the depreciation expense was overstated by \$35 000.</p> <p>A prior period error was recognised as at 1 July 2018 adjusting opening accumulated surplus, property plant and equipment and the depreciation expense.</p>
TasRacing Pty Ltd (Government Business)	<p>During 2019-20, it was discovered that a parcel of land previously owned by TOTE Tasmania Pty Ltd had not been recognised in the financial records of Tasracing at its inception.</p> <p>The net impact on the financial statements was net assets and equity were both understated by \$0.19m.</p> <p>A prior period error was recognised as at 1 July 2018 increasing land assets and issued capital.</p>
Department of Primary Industries, Parks, Water and Environment (DPIPWE) (GGS)	<p>During 2019-20, a reconciliation was performed of land assets within DPIPWE's asset register with external land databases. The process identified eight Parks and Wildlife Service assets recorded on the asset register, but no longer controlled by DPIPWE. In addition, one asset not recorded.</p> <p>A prior period error was recognised as at 1 July 2018 decreasing both national parks, reserves and crown land and accumulated funds by \$19.25m.</p>

DPIPWE (GGS)	<p>In 2019-20, a reconciliation was performed of all infrastructure and plant and equipment assets, in DPIPWE's asset register, with the Parks and Wildlife Service asset management system. The reconciliation identified 62 assets as incorrectly recorded on DPIPWE's asset register.</p> <p>A prior period error was recognised as at 1 July 2018 decreasing infrastructure assets and the asset revaluation reserve by \$11.19m and \$12.53m, respectively. Accumulated funds increased by \$1.34m.</p>
National Trust of Australia (Tasmania) (Other)	<p>During 2019-20, it was found that valuations undertaken in prior years on the heritage assets had not been recorded in the collection database at 30 June 2019. In 2018-19, the Trust incorrectly assumed the collection database represented all of the valued collection assets at balance date. Based on this assumption, the value of assets recognised in the Statement of Comprehensive Income of \$1.10m and the balance of heritage collection assets at 30 June 2019 recorded in the Statement of Financial Position of \$3.50m were both incorrect.</p> <p>A prior period error was recognised as at 1 July 2019 decreasing infrastructure assets and the asset revaluation Revenue and Property, Plant and Equipment by \$0.53m.</p>

2

Work in Progress

Launceston City Council (Launceston City) (Local Government)	<p>A review of work in progress identified costs that should have been expensed rather than capitalised. These costs related to the purchase and construction of assets not controlled by Launceston City. The costs were incurred before 1 July 2018.</p> <p>A prior period error was recognised as at 1 July 2020 reducing both opening revenue reserves and property, infrastructure and plant and equipment by \$14.29m.</p>
Department of Health (DoH) (GGS)	<p>During 2019-20, DoH identified capitalised work in progress in relation to the Royal Hobart Hospital redevelopment was incorrectly recorded in the 2017-18 financial statements. Work in progress included \$62.92m which related to sections of work which had been completed and was in use by the Tasmanian Health Service (THS) prior to 30 June 2018. Work in progress also included \$15.90m of project related expenditure that did not qualify for capitalisation.</p>

A prior period error was recognised as at 1 July 2018 reducing the value of buildings by \$78.82m and increasing grants and subsidies, and supplies and consumables expenses by \$62.92m and 15.90m, respectively. The increase in expenses resulted in accumulated funds (deficits) increasing by \$78.82m.

7

Other

Glenorchy City (Local Government)	<p>In 2019-20, Glenorchy City found equipment and furniture assets that were not being depreciated.</p> <p>The depreciation expense was adjusted in 2018-19 by \$0.24m, with an adjustment to the depreciation expense in 2017-18 processed as at 1 July 2018, \$0.26m.</p>
Glenorchy City (Local Government)	<p>Glenorchy City identified both an asset purchase and sale incorrectly recorded in the 2018-19 financial statements.</p> <p>The net impact on the 2018-19 financial statements was equipment furniture and fittings and the net result for the year were both understated by \$26 000.</p>
Huon Valley Council (Local Government)	<p>During 2019-20, it was discovered an invoice was issued in error. The net impact of the error resulted in other income, trade and other receivables and accumulated surplus all being overstated by \$0.17m in 2018-19.</p>
Huon Valley Council (Local Government)	<p>During the year Huon Valley Council identified depreciation for property, plant and equipment was incorrectly calculated in the 2018-19 financial year. This error result in depreciation being understated and property, infrastructure, plant and equipment being overstated, each by \$78 000.</p>
Housing Tasmania (GGS)	<p>During 2019-20, the Department of Communities Tasmania identified a project code created during the 2018-19 financial year was not allocated to the Housing Tasmania reporting entity. This resulted in the transactions and year end balances associated with this cost centre not being included in Housing Tasmania's 2018-19 financial statements.</p> <p>The net impact on the 2018-19 financial statements was the net result for the year and net asset position were both understated by \$8.86m.</p>

	<p>A prior period error was recognised as at 1 July 2018 adjusting opening retained earnings, appropriation capital, employee benefits expense, supplies and consumables, grants and subsidies expense, receivables, property plant and equipment and equipment, payables, employee benefit liabilities and other liabilities.</p>
Tasmanian Health Service (GGS)	<p>During 2019-20, it was identified assets transferred from DoH to THS in relation to the Royal Hobart Hospital redevelopment had not been recorded correctly in the 2017-18 financial statements.</p> <p>Completed works transferred from the DoH to THS for no consideration should have been recorded as grants in the Statement of Comprehensive Income. As the works related to sections of the Royal Hobart Hospital site which had been valued by the Office of the Valuer-General as at 30 June 2018, the carrying value of the transferred assets was correctly recorded as at that date but the asset revaluation reserve was overstated.</p> <p>A prior period error was recognised as at 1 July 2018 increasing grants revenue and reducing the asset revaluation reserve by \$62.92m.</p>
Macquarie Point Development Corporation (Government Business)	<p>During 2019-20, the Macquarie Point Development Corporation identified contributions relating to the transfer of ownership of the Macquarie Point site land and buildings to the Corporation were incorrectly recorded in the 2018-19 statements.</p> <p>The amount of the contributions had not been reduced for existing assets relating to building improvements.</p> <p>A prior period error was recognised to reduce the 2018-19 contributions received by \$3.47m with offsetting corrections to land and buildings balances of \$2.75m and \$0.72m, respectively.</p>

Local government

Introduction

This chapter contains our financial analysis of Tasmanian local government entities subject to audit, comprising the 29 councils, 4 subsidiaries and 6 other entities.

At the date of this report, the audits of all financial statements for the year ended 30 June 2020 have been completed. Due to delays in submission of financial statements by two councils in 2019, a report was not produced for 2018-19. However, comparative information in this report has been updated to reflect the finalisation of all 2018-19 audits.

Local government sector developments

This section summarises significant developments that affected the operations of councils identified during the course of the audits.

COVID-19

Councils were all impacted by the COVID-19 pandemic to varying degrees. Common impacts included:

- providing relief and assistance to the community to assist in alleviating financial burdens faced by them. Such measures included:
 - rate waivers
 - waiving of penalty interest on outstanding rates
 - no fees for community groups for hiring of council facilities
 - suspension of increases in rates, user charges and fees
 - extending financial hardship policies
 - assistance for economic recovery through fast-tracked capital works
 - periods of free parking
 - development of promotions and event programs to support community recovery
- councils encountering additional costs to ensure adequate physical distancing, hygiene and cleaning measures were implemented in both the workplace and the community
- decreased employee leave resulting in higher leave liability balances at 30 June 2020
- employees transitioning to working from home arrangements
- changes to internal control environments and processes as a result of working from home.

Tasmanian Water and Sewerage Corporation Pty Ltd

In accordance with a Share Subscription and Implementation Agreement (the Agreement), the Tasmanian Government subscribed to a further one per cent ownership interest in the Tasmanian Water and Sewerage Corporation Pty Ltd (TasWater) in 2019-20, resulting in a two per cent ownership interest at 30 June 2020. Following issue of additional shares to the Tasmanian Government, the percentage ownership interest held by the 29 council shareholders was adjusted. Similar changes will occur each financial year up to 30 June 2028 subject to the Tasmanian Government meeting its obligations to subscribe to shares in accordance with the Agreement.

Distributions to owner councils decreased from a total of \$20.00m in 2018-19 to \$10.00m in 2019-20. TasWater made a decision to not pay additional interim or final dividends for 2019-20 given the uncertainty of the impact COVID-19 would have on its financial results.

TasWater's equity decreased from \$1.86bn at 30 June 2019 to \$1.44bn at 30 June 2020. The decrease was primarily due to a revaluation decrement of \$442.40m associated with TasWater's water and sewerage assets. This resulted in councils recognising significant decreases in their investment in TasWater in 2019-20, which totalled \$427.07m.

Model financial statements

Amendments to the *Local Government Act 1993* (the Act), as contained in the *Local Government Amendment (Targeted Review) Act 2017*, will require use of the Local Government Model Financial Statements (the model) by Councils. The model will be provided by the Auditor-General but issued, and published by, the Director of Local Government.

The aim of these changes is to provide greater consistency in financial reporting leading to improved comparability of council financial performance and position.

While the commencement date has yet to be proclaimed, it is anticipated the model will apply from financial years ending on or after 30 June 2022.

Individual council key developments

The following section summarises some significant developments during 2018-19 and 2019-20 affecting the operations of individual councils identified during the course of our audits.

Glenorchy City

Glenorchy City entered into negotiations to sell the Derwent Entertainment Centre and land at Wilkinsons Point to the Tasmanian Government. These negotiations formed part of the Tasmanian Government's broader negotiations to develop these assets into a waterfront sports, retail and entertainment precinct and to facilitate the establishment of a team in the Tasmanian National Basketball League. Glenorchy City retained the foreshore at Wilkinsons Point, securing the future of existing infrastructure and ensuring public access.

Negotiations were finalised after 30 June 2020 with the sale completed on 4 November 2020 for the sum of \$8.00m.

Hobart City

Hobart City continued working with the Australian and Tasmanian Governments and Clarence City, Glenorchy City, and Kingborough Council to progress the Hobart City Deal. The Hobart City Deal (City Deal) Implementation Plan was released in October 2019. The City Deal is a shared vision encouraging the development of Greater Hobart over the next 10 years. The City Deal included a range of commitments and projects including improved public transport, housing and urban renewal.

In its first year of implementation, key achievements included:

- \$20.80m commitment to new park and ride and bus services in Kingston, expected to reduce congestion in Hobart
- progressing a number of initiatives for investment in affordable housing in the Greater Hobart area.

Launceston City

Launceston City further progressed the City Heart Project with the completion of the Civic Square redevelopment at a total cost of \$7.12m.

Additional projects completed during 2018-19 and 2019-20 included:

- North Bank redevelopment (now known as Riverbend Park), including the pedestrian bridge, \$14.00m
- CH Smith carpark, \$10.08m.

Launceston City announced plans for the redevelopment of the former Birchalls building and Paterson Street Central carpark for the construction of a bus interchange and undercover arcade. Council partnered with the Tasmanian Government to develop the bus interchange, which will allow the relocation of bus stops currently located in St John Street, and allow for future redevelopment of the street as part of the City Heart Project. Council's purchase of the vacant Birchalls building will facilitate the private development of a ground-level arcade, linking through to the Brisbane Street Mall.

Council expected aspects of the redevelopment to commence in 2020-21, however recent delays will defer the commencement of work until 2021-22.

Devonport City Council

Further progress was made with the Living City strategy, with site works commencing on the \$15.00m Waterfront Park redevelopment.

Additionally, on 29 June 2020 Council sold the parcel of land on which the privately funded \$40.00m Waterfront Hotel was to be constructed.

Aggregated financial statements

This section focuses on the aggregated financial information for all 29 councils, including subsidiaries but excluding other local government entities. Transactions between councils have not been identified or eliminated in our aggregation of the financial statements.

Details of Local Government sector aggregated financial results for 2019-20 are set out in Table 5. The financial results are presented based on the councils being grouped into two classifications, urban and rural as follows:

- urban, populations greater than 20 000 or at a density >30 per square kilometre
- rural, populations up to 20 000 at a density of <30 per square kilometre.

Table 5: Aggregated financial results

	Underlying surplus (deficit)	Net surplus (deficit)	Total comprehensive surplus (deficit)	Net assets
Council	\$'000s	\$'000s	\$'000s	\$'000s
Urban				
Brighton	(727)	766	(5 000)	195 993
Burnie City	(787)	2 267	(7 398)	412 876
Central Coast	(1 506)	1 004	(32 160)	513 588
Clarence City	5 217	13 249	17 777	843 127
Devonport City	(1 797)	(837)	9 533	565 170
Glenorchy City	(2 822)	(5 214)	(31 887)	862 141
Hobart City	(7 127)	(4 486)	266 730	2 029 109
Kingborough	(650)	12 431	(17 994)	637 233
Launceston City	(7 217)	10 827	(4 019)	1 893 017
West Tamar	1 600	3 230	9 557	360 833
Total Urban	(15 816)	33 237	205 139	8 313 087
Rural				
Break O'Day	144	5 527	2 523	184 186
Central Highlands	287	911	(581)	100 651
Circular Head	(1 491)	(231)	8 590	220 742
Derwent Valley	(268)	2 640	(734)	133 259
Dorset	178	695	(2 740)	186 377
Flinders	351	691	(58)	56 327

	Underlying surplus (deficit)	Net surplus (deficit)	Total comprehensive surplus (deficit)	Net assets
Council	\$'000s	\$'000s	\$'000s	\$'000s
George Town	462	1 469	4 038	136 727
Glamorgan Spring Bay	(1 091)	1 215	(4 834)	147 164
Huon Valley	33	5 324	23 532	291 411
Kentish	385	1 992	18 920	158 017
King Island	(1 265)	1 739	2 354	74 482
Latrobe	(215)	883	7 739	210 971
Meander Valley	434	3 476	(4 349)	301 536
Northern Midlands	(1 178)	408	65 188	388 705
Sorell	367	7 101	16 735	297 131
Southern Midlands	157	984	(2 428)	112 211
Tasman	212	2 165	2 129	69 910
Waratah - Wynyard	(26)	3 596	30 894	250 928
West Coast	(930)	(377)	290	117 000
Total Rural	(3 454)	40 208	167 208	3 437 735
All Councils				
Total	(19 270)	73 445	372 347	11 750 822

Councils generated an overall Net surplus of \$73.45m in 2019-20, a significant increase of \$52.05m from the 2018-19 Net surplus of \$21.40m. The change was mainly due to the write-off in 2018-19 by Hobart City of \$67.35m in assets, associated with the transfer of ownership of Macquarie and Davey Streets and Brooker Avenue to the Tasmanian Government. This was offset by a reduction in the sector's investment revenue from TasWater in 2019-20 of \$10.00m.

The Australian Government provides Financial Assistance Grants to councils each year which are untied, allowing councils to spend the grants according to local priorities. In a normal financial year, quarterly instalments totalling about \$17.00m to \$18.00m each are expected, however, in recent years some payments were made in advance. Payments in 2019-20 included advance payments of \$38.88m being half of the 2020-21 allocation. Similar advance payments of \$39.39m were received in 2018-19, representing half of the 2019-20 allocation.

As Financial Assistance Grants are untied and have no performance obligations, AASB 1058 *Income of Not-For-Profit Entities* requires councils recognise the advance payments as revenue when received. The advance payments have been adjusted for in the calculation of the 2019-20 underlying result, with the 2018-19 advance payment for 2019-20 included in the calculation and the 2019-20 advance payment for 2020-21 excluded. The Net surplus balance reflects the funding actually received and is not adjusted for the advance payments.

Underlying result



▲ improvement from prior year ▼ deterioration from prior year ● no material change from prior year

For the purpose of calculating a council's Underlying surplus or deficit (underlying result), we have applied the definition of Underlying surplus or deficit in the *Local Government (Management Indicators) Order 2014*, as follows:

'underlying surplus or deficit is the amount that is the recurrent income (not including income received specifically for new or upgraded assets, physical resources received free of charge or other income of a capital nature) of a council for a financial year less the recurrent expenses of the council for the financial year.'

The intent of the underlying result is to show the outcome of a council's normal or usual day-to-day operations. It is intended to remove extraneous factors that could create volatility and therefore make it difficult for users to understand the outcome of a council's normal operations.

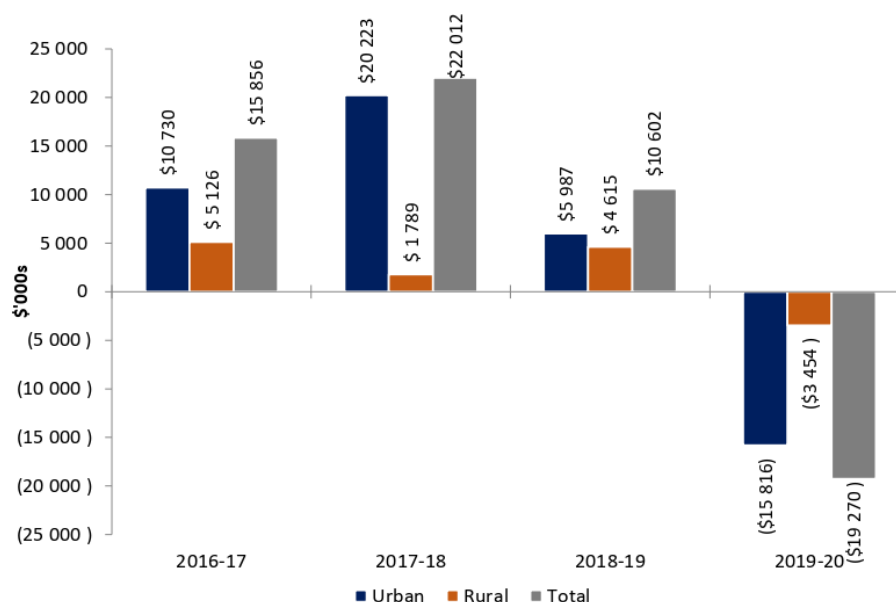
The term 'recurrent' is a commonly used term by government entities to refer to transactions for all purposes except those of a capital nature. While the meaning of the word 'recurrent' may be interpreted as referring to items regularly occurring or repeating, for the purposes of determining underlying result, it included operational transactions that may occur once or infrequently such as changes to existing decommissioning, rehabilitation, restoration or similar provisions or financial support, subsidies, grants and programs to organisations, businesses or industry. Recurrent transactions included gains or losses on disposal of assets, unless there was an unusual reason for the disposal, such as a natural disaster.

Income of a capital nature included amounts received that did not form part of operating activities and were in connection with non-financial assets. Examples included capital Roads to Recovery (RTR) funding, reimbursements of costs under the Natural Disaster Relief and Recovery Arrangements (NDRRA), gains or losses from one-off disposal of surplus assets or discontinued operations.

Other items, although not capital in nature, that would usually be excluded from underlying result include Australian Government Financial Assistance Grants received in advance,

clearly identifiable clean-up costs after a natural disaster which were claimable under insurance or NDRRA and payments or provisions in relation to a redundancy program.

Figure 7: Underlying surplus (deficit)



As shown in Figure 7, councils produced an underlying deficit of \$19.27m for 2019-20, a decrease of \$29.87m compared to the previous year underlying surplus of \$10.60m. The change in the total underlying result was primarily due to increased operating expenses of \$37.35m driven by higher employee costs of \$14.49m (or by 5.1%) and higher depreciation expense of \$14.04m (8.0%).

The increased expenses were partially offset by a \$7.47m increase in operating revenue. The increased revenue was the result of a combination of movements, including:

- higher rate revenue of \$22.15m, an increase of 4.3%
- reduced investment revenue from TasWater of \$10.00m
- lower interest revenue of \$3.85m
- lost revenue resulting from the impact of COVID-19. This impact has not been quantified by councils, however, revenue from fees and charges decreased by \$3.57m from the prior year.

In 2019-20, 16 councils recorded underlying deficits totalling \$29.10m compared to 11 in 2018-19 totalling \$9.37m. This represented eight councils moving from an underlying surplus in 2018-19 to an underlying deficit in 2019-20 and three councils moving from an underlying deficit in 2018-19 to an underlying surplus in 2019-20. The more notable movements in underlying results were:

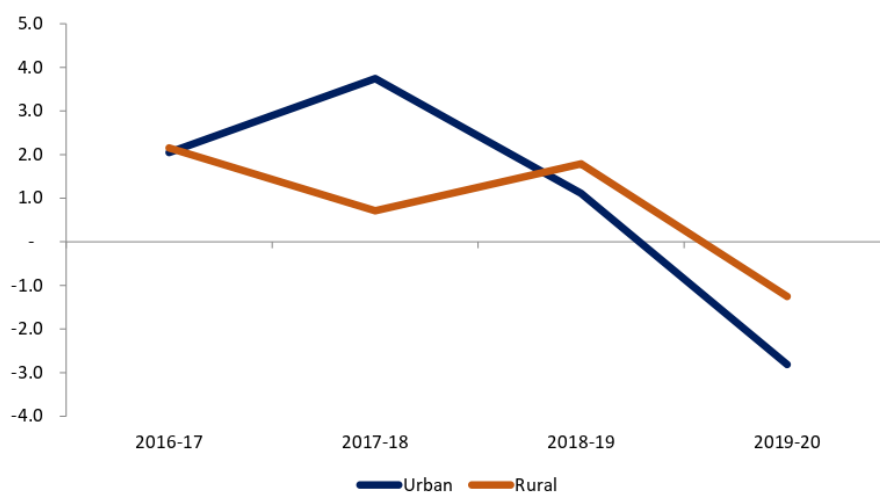
- Launceston City recorded an underlying deficit in 2019-20 of \$7.22m compared with an underlying surplus in 2018-19 of \$2.06m, a downward movement of \$9.27m. The

main causes for the downturn were a movement in the provision for rehabilitation of Launceston City's waste centre of \$2.84m, loss of revenue as a result of COVID-19 (which Launceston City estimated to be in excess of \$2.5m), higher depreciation expense of \$1.10m and decreased investment revenue from TasWater of \$1.36m.

- Hobart City recorded an underlying deficit in 2019-20 of \$7.13m compared with an underlying surplus in 2018-19 of \$1.25m, a decline of \$8.37m. The main causes for the downturn were higher employee costs and depreciation expense of \$3.55m and \$3.71m, respectively.
- Glenorchy City recorded an underlying deficit in 2019-20 of \$2.82m compared to an underlying deficit of in 2018-19 of \$0.16m, a downward movement of \$2.66m. The main causes for the movement were increases in employee costs and depreciation expense of \$1.87m and \$1.25m, respectively.
- Northern Midlands recorded an underlying deficit in 2019-20 of \$1.18m compared with an underlying surplus in 2018-19 of \$0.90m, a downward movement of \$2.07m. The main reasons for the change were increased net loss on disposal of Property Plant and Equipment and employee costs of \$0.89m and \$0.74m, respectively.
- Flinders Council (Flinders) recorded an underlying surplus in 2019-20 of \$0.35m compared with an underlying deficit in 2018-19 of \$3.28m, an improvement of \$3.64m. The main reason was the completion of the Telstra Telecommunication Upgrade project, with expenditure relating to this project reducing from \$5.00m in 2018-19 to \$0.28m in 2019-20. The decreased expenditure was partly offset by reduced grant revenue associated with the project of \$1.84m.

The movement in the underlying ratio and highlights the decline, particularly for urban councils, is illustrated in Figure 8.

Figure 8: Underlying surplus ratio

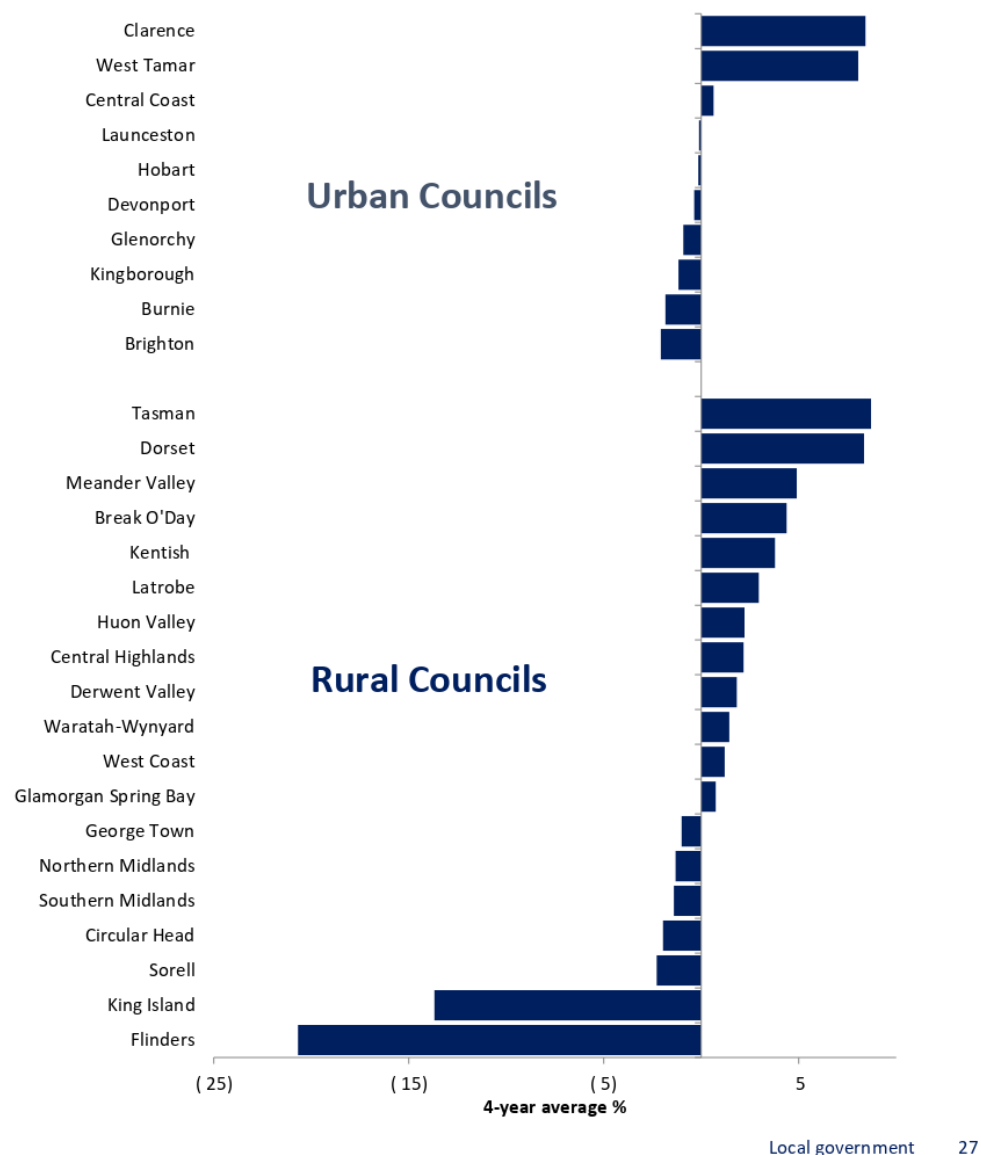


The underlying surplus ratio for urban councils decreased from a positive 3.7% in 2017-18 to a negative 2.8% in 2019-20. As noted previously, the main drivers were increased employee costs and depreciation expense, which were not supported by similar increases in revenue.

The underlying surplus ratio for rural councils decreased from a positive 1.8% in 2018-19 to negative 1.3% in 2019-20. The decline for rural councils was not as dramatic, due to the impact of the improvement in Flinders' underlying result, as noted previously.

The 4-year average underlying surplus ratio by individual council is shown in Figure 9. Fourteen councils recorded an average ratio for the four-year period less than break-even.

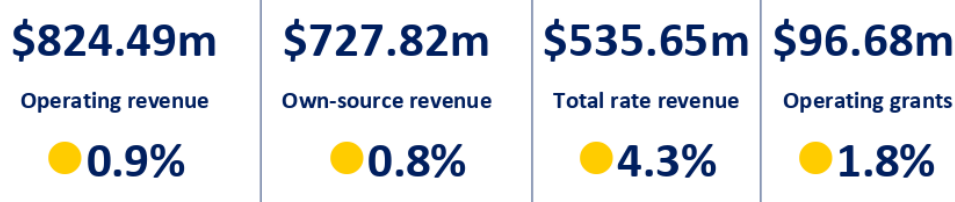
Figure 9: Four-year average underlying surplus ratio



Notable items from the average underlying surplus ratios included:

- King Island Council recorded underlying deficits in all four years, with ratios ranging from negative 18.1% in 2018-19 to negative 5.9% in 2017-18
- Brighton, Burnie City, Flinders and Kingborough Councils recorded underlying deficits in three of the past four years
- Flinders achieved an underlying surplus in 2019-20 following three years of underlying deficits
- the four-year average changed from positive to negative after the 2019-20 results for Circular Head, Devonport City, Glenorchy City, Hobart City and Launceston City Councils.

Revenue



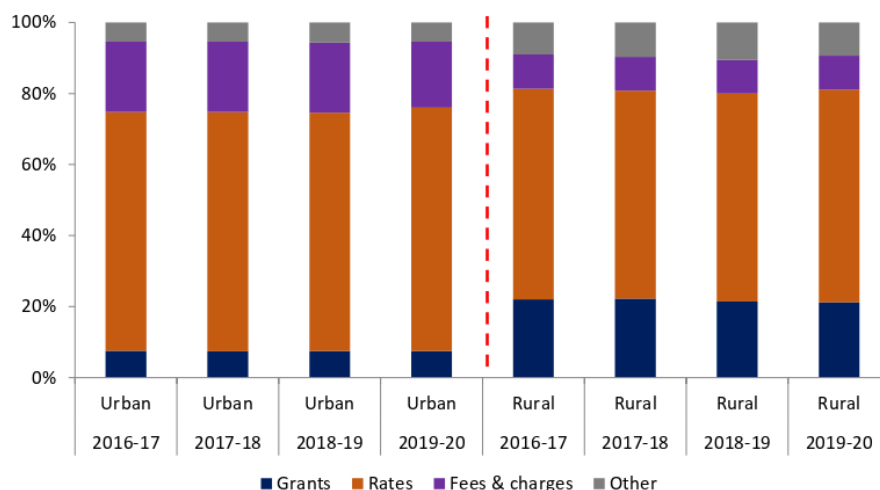
▲ improvement from prior year ▼ deterioration from prior year ● no material change from prior year

Councils recorded Operating revenue of \$824.49m in 2019-20, an increase of \$7.47m from 2018-19.

Councils' own source revenues represented operating revenue other than recurrent grants. In general terms, urban councils with larger populations had the ability to generate higher levels of own source revenue. Smaller rural councils, with lower population levels, relied more heavily on grant funding.

Urban grant funding in 2019-20 was 7.4% of total revenue (2018-19, 7.3%) compared with 21.0% (21.0%) for rural councils. This is further illustrated in Figure 10.

Figure 10: Revenue source



The most significant contributor to own source revenue was rates, which in 2019-20 made up 67.6% (2018-19, 65.4%) of urban council revenue and 59.3% (57.3%) of rural council revenue. Flinders and King Island Councils had significantly below average total rate revenue at 32.4% and 37.4% of total operating revenue, respectively. For Flinders, the below average rate revenue was offset by a higher proportion of grant revenue, 44.0% compared with the rural average of 21.0%. For King Island Council, the below average rate revenue was offset by a higher proportion of other revenue, 22.0%, compared with the rural average of 7.8%. The majority of King Island Council's other revenue related to private works.

Urban councils generated a further 18.3% (2018-19, 19.2%) of revenue from fees and charges compared to the 9.5% (9.2%) generated by rural councils. The declining percentage for urban councils reflected the greater impact of COVID-19 on urban councils' own-source revenue. Urban councils revenue streams impacted included those from parking, aquatic, entertainment and civic centres. These generally do not represent significant revenue sources for rural councils.

The Local Government Association of Tasmania (LGAT) published a Council Cost Index (CCI) for each year, which could be used by councils to assist in setting rates. The CCI was a composition of wage price index, road and bridge construction index and consumer price index for Hobart and provided an aggregated picture of cost movements at the State level.

The 2020 CCI indicated an average rate increase across the State of at least 2.2% was likely necessary in 2019-20 to maintain current levels of service and assumed other revenue sources also increased in line with costs. The mix of construction and non-construction activity varied from council to council. Similarly, there were parts of Tasmania where construction costs increased faster than the State average. Such factors were all of relevance at the local level when councils determined the level of rate increase necessary to provide services and meet council's spending profile.

Over the four year period from 2016-17 to 2019-20, total rate revenue increased by 15.9% for urban councils and 17.0% for rural councils. This represented an average annual increase of 4.0% and 4.3%, respectively. Total rate revenue increases were impacted by changes in annual rate charges set by councils as well as movements in the number of rateable properties and rateable valuations.

Figure 11 shows the cumulative increase in council total rate revenue compared with the cumulative CCI index. It does not account for movements in the number of rateable properties or rateable valuations.

Figure 11: Cumulative total rate revenue increase

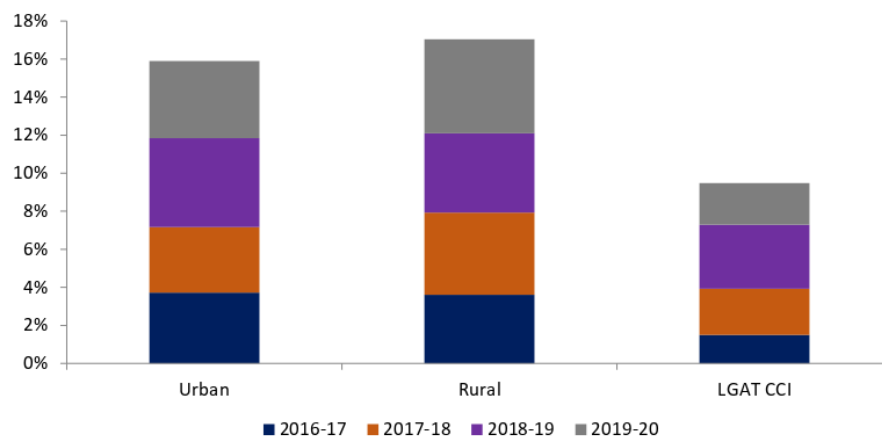
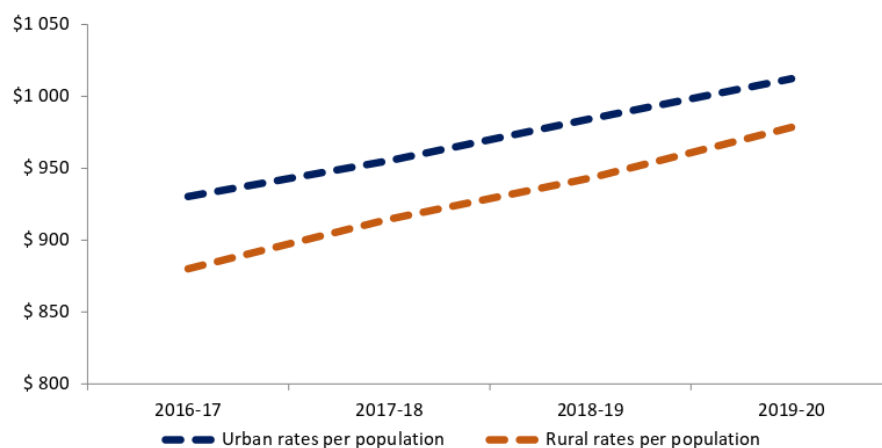


Figure 12 shows average rate revenue compared to population.

Figure 12: Average rate revenue per capita



Over the last four years, both these measures show fairly even rises in total rate revenue for both urban and rural councils, although a number of councils had introduced rate freezes for 2020-21 in response to the impact of COVID-19.

Capital investment

\$1.17bn

Total capital spend
last four years

\$1.40bn

Total budgeted capital
spend last four years

\$57.50m

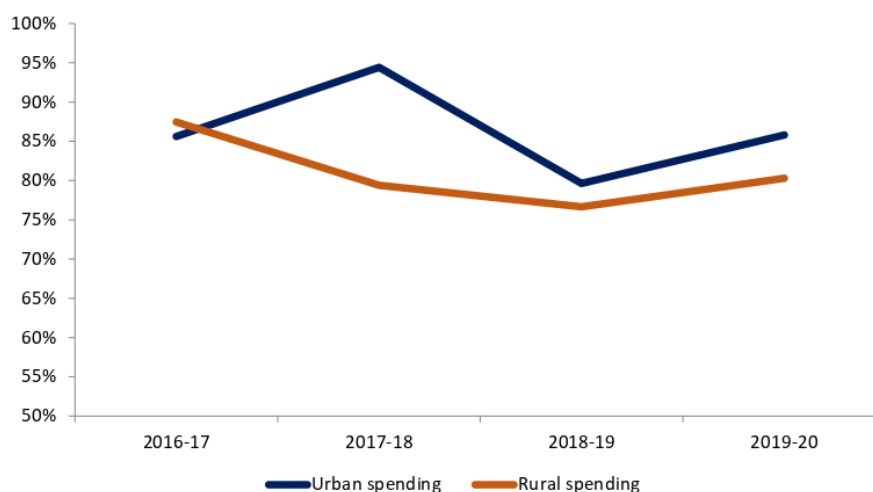
Average spending gap
last four years

Councils spent on average \$57.50m below original capital budgets over the last four years.

As shown in Figure 13, actual capital spend to budget for rural councils was fairly consistent in the last four years, at an average of 80.9%. In comparison, urban councils' actual spend was, on average, 86.4% of budget, offsetting part of the rural spending gap.

Despite the impacts of COVID-19, including a period where Tasmanians were expected to stay at home, both urban and rural capital spends in comparison to original budgets were higher than the prior year. This was due to councils fast tracking additional capital projects to assist in stimulating local economies.

Figure 13: Capital spending to budget



Changed priorities and circumstances meant that often councils amended capital budgets during the year which resulted in less than full correlation between projects planned in initial budgets and final spending. Receipt of specific purpose funding, announcement of new funding programs and natural disasters, such as fire and flood events, all changed capital spending allocations.

Unspent renewal spending was usually carried over to the following year.

Capital investment funding source**\$1.17bn**Total capital spend last
four years**\$275.48m**Total capital grants
last four years**\$898.23m**Total self-funded last four
years

Over the last four years, 76.5% of councils' capital spending was self-funded with the balance from capital grants. Capital grants represented Tasmanian or Australian Government grants for new and upgraded assets and asset replacements. These included grants under the RTR program, NDRRA funding, as well as funding for improving public spaces, leisure and recreation facilities, bridge and street renewal, road safety, memorials and other purposes.

Figure 14: Capital investment funding source

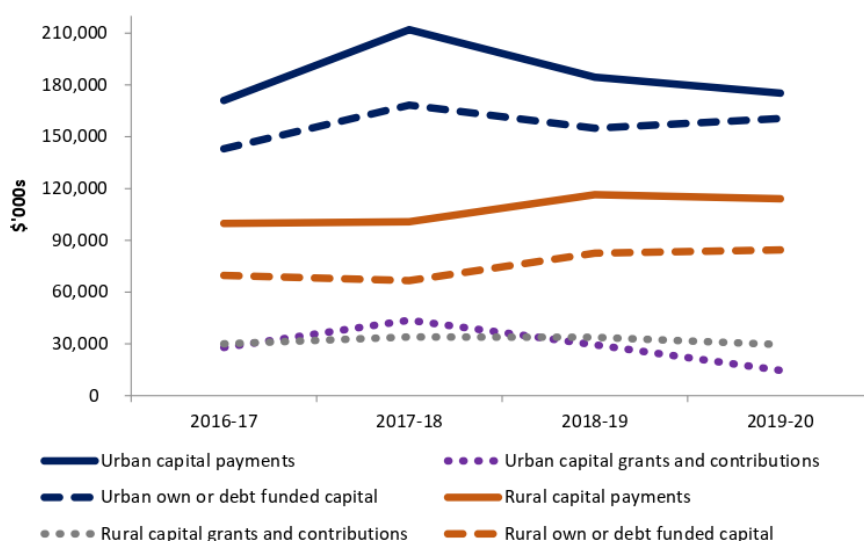


Figure 14 shows capital spending by urban councils was significantly higher than the capital spending by rural councils over the last four years.

Capital spending by Hobart and Launceston Cities amounted to \$78.17m or 44.6% of total urban spending in 2019-20 (2018-19, \$87.53m or 47.4%). The peak in urban spending in 2017-18 was mainly due to large capital projects undertaken by Devonport, Hobart and Launceston Cities including Devonport's Living City project, Hobart's Transforming Hobart capital works program and Launceston's City Heart project.

For rural councils, external capital funding remained relatively consistent over the period.

It is expected capital grants will vary from year to year depending on applications made by councils and budget priorities of governments. Despite this, a consistently large component of capital grants for local government was funding provided under the RTR program. The

current RTR program covers the period 2019-20 to 2023-24 with total funds of \$82.42m allocated to Tasmania, \$31.24m urban and \$51.18m rural. In 2019-20, a total of \$16.75m in RTR funding was received by councils.

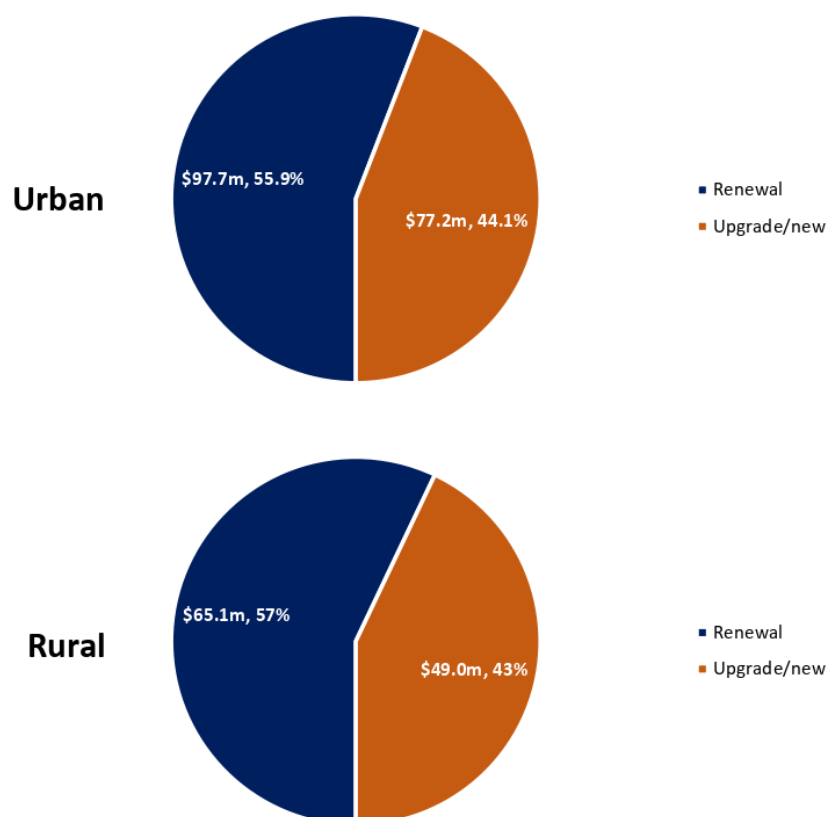
Other notable specific purpose funding for councils in 2019-20 included:

- funding for Mountain Bike Trails \$4.57m,
- Derwent Valley Council, upgrade to Glenora Road, \$2.10m,
- Black Spot Funding, \$2.60m,
- Tasman Council, Stormlea Road, \$1.50m.

Capital investment allocation

As illustrated in Figure 15, in 2019-20 both urban and rural councils spent a greater proportion of capital expenditure on renewal of existing assets, compared to expenditure on new and upgraded assets. This reflects councils' responsibility for maintenance of a large network of infrastructure assets.

Figure 15: Capital investment allocation 2019-20



For rural councils, the larger proportion of renewal spend was consistent with prior years. In contrast, urban councils can be impacted by large upgrade/new projects, such as Devonport's Living City, Hobart's Transforming Hobart and Launceston's City Heart. Therefore, the split between renewal and upgrade/new for urban councils is less consistent.

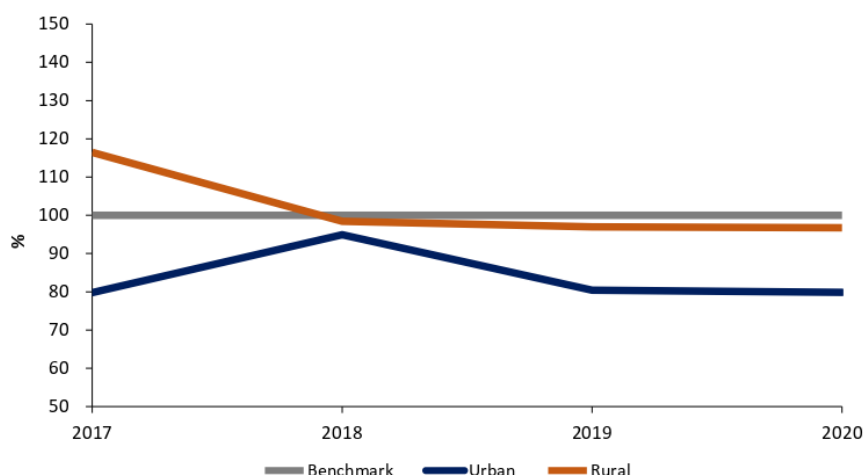
Asset sustainability ratio

This ratio shows the extent to which councils maintain operating capacity through renewal of their existing asset base. The generally accepted benchmark for this ratio, subject to appropriate levels of maintenance expenditure and the existence of approved long-term asset management plans, is 100%.

The benchmark is based on a council expending the equivalent of its annual depreciation expense on asset renewals within the year. However, it is acknowledged this will not to occur every year or evenly over time.

Figure 16 shows the asset sustainability ratio on an average basis for urban and rural councils over the last four years.

Figure 16: Asset sustainability ratio



Urban councils expended, on average, 83.6% of their depreciation expense to maintain existing non-current assets, rural councils expended, on average, 101.9% over the four year period. As noted earlier, rural councils generally spent more on renewal of existing assets than urban councils.

In most cases councils failed to meet the benchmark, with only 10 councils having an Asset sustainability ratio on average equal to or above 100% over the four year period. Six councils averaged above 90%, with 11 below 80% including Burnie City Council with the lowest at 47.0%.

Cash and borrowings**\$436.11m**

Cash

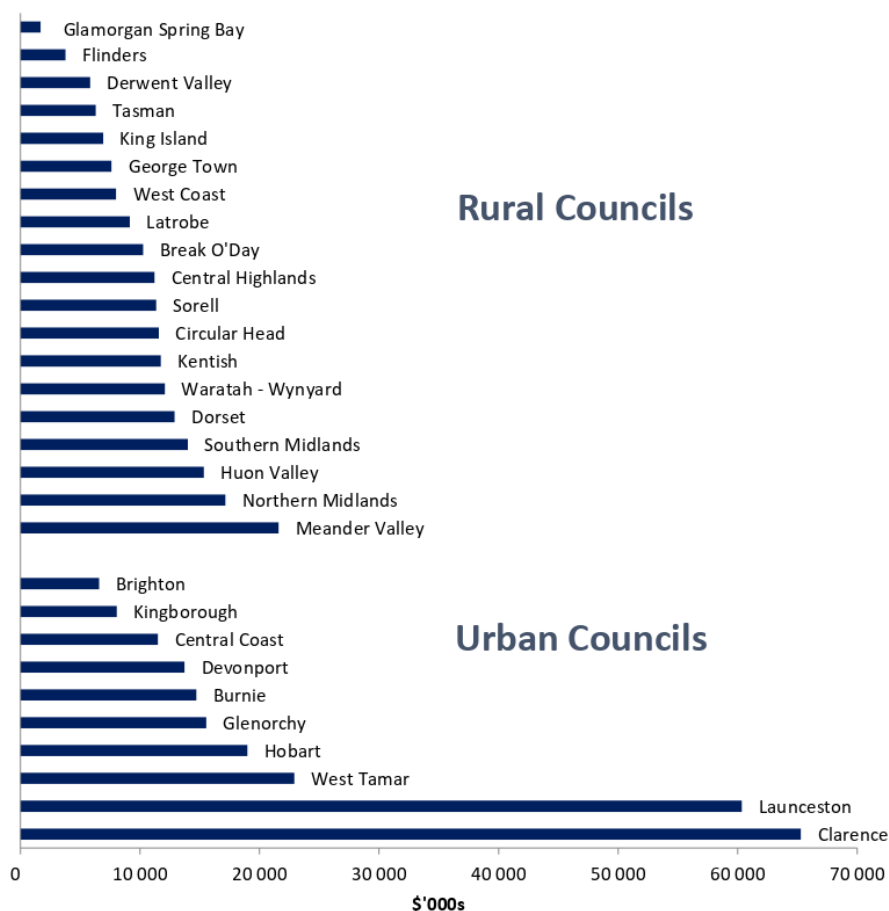
\$335.69m

Working capital

\$215.88mInterest-bearing
liabilities

At 30 June 2020, councils held cash and financial assets of \$436.11m, (2018-19, \$443.46m) and \$215.88m in interest-bearing liabilities (2018-19, \$176.43m).

Figure 17: Cash and financial assets held 30 June 2020



The advance payment of \$38.88m of Australian Government Financial Assistance Grants for 2020-21 was included in cash held at the end of the financial year. Excluding these payments, overall cash held would have been \$296.81m (\$404.07m).

Interest bearing liabilities of \$215.88m at 30 June 2020 increased by \$39.45m from the prior year, partly due to the drawdown of loans under the Local Government Loans Program provided by the Tasmanian Government, which commenced on 1 April 2020. Loan funding of a maximum of \$200m was available through the program on a first come first served basis. For eligible projects, the Program provided assistance to councils through the provision of loan interest rebates.

The low level of debt in comparison to cash held resulted in a strong working capital of \$335.69m (2018-19, \$356.88m).

The 10 urban councils held \$237.63m, 54.5%, of cash and financial assets at 30 June 2020 and \$159.66m, 74.0%, of total borrowings.

Cash expense cover ratio

The cash expense cover ratio is used to assess whether the level of unrestricted cash held by each council was appropriate. In determining the level of cash held, we excluded cash subject to external restrictions, unexpended specific purpose grants and grant funds received in advance to arrive at an unrestricted cash balance.

The cash expense cover ratio compared the unrestricted cash balance against the total payments for operating and financing activities from the cash flow statement, as the cash flow statement is more reflective of the actual movements in cash. The ratio represented the number of months a council can continue operating based on current monthly expenditure. The ratio does not take into capital expenditure requirements.

The following benchmarks were adopted by the Office to assess the adequacy of cash balances held:

- less than three months – level of cash considered less than adequate
- three to six months – level of cash considered adequate
- six to 12 months – level of cash considered more than adequate
- greater than 12 months – level of cash considered much more than adequate.

Figure 18: Cash expense cover ratio - unrestricted cash at 30 June 2020

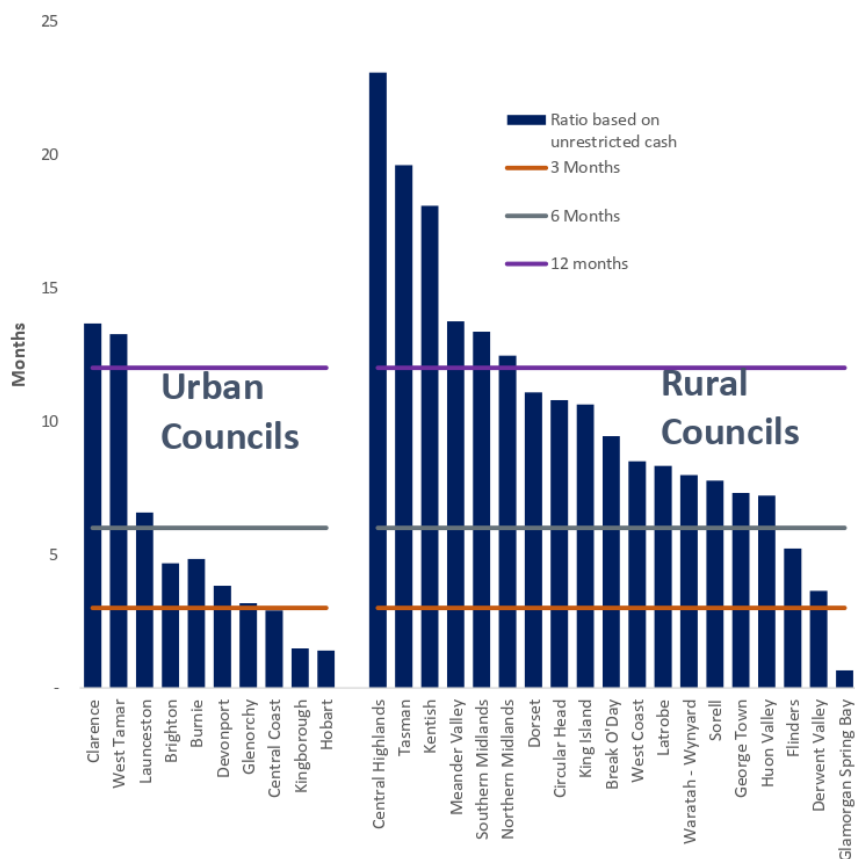


Figure 18 shows two urban and six rural councils with a cash expense cover ratio in excess of 12 months, with a further urban council and 10 rural councils in the six to 12 month range.

Central Coast, Glamorgan Spring Bay, Hobart City and Kingborough Councils had cash expense cover ratios that were considered to be less than adequate, although Central Coast was only marginally less at 2.9.

This ratio should not be considered in isolation but also take into account other ratios around financial sustainability.

Other local government entities

Entities included in this section are:

- single, joint or controlling authorities controlled by councils established under the *Local Government Act 1993* (LG Act):
 - Copping Refuse Disposal Site Joint Authority, trading as Southern Waste Solutions (SWS), including its wholly owned subsidiary, C-Cell Pty Ltd as trustee of the C Cell Unit Trust
 - Cradle Coast Authority
 - Dulverton Regional Waste Management Authority (DRWMA)
 - Launceston Flood Authority (LFA)
 - Microwise Australia Pty Ltd
 - Southern Tasmanian Councils Authority (STCA)
- LGAT
- Northern Tasmania Development Corporation Ltd
- Tasmanian Communication Unit Trust.

All entities were subject to audit. The reporting framework for these entities was prescribed by enabling legislation or rules. In our analysis of financial performance we have, where necessary, re-allocated certain revenue or expenditure items to better assist readers to interpret financial performance. For C-Cell Pty Ltd, LGAT and LFA, we accepted preparation of special purpose financial statements. All other entities prepared general purpose financial statements.

Collectively, Other local government entities controlled Net assets valued at \$53.03m at 30 June 2020 (2019, \$40.75m).

They reported a combined Underlying surplus of \$13.63m for 2019-20 (2018-19, \$7.33m).

Equity accounting

Both SWS and DRWMA were equity accounted by councils that had respective equity interests in these entities. This means that, following initial recognition, the carrying amount of the investment in the entity increased or decreased to recognise each participating council's share of the joint authority's operating result, with a corresponding amount recognised in each council's income statement. Distributions received from the joint authority reduced the carrying amount of the investment.

Aggregated financial results of Other local government entities

Figure 19: Aggregated financial results Other local government entities

Other Local Government entities	Underlying surplus (deficit)	Net surplus (deficit)	Total comprehensive surplus (deficit)	Net assets
	\$'000s	\$'000s	\$'000s	\$'000s
Subsidiaries¹				
Microwise Australia Pty Ltd (Brighton Council)	240	240	240	2 737
Launceston Flood Authority (Launceston City Council)	(247)	(247)	(247)	N/A
Tas Communication Unit Trust (Burnie City Council)	142	142	142	2 137
C-Cell Unit Trust (Copping Refuse Disposal Site Joint Authority)	406	406	406	3 991
Equity accounted²				
Copping Refuse Disposal Site Joint Authority	4 827	3 531	3 531	14 790
Dulverton Regional Waste Management Authority	3 488	2 640	2 806	18 855
Other Local Government entities³				
LGAT ⁴	32	32	230	4 432
Cradle Coast Authority	4625	4625	4625	5557
Northern Tasmanian Regional Development Corporation Ltd	13	13	13	224
Southern Tasmanian Councils Authority	(201)	(201)	(201)	311
Total	13 625	11 181	11 545	53 034

Notes

1 Financial results and information for these subsidiaries have been included within the consolidated financial results for their parent entity. 2 Financial results and information for these equity investments have been included within the consolidated financial results of various councils.

3 Financial results and information for these other local government entities are not included in the consolidated results of councils.

4 LGAT includes the consolidated general account and assist account.

Acronyms and abbreviations

AASB 1004	AASB 1004 <i>Contributions</i>
Audit Act	<i>Audit Act 2008</i>
Clarence City	Clarence City Council
COVID-19	Novel Coronavirus disease pandemic
CCI	Council Cost Index
DoH	Department of Health
DPIPWE	Department of Primary Industries, Parks, Water and Environment
DRWMA	Dulverton Regional Waste Management Authority
Flinders	Flinders Council
GGs	General Government Sector
Glenorchy City	Glenorchy City Council
Hobart City	Hobart City Council
Launceston City	Launceston City Council
LFA	Launceston Flood Authority
LG Act	<i>Local Government Act 1993</i>
LGAT	Local Government Association of Tasmania
NDRRA	Natural Disaster Relief and Recovery Arrangements
Northern Midlands	Northern Midlands Council
RTR	Roads to Recovery
STCA	Southern Tasmanian Councils Authority
TAFR	Treasurer's Annual Financial Report
TASCORP	Tasmanian Public Finance Corporation
TasWater	Tasmanian Water and Sewerage Corporation Pty Ltd
THS	Tasmanian Health Service

Appendix A - Timeliness of reporting

	Financial statements received and accepted	Accepted report certified by	Final certified report received	Audit opinion signed
December 2019 Audits				
University of Tasmania	14-Feb-20	AA	N/A	20-Feb-20 ¹
AMC Search Ltd	14-Feb-20	AA	N/A	18-Feb-20
Tasmania University Union	3-Feb-20	AA	N/A	14-Feb-20
Solicitors' Trust	17-Feb-20 [^]	AA	3-Apr-20	3-Apr-20*
Theatre Royal Management Board	13-Feb-20	AA	N/A	19-Feb-20
ANZAC Day Trust	12-Mar-20 [^]	AA	N/A	8-Apr-20
30 June 2020 Audits				
Executive and Legislature				
House of Assembly	14-Aug-20	AA	N/A	7-Oct-20*
Legislative Council	14-Aug-20	AA	N/A	8-Oct-20*
Legislature-General	13-Aug-20	AA	N/A	9-Oct-20*
Office of the Governor	14-Aug-20	AA	N/A	16-Oct-20*
Ministerial Departments				
Communities Tasmania	14-Aug-20	M	11-Sep-20	14-Sep-20
DoE	14-Aug-20	M	28-Sep-20	28-Sep-20
DoH	14-Aug-20	M	10-Sep-20	14-Sep-20
DoJ	14-Aug-20	M	25-Sep-20	25-Sep-20
DPAC	14-Aug-20	M	28-Sep-20	28-Sep-20
DPFEM	13-Aug-20	M	23-Sep-20	27-Sep-20
DPIPWE	13-Aug-20	M	17-Sep-	24-Sep-20
State Growth	14-Aug-20	M	7-Oct-20	8-Oct-20*

	Financial statements received and accepted	Accepted report certified by	Final certified report received	Audit opinion signed
Treasury	14-Aug-20	M	5-Oct-20	8-Oct-20*
Treasury - Public Account	29-Sep-20	AA	9-Oct-20	30-Oct-20
Treasury - TAFR	29-Sep-20	AA	9-Oct-20	30-Oct-20
Ministerial Departmental Controlled Entities				
ABT Railway Ministerial Corporation	14-Aug-19	AA	12-Oct-20	13-Oct-20*
Ambulance Tasmania	14-Aug-20	M	11-Sep-20	14-Sep-20
Housing Tasmania	14-Aug-20	M	11-Sep-20	14-Sep-20
Office of Tasmanian Assessment, Standards and Certification	14-Aug-20	M	2-Oct-20	2-Oct-20*
Tasmania Development and Resources	14-Aug-20	M	7-Oct-20	9-Oct-20*
Tasmanian Affordable Housing Limited	25-Sep-20^	AA	N/A	25-Sep-20
Teachers Registration Board of Tasmania	12-Aug-20	AA	N/A	26-Sep-20
THS	14-Aug-20	M	10-Sep-20	14-Sep-20
Tasmanian Museum and Art Gallery	14-Aug-20	M	14-Oct-20	20-Oct-20*
Other General Government Sector Entities				
Asbestos Compensation Fund	14-Aug-20	M	23-Sep-20	25-Sep-20
Brand Tasmania	14-Aug-20	M	18-Sep-20	23-Sep-19
Council of Law Reporting	20-Jul-20	AA	N/A	11-Aug-20
Inland Fisheries Service	28-Jul-20	AA	N/A	1-Sep-20
Integrity Commission	13-Aug-20	AA	8-Oct-20	12-Oct-20*
Marine and Safety Authority	14-Aug-20	AA	N/A	28-Sep-20

	Financial statements received and accepted	Accepted report certified by	Final certified report received	Audit opinion signed
Office of the Director of Public Prosecutions	14-Aug-20	M	25-Sep-20	27-Sep-20
Office of the Ombudsman and Health Complaints Commissioner	14-Aug-20	M	7-Oct-20	7-Oct-20*
Royal Tasmanian Botanical Gardens	13-Aug-20	M	29-Sep-20	1-Oct-20*
State Fire Commission	13-Aug-20	M	24-Sep-20	27-Sep-20
Tasmanian Economic Regulator	13-Aug-20	AA	N/A	20-Oct-20*
Tasmanian State Health Funding Pool	15-Sep-20^	AA	N/A	17-Sep-20
TasTAFE	14-Aug-20	AA	N/A	3-Sep-20
Tourism Tasmania	13-Aug-20	M	1-Oct-20	1-Oct-20*
WorkCover Tasmania Board	14-Aug-20	M	23-Sep-20	25-Sep-20
Government Businesses				
Aurora Energy	13-Aug-20	AA	N/A	13-Aug-20
Bass Island Line Pty Ltd	13-Aug-20	AA	N/A	13-Aug-20
FortyTwo24 Pty Ltd	13-Aug-20	AA	N/A	24-Aug-20
Hydro Tasmania	14-Aug-20	AA	N/A	14-Aug-20
MAIB	13-Aug-20	AA	N/A	14-Aug-20
Marinus Link Pty Ltd	13-Aug-20	AA	N/A	24-Aug-20
Metro	6-Aug-20	AA	N/A	6-Aug-20
Momentum Energy Pty Ltd	14-Aug-20	AA	N/A	14-Aug-20
MPDC	14-Aug-20	M	28-Sep-20	28-Sep-20
Newood Holdings Pty Ltd	14-Aug-20	AA	N/A	20-Aug-20
PAHSMA	14-Aug-20	M	28-Sep-20	1-Oct-20*
PFT	14-Aug-20	AA	N/A	5-Oct-20*

	Financial statements received and accepted	Accepted report certified by	Final certified report received	Audit opinion signed
PT	14-Aug-20	M	25-Sep-20	28-Sep-20
STT	7-Aug-20	AA	N/A	7-Aug-20
TASCORP	8-Aug-20	AA	N/A	8-Aug-20
TasNetworks	13-Aug-20	AA	N/A	24-Aug-20
TasPorts	13-Aug-20	AA	N/A	13-Aug-20
Tasracing	14-Aug-20	AA	N/A	14-Aug-20
TasRail	4-Aug-20	AA	N/A	5-Aug-20
TasWater	14-Aug-20	M	19-Aug-20	20-Aug-20
TI	14-Aug-20	AA	N/A	14-Aug-20
TT-Line	11-Aug-20	AA	N/A	12-Aug-20
Local Government Authorities				
Urban Councils				
Brighton	14-Aug-20	AA	20-Oct-20	28-Oct-20*
Burnie City	14-Aug-20	AA	28-Sep-20	28-Sep-20
Central Coast	14-Aug-20	AA	25-Sep-20	28-Sep-20
Clarence City	14-Aug-20	M	10-Nov-20	11-Nov-20*
Devonport City	14-Aug-20	AA	N/A	30-Sep-20*
Glenorchy City	14-Aug-20	M	14-Jan-21	15-Jan-21*
Hobart City	3-Sep-20^	M	3-Sep-20	19-Nov-20*
Kingborough	14-Aug-20	M	10-Dec-20	22-Dec-20*
Launceston City	14-Aug-20	M	1-Oct-20	7-Oct-20*
West Tamar	14-Aug-20	M	N/A	28-Sep-20
Rural Councils				
Break O'Day	14-Aug-20	AA	26-Oct-20	26-Oct-20*

	Financial statements received and accepted	Accepted report certified by	Final certified report received	Audit opinion signed
Central Highlands	14-Aug-20	AA	7-Jan-21	7-Jan-21*
Circular Head	14-Aug-20	M	25-Sep-20	28-Sep-20
Derwent Valley	7-Oct-20^	M	22-Feb-21	22-Feb-21*
Dorset	14-Aug-20	M	1-Feb-21	2-Feb-21*
Flinders	14-Aug-20	M	25-Sep-20	25-Sep-20
George Town	14-Aug-20	AA	N/A	14-Sep-20
Glamorgan-Spring Bay	16-Aug-20^	M	22-Jan-21	29-Jan-21*
Huon Valley	14-Aug-20	AA	21-Dec-2020	23-Dec-20*
Kentish	16-Jan-21^	N/A	N/A	29-Jan-21
King Island	14-Aug-20	AA	17-Dec-20	24-Dec-20
Latrobe	27-Nov-20^	AA	15-Jan-21	19-Jan-21*
Meander Valley	14-Aug-20	AA	16-Nov-20	17-Nov-20
Northern Midlands	23-Nov-20^	AA	4-Dec-20	16-Dec-20*
Sorell	14-Aug-20	M	28-Sep-20	29-Oct-20*
Southern Midlands	13-Aug-20	AA	N/A	29-Sep-20
Tasman	14-Aug-20	M	28-Sep-20	13-Oct-20*
Waratah-Wynyard	14-Aug-20	AA	25-Sep-20	29-Sep-20*
West Coast	14-Aug-20	AA	17-Dec-20	17-Dec-20*
Local Government Controlled Entities				
C-Cell Unit Trust	23-Jul-20	M	30-Sep-20	15-Dec-20* ²
Cradle Coast Authority	14-Aug-20	M	28-Sep-20	21-Oct-20*
Dulverton Waste Management	14-Aug-20	AA	N/A	11-Sep-20
Launceston Flood Authority	14-Aug-20	AA	N/A	2-Oct-20*

	Financial statements received and accepted	Accepted report certified by	Final certified report received	Audit opinion signed
Local Government Association of Tasmania	14-Aug-20	AA	N/A	21-Sep-20
Microwise Australia Pty Ltd	27-Oct-20^	M	N/A	28-Oct-20
Northern Tasmania Development Corporation Ltd	27-Aug-20^	M	10-Sep-20	11-Sep-20
Southern Tasmanian Councils Authority	14-Aug-20	AA	N/A	3-Nov-20*
Southern Waste Solutions	13-Aug-20	M	30-Sep-20	4-Dec-2020* ²
Tas Communications Unit Trust	14-Aug-20	AA	28-Sep-20	14-Oct-20*
Other State Entities				
Aboriginal Land Council of Tasmania	17-Nov-20	N/A	Not completed	Not completed
Forest Practices Authority	14-Aug-20	M	12-Oct-20	20-Oct-20*
Legal Aid	13-Aug-20	M	20-Oct-20	20-Oct-20*
Legal Profession Board	13-Aug-20	M	27-Aug-20	27-Sep-20
National Trust	14-Aug-20	M	16-Feb-2021	24-Feb-2021*
palawa Enterprises Unit Trust	17-Nov-20^	AA	N/A	Not completed
Property Agents Board	14-Aug-20	M	19-Nov-20	24-Nov-20*
Property Agents Trust	14-Aug-20	M	19-Nov-20	24-Nov-20*
Retirement Benefits Fund	14-Aug-20	M	23-Sep-20	28-Sep-20
Tasmanian Beef Industry (Research and Development) Trust	19-Oct-20^	AA	N/A	27-Oct-20
Tasmanian Building and Construction Industry Training Board	14-Aug-20	M	24-Sep-20	24-Sep-20
Tasmanian Community Fund	14-Aug-20	AA	N/A	25-Sep-20

	Financial statements received and accepted	Accepted report certified by	Final certified report received	Audit opinion signed
Tasmanian Dairy Industry Authority	13-Aug-20	AA	N/A	16-Oct-20*
Tasmanian Heritage Council	14-Aug-20	M	24-Sep-20	24-Sep-20
The Nominal Insurer	12-Aug-20	AA	3-Mar-2021	3-Mar-2021*
Wellington Park Management Trust	14-Aug-20	AA	19-Oct-20	20-Oct-20*
Audits dispensed with				
AETV Pty Ltd (Hydro Tasmania)	14-Aug-20	AA	N/A	N/A
Bell Bay Pty Ltd (Hydro Tasmania)	14-Aug-20	AA	N/A	N/A
Bell Bay Three Pty Ltd (Hydro Tasmania)	14-Aug-20	AA	N/A	N/A
Board of Architects	5-Mar-20^	AA	N/A	N/A
C-Cell Pty Ltd (Southern Waste Solutions)	Non-trading trustee	N/A	N/A	N/A
Flinders Island Ports Corporation Pty Ltd (TasPorts)	7-Aug-20	AA	N/A	N/A
Geeveston Town Hall Company Ltd (Huon Valley Council)	14-Aug-20	AA	N/A	N/A
Heemskirk Holdings Pty Ltd (Hydro Tasmania)	14-Aug-20	AA	N/A	N/A
Heemskirk Wind Farm Pty Ltd (Hydro Tasmania)	14-Aug-20	AA	N/A	N/A
Heritage Building Solutions Pty Ltd (Southern Midlands Council)	13-Aug-20	AA	N/A	N/A
Heritage Education & Skills Centre Pty Ltd (Southern Midlands Council)	13-Aug-20	AA	N/A	N/A
HT Wind Developments Pty Ltd (Hydro Tasmania)	14-Aug-20	AA	N/A	N/A

	Financial statements received and accepted	Accepted report certified by	Final certified report received	Audit opinion signed
HT Wind New Zealand Pty Ltd (Hydro Tasmania)	14-Aug-20	AA	N/A	N/A
HT Wind Operations Pty Ltd (Hydro Tasmania)	14-Aug-20	AA	N/A	N/A
Hydro Tasmania Consulting (Holding) Pty Ltd (Hydro Tasmania)	14-Aug-20	AA	N/A	N/A
Kingborough Waste Services Pty Ltd (Kingborough Council)	14-Aug-20	AA	N/A	N/A
King Island Ports Corporation Pty Ltd (TasPorts)	7-Aug-20	AA	N/A	N/A
Large Scale Renewables Pty Ltd (TasNetworks)	13-Aug-20	AA	N/A	N/A
Lofty Ranges Power Pty Ltd (Hydro Tasmania)	14-Aug-20	AA	N/A	N/A
Maidstone Park Management Controlling Authority (Devonport City Council)	14-Aug-20	AA	N/A	N/A
Metro Coaches (Tas) Pty Ltd (Metro)	21-Aug-20^	AA	N/A	N/A
Newood Energy Pty Ltd (Newood Holdings Pty Ltd)	8-Oct-20^	AA	N/A	N/A
Newood Huon Pty Ltd (Newood Holdings Pty Ltd)	8-Oct-20^	AA	N/A	N/A
Newood Smithton Pty Ltd (Newood Holdings Pty Ltd)	8-Oct-20^	AA	N/A	N/A
palawa Enterprises Pty Ltd	17-Nov-20^	N/A	N/A	N/A
RE Storage Project Holdings Pty Ltd (Hydro Tasmania)	14-Aug-20	AA	N/A	N/A
Sense-Co Tasmania Pty Ltd (University of Tasmania)	7-Feb-20	AA	N/A	N/A

	Financial statements received and accepted	Accepted report certified by	Final certified report received	Audit opinion signed
Tas Communications Pty Ltd (Burnie City Council)	Non-trading trustee	N/A	N/A	N/A
Tasmanian Pharmacy Authority	14-Aug-20	AA	N/A	N/A
Tasmanian Timber Promotion Board	14-Aug-20	AA	N/A	N/A
TasNetworks Holdings Pty Ltd (TasNetworks)	13-Aug-20	AA	N/A	N/A
UTAS Holdings Pty Ltd (the University)	7-Feb-20	AA	N/A	N/A
UTAS Properties Pty Ltd (the University)	7-Feb-20	AA	N/A	N/A
Veterinary Board of Tasmania	13-Oct-20 [^]	AA	N/A	N/A
Woolnorth Bluff Point Holdings Pty Ltd (Hydro Tasmania)	14-Aug-20	AA	N/A	N/A
Woolnorth Studland Bay Holdings Pty Ltd (Hydro Tasmania).	14-Aug-20	AA	N/A	N/A

Notes:

1. Revised opinion issued 29 May 2020 following update to Note 24 Subsequent events by the client. Original opinion issued on 20 February 2020 remained unchanged.
2. Opinions reissued following a matter identified in our review of annual report.

Legend:

- M Management
- AA Accountable Authority
- N/A Not applicable
- [^] Financial statements not submitted within legislated timeframe
- * Audit not completed within legislated timeframe.

Appendix B - Audit findings

	Current Year issues				Prior Year unresolved issues			
	H	M	L	Total	H	M	L	Total
General Government Sector								
Executive and Legislature								
House of Assembly	-	1	1	2	-		1	1
Legislative Council	-	-	1	1	-	-	-	-
Legislature-General	-	1	1	2	-	-	-	-
Subtotal	-	2	3	5	-	-	1	1
Ministerial Departments								
Department of Communities ⁴	-	2	-	2	-	-	-	-
Department of Education	-	1	2	3	-	2	2	4
Department of Health ⁵	-	8	1	9	-	2	1	3
Department of Justice	-	1	3	4	1	5	6	12
Department of Police, Fire and Emergency Management	-	4	1	5	-	1	-	1
Department of Primary Industries, Parks, Water and Environment	-	-	3	3	-	1	2	3
Department of State Growth	-	-	-	-	1	5	2	8
Department of Treasury and Finance	-	1	2	3	-	-	2	2
Subtotal	-	17	12	29	2	16	15	33
Other Consolidated Entities								
Abt Railway Ministerial Corporation	-	1	1	2	-	1	-	1

⁴ Includes Housing Tasmania, Tasmanian Affordable Housing Ltd

⁵ Includes Tasmanian State Health Funding Pool, Ambulance Tasmania and Tasmanian Health Service

	Current Year issues				Prior Year unresolved issues			
	H	M	L	Total	H	M	L	Total
Tasmania Development and Resources	-	-	-	-	-	2	-	2
Tasmanian Museum and Art Gallery	-	-	2	2	-	3	-	3
Subtotal	-	1	3	4	-	6	-	6
Other General Government Sector Entities								
Asbestos Compensation Fund	-	-	-	-	-	1	-	1
Integrity Commission	-	-	1	1	-	-	-	-
Marine and Safety Tasmania	-	-	-	-	-	-	1	1
State Fire Commission	-	2	2	4	-	2	-	2
TasTAFE	-	-	-	-	-	1	-	1
Subtotal	-	2	3	5	-	4	1	5
Other State Entities								
National Trust of Australia (Tasmania)	-	-	1	1	1	-	-	1
University of Tasmania (December 2019 Audit) ⁶	-	1	1	2	-	3	1	4
Wellington Park Management Trust	-	-	1	1	-	-	-	-
Subtotal	-	1	3	4	1	3	1	5
Public Financial and Non-Financial Corporations								
Hydro-Electric Corporation	-	3	6	9	-	-	-	-
Metro Tasmania Pty Ltd	-	-	2	2		1	1	2
Port Arthur Historic Site Management Authority	-	-	-	-	-	-	1	1

⁶ Includes AMC Search Ltd, Tasmanian University Union and UTAS Holdings Pty Ltd

	Current Year issues				Prior Year unresolved issues			
	H	M	L	Total	H	M	L	Total
Sustainable Timber Tasmania	-	1	-	1	-	-	-	-
Tasmanian Irrigation Pty Ltd	-	1	1	2	-	-	1	1
Tasmanian Networks Pty Ltd	-	2	1	3	-	-	1	1
Tasmanian Racing Pty Ltd	-	-	-	-	1	2	2	5
Tasmanian Railway Pty Ltd	-	2	-	2	-	-	-	-
Tasmanian Water and Sewerage Corporation Pty Ltd	-	1	2	3	-	-	1	1
The Public Trustee	-	-	2	2	-	-	1	1
TT-Line	-	-	1	1	-	-	-	-
Subtotal	-	10	15	25	1	3	8	12
Local Government Sector								
Urban Councils								
Brighton	1	1	2	4	-	2	-	2
Burnie City	-	1	2	3	-	1	1	2
Clarence City	1	1	1	3	1	1	1	3
Devonport City	-	2	-	2	1	3	1	5
Glenorchy City	-	1	2	3	-	1	1	2
Hobart City	1	3	2	6	-	2	-	2
Kingborough Council	-	-	1	1	-	-	1	1
Launceston City	-	-	2	2	1	1	4	6
Subtotal	3	9	12	24	3	11	9	23
Rural Councils								
Break O'Day	-	-	6	6	-	-	1	1
Central Highlands	-	1	4	5	-	-	-	-
Circular Head	-	1	-	1	-	2	-	2

	Current Year issues				Prior Year unresolved issues			
	H	M	L	Total	H	M	L	Total
Derwent Valley	-	3	-	3	-	4	3	7
Dorset	-	1	1	2	1	-	-	1
Flinders	-	1	1	2	-	2	-	2
George Town	-	2	-	2	-	-	-	-
Glamorgan Spring Bay	-	-	-	-	1	3	3	7
Huon Valley	1	-	-	1	-	-	-	-
Kentish	-	-	-	-	4	4	2	10
King Island	1	1	1	3	-	1	2	3
Latrobe	-	-	-	-	3	5	1	9
Meander Valley	-	-	1	1	-	1	-	1
Northern Midlands	1	2	2	5	-	-	-	-
Sorell	-	2	1	3	-	1	2	3
Southern Midlands	-	-	3	3	-	-	1	1
Tasman	1	2	2	5	-	2	3	5
Waratah-Wynyard	-	1	1	2	-	3	-	3
West Coast	1	-	1	2	-	-	-	-
Subtotal	5	17	24	46	9	28	18	55
Local Government Business Units								
Northern Tasmania Development Corporation Ltd	1	2	-	3	-	-	-	-
Tas Communications Unit Trust	-	1	-	1	-	-	-	-
Subtotal	1	3	-	4	-	-	-	-
Grand Total	9	62	75	146	16	71	53	140

Legend:

H High

M Moderate

L Low

Audit Mandate and Standards Applied

Mandate

Section 17(1) of the *Audit Act 2008* states that:

‘An accountable authority other than the Auditor-General, as soon as possible and within 45 days after the end of each financial year, is to prepare and forward to the Auditor-General a copy of the financial statements for that financial year which are complete in all material respects.’

Under the provisions of section 18, the Auditor-General:

(1) is to audit the financial statements and any other information submitted by a State entity or an audited subsidiary of a State entity under section 17(1).’

Under the provisions of section 19, the Auditor-General:

- (1) is to prepare and sign an opinion on an audit carried out under section 18(1) in accordance with requirements determined by the Australian Auditing and Assurance Standards
- (2) is to provide the opinion prepared and signed under subsection (1), and any formal communication of audit findings that is required to be prepared in accordance with the Australian Auditing and Assurance Standards, to the State entity’s appropriate Minister and provide a copy to the relevant accountable authority.’

Standards Applied

Section 31 specifies that:

‘The Auditor-General is to perform the audits required by this or any other Act in such a manner as the Auditor-General thinks fit having regard to -

- (a) the character and effectiveness of the internal control and internal audit of the relevant State entity or audited subsidiary of a State entity; and
- (b) the Australian Auditing and Assurance Standards.’

The auditing standards referred to are Australian Auditing Standards as issued by the Australian Auditing and Assurance Standards Board.

**Phone** (03) 6173 0900**Fax** (03) 6173 0999**Email** admin@audit.tas.gov.au**Address** Level 8, 144 Macquarie Street
Hobart, 7000**Postal** GPO Box 851, Hobart 7001**Launceston Office****Phone** (03) 6173 0971**Web** www.audit.tas.gov.au**Address** 4th Floor, Henty House
1 Civic Square, Launceston

CORPORATE AND BUSINESS SERVICES**AO067-21 STRATEGY REVIEW - FINANCIAL MANAGEMENT STRATEGY 2031****FILE NO: 13/5/3****PREVIOUS MIN:**

MAKING BURNIE 2030 – CORPORATE PLAN REFERENCE:

Direction	7~AN ENGAGING AND ACCOUNTABLE LEADERSHIP FOCUSED ON A STRONG FUTURE
Objective	7.4~A sustainable, viable financial future is assured and accountability is demonstrated through open and transparent processes.
Strategy	7.4.1~Ensure a long term strategic focus drives financial policy and decisions.

1.0 RECOMMENDATION:

“THAT Council adopt the Financial Management Strategy 2031 as attached, as the basis for setting the high level financial principles and parameters that will inform future decision making and the development of Council’s annual budget, strategies and actions.”

2.0 SUMMARY

This report has been prepared to allow Council to adopt the Financial Management Strategy (FMS) 2031 which has been recently reviewed.

3.0 BACKGROUND

The Burnie City Council’s Financial Management Strategy (FMS) is an important component of the Council’s financial planning process as it underpins financial sustainability, whilst meeting the needs and expectations of the community in delivering the Council’s strategic objectives. The FMS is a requirement under s70A of the *Local Government Act 1993*.

The FMS seeks to inform readers about how the Burnie City Council (Council) intends to govern its financial decisions both now and into the future. The FMS is integral to the Council in setting the high level financial parameters which will guide the development and refinement of the Council’s annual budget, strategies and actions.

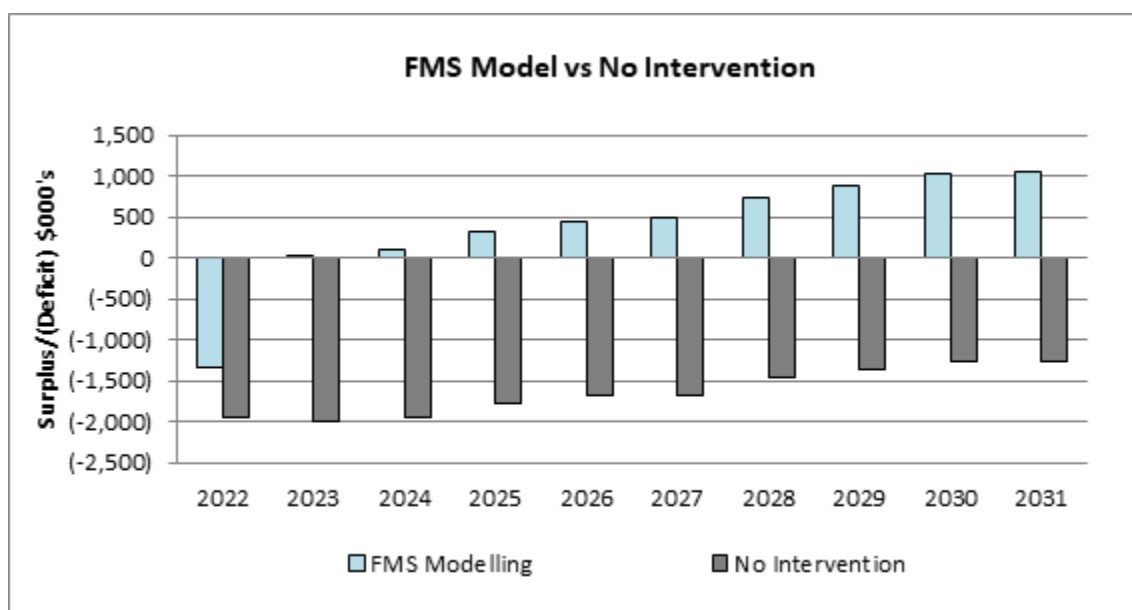
Council first introduced the FMS in 2012 and at the time flagged the need for restraint in expenditure growth in order for rate increases to be kept to a minimum. Notwithstanding this, the Council recognises that rate increases in line with CPI are important for the ongoing financial sustainability of the Council to ensure that there is sufficient resources to continue to deliver the same services to the community, each year.

Burnie is a regional centre and Council provides a broad range of services relative to its community and broader region. As such, rates in Burnie have for a number of years been higher than the state average. Over the past four years Council has been actively working to

decrease the rates burden to the community, providing rates reductions of 1% per annum from 2017-18 to 2019-20 and a 0% rate increase in 2020-21.

While this strategy has been successful in achieving the intended aim of keeping the rates per capita to within 15% above the state average, it has had a negative impact on the overall financial sustainability for the Council. Coupled with expensive long-term service delivery challenges and the impacts of COVID-19 the Burnie City Council has experienced significant operational deficits in the 2018-19 to 2020-21 years.

Council recognises that as a manager of public funds and as steward of Council's financial sustainability that ongoing deficits are not acceptable into the future. Modelling has shown that if Council were to not intervene, the Council is likely to incur operational deficits in the order of \$16.4m over the next ten years.



Council has been considering a number of measures to achieve cost reductions through the introduction of more effective methods of service delivery. The anticipated operational savings targets, totalling \$1.500m in the first two years, have been subsequently factored into the model.

Essentially by identifying these savings, the Council has balanced the financial impact to ratepayers by keeping the rates burden to a minimum with the model subsequently reflecting rate increases of CPI plus 1% for both the 2021-22 and 2022-23 financial years. Both of these measures are seen as necessary to return Council to a position of operational sustainability.

If not for the significant savings that have been identified by the Council, the likely rate rise for the next two year period would otherwise have been 5% per annum, in order to achieve the same financial result.

The projections contained in the financial modelling and which are based upon certain assumptions, produce the following outcomes over the 10-year period:

- The ability to keep the rate burden to a minimum with projections indicating that from 2023-24 onward, rate increases of only CPI will be necessary.
- A deficit of \$1.330m in 2021-22, with Council moving to a small surplus in 2022-23 and surpluses rising over the remainder of the ten year period.
- A demonstration that Council's liquidity will continue to be strong with a current ratio projection of 1.10 in all years.
- Funds available for capital expenditure over the next 10 years will on average cover Council's asset renewal needs. Asset renewals will be a challenge in the short term but can be met fully over the period from cash reserves.

These outcomes demonstrate Council's commitment to keeping the cost of services to the community as low as possible whilst maintaining financial sustainability and ensuring the ongoing ability to deliver services to the community.

4.0 LEGISLATIVE REQUIREMENTS

The *Local Government (Miscellaneous Amendments) Act 2013* received Royal Assent on 19 November 2013 making it compulsory for Tasmanian Councils to maintain a long-term financial management strategy. The following sections set out the requirements under the Act:-

70. Long-term financial management plans

- (1)** *A council is to prepare a long-term financial management plan for the municipal area.*
- (2)** *A long-term financial management plan is to be in respect of at least a 10 year period.*
- (3)** *A long-term financial management plan for a municipal area is to –*
 - (a)** *be consistent with the strategic plan for the municipal area; and*
 - (b)** *refer to the long-term strategic asset management plan for the municipal area; and*
 - (c)** *contain at least the matters that are specified in an order made under section 70F as required to be included in a long-term financial management plan.*

70A. Financial management strategies

- (1)** *A council is to prepare a financial management strategy for the municipal area.*
- (2)** *A financial management strategy for a municipal area is to –*

- (a) *be consistent with the strategic plan for the municipal area; and*
- (b) *contain at least the matters that are specified in an order made under section 70F as required to be included in a financial management strategy.*

The Minister for Local Government has issued *Local Government (Contents of Plans and Strategies) Order 2014* under Section 70F of the Act outlining the minimum requirements of long term financial management plans and strategies. Council's strategy complies with all the disclosure requirements of the Orders.

5.0 POLICY CONSIDERATIONS

The FMS provides sound financial principles and parameters to be considered by the Council to inform sound, well-informed decision making.

6.0 FINANCIAL IMPACT

The financial impacts arising this report are outlined within the FMS document **attached**.

7.0 DISCUSSION

The FMS has been developed to provide Council with a strategic framework when developing budgets and in considering other policy decision making on behalf of the community, for the next ten year period.

The key objective of the FMS is to demonstrate and maintain financial sustainability in the medium and long term whilst achieving the strategic objectives of Council. The strategy excludes consolidation of controlled entities.

In preparing the FMS, the following principles of sound financial management have been taken into account:

- The community's finances will be managed responsibly to enhance the wellbeing of residents.
- Council will endeavour to maintain community wealth to ensure that the wealth enjoyed by today's generation may also be enjoyed by tomorrow's generation.
- Council's financial position will be robust enough to recover from unanticipated events, and to absorb the volatility inherent in revenues and expenses.
- Resources will be allocated to those activities that Council is required to deliver and which generate community benefit.

The long-term financial estimates in this strategy will be revisited and updated annually to reflect any strategies that arise from the Council planning process.

If Council follows the principles contained within the FMS when setting its Annual Plan and Budget Estimates the organisation will show strong financial sustainability into the future.

The projections contained in the financial modelling and which are necessarily based upon certain assumptions, produce the following outcomes over the 10-year period:

- An operating deficit of \$1.330m in 2021-22, with a return to operating surplus from the 2022-23 year onwards
- A demonstration that Council's liquidity will continue to be strong with a current ratio projection of 1.10 in all years.
- Operational savings targets in the order over \$1.500m over a 2 year period.
- Rate increases of CPI plus 1% in 2021-22 and 2022-23, with CPI rate increase for the remaining 8 years of the model.
- Funds available for capital expenditure over the next 10 years will on average cover Council's asset renewal needs. Asset renewals will be a challenge in the short term but can be met fully over the period from cash reserves.

These outcomes demonstrate Council's commitment to keeping the cost of services to the community as low as possible, managing the rate burden, whilst maintaining financial sustainability and ensuring the ongoing ability to deliver services to the community.

Operational Savings Targets

In order to return to a position of operational surplus, Council has included a number of measures in its FMS modelling which will be implemented over the next 2 years. A number of the proposed measures are as a result of Council considering more effective methods for delivering services to the community. Council must balance the services it provides to the community with the rating burden it places on its ratepayers.

Council has been considering a number of measures to achieve cost reductions through the introduction of more effective methods of service delivery. The anticipated operational savings targets, totalling \$1.500m in the first two years, have been subsequently factored into the model.

Essentially by identifying these savings, the Council has balanced the financial impact to ratepayers by keeping the rates burden to a minimum with the model subsequently reflecting rate increases of CPI plus 1% for both the 2021-22 and 2022-23 financial years. Both of these measures are seen as necessary to return Council to a position of operational sustainability.

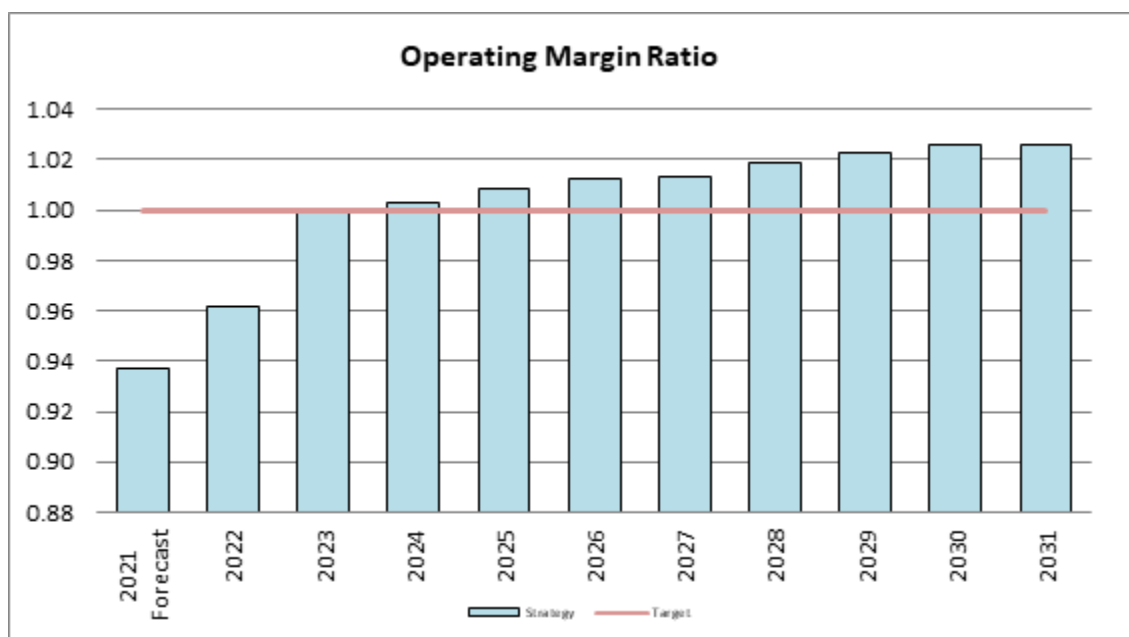
Operating Margin Ratio

The operating margin serves as an overall measure of operating effectiveness. A result of less than 1.00 indicates an operating deficit. The operating margin benchmark for Council is 1.00 which is the point where recurring income is equal to recurring expenditure which

means that the rates and charges being paid is equal to the cost of providing existing levels of service.

An operating margin below the benchmark would indicate that Council might not be generating sufficient revenue to fulfil its operating requirements. Council seeks to achieve equity across generations by recognising that each generation must pay its way with respect to recurrent expenses being met from recurrent revenue (the full cost of the service it consumes).

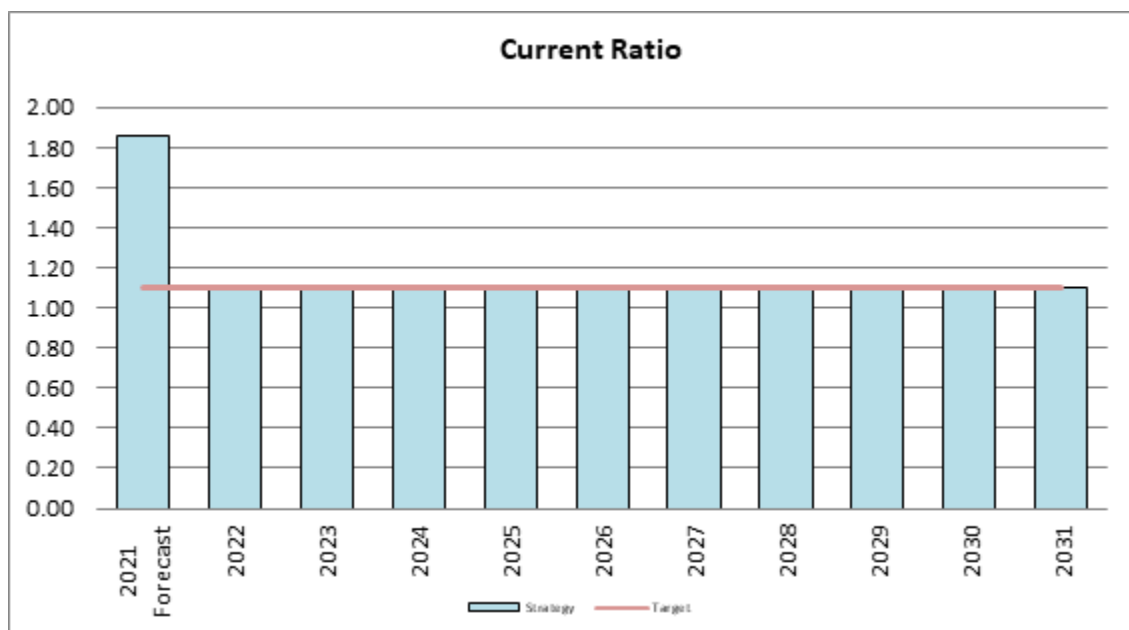
The following graph shows Council's strategy is sustainable into the future with its recurrent expenditure fully funded from recurrent income. The operating margin target of 1.00 will be met from 2023 onwards.



Current Ratio

The current ratio measures the liquidity of Council. That is, Council's ability to meet its debt and financial obligations as they fall due. A ratio of 1.10 or more indicates that there is enough cash and liquid assets to cover short-term liabilities. Influencing factors are planning and budgetary control, timing of the completion of the capital works program, timing of cash flows and credit policies, and collection of debts.

A benchmark of greater than 1.10 indicates that council's short term assets are greater than its short term liabilities. From 2021, Council is projected to meet the benchmark set by the FMS demonstrating that through good management and planning Council will be able to meet all short-term liabilities comfortably.



Capital Works Expenditure and Asset Renewal Needs

Renewal expenditure is expenditure on an existing asset which reinstates the existing service potential or the life of an asset up to that which it had originally. It may reduce future operating and maintenance expenditure if completed at the optimum time.

Asset upgrades are carried out to address deficiencies in current service levels or to meet new standards or statutory requirements. Expenditure on new assets in most cases will result in future costs for operation, maintenance and capital renewal expenditure and therefore needs to be carefully considered by the Council.

The funds available for capital expenditure over the next 10 years will on average cover Council's asset renewal needs. Asset renewals will be a challenge in the short term but can be met on average over time.

8.0 RISK

The risk of not taking into account the principles of this FMS will invariably result in further deterioration in the financial sustainability of the organisation, resulting in the need for the Council to substantially increase the rate burden.

9.0 CONSULTATION

The FMS and its implications were discussed with Councillors at workshops conducted on the 16 February 2021 and the 13 April 2021.

ATTACHMENTS

1. [Financial Management Strategy 2031](#)

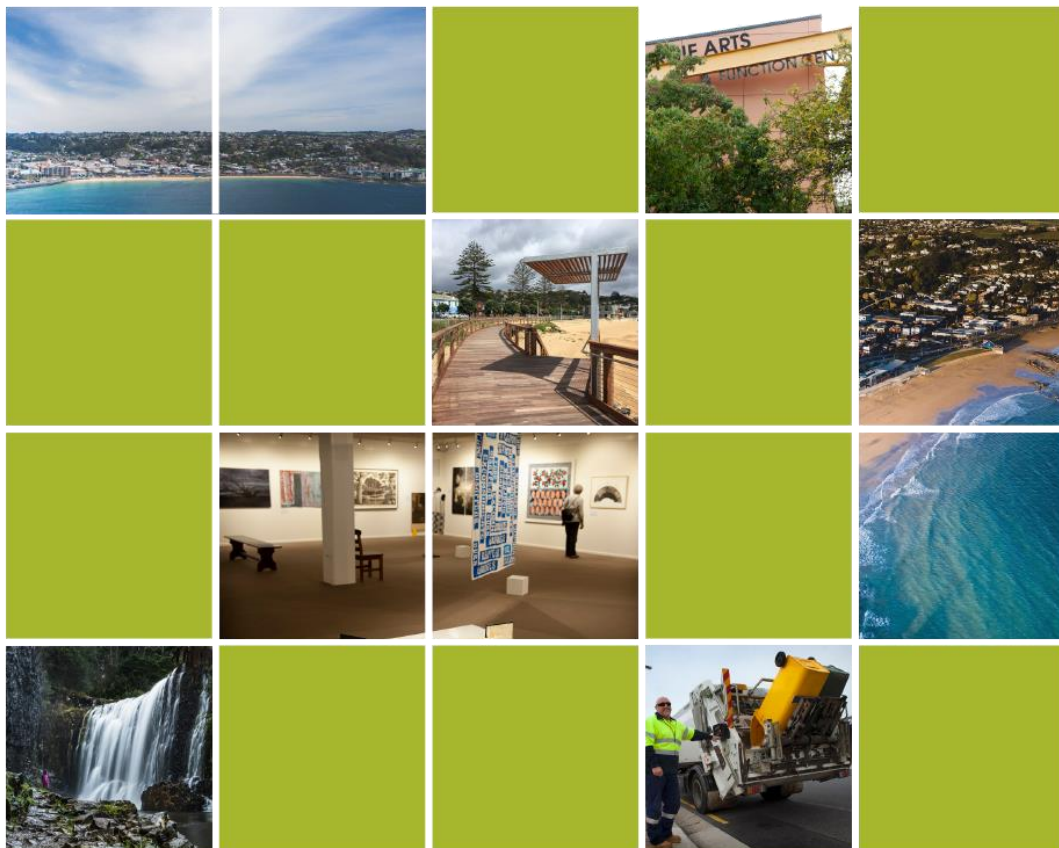
COUNCIL RESOLUTION**Resolution number: MO065-21****MOVED:** *Cr T Bulle***SECONDED:** *Cr D Pease*

“THAT Council adopt the Financial Management Strategy 2031 as attached, as the basis for setting the high level financial principles and parameters that will inform future decision making and the development of Council’s annual budget, strategies and actions.”

For: Cr S Kons, Cr A Boyd, Cr K Dorsey, Cr C Lynch, Cr A Keygan, Cr G Simpson, Cr T Bulle, Cr D Pease.

Against:

CARRIED UNANIMOUSLY



FINANCIAL MANAGEMENT STRATEGY

Draft 27 April 2021

2021- 2031



	Financial Management Strategy Approved By: Council Doc Controller: Director Corporate Document Code: CD-CBS-FIN-001 Version: 11.0 File: 13/16/4 Approved Date: XX Next Review Date: 28 Feb 2020
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Document Endorsement	
Responsibility:	<p>It is the responsibility of the General Manager to oversee the implementation of this strategy.</p> <p>It is the responsibility of the Director Corporate to implement and review the strategy with Council on an annual basis.</p>
Legislative Reference:	<p>This document is designed to meet the following provisions of the Local Government Act 1993:</p> <p>Section 70 – Long Term Financial Management Plan</p> <p>Section 70A – Financial Management Strategy</p>
Document Approval:	XX
Previous Documents:	<p>This document replaces the previous Financial Management Strategy (2030); version 10.0 dated 28 February 2020.</p>
Publication of Strategy:	<p>Members of the public may access this strategy on Council's website (www.burnie.net).</p>
Strategic Plan Reference:	<p>Direction 7: An engaging and accountable leadership focused on a strong future.</p> <p>Objective 7.4 Ensure a long term strategic focus drives financial policy and decisions.</p>

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Burnie City Council**Financial Management Strategy**

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1 Executive Summary

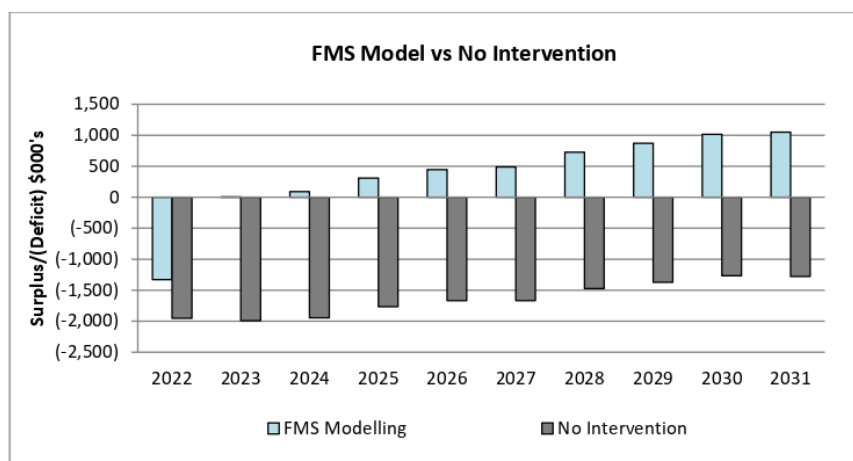
The Burnie City Council's Financial Management Strategy (FMS) is an important component of the Council's financial planning process as it underpins financial sustainability, whilst meeting the needs and expectations of the community in delivering the Council's strategic objectives. The FMS is a requirement under s70A of the *Local Government Act 1993*.

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Council first introduced the FMS in 2012 and at the time flagged the need for restraint in expenditure growth in order for rate increases to be kept to a minimum. Notwithstanding this, the Council recognises that rate increases in line with CPI are important for the ongoing financial sustainability of the Council to ensure that there is sufficient resources to continue to deliver the same services to the community, each year.

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Burnie City Council**Financial Management Strategy**

minimum with the model subsequently reflecting rate increases of CPI plus 1% for both the 2021-22 and 2022-23 financial years. Both of these measures are seen as necessary to return Council to a position of operational sustainability. If not for the significant savings that have been identified by the Council, the likely rate rise for the next two year period would otherwise have been 5% per annum, in order to achieve the same financial result.

The projections contained in the financial modelling and which are based upon certain assumptions, produce the following outcomes over the 10-year period:

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These outcomes demonstrate Council's commitment to keeping the cost of services to the community as low as possible whilst maintaining financial sustainability and ensuring the ongoing ability to deliver services to the community.

2 Introduction

In order for a Council to be sustainable both present and future needs are required to be met. In other words, resources need to be managed so that financial commitments can be met in the immediate and longer term, whilst also ensuring that the Council is able to meet its community needs both now and into the future.

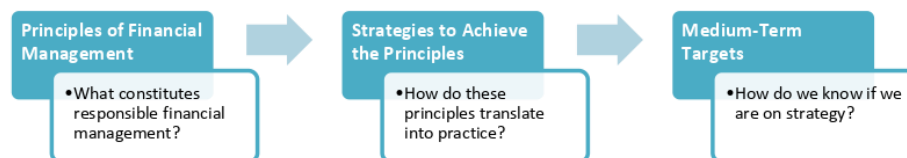
The FMS has been prepared to provide the Burnie City Council with a view to the future when developing the Annual Plan and Budget Estimates (APBE) each year.

The strategy has been prepared to guide Council in its financial decision-making ensuring that the following principles are followed:-

- The community's finances will be managed responsibly to enhance the wellbeing of residents.
- Council will endeavour to maintain community wealth to ensure that the wealth enjoyed by today's generation may also be enjoyed by tomorrow's generation.
- Council's financial position will be robust enough to recover from unanticipated events, and to absorb the volatility inherent in revenues and expenses.
- Resources will be allocated to those activities that Council is required to deliver and which generate community benefit.

Burnie City Council**Financial Management Strategy**

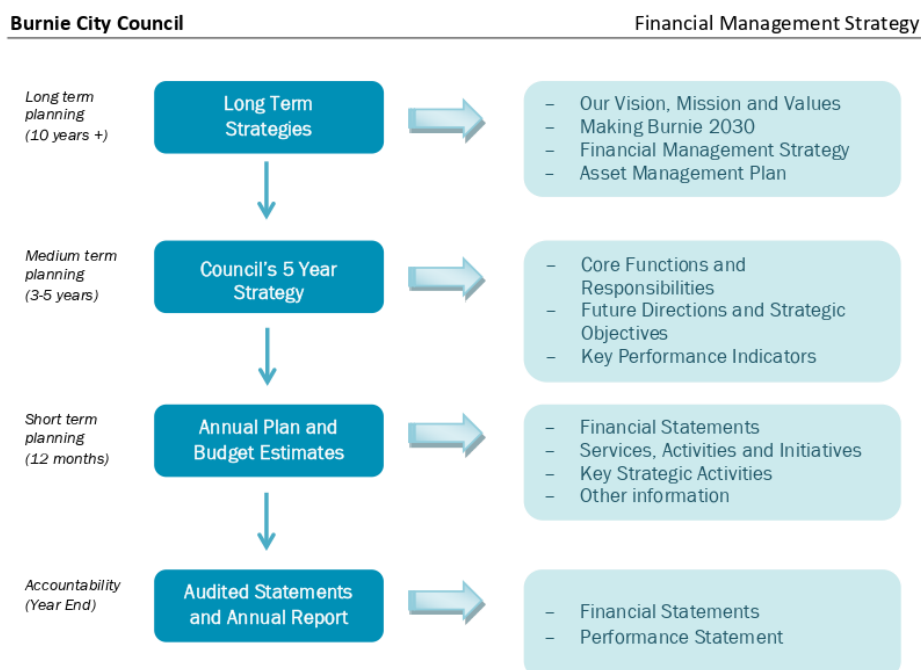
If Council follows the principles contained within the FMS when setting its Annual Plan and Budget Estimates the organisation will show strong financial sustainability into the future. The principles are given practical effect through strategies. Strategies are measured by the setting of medium term targets. The following diagram demonstrates the process.

**2.1 Linkages with the Community Strategic Plan**

Council's strategic planning framework guides Council in identifying community needs and aspirations over the long term (Our Vision), medium term (Strategic Plan) and short term (Annual Plan and Budget Estimates). The Council is measured on the success of this strategy through the Audited Financial Statements and Annual Report.

The FMS is not about deciding on what Council will spend on individual projects. It is about the various financial strategies that will effectively determine the amount of funds that Council will have at its discretion to allocate in future years. Long term financial planning supports the delivery of the community plan (Making Burnie 2030) through the optimal allocation of available resources.

The linkage between the FMS and Council's strategic framework is represented in the diagram below.



2.2 Where does this document fit into Financial Management?

The FMS is an important part of the overall financial management activities of Council. The following table demonstrates the context within how this document fits into the overall financial management framework of Council.



3 Financial Principles

The following principles serve to guide Council in setting its financial management direction. They are given practical effect through strategies.

Principle 1: The Community's finances will be managed responsibly to enhance the wellbeing of residents.

Council will ensure it only raises the revenue it needs, and does so in the most efficient and equitable manner possible. Council will manage community funds according to best practice standards and ensure information regarding its financial management decisions is accessible to the community. Council will ensure it only delivers those services that cannot be delivered more efficiently and effectively by other providers.

Principle 2: Council will maintain community wealth to ensure that the wealth enjoyed by today's generation may also be enjoyed by tomorrow's generation.

Council will seek to achieve equity across generations by recognising that each generation must pay its way with respect to recurrent expenses being met from recurrent revenue (the full cost of the service it consumes).

Council will invest sustainably in community assets to maintain (and potentially enhance) service levels where possible.

Principle 3: Council's financial position will be robust enough to recover from unanticipated events, and absorb the volatility inherent in revenues and expenses.

Council will ensure it accumulates and maintains sufficient financial resource and has the borrowing capacity to deal with volatility and unexpected events.

Council's operational budget will be flexible enough to ensure that volatility in revenues and expenses as a result of the changing economic environment can be absorbed.

Principle 4: Resources will be allocated to those activities that generate community benefit.

Council will ensure that robust and transparent processes are in place for the allocation and prioritisation of resources through budgetary decision-making, as well as for choosing the most effective methods for delivering specific services and projects. Strategies will include a robust cost-benefit analysis in preparing and assessing proposals.

Council will recognise its service obligations to the Burnie community in its decision-making.

4 Financial Management Strategies

The following financial strategies portray the strategic direction upon which Council's financial decisions are based:

4.1 Rating Strategy

Council ensures it only raises the revenue it needs, and does so in the most efficient and equitable manner possible. Council must balance its service levels with the needs and expectations of the community and set appropriate rating levels in order to adequately fulfil its roles and responsibilities.

The following factors influence the level of rates and charges:

- Distribution and level of Commonwealth and state funding
- Socio-economic profile of the area (capacity to pay)
- User-pays policies
- Level and range of services including the level of regional responsibility
- Current economic environment

In determining its rates each Council gives consideration to the current economic climate and the capacity of the community to pay for services. Council will always minimise any increase in rates and charges by minimising costs where possible throughout the annual budget deliberation process.

The aim of rates and charges decision-making is to spread the burden fairly across the community with those that have the greatest capacity to pay paying more than those with a lesser capacity to pay.

When considering how the rate burden will be distributed, Council must balance capacity to pay with the benefit principle acknowledging that there are some groups of the community that have more access to and received greater benefit from specific services.

Burnie is a regional centre and Council provides a broad range of services relative to its community. As such, rates are typically higher than the state average.

In recent years Council has been successful in closing the "rates per capita" gap in Burnie against the state average while maintaining acceptable service levels. While this remains an important objective for the Council, it needs to be balanced by the need to ensure it raises the revenue required to provide adequate services to its residents and broader community.

4.1.1 Rating Structure

Council has established a rating structure comprising two key elements – general and service rates.

The general rates are levied based on the Annual Assessed Value (AAV) of properties as determined by the Valuer General. Property values generally reflect the capacity of the ratepayer to pay.

Service rates are levied to recover the cost of a specific service provision within the municipal area. Council's service rates currently cover stormwater and waste management services. More information regarding

Council's approach to determining and collecting rates from the community can be found in Council's Rates and Charges Policy.

4.2 Asset Management Strategy

The key objective of Council's Asset Management Strategy is to maintain Council's existing assets at the desired condition levels to enable effective service delivery. If funding is not sufficiently allocated to asset renewal then Council's investment in those assets will reduce which will decrease the capacity to deliver services to the community.

Council's Asset Management Strategy (adopted in July 2020) outlines Council's approach to improve the way it delivers services utilising its asset infrastructure and how its asset portfolio will need to be funded in order to meet service delivery needs into the future. The strategy shows how Council's asset management policies will be achieved and integrated into Council's long term strategic planning.

Council's Asset Management Policy ensures that adequate provision is made for the long-term replacement of major assets by:

- Ensuring that Council's services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and the environment.
- Safeguarding Council assets, including physical assets and employees, by implementing appropriate asset management strategies and the financial treatment of those assets.
- Creating an environment where all Council employees play an integral part in overall management of Council assets, by creating and sustaining asset management awareness throughout the organisation through training and development.
- Meeting legislative compliance for asset management.
- Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated.
- Demonstrating transparent and responsible asset management processes that align with demonstrated best practice.

4.3 Treasury Strategy

Council is committed to operating in a financially sustainable manner which is underpinned by the Financial Management Strategy. Council manages the financing and funding of future needs through forward financial planning and projections, which are updated annually. The Strategy also provides projections of future cash flow availability and needs.

Council does not retain and quarantine money for particular future purposes unless required by legislation or agreement with other parties.

Council's operating and capital expenditure decisions are made based upon:

- statutory service delivery obligations;

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- identified community needs and benefits relative to other expenditure options;
- the cost effectiveness of the proposed means of service delivery; and
- the affordability of proposals having regard to Council's long-term financial sustainability.

More information regarding how Council manages its borrowings is contained in Council's Treasury Policy (CP-CBS-SG-038).

4.4 Investment Strategy

Cash reserves require careful management to both achieve optimum investment incomes and to ensure that cash is available when needed for planned expenditures. Funds will be invested in a manner that allows them to earn interest for as long as possible while retaining flexibility in accessing those funds for Council purposes.

Council's Financial Management Strategy and Annual Plan and Budget Estimates will be used to provide direction on the term of investments to be made. Council will ensure that enough funds are on hand to ensure that all current liabilities can be met at any given time.

Council will ensure that its investment portfolio maximises its return on investments while maintaining an acceptable level of risk.

More information regarding how Council manages its investments is contained in Council's Treasury Policy (CP-CBS-SG-038).

4.5 Borrowing Strategy

Council is the custodian for a significant asset portfolio and is therefore required to provide significant funding and investment into its infrastructure assets to deliver its service objectives.

The Council is mindful of intergenerational equity in terms of generating revenue to offset service costs. Council will seek to achieve equity across generations by recognising that each generation must pay its way with respect to recurrent expenses being met from recurrent revenue (the full cost of the service it consumes).

Council aims to achieve an operating break even position (underlying position). This means that on average over time it will generate sufficient funds to offset the consumption of existing assets (through its depreciation expense). On average over time it will have sufficient capacity to accommodate asset renewal requirements without the need to raise additional borrowings.

Council may utilise borrowing to allow for potential timing mismatches between income and expenditure outlays. Borrowings may also be used as an effective mechanism of linking the payment for assets (via debt repayments) to the populations who receive benefits over the life of that asset. This matching concept is frequently referred to as 'inter-generational equity'.

In considering new debt, Council will consider the impact of borrowing costs on the sustainability of its operating position and its capacity to repay the debt. Council will maintain enough borrowing capacity to ensure that it has the capacity to deal with significant unexpected events.

Council will aim to keep debt levels low at any point in time as its annual budget, long term financial planning and associated cash flow projections allow. Any funds that are not immediately required to meet approved

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expenditure may be applied to reduce its level of borrowings or to defer and/or reduce the level of new borrowings that would otherwise be required.

When borrowing, Council shall raise all external borrowings at the most competitive rates available and from sources available as defined by legislation.

More information regarding how Council manages its borrowings is contained in Council's Treasury Policy (CP-CBS-SG-038).

5 Financial Targets

5.1 Council Financial Management Strategy Targets

Financial principles are given practical effect through strategies. Strategies are measured by the setting of medium term targets. The following targets have been determined to be appropriate in measuring Council's sustainability and subsequently underpin the Financial Management Strategy principles:

- To achieve an operating margin of 1.00
- To maintain a current ratio above 1.10

5.1.1 Operating Margin Ratio

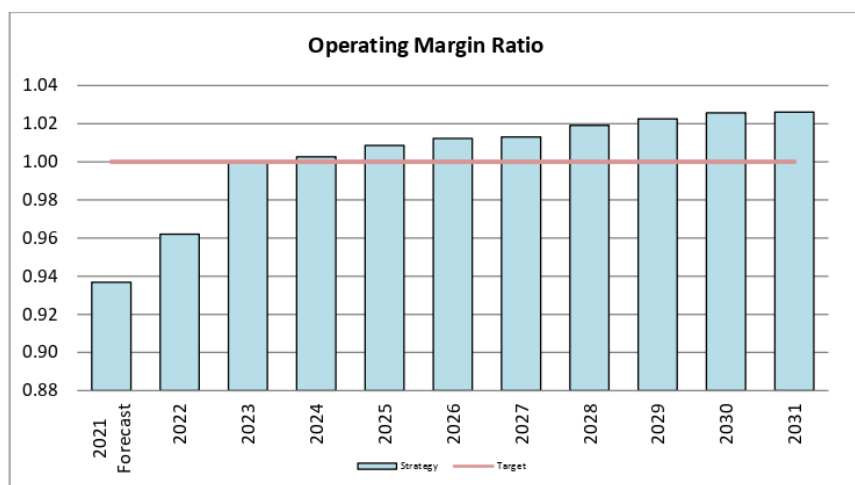
The operating margin serves as an overall measure of operating effectiveness. A result of less than 1.00 indicates an operating deficit. The operating margin benchmark for Council is 1.00 which is the point where recurring income is equal to recurring expenditure which means that the rates and charges being paid is equal to the cost of providing existing levels of service.

An operating margin below the benchmark would indicate that Council might not be generating sufficient revenue to fulfil its operating requirements. Council seeks to achieve equity across generations by recognising that each generation must pay its way with respect to recurrent expenses being met from recurrent revenue (the full cost of the service it consumes).

The following graph shows Council's strategy is sustainable into the future with its recurrent expenditure fully funded from recurrent income. The operating margin target of 1.00 will be met from 2023 onwards.

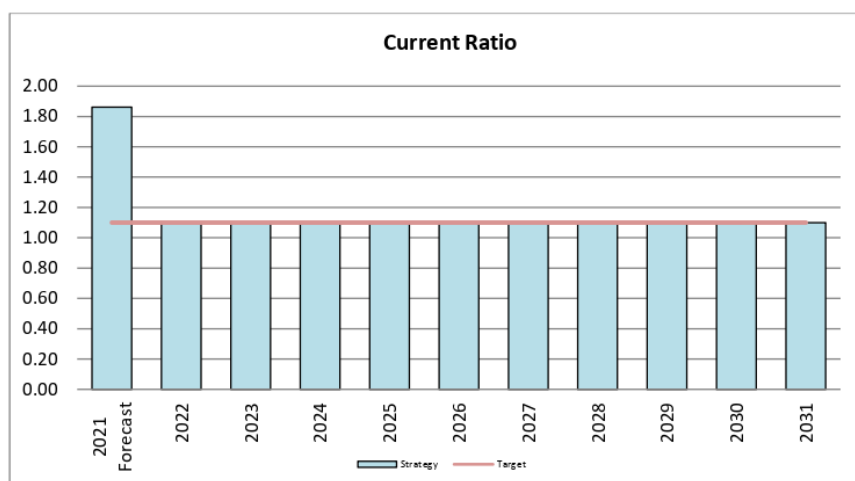
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**5.1.2 Current Ratio**

The current ratio measures the liquidity of Council. That is, Council's ability to meet its debt and financial obligations as they fall due. A ratio of 1.10 or more indicates that there is enough cash and liquid assets to cover short-term liabilities. Influencing factors are planning and budgetary control, timing of the completion of the capital works program, timing of cash flows and credit policies, and collection of debts.

A benchmark of greater than 1.10 indicates that council's short term assets are greater than its short term liabilities. From 2021, Council is projected to meet the benchmark set by the FMS demonstrating that through good management and planning Council will be able to meet all short-term liabilities comfortably.



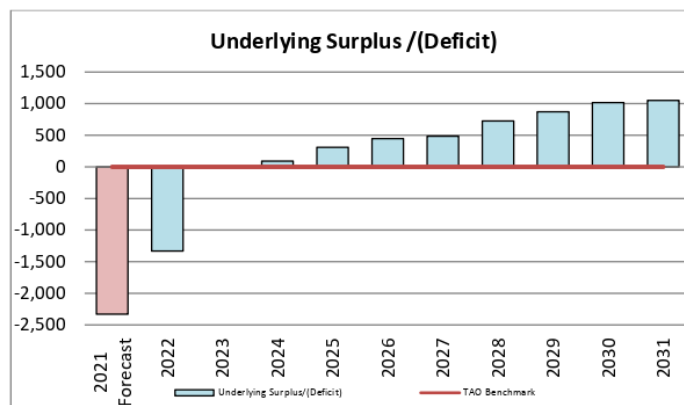
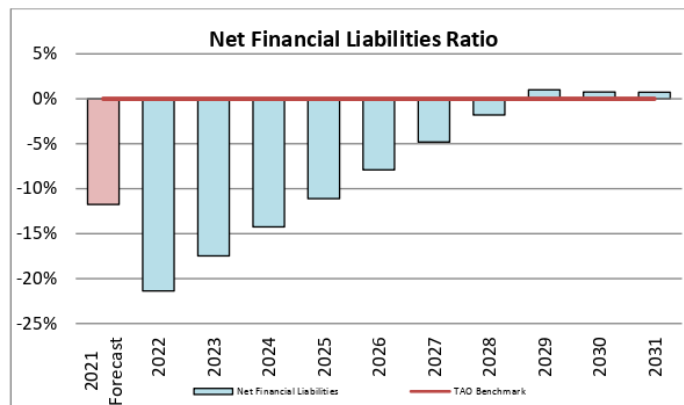
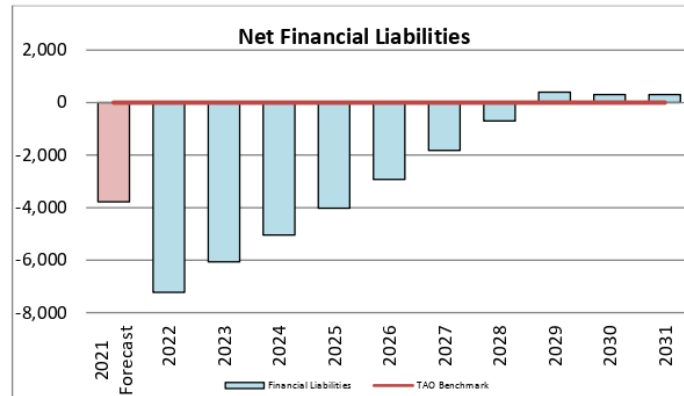
5.3 Financial Management Indicators

For the purposes of Section 84(2A) of the Local Government Act, Local Government (Management Indicators) Order (S.R.2014, No. 36) has specified the following indicators; the Tasmanian Audit Office has identified benchmarks for each.

Ratio	Description	Calculation	Tas Audit Office Benchmark	Benchmark Achieved
Net financial liabilities	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 required to fund the shortfall.	(\$) Total Liabilities less Financial Assets	Zero	Benchmark is met from 2029 onwards
Net financial liabilities ratio	Indicates the extent to which net financial liabilities could be met by recurrent income.	(%) Net financial liabilities divided by recurrent income.	Between negative 50% and zero	✓
Underlying surplus or deficit	This ratio serves as an overall measure of financial operating effectiveness.	\$ Recurrent income (excluding income received specifically for new or upgraded assets, physical resources received free of charge or other income of a capital nature) less Recurrent Expenses for the reporting period.	Greater than zero	Benchmark is met from 2023 onwards
Underlying surplus or deficit and ratio	The operating surplus ratio is the operating surplus (deficit) expressed as a percentage of total revenue (Adjusted by excluding capital grants, contributed PP&E and asset revaluation increment / decrements).	(%) Operating surplus (deficit) divided by total revenue - adjusted (excluding amounts received specifically for new or upgraded assets, physical resources received free of charge and revaluation increments).	Greater than zero	Benchmark is met from 2023 onwards
Asset renewal funding ratio	Measures the capacity to fund asset replacement requirements. An inability to fund future requirements will result in revenue or expense or debt consequences, or a reduction in service levels.	Future asset replacement expenditure as per long term financial plan divided by future asset replacement expenditure requirement as per asset management plans.	At least 90%	Benchmark achieved in all years except 2023 & 2024.
Asset sustainability ratio	The ratio of asset replacement expenditure relative to depreciation for a period. It measures whether assets are being replaced as they are wearing out.	(%) Capital expenditure on replacement/renewal of existing plant and equipment and infrastructure assets divided by their annual depreciation expense.	At least 100%	Benchmark achieved in 5 out of 10 years.

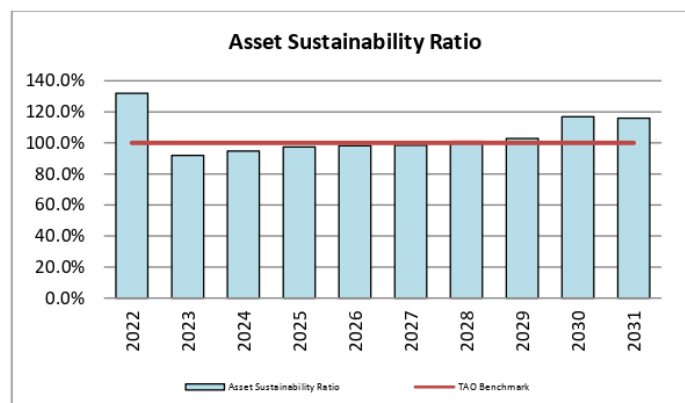
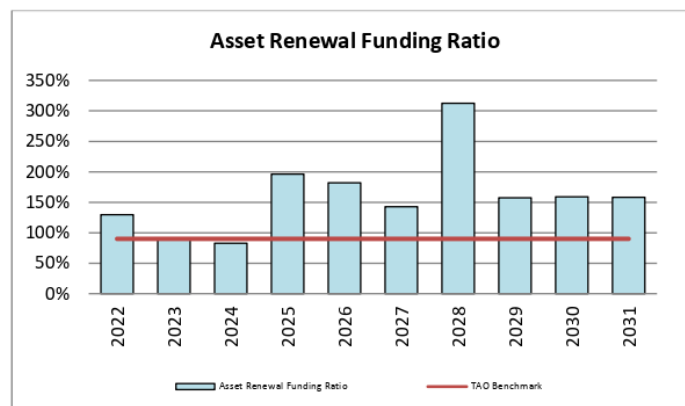
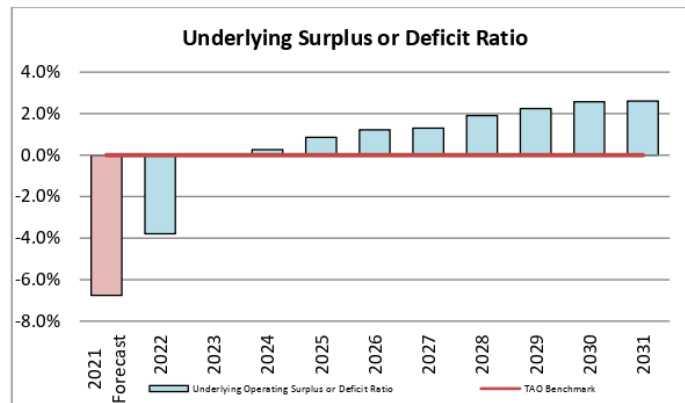
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6 Financial Modelling

The financial statements included in the FMS portray the projected long-term financial position and performance of the Burnie City Council over the next ten years. The FMS presents financial statements, as follows:

- Comprehensive Income Statement
- Statement of Cash Flows
- Statement of Financial Position

The statements are prepared on current knowledge and will no doubt be affected by various events that will occur in future years. It is important that the long-term financial projections in this strategy be revisited and updated on an annual basis.

The model is a guiding document to be used during the budget deliberation process. If the general thrust of the document is followed Council will achieve strong financial sustainability throughout the period of the Strategy.

6.1 Modelling Methodology

Following each statement are descriptions of the assumptions specifically applied to produce the Financial Management Strategy estimates. Broad percentages have not been applied universally in the modelling.

The forecast results as at 30 June 2021 has been used as the base point for the long term modelling. The following adjustments have been made to Council's base forecast operating result:

- In a number of past years the Federal Government has pre-paid 50% of Council's future year's financial assistance grant funding in June. The FMS assumes that financial assistance grant funding will not be pre-paid.
- A deficit is currently forecast for the 2020-21 financial year. An analysis has been conducted on the 2020-21 forecast deficit to amend this with known extraordinary variances and one of savings. This means that the model is predicated only on ongoing forecast variances.

6.2 Price Indexes

Consumer Price Index (All Groups Hobart)	
Jun 2015 to Jun 2016	1.24%
Jun 2016 to Jun 2017	2.35%
Jun 2017 to Jun 2018	2.40%
Jun 2018 to Jun 2019	2.30%
Jun 2019 to Jun 2020	1.31%
Average	1.92%

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The CPI reflects the general movement in costs in terms of groceries and other consumables. Where a Consumer Price Index (CPI) has been used in calculations it has been based on the average increase over the last 5 years as per the above table.

6.3 Comprehensive Income Statement

Burnie City Council Comprehensive Income Statement												
	Forecast 2021 \$'000	Strategic Projections										2031 \$'000
		2022 \$'000	2023 \$'000	2024 \$'000	2025 \$'000	2026 \$'000	2027 \$'000	2028 \$'000	2029 \$'000	2030 \$'000	2031 \$'000	
Recurrent Income												
Rates and charges	22,973	23,760	24,571	25,179	25,800	26,432	27,077	27,733	28,403	29,085	29,781	
Statutory fees and fines	857	794	809	825	841	857	873	890	907	924	942	
User fees	3,115	3,445	3,511	3,578	3,647	3,717	3,789	3,861	3,935	4,011	4,088	
Grants	3,736	3,812	3,885	3,960	4,036	4,113	4,192	4,273	4,355	4,438	4,523	
Reimbursements	455	408	394	249	254	258	263	268	274	279	284	
Other income	549	661	674	687	700	714	727	741	756	770	785	
Investment income	330	828	828	828	909	909	909	909	909	909	909	
Interest	132	89	61	63	64	66	69	71	74	75	68	
Total recurrent income	32,147	33,797	34,733	35,369	36,250	37,066	37,899	38,747	39,612	40,492	41,380	
Recurrent Expenses												
Employee benefits	12,057	12,556	12,807	13,063	13,325	13,591	13,863	14,140	14,423	14,712	15,006	
Materials and services	10,813	10,725	9,880	9,970	10,161	10,356	10,555	10,760	10,966	11,177	11,491	
Depreciation and amortisation	7,994	8,147	8,304	8,463	8,626	8,791	8,960	9,132	9,308	9,486	9,668	
Finance costs	227	192	160	136	114	95	75	56	36	16	-	
Other expenses	3,386	3,509	3,576	3,645	3,715	3,786	3,859	3,933	4,009	4,086	4,164	
Total recurrent expenses	34,477	35,130	34,728	35,278	35,941	36,620	37,413	38,022	38,742	39,476	40,330	
Operating surplus/(deficit) before capital items	(2,330)	(1,333)	5	91	309	446	487	726	871	1,015	1,051	
Capital Items												
Capital grants	3,034	484	484	484	484	484	484	484	484	484	484	
Developer Contributions	-	-	-	-	-	-	-	-	-	-	-	
Net gain/(loss) on disposal of assets	(250)	-	-	-	-	-	-	-	-	-	-	
	2,784	484	484	484	484	484	484	484	484	484	484	
Surplus/(Deficit)	454	(849)	489	575	793	930	971	1,210	1,355	1,499	1,535	
Operating Margin	0.93	0.96	1.00	1.00	1.01	1.01	1.01	1.02	1.02	1.03	1.03	

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6.3.1 Recurrent Income**Rates and charges**

Rates and charges are an important revenue stream for Council and are estimated to make up 71% of the total Council operating (recurrent) revenue. It is necessary to balance the importance of rate revenue as a funding source and increase rates in line with rising costs in order to be financially sustainable.

The FMS recognises that the price of delivering services to the community over time will increase. The level of rates levied to cover those services will also need to increase in order to continue to deliver the same level of service. This does not however remove the ongoing desire of the Council to achieve operational efficiencies.

Council will minimise costs where possible and will pass cost savings on to ratepayers in the form of lower rate increases where this is possible. Council will ensure it only raises the revenue it needs. Increases allowed for in the modelling are indicative only.

Increases of the 5 year average CPI plus 1% have been allowed for in the 2022 & 2023 financial years, with increases of CPI from 2024-2031. The 5-year average Consumer Price Index (all Groups) Hobart was 1.92% as at 30 June 2020. Rates income in the FMS does not take into account the redistributive effects of revaluations in the future.

Fire levies are set by the State government and are outside the control of Council. It has been assumed that levies will increase by 1.92% each year in line with the 5-year average Consumer Price Index (all Groups) Hobart. It should be noted that the State government is considering implementing a waste levy to Tasmanian ratepayers in 2021-22 financial year. This has not been modelled within the Financial Management Strategy.

An allowance has been made for supplementary rates and charges of \$137,000 per year which is consistent with historical trends.

The effective overall rate increases is modelled in the following table:

	Forecast					Strategic Projections					
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
General Rate	15,166	15,750	16,351	16,804	17,267	17,738	18,218	18,707	19,206	19,715	20,233
Waste Service Charges	4,020	4,137	4,258	4,340	4,423	4,508	4,595	4,683	4,773	4,865	4,958
Stormwater Service Charges	1,617	1,664	1,713	1,746	1,779	1,813	1,848	1,884	1,920	1,957	1,994
Add: Supplementary Rates	137	137	137	137	137	137	137	137	137	137	137
	20,940	21,688	22,459	23,027	23,606	24,196	24,798	25,411	26,036	26,673	27,322
% Increase in Price		2.92%	2.92%	1.92%	1.92%	1.92%	1.92%	1.92%	1.92%	1.92%	1.92%
Fire Levies	2,033	2,072	2,112	2,152	2,194	2,236	2,279	2,322	2,367	2,413	2,459
Total Rates and Charges	22,973	23,760	24,571	25,179	25,800	26,432	27,077	27,733	28,403	29,085	29,781
Rate Income Increase	787	810	609	620	632	644	657	669	682	695	
Overall rate income % increase		3.3%	3.3%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.3%	2.3%

Statutory Fees and Fines

Statutory fees and fines relate mainly to fees and fines levied in accordance with legislative requirements. They include building fees, planning fees, parking fines, and animal registrations. It has been assumed that over time statutory fees and fines will increase by 1.92% per annum in line with the 5-year average Consumer Price Index (all Groups) Hobart.

User Fees

User charges relate to the recovery of service delivery costs through the charging of fees to users of Council's services. These include parking fees and the hire of halls and sporting grounds. It has been assumed that over time user fees and fines will increase by 1.92% per annum in line with the 5-year average Consumer Price Index (all Groups) Hobart.

Burnie City Council**Financial Management Strategy****Grants**

The main source of grant revenue is from the State Grants Commission (SGC) in the form of Financial Assistance Grants (FAG). Council has little control over the level of FAG received as significant changes are only likely to occur as a result of a change in population. It has been assumed that the population will remain constant and the current base funding will continue. It has been assumed that the funding will be indexed by CPI from 2021 onwards and therefore an increase of 1.92% has been applied from 2022 through to 2031.

Reimbursements

It has been assumed that reimbursements will increase by 1.92% per annum in line with the 5-year average Consumer Price Index (all Groups) Hobart.

Other Income

Other income includes rates penalties and rental income on Council properties. It has been assumed that other income will increase by 1.92% per annum in line with the 5-year average Consumer Price Index (all Groups) Hobart.

Dividends and Distributions

Dividends and distributions occur as a result of Council's ownership interests in other entities and are dependent on continued ownership and profitability of those entities.

Distributions from TasWater have been allowed for in line with the entity's Corporate Plan (based on Council's equity of 4.14%). It should be noted that the distributions are outside the control of Council and there is some risk that dividends will not be paid in line with the entity's Corporate Plan.

TasWater did not pay a final dividend in the 2019-20 financial year due to impacts of the COVID-19 pandemic. The entity is also likely to only pay half the planned distributions in the 2020-21 financial year. Council has assumed TasWater will resume payment of full dividends as per its Corporate Plan for the 2021-22 financial year onwards. Details on the impact of the removal of TasWater dividend income on Council's ten year financial position can be found in section 6.8.4 Sensitivity Analysis – Removal of TasWater Dividend.

The following distributions have been included for Council's controlled entities:

- Tas Communications – No distributions for the full ten year projections.
- Burnie Airport Corporation – A return to normal distributions from 2025 onwards.

Interest

Interest on investments has been calculated based on the estimated average level of investments held during the year. It has been estimated that 50% of rates revenue will be paid in full by the end of August. A rate of 0.75% has been used which is consistent with Council's current return on its investment portfolio and Council's weighted average interest rate as at 31 March 2021.

6.3.3 Recurrent Expenses**Employee Benefits**

Council is currently negotiating a new Enterprise Bargaining Agreement and therefore actual wage increases in future years are unknown at the time of completing the Strategy. Annual increases of 2% have been factored into the FMS modelling over the ten year period.

Materials and Services

It has been assumed that materials and services will increase by 1.92% per annum in line with the 5 year average Consumer Price Index (all Groups) Hobart. Operational savings of \$1.500m across the 2021-22 and 2022-23 financial years have been included in the modelling. While the savings have been factored into the model as materials and services, the makeup of these savings is yet to be determined and are likely to be made across a number of expenditure categories. The final allocation of the savings will be presented in the Annual Plan and Budget Estimates 2021-22.

Depreciation and Amortisation

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life. It is the financial representation of the annual increase in the value of, or consumption of the service inherent in council's assets. Annual depreciation therefore is an estimate of funds that will need to be spent at some time in the future to renew Councils existing assets.

It has been assumed that depreciation on current Council assets will be contained to increase by no more than 1.92% per annum in line with the 5 year average Consumer Price Index (all Groups) Hobart.

The factors affecting the consumption of an asset are:

- the quality of the original asset;
- the wear and tear to which the asset is subjected;
- the environment in which the asset is operated or constructed;
- the maintenance provided to the asset;
- technical obsolescence; and
- commercial obsolescence.

Finance Costs

Finance costs relate to interest charged by financial institutions on funds borrowed. The level of borrowings and the level of interest rates influence borrowing costs.

The strategy does not include any new borrowings and includes the principal and interest repayments on Council's existing loan facilities. All Council's existing loans are for fixed term and are at a fixed interest rate for the full term of the loan.

Other Expenses

Other expenses include levies to state government for land tax and fire levies, water sewer and rates, remissions, discounts, and auditor remuneration. It has been assumed that other expenses will increase by CPI each year at a rate of 1.92%.

6.4 Statement of Cash Flows

Council needs to ensure that enough funds are on hand at any point in order to meet all current liabilities. A measure of this liquidity is the current ratio, which is discussed below.

Burnie City Council Statement of Cash Flows												
	Forecast		2022		2023	2024	2025	Strategic Projections				2031
	2021	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	2026	2027	2028	2029	2030
Cash flows from operating activities												
Rates and charges	22,911		23,724	24,534	25,142	25,762	26,393	27,037	27,693	28,362	29,043	29,738
Statutory fees and fines	857		794	809	825	841	857	873	890	907	924	942
User fees	3,115		3,445	3,511	3,578	3,647	3,717	3,789	3,861	3,935	4,011	4,088
Grants	3,320		3,812	3,885	3,960	4,036	4,113	4,192	4,273	4,355	4,438	4,523
Reimbursements	455		408	394	249	254	258	263	268	274	279	284
Other income	679		661	674	687	700	714	727	741	756	770	785
Payments to suppliers	(9,829)		(10,688)	(9,843)	(9,932)	(10,122)	(10,317)	(10,515)	(10,718)	(10,924)	(11,134)	(11,448)
Payments to employees	(11,965)		(12,503)	(12,753)	(13,008)	(13,268)	(13,534)	(13,805)	(14,081)	(14,362)	(14,650)	(14,943)
Other payments	(3,386)		(3,509)	(3,576)	(3,645)	(3,715)	(3,786)	(3,859)	(3,933)	(4,009)	(4,086)	(4,164)
Net cash provided by (used in) operating activities	6,157		6,144	7,635	7,856	8,133	8,416	8,603	8,694	8,994	9,293	9,597
Cash flows from investing activities												
Payments for property, infrastructure, plant and equip	(13,129)		(10,744)	(7,636)	(8,015)	(8,397)	(8,631)	(8,824)	(9,215)	(9,567)	(11,077)	(11,210)
Investment income	330		917	889	891	973	975	978	980	983	984	977
Capital grants	2,970		484	484	484	484	484	484	484	484	484	484
Net cash provided by (used in) investing activities	(9,829)		(9,343)	(6,263)	(6,640)	(6,940)	(7,172)	(7,362)	(7,751)	(8,100)	(9,609)	(9,749)
Cash flows from financing activities												
Finance costs	(227)		(192)	(160)	(136)	(114)	(95)	(75)	(56)	(36)	(16)	-
Repayment of interest bearing loans and borrowings	(1,299)		(1,329)	(1,112)	(1,130)	(1,029)	(1,049)	(1,067)	(1,087)	(1,107)	(1,122)	(7)
Proceeds from loan drawdown	-		-	-	-	-	-	-	-	-	-	-
Net cash provided by (used in) financing activities	(1,526)		(1,521)	(1,272)	(1,266)	(1,143)	(1,143)	(1,142)	(1,143)	(1,143)	(1,138)	(7)
Net increase (decrease) in cash and cash equivalents	(5,198)		(4,720)	100	(50)	50	101	99	100	50	(1,150)	50
Cash and cash equivalents at the beginning of the financial year	14,268		9,070	4,350	4,450	4,400	4,450	4,550	4,650	4,750	4,800	3,650
Cash and cash equivalents at the end of the period	9,070		4,350	4,450	4,400	4,450	4,550	4,650	4,750	4,800	3,650	3,700
Represented By:												
Cash at Bank	500		500	500	500	500	500	500	500	500	500	500
Investments	8,570		3,850	3,950	3,900	3,950	4,050	4,150	4,250	4,300	3,150	3,200
	9,070		4,350	4,450	4,400	4,450	4,550	4,650	4,750	4,800	3,650	3,700

Burnie City Council

Financial Management Strategy

The above statement includes the cash based transactions shown in the Income Statement with the addition of estimated capital movements. Further information on the assumptions used, where items differ to the Income Statement, is provided below.

6.4.1 Operating Activities

Cash generated from operating activities refers to cash generated or used in the normal service delivery functions of Council. Cash remaining after paying for the provision of services to the community may be available for investment in capital works or repayment of debt. Council predominantly uses the funds generated from operating activities to fund its capital works program. It has been assumed that debt collection will remain constant over the 10 year period with receivables and payables increasing only by 1.92% in line with CPI.

The net cash flows provided by operating activities do not equal the operating result for the year due to the expected revenues and expenses including non-cash items which have been excluded from the Statement of Cash Flows. The following table is a reconciliation of cash provided from operating activities to the operating surplus/(deficit) for the year as per the Comprehensive Income Statement:

	Forecast	Strategic Projections									
	2021 \$'000	2022 \$'000	2023 \$'000	2024 \$'000	2025 \$'000	2026 \$'000	2027 \$'000	2028 \$'000	2029 \$'000	2030 \$'000	2031 \$'000
Operating Surplus per Income Statement	(2,330)	(1,333)	5	91	309	446	487	726	871	1,015	1,051
Borrowing Costs	227	192	180	136	114	95	75	56	36	16	-
Depreciation Expense	7,994	8,147	8,304	8,463	8,626	8,791	8,960	9,132	9,308	9,486	9,668
Dividends and Distributions	(330)	(917)	(889)	(891)	(973)	(975)	(978)	(980)	(983)	(984)	(977)
Receivables Movement	(479)	(36)	(37)	(37)	(38)	(39)	(40)	(40)	(41)	(42)	(43)
Other assets/inventories	(4)	0	0	0	0	0	0	0	0	0	0
Payables Movement	987	36	37	38	39	39	40	41	42	42	43
Employee Provisions	92	53	54	55	56	57	59	60	61	62	63
Cash Provided/(used in operating activities)	6,157	6,144	7,635	7,856	8,139	8,416	8,603	8,994	9,293	9,597	9,806

6.4.2 Investing Activities

This refers to cash generated or used in the enhancement or creation of infrastructure assets and other assets. These activities also include capital grants and proceeds from the sale of property, infrastructure, plant and equipment.

It is the community that has the pre-eminent role in setting the service levels that will meet their needs and outcomes based on their capacity to pay for the service. Council in the first instance will plan for the renewal of its existing infrastructure in order to maintain current service levels.

Council does not retain or quarantine money for particular future purposes unless required by legislation or agreement with other parties. Capital expenditure decisions are made based upon:

- identified community needs and benefits relative to other expenditure options;
- the cost effectiveness of the proposed means of service delivery; and
- the affordability of proposals having regard to Council's long-term financial sustainability.

It has been assumed that no material asset sales will occur over the 10-year period.

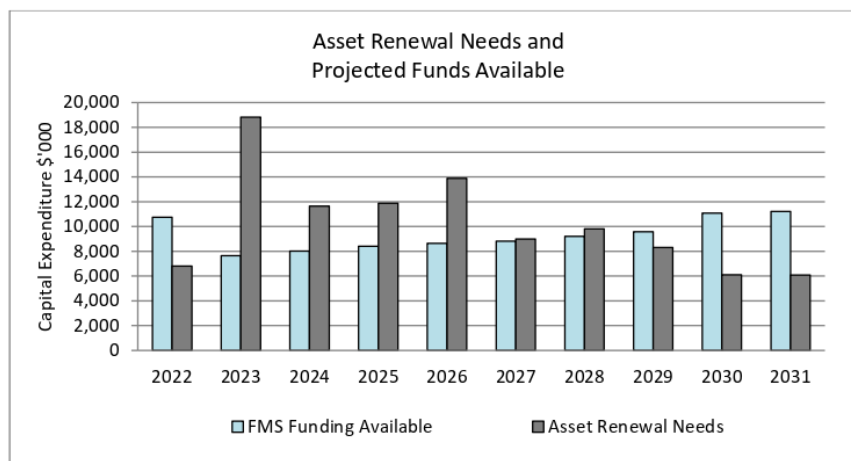
6.4.4 Financing Activities

This refers to cash generated or used in the financing of Council functions and include borrowings and repayment of borrowings and any associated costs.

6.4.5 Capital Works Expenditure and Asset Renewal Needs

Renewal expenditure is expenditure on an existing asset which reinstates the existing service potential or the life of an asset up to that which it had originally. It may reduce future operating and maintenance expenditure if completed at the optimum time. Asset upgrades are carried out to address deficiencies in current service levels or to meet new standards or statutory requirements. Expenditure on new assets in most cases will result in future costs for operation, maintenance and capital renewal expenditure and therefore needs to be carefully considered by the Council.

The funds available for capital expenditure over the next 10 years will on average cover Council's asset renewal needs. Asset renewals will be a challenge in the short term but can be met on average over time.



6.5 Statement of Financial Position

The Statement of Financial Position demonstrates that Council will return to financial sustainability during the 10-year period. The benchmark current ratio of 1.10 is likely to be achieved in each year indicating that Council will be able to meet all of its short-term liabilities.

Burnie City Council Statement of Financial Position													
	Forecast 2021 \$'000	Strategic Projections										2030 \$'000	2031 \$'000
		2022 \$'000	2023 \$'000	2024 \$'000	2025 \$'000	2026 \$'000	2027 \$'000	2028 \$'000	2029 \$'000				
Assets													
Current assets													
Cash and cash equivalents	9,070	4,350	4,450	4,400	4,450	4,550	4,650	4,750	4,800	3,650	3,700		
Trade and other receivables	1,875	1,911	1,948	1,985	2,023	2,062	2,102	2,142	2,183	2,225	2,268		
Other assets	36	37	37	38	39	40	40	41	42	43	44		
Inventories	91	93	95	96	98	100	102	104	106	108	110		
Total current assets	11,072	6,390	6,530	6,519	6,610	6,752	6,894	7,037	7,131	6,025	6,121		
Non-current assets													
Investment in water corporation	58,156	58,156	58,156	58,156	58,156	58,156	58,156	58,156	58,156	58,156	58,156		
Investment in subsidiaries	2,103	2,103	2,103	2,103	2,103	2,103	2,103	2,103	2,103	2,103	2,103		
Investment in joint venture	3,740	3,740	3,740	3,740	3,740	3,740	3,740	3,740	3,740	3,740	3,740		
Non-current assets held for transfer	-	-	-	-	-	-	-	-	-	-	-		
Property, infrastructure, plant and equipment	353,012	355,609	354,941	354,492	354,263	354,103	353,967	354,049	354,309	355,899	357,441		
Total non-current assets	417,011	419,608	418,940	418,491	418,262	418,102	417,966	418,048	418,308	419,898	421,440		
Total assets	428,083	425,998	425,469	425,010	424,872	424,854	424,859	425,086	425,439	425,924	427,561		
Liabilities													
Current liabilities													
Trade and other payables	1,899	1,935	1,973	2,010	2,049	2,088	2,129	2,169	2,211	2,254	2,297		
Trust funds and deposits	140	143	145	148	151	154	157	160	163	166	169		
Interest-bearing loans and borrowings	1,332	1,112	1,130	1,029	1,048	1,067	1,087	1,107	1,122	7	-		
Employee provisions	2,574	2,623	2,674	2,725	2,777	2,831	2,885	2,941	2,997	3,055	3,113		
Total current liabilities	5,945	5,844	5,922	5,913	6,026	6,140	6,258	6,377	6,493	5,481	5,579		
Non-current liabilities													
Interest-bearing loans and borrowings	8,706	7,597	6,467	5,438	4,390	3,323	2,236	1,129	7	-	-		
Employee provisions	199	203	207	211	215	219	223	227	232	236	241		
Total non-current liabilities	8,905	7,800	6,674	5,649	4,605	3,542	2,459	1,356	239	236	241		
Total liabilities	14,850	13,613	12,596	11,562	10,630	9,682	8,717	7,733	6,732	5,717	5,820		
Net Assets	413,233	412,384	412,874	413,449	414,242	415,172	416,143	417,352	418,707	420,206	421,741		
Equity													
Accumulated surplus	276,189	276,643	275,794	276,284	276,859	277,652	278,582	279,553	280,762	282,117	283,616		
Surplus/(deficit)	454	(849)	489	575	793	990	971	1,210	1,355	1,499	1,535		
Reserves	136,590	136,590	136,590	136,590	136,590	136,590	136,590	136,590	136,590	136,590	136,590		
Total Equity	413,233	412,384	412,874	413,449	414,242	415,172	416,143	417,352	418,707	420,206	421,741		
CURRENT RATIO	1.86	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10		

6.6 Sensitivity Analysis

Council's largest expense categories are employee costs, materials and services and depreciation. Council largest revenue item is rate revenue. The outcomes of the financial modelling are significantly affected if actual results in these categories are different to the forecast predictions.

The long term modelling is based on a number of underlying assumptions. Sensitivity analysis identifies the impact on Council's financial position of changes in these assumptions and highlights the factors most likely to affect the outcomes of the Financial Management Strategy.

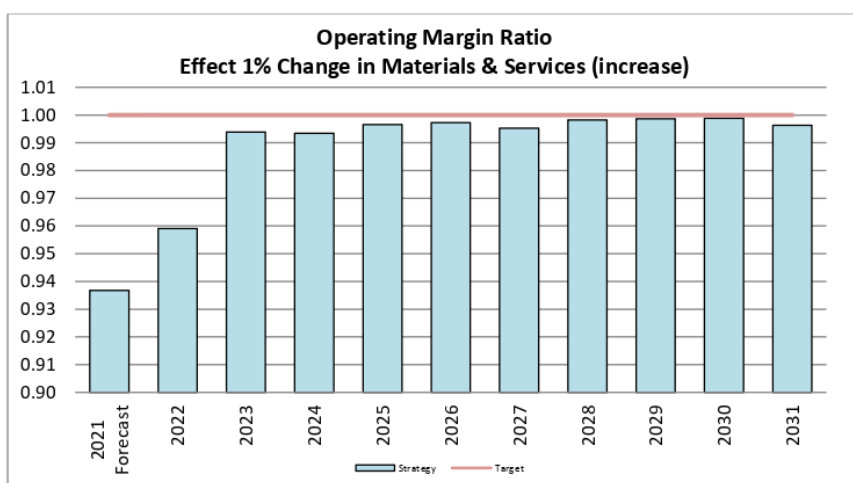
Sensitivity analysis looks at 'what if' scenarios. For example, what happens to Council's financial position if salary and wage increases are 1% higher than forecast?

All sensitivity impacts were assessed by reference to the key financial indicator 'Operating Margin' at the end of the 10 year planning period. The analysis excludes the impact on investment income resulting from higher or lower investment balances that would result from the change in each of the assumptions modelled.

The major underlying assumptions underpinning the modelling have been subject to sensitivity analysis and the following impacts have been identified.

6.6.1 Effect of Inflation on Materials and Services

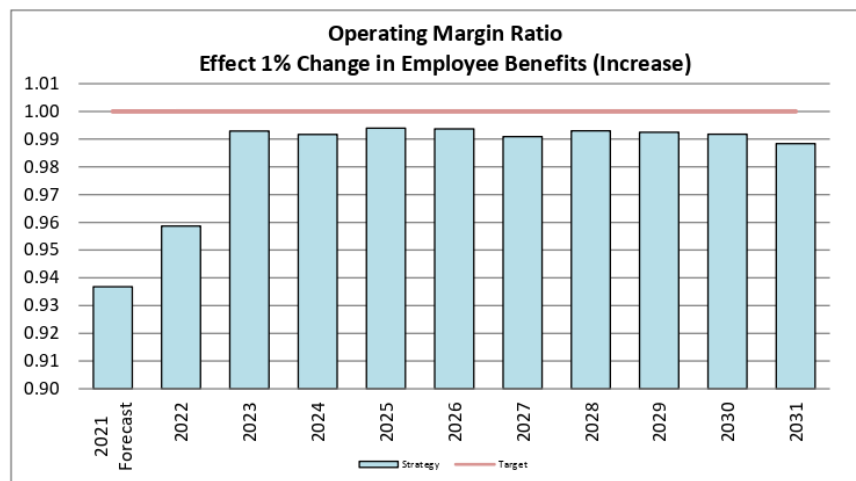
The financial modelling assumes that materials and services will be contained to CPI of 1.92% per annum. If CPI is greater and costs increase by 1% more than that allowed for in the modelling, Council would not achieve a sustainable operating margin within any of the ten years of the FMS.



The operational cost in 2022 would be \$109,000. The analysis excludes any potential impact on the replacement value of assets. To remedy this, general rates would need to increase by an additional 0.69%.

6.6.2 Employee Salaries and Wages

The financial modelling assumes that employee costs will increase at a rate of 2% per annum. If employee salaries and wages growth is 1% greater, Council would not achieve a sustainable operating margin within any of the ten years of the FMS.



The operational cost in 2022 would be \$123,000. The analysis excludes any potential impact on the replacement value of assets (and depreciation expense). To remedy this, general rates would need to increase by 0.78%.

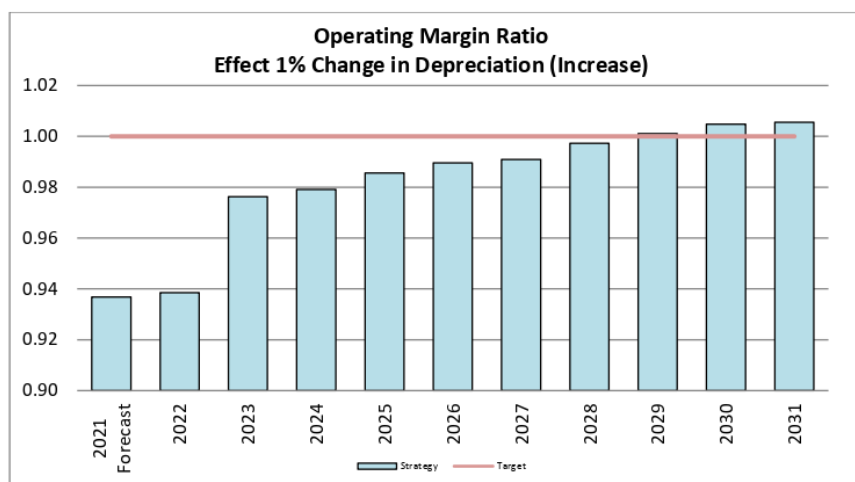
6.6.3 Effect of Inflation on Depreciation

The financial modelling assumes that the depreciation increases will be able to be contained to 1.92% per annum (CPI). Influencing factors are the expected useful life of existing assets; the replacement value of existing assets; and new depreciation expense being added from capital expenditure on new projects.

If depreciation expense is 1% greater, Council would not achieve a sustainable operating margin until 2029.

Burnie City Council

Financial Management Strategy

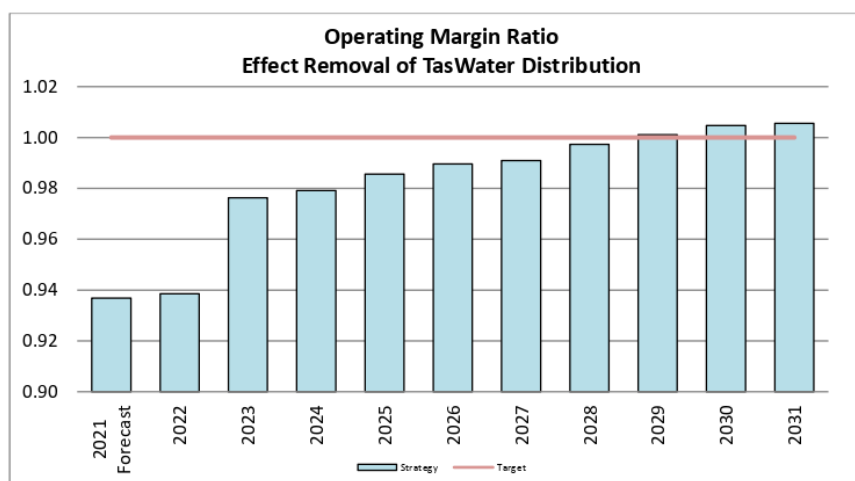


The operational cost in 2022 would be \$80,000. To remedy this, general rates would need to increase by 0.51%.

6.6.4 Removal of TasWater Distribution

Council relies on TasWater distributions as a funding source for recurrent expenditure and therefore if there is any material change to the dividends scheduled, Council's operating margin will be impacted.

Distributions from TasWater have been allowed for in line with the entity's Corporate Plan (based on Council's equity of 4.14%). A distribution of \$0.828m per annum has been allowed for in the Strategy. The modelling also assumes that the income stream will be paid for the life of the FMS. The following graph shows the impact of the removal of the \$0.828m distributions to Council.

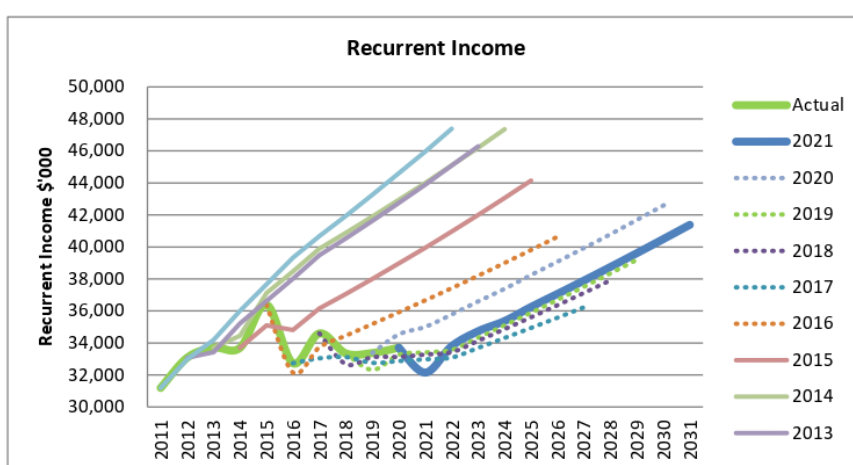


7 Historical Financial Performance

The projections contained in the financial modelling are necessarily based upon certain assumptions. The FMS is intended to establish a framework to enable the Council to benchmark its performance and strive to exceed the targets set. Where further efficiencies can be achieved, the benefits will be passed to ratepayers in the form of lower than projected general rate increases or new infrastructure or services.

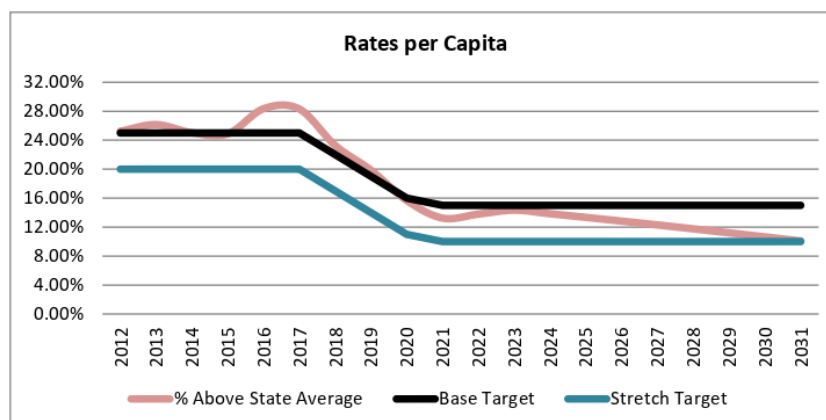
The following graphs demonstrate that the FMS has been a guiding document setting parameters to work within during budget deliberations rather than a document that locks in decisions. In many cases, the projected recurrent income and recurrent expenditures of Council has exceeded the expectations set within the modelling.

7.1 Recurrent Income



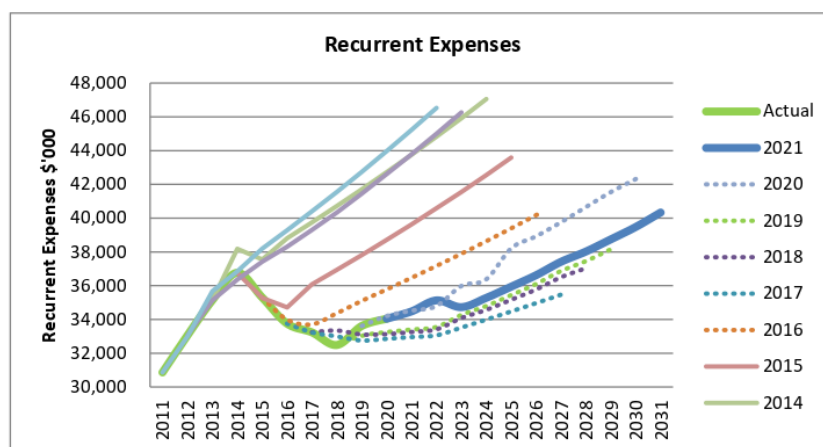
When the FMS was first adopted by Council in April 2012, the projected recurrent income in 2021 was \$45.959m. Recurrent income for 2021 is now forecast to be \$32.147m, a reduction of \$13.812m. Recurrent income reduced in 2014-15 due to Council's exit from the provision of child care services. The reduction was offset by a corresponding reduction in expenses. Recurrent income is expected to be contained and remain constant over the coming 10 year period.

7.2 Rates per Capita



In 2017 Council set a target to reduce the Council rates per capita gap against the state average. At the time of setting the target Council's rate per capita were 28.35% above the state average. Council's aim was to reduce the rates per capita gap to under 15% above the state average. The graph above indicates Council's success in achieving this target, with forecast rates per capita in 2021 being 13.24% above the state average. Council is expected to stay within its target range of 10-15% above the state average for the full ten year FMS period.

7.3 Recurrent Expenses



When the FMS was first adopted by Council in April 2012, the projected recurrent expenses in 2021 was \$45.224m. Recurrent expenses for 2021 are now forecast to be \$34.477m, a reduction of \$10.747m. Expenses reduced in 2014-15 due to Council's exit from the provision of child care services. The reduction was offset by a corresponding reduction in income. Expenses reduced further in 2016 when operation of the federally funded Autism Centre was transferred to a private provider. Recurrent expenses are expected to be contained over and remain fairly consistent over the coming 10 year period.

GENERAL MANAGER**AO068-21 GENERAL MANAGER'S REPORT - OPEN SESSION****FILE NO: 4/18/2****PREVIOUS MIN:**

MAKING BURNIE 2030 – CORPORATE PLAN REFERENCE:

Direction	7	AN ENGAGING AND ACCOUNTABLE LEADERSHIP FOCUSED ON A STRONG FUTURE
Objective	7.2	Council and the community are informed and engaged on issues of local importance.
Strategy	7.2.1	Enhance the level of community and organisational engagement across a range of Council operations.

1.0 RECOMMENDATION:***“THAT Council:***

- 1) Note the information contained in the General Manager’s Report; and***
- 2) Authorise the General Manager to execute a lease for land at 9 Wellington Street to the Tasmanian State Emergency Service, for the purpose of emergency services management as outlined in this report.”***

2.0 SUMMARY

This report includes the following items:

- 2.1 Mayor’s Communications
- 2.2 General Manager’s Communications
- 2.3 Notification of Council Workshops
- 2.4 Correspondence for Noting
- 2.5 Council Meeting Action List
- 2.6 Lease – State Emergency Services

2.1 MAYOR’S COMMUNICATIONS

The Mayor advises that the following meetings, events or appointments were attended since the last Council Meeting report:

- Tasmanian Audit Office – Planning of Performance Audit
- Meeting with Burnie Coastal Art Group
- Business North West Breakfast Session with Guest Speaker Jens Kraeft, Newscorp
- Business North West General Meeting
- Mudlark Theatre – Caravan, Boat Treehouse
- Meeting with Gary Williams

- Launch of the First 1000 Days Campaign
- Meeting with Venture Minerals
- Cradle Coast Authority Mayor's Meeting
- Cradle Coast Authority Representatives Meeting
- Burnie Print Prize 2021
- Meeting with Peter Cocker, Tasmanian Family History Society
- Meeting with Department of State Growth – Regional Economic Development
- Business North West Breakfast Session with Guest Speaker Fiona Turner, President of Startup Tasmania
- Tasmanian Audit Office – Performance Audit
- Opening of Origins and Destinations – 35 years of IAPMA
- Business North West Breakfast Session with Guest Speakers CLTP Hermal Group
- WxNW Audit and Risk Committee Meeting

The Mayor advised that the following meetings, events or appointments were attended on his behalf since the last Council Meeting report:

- 2021 Surf Life Saving Open State Championships – Official Opening attended by Deputy Mayor Giovanna Simpson
- Farewell for Her Excellency the Governor and Mr Warner attended by Deputy Mayor Giovanna Simpson

2.2 GENERAL MANAGER'S COMMUNICATIONS

The General Manager advises that the following meetings, events or appointments were attended since the last Council Meeting report:

Date	Meeting / Function
15 March	Tasmanian Audit Office – Planning of Performance Audit
	Meeting with Anne Ellings
16 March	Renewable Energy Fair/Expo - Working Group Meeting
	Meeting with Mel Redman-Whiteley - Jacqui Lambie's office
	Meeting with Tom Wootton - WxNW
17 March	Meeting with Raylene Foster – Tasmanian Aboriginal Corporation
	Meeting with National Indigenous Assistance Agency
	Meeting with Business North West
	Business North West General Meeting
18 March	Meeting with Warren Moore – Braddon Business Centre
	Meeting with South Burnie Bowls Club
22 March	Meeting with Belinda Pratt - Office of the Coordinator-General
23 March	UTAS/BCC West Park Transition Working Group
24 March	Burnie Court Complex - Stakeholder Reference Group Meeting

Date	Meeting / Function
	Meeting with Venture Minerals
25 March	Cradle Coast Authority Representatives Meeting
29 March	Teleconference with Anne McCulloch, Edge Legal
30 March	Renewables Expo - Working Group Meeting
	Meeting with TasNetworks
31 March	Business North West Breakfast Session with Guest Speaker Fiona Turner, President of Startup Tasmania
1 April	Tascom Board Meeting
9 April	EOT Conciliation Conference
14 April	Meeting with Jane Haley and Lindy Hume, Ten Days on the Island

2.3 NOTIFICATION OF COUNCIL WORKSHOPS

Workshop	30 March 2021	
Councillors in attendance	Mayor Kons, Deputy Mayor Simpson, Cr Boyd, Cr Bulle, Cr Brumby, Cr Dorsey, Cr Keygan, Cr Lynch, Cr Pease	
Apologies		
Items Discussed	Planning Application Process	Presentation to Councillors
	Eastern Shared Pathway – Safer Roads for Cyclists reps in attendance	Discussion with Councillors
	Financial Assistance Grants 2020/21: Special Round	Discussion with Councillors
	General Manager's Update	Discussion with Councillors

Workshop	13 April 2021	
Councillors in attendance	Mayor Kons, Deputy Mayor Simpson, Cr Boyd, Cr Bulle, Cr Brumby, Cr Keygan, Cr Lynch, Cr Pease	
Apologies	Cr Dorsey	
Items Discussed	Capital Works Tour	Site Tour with Councillors
	Financial Management Strategy (FMS)	Presentation to Councillors
	Capital Works Budget	Discussion with Councillors
	General Manager's Update	Discussion with Councillors

Workshop	19 April 2021	
Councillors in	Mayor Kons, Deputy Mayor Simpson, Cr Boyd, Cr Brumby, Cr Dorsey, Cr	

attendance	Keygan, Cr Lynch, Cr Pease	
Apologies	Cr Bulle	
Items Discussed	CBD Redevelopment with Dr Louise Grimmer	Discussion with Councillors

2.4 CORRESPONDENCE FOR NOTING

No Correspondence for Noting.

2.5 COUNCIL MEETING ACTION LIST

The action lists from Council Meetings in Open Session are **attached** at the end of this report.

2.6 LEASES – STATE EMERGENCY SERVICES

A lease arrangement has been in place to SES for the building at 9 Wellington Street, South Burnie, as the location of Burnie Emergency services headquarters. This has been based on the MOU between Council and SES to provide support and premises.

A lease has been prepared in order to formally recognise the arrangements around the building lease. The lease is a peppercorn lease, in accordance with the MOU and past practice, and for a term of up to six years, yet to be determined with SES.

A map of the leased area is shown in red:



The land is not classified as public land. This lease is a formalisation of an existing and ongoing lease arrangement. Authorisation to execute this lease is included in the recommendation for this report.

ATTACHMENTS

- 1. [Open Session - All Actions - 23 Mar 2021](#)
- 2. [Open Session - Outstanding Actions - Jun 2019 - Feb 2021](#)

COUNCIL RESOLUTION

Resolution number: MO066-21

MOVED: Cr C Lynch

SECONDED: Cr G Simpson

“THAT Council:

- 1) Note the information contained in the General Manager’s Report; and***
- 2) Authorise the General Manager to execute a lease for land at 9 Wellington Street to the Tasmanian State Emergency Service, for the purpose of emergency services management as outlined in this report.”***

For: Cr S Kons, Cr A Boyd, Cr K Dorsey, Cr C Lynch, Cr A Keygan, Cr G Simpson, Cr T Bulle, Cr D Pease.

Against:

CARRIED UNANIMOUSLY

Council Meeting Action Report**All Actions for Open Sessions of 23 March 2021**

Date From: 23/03/2021
Date To: 23/03/2021
Printed: Friday, 16 April 2021 11:37am

Key: RES = Action arising from Resolution; ACT = Action required in addition;
QON = Question on Notice; NOTE = Progress Note

Item Number	Report Title	Action	Department	Completed
AO043-21	MOTION ON NOTICE - CAM RIVER BRIDGE	25 Mar 2021 RES: Request DSG to hold a public meeting regarding the Cam River Bridge Replacement and Murchison Highway signalisation, in accordance with the resolution of Council AO043-21. 9 Apr 2021 NOTE: The request of Council has been forward to DSG via the consultants engaged to progress the community consultation. Awaiting a response 14 Apr 2021 Action completed Response when received from State Growth will be advised to Council.	Works and Services	14/04/2021
Council 23/03/2021				
AO045-21	PUBLIC QUESTION TIME	25 Mar 2021 ACT: Provide a written response to Mr Leadbetter's public question re View Road, per AO045-21. 30 Mar 2021 Action completed DOC ID 21/26518	Office of the General Manager	30/03/2021
Council 23/03/2021				
AO046-21	PUBLIC LAND REGISTER - REVIEW	25 Mar 2021 ACT: Update the Public Land Register and Maps in the Corporate Document Framework and make available to the public, per AO046-21 30 Mar 2021 Action completed Maps and Register updated to V9.0 and have been published.	Corporate and Business Services	30/03/2021
Council 23/03/2021				
AO048-21	POLICY REVIEW CODE FOR TENDERS AND CONTRACTS CP-CBS-SG-012	25 Mar 2021 ACT: Finalise the Code for Tenders and Contracts Policy in the corporate document framework and publish, per AO048-21. 30 Mar 2021 Action completed Policy finalised and published.	Corporate and Business Services	30/03/2021
Council 23/03/2021				
AO049-21	TRAFFIC IN SWANSTON STREET, BROOKLYN	25 Mar 2021 ACT: Provide a response to Jutta Franz re the outcome of the Swanston Street traffic study, per AO049-21. 9 Apr 2021 Action completed Letter informing of study outcomes and Council decision sent.	Works and Services	9/04/2021
Council 23/03/2021				
AO050-21	COASTAL PATHWAY - COOEE TO WYNARD - COASTAL EROSION WORKS	25 Mar 2021 RES: Write to the Minister for State Growth in relation to the care management of planned erosion control structures for the Coastal Pathway, per AO050-21. 7 Apr 2021 Action completed Letter prepared for the Mayor.	Works and Services	7/04/2021
Council 23/03/2021				

Council Meeting Action Report**All Actions for Open Sessions of 23 March 2021**

Date From: 23/03/2021
Date To: 23/03/2021
Printed: Friday, 16 April 2021 11:37am

Key: **RES** = Action arising from Resolution; **ACT** = Action required in addition;
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Item Number	Report Title	Action	Department	Completed
AO052-21	BURNIE CITY YOUTH COUNCIL SPECIAL COMMITTEE - APPOINTMENT OF COMMITTEE	25 Mar 2021 Update the Register of Special Committee Members with Youth Council appointments, per AO052-21. 30 Mar 2021 Action completed Updated REG-CBS-SG-028	Corporate and Business Services	30/03/2021
Council 23/03/2021				
AO053-21	GENERAL MANAGER'S REPORT - OPEN SESSION	25 Mar 2021 ACT: Send an acknowledgement to Minister Barnett for his letter re the draft Renewable Energy Coordination Framework, per AO053-21. 30 Mar 2021 Action completed DOC ID 21/26527	Office of the General Manager	30/03/2021
Council 23/03/2021				
AO045-21	PUBLIC QUESTION TIME	25 Mar 2021 ACT: Provide a written response and further explanation to Mr Jones' public question re Code for Tenders and Contracts, per AO045-21. 7 Apr 2021 Action completed Clarifying email sent to Ian Jones 23 March 2021	Works and Services	7/04/2021
Council 23/03/2021				
AO045-21	PUBLIC QUESTION TIME	29 Mar 2021 ACT: Investigate potential for livestreaming Australia Day and Citizenship ceremonies, as raised in Public Questions AO045-21. 14 Apr 2021 Canvassing internal and external options for livestreaming video/audio. Options will be tabled in the broader report regarding livestreaming which will be tabled to Council at the May meeting.	Corporate and Business Services	
Council 23/03/2021				

Council Meeting Action Report**Outstanding Actions for Open Sessions Jun 2019 – Feb 2021**

Date From: 1/06/2019
 Date To: 28/02/2021
 Printed: Friday, 16 April 2021 11:31am

Key: RES = Action arising from Resolution; ACT = Action required in addition;
 QON = Question on Notice; NOTE = Progress Note

Item Number	Report Title	Action	Department	Completed
AO158-19	MOTION ON NOTICE - VIDEO RECORDING OF MOTIONS ON NOTICE AND PUBLIC QUESTION TIME AT COUNCIL MEETINGS	19 Jun 2019 RES: Investigate livestreaming of Council Meetings, in accordance with resolution of Council AO158-19. 1 Jul 2020 NOTE: Investigations progressing in sound quality at chambers for improved recording and potential livestreaming options. 14 Apr 2021 NOTE: Pricing obtained related to video/audio livestreaming package. Canvassing single audio option also. Report to be tabled to the May Council meeting for consideration.	Corporate and Business Services	
Council 18/06/2019				
AO045-20	MOTION ON NOTICE - RECYCLE BINS AT SPORTING AND COMMUNITY EVENTS AND VENUES	24 Feb 2020 RES: Investigate the provision of recycle bins at sporting and community events at council venues to determine the demand and cost burden associated, and provide a report back to Council for 2020-21 budget considerations, per AO045-20. 5 Mar 2021 NOTE: Aim for a report to June 2021 meeting	Works and Services	
Council 18/02/2020				
AO071-20	MOTION ON NOTICE - BURNIE 'HASHTAG' SIGN	24 Mar 2020 RES: Investigate locations for Burnie 'hashtag' sign and provide report back to Council in accordance with the resolution of Council AO071-20. 5 Mar 2021 NOTE: Options review occurs - paper to a workshop	Works and Services	
Council 17/03/2020				
AO163-20	MOTION ON NOTICE - BURNIE PROMOTION	23 Jul 2020 RES: Report proposed ideas for messages of support to Burnie, to a council workshop, in accordance with the resolution of Council AO163-20. 5 Mar 2021 NOTE: Working on options at present	Works and Services	
Council 21/07/2020				
AO238-20	MOTION ON NOTICE - WELCOME TO BURNIE SIGN - ROUNDHILL	22 Oct 2020 RES: Develop signage concepts for entry signage at Roundhill, for consideration at a council workshop, with implementation planned for the current financial year, in accordance with the resolution of Council AO238-20. 15 Mar 2021 NOTE: Project action to be considered in new financial year. Consider a broader approach to the signage strategy	Works and Services	
Council 20/10/2020				
AO265-20	MOTION ON NOTICE - DUAL NAMING POLICY	18 Nov 2020 RES: Undertake community consultation (both Aboriginal and non-Aboriginal), and progress to develop a dual naming policy for Burnie, in accordance with the report and resolution of Council AO265-20. 14 Apr 2021 NOTE: Written to TAC seeking to engage in discussion as a starting point, 21/26471.	Office of the General Manager	
Council 17/11/2020				

Council Meeting Action Report**Outstanding Actions for Open Sessions Jun 2019 – Feb 2021**

Date From: 1/06/2019
Date To: 28/02/2021
Printed: Friday, 16 April 2021 11:31am

Key: **RES** = Action arising from Resolution; **ACT** = Action required in addition;
QON = Question on Notice; **NOTE** = Progress Note

Item Number	Report Title	Action	Department	Completed
AO005-21	MOTION ON NOTICE - CBD GREENING	1 Feb 2021 RES: Plan for the removal of concrete infills in the CBD medians and replace with planted greenery, in accordance with council resolution AO005-21. 5 Mar 2021 NOTE: Presentation on options to 2 March 2021 workshop. Progressing planning installation	Works and Services	

Council 27/01/2021

GENERAL MANAGER**AO069-21 GENERAL MANAGER'S QUARTERLY INFORMATION REPORT FOR
WORKS AND SERVICES - MARCH 2021****FILE NO: 4/18/2****PREVIOUS MIN:**

MAKING BURNIE 2030 – CORPORATE PLAN REFERENCE:

Direction	7	AN ENGAGING AND ACCOUNTABLE LEADERSHIP FOCUSED ON A STRONG FUTURE
Objective	7.5	A sustainable long term future is planned through the management of Council's infrastructure and assets.
Strategy	7.5.2	Ensure assets are adequately developed, maintained and renewed.

1.0 RECOMMENDATION:

“THAT the General Manager’s Quarterly Information Report for Works and Services for the March 2021 quarter be noted.”

2.0 SUMMARY

The report includes the following items:

3.0 Capital Works**3.1 External Works****3.1.1 Tenders, Request for Quotations, Briefs and Expressions of Interest****3.1.2 Contract Extensions****3.1.3 Contracted Project Updates****3.2 In-House Projects****3.2.1 Civil Construction and Stormwater****3.2.2 Buildings****3.2.3 Parks, Reserves, Sporting Grounds and Cemeteries****3.2.4 Waste Management****4.0 Operations and Maintenance****4.1 Civil Construction and Stormwater****4.2 Buildings****4.3 Parks, Reserves, Sporting Grounds and Cemeteries****4.4 Waste Management****5.0 Vandalism and Reported Incidents****6.0 Burnie Emergency Management Committees – Activity Reports**

3 CAPITAL WORKS**3.1 External Works****3.1.1 Tenders, Request for Quotations, Briefs, Expressions of Interest**

Procurement Method	Contract/Project Number	Contract/Project	Date Advertised/Published	Closing Date	Status e.g. Awarded, Under Review, Deferred	Successful Contractor
Quotation	2673	Upper Burnie Lookout Redevelopment	N/A	29/3/2021	Awarded	Buildrite
Quotation	2670	Mount Street Taxi Rank	N/A	22/02/2021	Awarded	AJR Construct
Tender	2669	Oakleigh Park Fountain Upgrade	9/01/2021	12/02/2021	Deferred	
Quotation	2666	South Riana Road/Blythe River – Bridge Repairs	8/01/2021	29/01/2021	Awarded	BridgePro
Tender	2658	South Burnie Foreshore – Erosion Control	20/03/2021	9/04/2021	Under Review	
Tender	2654	Linton Street Reconstruction Cabot Street to Mount Street	5/12/2020	15/01/2021	Deferred	

3.1.2 Contract Extensions

Contract Number	Contract	Contract Extension	Contract Expiry	Contractor
2604	Security and/or Cash Collection Services	1 year	30/06/2022	Advanced Protection Solutions
2591	Cleaning Services for City Offices	1 year	5/03/2022	Lazaro
2588	Fire, Essential Health and Safety Maintenance Inspection Services	1 year	30/3/2022	Contact Electrical

3.1.3 Contracted Project Updates**a) Contract 2664 – Circular Road – Darling River Bridge Replacement**

VEC Civil Engineering have completed the structural bridgeworks, with final pavement preparation and road sealing to be finalised by the end of April.

b) Contract 2660 – View Road Reserve Pump Track and Cycle Path

The extension to the cycle and walking path in the View Road Reserve has been completed, with the final link to complete the loop around the reserve to be constructed once the pump track is completed.

The MTB climbing trail and beginner's descent trail are under construction.

Works are well underway with the pump track.

c) Contract 2656 – Montello Soccer Ground Upgrade

Total Turf Care have completed all fencing works and sand topdressing will be undertaken in the week commencing 19 April 2021 – Progress 90%.

d) Contract 2650 – Bitumen Surfacing Services 2020-2021

Reseals completed to date include:

- Crown Circuit Road
- Kara Road
- Stowport Road
- Mooreville Road – Stage 4
- Bird Street
- Collins Street and Roslyn Avenue
- Edwardes Street
- Farquhar Street
- Hardy Street
- Mount Street (CBD)
- Princes Street
- Ready Street
- Wardlaw Street
- Car Park – off Howe Street

Sealing in mid – late April 2021:

- Guide Road
- Chanel Street North and McRae Place
- Sassafras Crescent

3.2 In-house Projects**3.2.1 Civil Construction and Stormwater**

Capital Works have commenced or have been completed in the last quarter on various civil construction and stormwater annual renewal programs and projects as follows:

Project/Program	Progress
Driveways, Crossovers and Kerb Inserts Annual Upgrade program	30%
Rural - Major Patching and Resealing – Guide Road	80%
Retaining wall replacement – Morse Street	40%
Romaine Reserve access road upgrade – Cypress Court access	40%
Kara Road corner realignment and widening	Completed
Three Mile Line Road footpath installation	Completed
Bay Street upgrade	Completed
Annual Road Reseal program – manhole lid replacements	Completed
Wivenhoe Recreation Ground – South – Stormwater Upgrade	Completed
Disabled parking bay –Mount Street CBD	Completed
Mount Street footpath realignment	Completed

3.2.2 Buildings

Capital Works have commenced or have been completed in the last quarter on various Council facilities and amenities projects as follows:

Project/Program	Progress
Works Depot plant shelter	20%
Montello Soccer Ground terrace seating and coaches boxes	Completed
Aquatic Centre outdoor change room roof sheeting replacement	Completed
City Offices recycling hub cabinet signage	Completed
West Park grandstand cladding repairs	Completed
Street light replacement – Cooeee	Completed
Howe Street car park linemarking	Completed
Mount Street reseal linemarking	Completed

3.2.3 Parks, Reserves, Sporting Grounds and Cemeteries

Capital Works have commenced or have been completed in the last quarter on various projects in Council's parks, reserves, sports grounds and cemeteries as follows:

Project/Program	Progress
Montello Soccer Ground surface and drainage upgrade	80%
Romaine Reserve – main dam to Swanston Street walking track upgrade	75%
Parks furniture replacement	75%
Stoney Creek – bridge replacement	75%
Mount Street – embankment tree removal	Completed

3.2.4 Waste Management

Capital Works have commenced or have been completed in the last quarter on waste management projects as follows:

Project/Program	Progress
BWMC – office storage area extension	Completed

4 OPERATIONS AND MAINTENANCE**4.1 Civil Construction and Stormwater**

Planned and reactive maintenance and minor works have been carried out on Council's transport and stormwater assets in accordance with the Service Level Document, operational budget provisions and subsequent maintenance programs including:

- Rural, Urban and Commercial road maintenance and repairs
- Traffic island maintenance
- Road signage repairs and replacements
- Footpath maintenance and repairs
- Kerb and channel maintenance
- Retaining wall maintenance
- Culvert maintenance

- Rural Roadside Slashing
- Rural and urban roadside spraying
- Stormwater system maintenance
- General asset condition and safety inspections
- Customer Requests (CRM)

4.2 Buildings

Planned and reactive maintenance and minor works have been carried out on Council facilities and amenities in accordance with the Service Level Document, operational budget provisions and subsequent maintenance programs including:

- General internal and external building repairs, minor upgrades and maintenance
- Gutter cleaning
- Solar panel cleaning
- Regulatory plumbing inspections and maintenance including TMV plumbing inspections and backflow device testing
- General building maintenance and condition inspections
- Customer Requests (CRM)

4.3 Parks, Reserves, Sporting Grounds and Cemeteries

Planned and reactive maintenance and minor works have been carried out on Council's parks, reserves, sporting grounds and cemeteries in accordance with the Service Level Document, operational budget provisions and subsequent maintenance programs including:

- Grass maintenance
- Sports grounds preparation and maintenance
- Street tree management and maintenance
- Street plants and gardens maintenance
- Parks and reserves maintenance
- Cemetery maintenance and interment preparations
- Walking track maintenance
- Playground maintenance and compliance
- Annual Fire Hazard Reduction program
- Urban Slashing and vegetation control
- West Beach sand sifting (Summer only – November to March)
- Weed control
- General condition and safety inspections
- Customer Requests (CRM)

4.4 Waste Management

Management of the Burnie Waste Management Centre (BWMC) and coordination of waste collection services in accordance with the Service Level Document, operational budget provisions and subsequent maintenance programs including:

- BWMC operation and site maintenance
- Kerbside garbage collection
- Commercial garbage collection
- Wetlands maintenance
- Audits and special waste strategy actions and programs
- Annual Hard Waste program
- Customer Requests and complaints (CRM)

Year to date summary of waste management activities to end of February 2021.

Note that not all of the March 2021 figures were available at the time the report was prepared.

MUNICIPAL WASTE DIVERSION FROM LANDFILL (tonnes)														
	2019/20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	2020/21
Waste Transported to Landfill	12,835	1,094	1,013	1,156	1,184	1,184	1,265	1,078	1,124					9,099
BCC Recovery	4,277	359	291	348	494	604	503	623	585	-	-	-	-	3,807
Cleanaway Recovery	1,345	160	134	223	253	426	196	174	169	-	-	-	-	1,736
Recyclables Collected Kerbside	1,396	92	88	134	92	95	97	134	99	-	-	-	-	832
Total Municipal Waste	19,854	1,706	1,526	1,861	2,024	2,310	2,062	2,009	1,977	-	-	-	-	15,474
% diverted from Landfill	35%	36%	34%	38%	41%	49%	39%	46%	43%	-	-	-	-	41%

Note: Figures are displayed to nearest whole number.

Overall tonnage to landfill is tracking slightly higher than previous years, and is forecast to reach 13,500 tonnes by the end of June 2021. Recovery volumes from BWMC continue to be greater than previous years and residential kerbside recycling is fairly steady.

5 VANDALISM AND REPORTED INCIDENTS

Vandalism identified during normal inspections or reported incidents causing damage or defacement to Council property for the third quarter (January to March 2021) are as follows:

DATE	LOCATION	VANDALISM AND REPORTED INCIDENTS	REPORTED TO POLICE	MONTHLY SUMMARY TO POLICE	CCTV FOOTAGE	OUTCOME	ESTIMATED QUARTERLY COST	PREVIOUS YEAR QUARTERLY COST	PROGRESSIVE ANNUAL TOTAL
JANUARY TO MARCH									
Vandalism not reported but identified during routine inspections:									
	Facilities	Aggregate of incidents reported or identified from inspections - Remediation by painting, cleaning or general repairs		Yes	No	Damage made good and surfaces cleaned, repaired and repainted as necessary	\$1,060.00		
	Community Amenities	Aggregate of incidents reported or identified from inspections - Remediation by painting, cleaning or general repairs		Yes	No	Damage made good and surfaces cleaned, repaired and repainted as necessary	\$394.00		
	Parks and Reserves (including Cemeteries)	Aggregate of incidents reported or identified from inspections - Remediation by painting, cleaning or general repairs		Yes	No	Damage made good and surfaces cleaned, repaired and repainted as necessary	\$485.00		
	Sports Grounds	Aggregate of incidents reported or identified from inspections - Remediation by painting, cleaning or general repairs		Yes	No	Damage made good and surfaces cleaned, repaired and repainted as necessary	\$681.00		
	Transport Services	Aggregate of incidents reported or identified from inspections - Remediation by painting, cleaning or general repairs		Yes	No	Damage made good and surfaces cleaned, repaired, replaced or repainted as necessary	\$792.00		
	Combined Other Areas (Incidental Damage)	Aggregate of incidents reported or identified from inspections - Remediation by painting, cleaning or general repairs		Yes	No	Repairs carried out as necessary			
Submitted Vandalism Reports:									
18/01/21	Wilson Street (Outside CBA & Liv Eat	Flower pots ripped out of flower boxes x 6	No	Yes	No	Cleaned Up Bark and Dirt	\$80.00		
18/01/21	View Road Public Toilets	Smashed Door Lock	No	Yes	No	Replace Door Lock	\$350.00		
20/01/21	Romaine Reserve Toilets	Smashed Toilet Roll Holder	No	Yes	No	Replace Toilet Roll Holder	\$250.00		
21/01/21	South Burnie Foreshore	Damage to Concrete Pulp Display	No	Yes	Yes	Reglue Concrete Block Back Together and in place	\$120.00		
4/02/21	View Road Public Toilet	Smashed Door Lock	No	Yes	No	Replace Door Lock	\$250.00		
8/02/21	Shorewell Public Toilet	Toilet Pan Dislodged from Fixings	No	Yes	No	Reinstall Toilet Pan	\$300.00		
22/02/21	Multi Storey Car Park Toilets	Smashed Window	No	Yes	No	Replace Glass in Window	\$500.00		
2/03/21	Fernglade Reserve	Bollards Burnt from Burnt Out Car	No	Yes	No	Replace Burnie Bollards	\$700.00		
2/03/21	King Street Overpass	Graffiti to Overpass Walls	No	Yes	No	Remove Graffiti from Overpass	\$650.00		
3/03/21	Upper Burnie Public Toilet	Smashed Toilet Seat	No	Yes	No	Replace Toilet Seat	\$400.00		
3/03/21	Multi Storey Carpark Toilets	Graffiti to D.D.A. Mens Toilet Walls & Ceiling	No	Yes	No	Repaint Out Toilets	\$500.00		
4/03/21	Romaine Reserve	Graffiti to D.D.A. Toilet	No	Yes	No	Remove/Paint out Graffiti	\$200.00		
12/03/21	South Burnie Bowls Club	Foreced Entry - Breaking Door Lock	No	Yes	No	Replace Door Lock	\$350.00		
13/03/21	Upper Burnie Public Toilet	Smashed Toilet Door	No	Yes	No	Replace Door	\$800.00		
23/03/21	Fernglade Reserve	Graffiti on Toilet Door	No	Yes	No	Remove/Paint out Graffiti	\$250.00		
30/03/21	Guide Falls Reserve	Smashed Door Lock on Toilet Duct Door	No	Yes	No	Replace Lock	\$300.00		
TOTAL							\$9,412.00	\$7,900.00	\$25,551.00

- Kara Road Intersection hooning damage reported to Tasmania Police, but no associated financial cost to date.

6 BURNIE EMERGENCY MANAGEMENT COMMITTEES – ACTIVITY REPORTS**a) North Western Regional Emergency Management Committee (NWREMC)**

Meetings are held quarterly and include representatives from various agencies, utilities and Councils from the North West region. Social Recovery Coordinators also attend these meetings in addition to holding meetings outside this forum.

The last meeting was held on Wednesday, 10 February 2021 and the next meeting is scheduled for Wednesday, 12 May 2021.

The management of the COVID-19 Pandemic situation has been the primary focus of this committee over the last 12 months.

b) Western Emergency Management Committee (WEMC)

This is a combined committee that meets quarterly with representatives from Burnie, Waratah-Wynyard and Circular Head Councils, emergency service agencies and key stakeholders. The key function of this Committee is to develop and manage an Emergency Management Plan and shared risk register and coordinate identified actions from those plans.

The last meeting was held in Wynyard on Thursday, 18 February 2021 and the next meeting is scheduled for Thursday, 20 May 2021 in Burnie.

The primary focus of this committee has been the COVID-19 response and assisting and providing information to the Regional Emergency Coordination Centre and Police Commander during this time.

Minutes of the previous meeting are included in this agenda.

Burnie Council Emergency Management Actions in progress:

- Management of fire hazards through the annual Fire Hazard Reduction program
- Development of Fire Management Plans for Roundhill and Havenview areas
- Ensuring evacuation centre planning and preparations are ongoing

c) Western Fire Management Area Committee (FMAC)

Council Officers are continuing to work with TasFire Bushfire Risk Unit (formerly fuel reduction unit) to progress further community information sessions and fuel reduction burn plans for Round Hill and Havenview areas.

Council assisted the TasFire Community Engagement Officer to conduct Bushfire Ready Neighbourhoods public information sessions in three high risk locations in Burnie which were well attended.

The next FMAC meeting has not yet been scheduled.

COUNCIL RESOLUTION**Resolution number: MO067-21****MOVED:** *Cr D Pease***SECONDED:** *Cr K Dorsey****“THAT the General Manager’s Quarterly Information Report for Works and Services for the March 2021 quarter be noted.”***

For: Cr S Kons, Cr A Boyd, Cr K Dorsey, Cr C Lynch, Cr A Keygan, Cr G Simpson, Cr T Bulle, Cr D Pease.

Against:

CARRIED UNANIMOUSLY

GENERAL MANAGER**AO070-21 GENERAL MANAGER'S QUARTERLY INFORMATION REPORT FOR
LAND AND ENVIRONMENTAL SERVICES - MARCH 2021****FILE NO: 4/18/2****PREVIOUS MIN:**

MAKING BURNIE 2030 – CORPORATE PLAN REFERENCE:

Direction	7	AN ENGAGING AND ACCOUNTABLE LEADERSHIP FOCUSED ON A STRONG FUTURE
Objective	7.3	Council is compliant in all areas and carries out the role of regulatory enforcement in a fair and effective manner.
Strategy	7.3.2	Resource the reasonable enforcement of the legislative and regulatory provisions for which Council is responsible within its financial resources, and ensure the community is well informed of their obligations.

1.0 RECOMMENDATION:

“THAT the General Manager’s Quarterly Information Report for Land and Environmental Services for the March 2021 quarter be noted.”

2.0 SUMMARY

The report includes the following items:-

- 2.1 Health
- 2.2 Building Applications
- 2.3 Planning
- 2.4 Parking
- 2.5 Cemetery Statistics

2.1 HEALTH**2.1.1 Environmental Enquiries / Investigations**

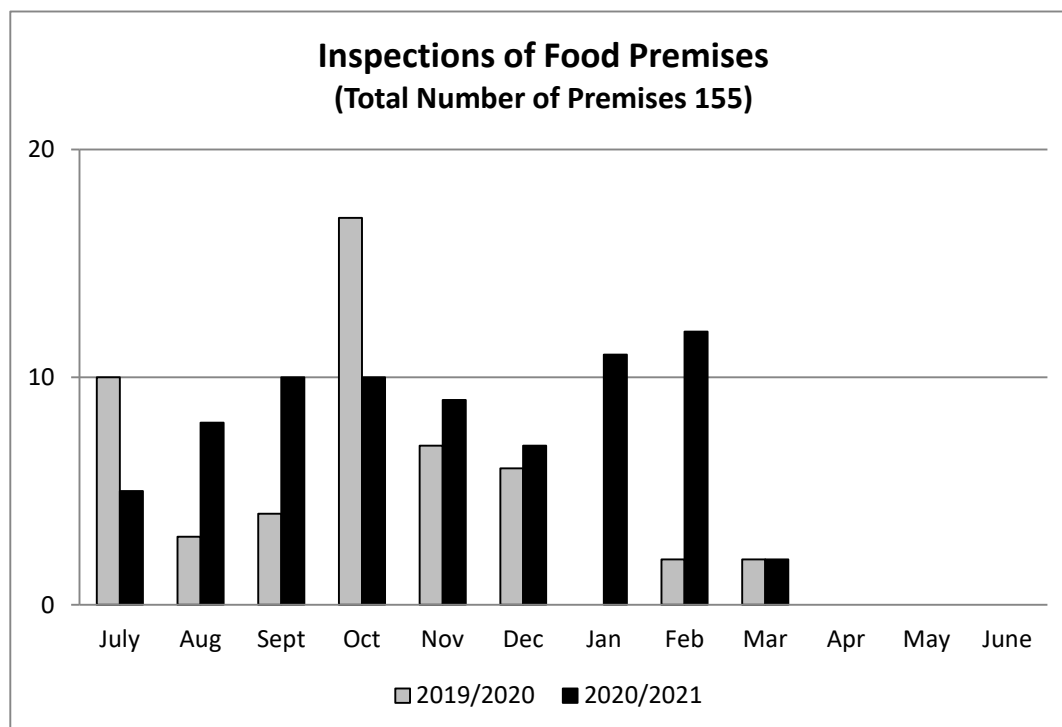
Type	Number of Enquiries / Investigations			
	Jan	Feb	Mar	YTD Total
Air	0	0	4	16
Water	2	0	0	4
Noise	2	1	5	24
Solid Waste	0	0	0	11
Other	2	1	2	16

YTD is measured from 1 July each year.

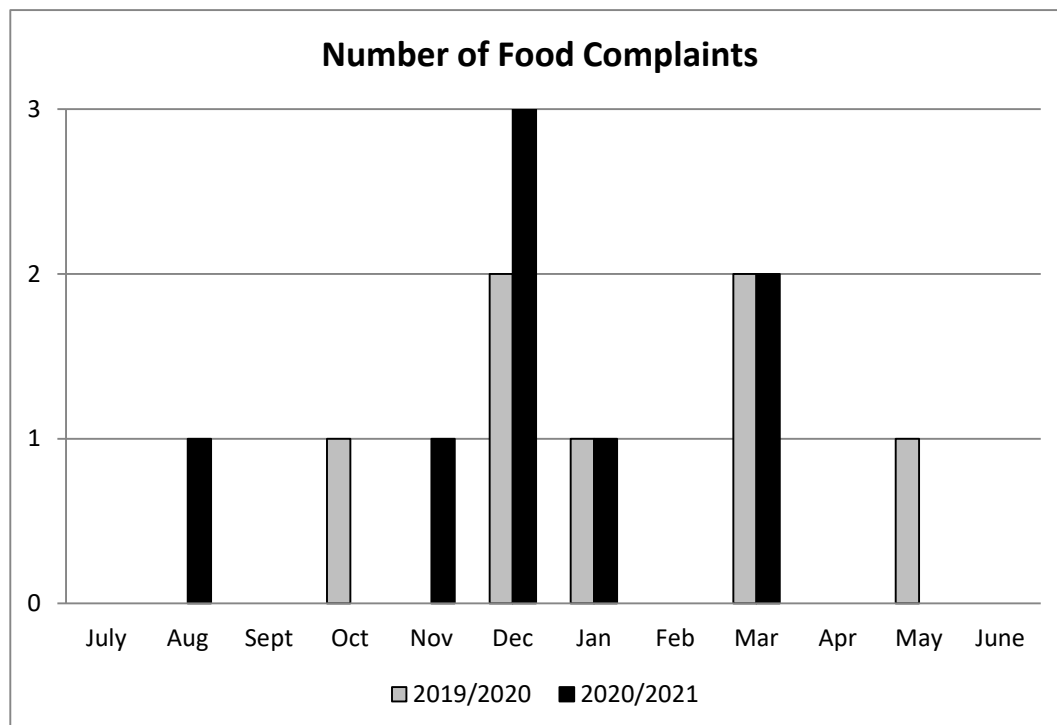
2.1.2 Environmental Sampling

Type	Number of Samples Taken			
	Jan	Feb	Mar	YTD Total
Beach Water Samples (summer months only)	10	10	0	40
Public Swimming Pool samples	6	7	6	46

YTD is measured from 1 July each year.

2.1.3 Food

Zero food premises inspections for January, April, May and June 2020.



Zero food complaints in July, August, September and November 2019. Nil food complaints in February, April, June, July, September and October 2020. Nil food complaints in February 2021.

2.2 BUILDING APPLICATIONS

Permit Authority Applications - 2020												
Month	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Notifiable Plumbing	5	6	7	6	5	7	10	6	19	16	10	17
Notifiable Building	11	14	8	8	6	5	9	16	8	29	17	16
Permit Plumbing	5	2	3	3	3	4	1	4	8	2	4	3
Permit Building	4	2	4	7	6	4	7	8	6	10	3	7
Substantial Compliance	1	2	1	0	0	0	0	1	0	0	0	1
Notifiable Demolition	0	0	0	0	0	0	0	0	0	0	0	0
Permit Demolition	0	0	0	0	1	0	0	0	1	0	1	0
Permit Refused	0	0	0	0	0	0	0	0	0	1	0	0
Application Value \$	4,249,070	1,802,493	2,455,260	30,777,166	3,105,370	2,648,246	5,232,442	4,330,688	2,848,632	9,222,151	3,030,147	6,505,055
Cumulative Total \$	4,249,070	6,051,563	8,506,823	39,283,989	42,389,359	45,037,605	50,270,047	54,600,735	57,449,367	66,671,518	69,701,665	76,206,720

Permit Authority Applications - 2021												
Month	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Notifiable Plumbing	10	8	10									
Notifiable Building	11	8	11									
Permit Plumbing	4	3	6									
Permit Building	9	6	9									
Substantial Compliance	1	0	0									
Notifiable Demolition	0	0	0									
Permit Demolition	0	0	0									
Permit Refused	0	0	0									
Application Value \$	6,236,400	2,469,688	12,042,230									
Cumulative Total \$	82,443,120	84,912,520	96,954,750									

2.3 PLANNING**2.3.1 Summary Land Use and Development Applications**

LAND USE AND DEVELOPMENT APPLICATIONS	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20	Jul 20	Aug 20	Sept 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21
Permitted Use & Development	1	5	5	3	9	8	11	11	7	10	2	7	4	5	2
Discretionary Use & Development	5	6	6	7	11	12	5	8	8	19	15	9	4	13	15
Subdivisions	0	0	1	0	1	1	2	2	1	0	3	1	1	2	2
TOTAL APPLICATIONS	6	11	12	10	21	21	18	21	16	29	20	17	9	20	19
Determined by Delegation	10	5	9	6	9	14	21	11	18	9	15	23	13	13	14
Determined by Council	1	0	0	0	0	0	0	0	1	1	0	1	0	0	0
Withdrawn	0	0	0	0	0	0	3	4	4	2	0	3	3	2	3
Applications Cancelled by Planning Authority	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Consent Decisions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Application Approved by Tasmanian Planning Commission	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Applications Appealed and Approved by Resource Management & Planning Appeals Tribunal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PLANNING SCHEME AMENDMENTS															
Amendment requests	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Amendment finally approved	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0
Amendment Refused by Tasmanian Planning Commission	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Applications Appealed and Refused by Resource Management & Planning Appeals Tribunal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

2.3.2 Land Use Permit Applications

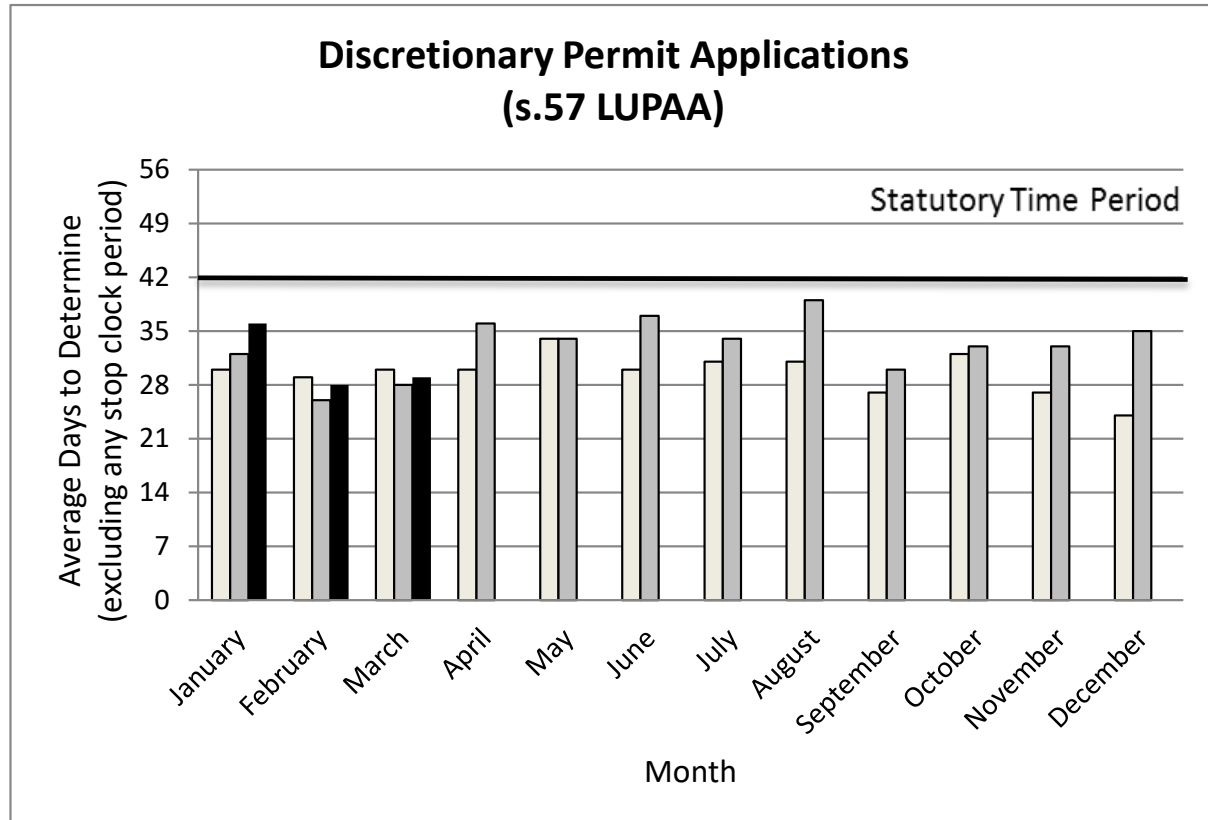
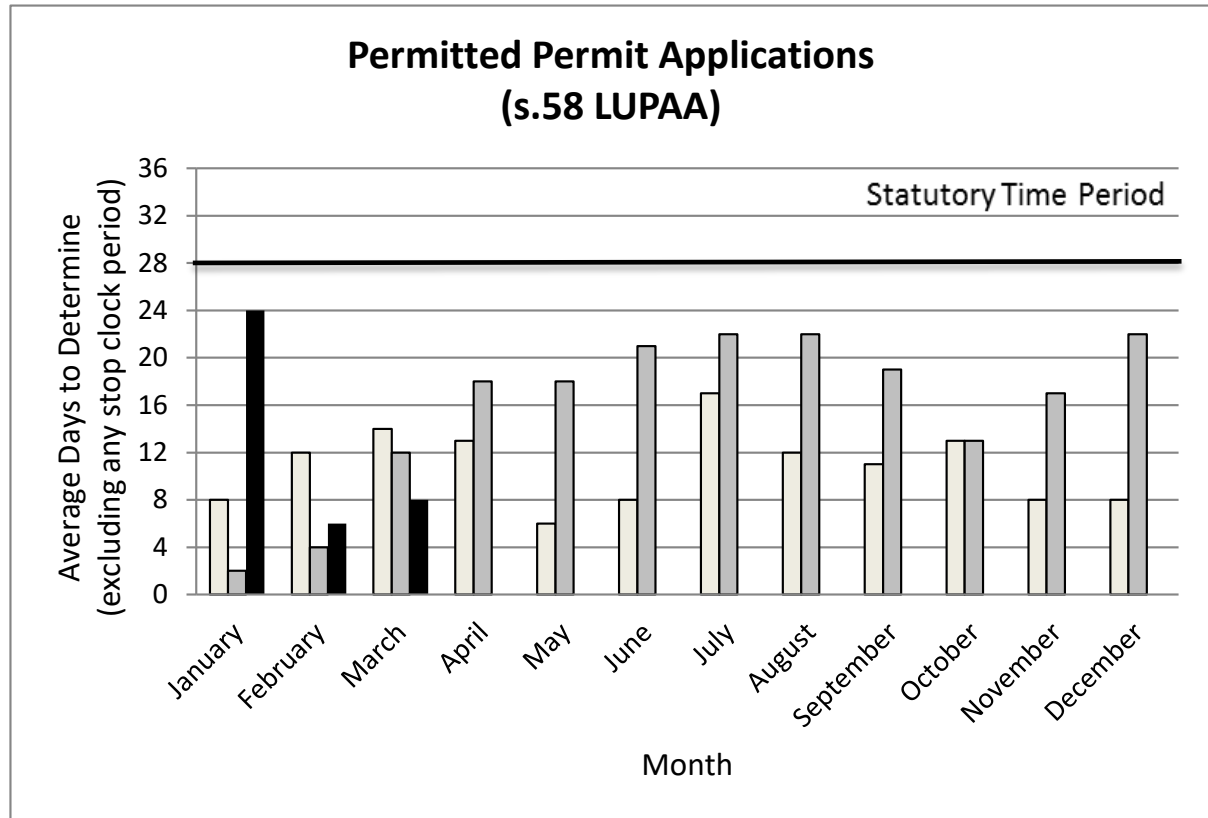
DATE	PERMIT NO.	LOCATION	TYPE OF DEVELOPMENT	PUBLIC NOTIFY DATE	EXPIRY DATE	DECISION / DATE
03/06/2020	2020/62	2-4, 10 & 20 Bass Highway PARKLANDS TAS 7320	Demolition of two Bandrooms and Develop new Bandrooms - Reliant on General Provisions 7.6 and performance criteria for grant of permit - Clause 23.3.1 (P1) - Clause 23.4.1 (P1) - Clause 23.4.2 (P2) - Clause 23.4.3 (P1) - Clause C2.5.2 (P1) - Clause C2.5.3 (P1) - Clause C7.6.1 (P1.1 & P3) - Clause C14.5.1 (P1)	02/01/2021	18/01/2021	Approved 05/02/2021
14/10/2020	2020/136	23 Linton Street UPPER BURNIE TAS 7320	Conversion of Building to Third Unit - Reliant on performance criteria for grant of permit - Clause 8.4.3 (P2) and Clause 8.4.8 (P1)	02/01/2021	18/01/2021	Approved 19/01/2021
20/10/2020	2020/140	10-14 Scarfe Street CAMDALE TAS 7320	Proposed extensions to existing Car Service Centre, Car Yard, new Office and associated Signage - Reliant on performance criteria for grant of permit - Clause 7.1 - Clause C1.6.1 (P1.1) - Clause C1.6.2 (P1) - Clause C7.6.1 (P1.1) and Clause C10.6.1 (P1.1 & P1.2)	02/01/2021	18/01/2021	Approved 22/01/2021
16/11/2020	2020/154	329 Ridgley Highway ROMAINE TAS 7320	Agricultural Storage Shed - Reliant on performance criteria for grant of permit - Clause 21.3.1 (P1 & P2)	05/12/2020	21/12/2020	Approved 13/01/2021
18/11/2020	2020/157	38 Nairana Avenue SHOREWELL PARK TAS 7320	Single Dwelling and Outbuilding - Reliant on performance criteria for grant of permit - Clause 8.4.2 (P3)	20/02/2021	09/03/2021	Approved 10/03/2021
20/11/2020	2020/158	306-310 Mount Street UPPER BURNIE TAS 7320	Residential Care Facility	N/A	N/A	Approved 17/03/2021
23/11/2020	2020/159	Wiseman Street SHOREWELL PARK TAS 7320	Multiple Dwellings x 24 - Reliant on performance criteria for grant of permit - Clause C2.6.2 (P1) - C2.6.5 (P1) and Clause C4.6.1 (P1)	23/01/2021	09/02/2021	Approved 15/02/2021
23/11/2020	2020/160	563 Stowport Road STOWPORT TAS 7321	Single Dwelling and Outbuilding - Reliant on performance criteria for grant of permit - Clause 11.4.1 (P1 & P4)	05/12/2020	21/12/2020	Approved 13/01/2021
25/11/2020	2020/163	2 Winforton Avenue HEYBRIDGE TAS 7316	Single Dwelling and Outbuilding - Reliant on performance criteria for grant of permit - Clause BUR-S1.7.2 (P1.1, P1.2 & P2) and Clause BUR-S1.7.3 (P1)	02/01/2021	18/01/2021	Approved 19/01/2021
26/11/2020	2020/164	22-24 O'Grady Street HAVENVIEW TAS 7320	Single Dwelling - Reliant on performance criteria for grant of permit - Clause 10.4.3 (P1 & P2)	12/12/2020	06/01/2021	Approved 13/01/2021
30/11/2020	2020/165	23-35 River Road WIVENHOE TAS 7320	Demolition of Warehouse B, partial demolition of Warehouse C and reconfigure internal circulation of the storage facility and associated work	N/A	N/A	Approved 13/01/2021
07/12/2020	2020/167	5 Sunny Place HEYBRIDGE TAS 7316	Single Dwelling - Reliant on performance criteria for grant of permit - Clause BUR-S1.7.3 (P3)	02/01/2021	18/01/2021	Approved 19/01/2021

07/12/2020	2020/168	7 Winforton Avenue HEYBRIDGE TAS 7316	Single Dwelling and Outbuilding - Reliant on performance criteria for grant of permit - Clause BUR-S1.7.2 (P3) and Clause BUR-S1.7.3 (P1 & P3)	06/01/2021	20/01/2021	Approved 21/01/2021
07/12/2020	2020/169	121 Woniora Road SHOREWELL PARK TAS 7320	Multiple Dwellings x 6	N/A	N/A	Approved 15/02/2021
09/12/2020	2020/170	17 Three Mile Line Road DOWNLANDS TAS 7320	Storage Shed	N/A	N/A	Approved 05/01/2021
10/12/2020	2020/171	291 Bass Highway OCEAN VISTA TAS 7320	Demolition of existing dwelling and two outbuildings and develop new dwelling and outbuilding - Reliant on performance criteria for grant of permit - Clause 8.4.2 (P1, P2 & P3) and Clause C7.6.1 (P1)	23/01/2021	09/02/2021	Approved 23/02/2021
16/12/2020	2020/175	140 West Mooreville Road EAST CAM TAS 7321	Dwelling Extension	N/A	N/A	Approved 29/01/2021
16/12/2020	2020/177	39 Hillfarm Drive PARK GROVE TAS 7320	Single Dwelling and Consolidation of Two Lots - Reliant on performance criteria for grant of permit - Clause 8.4.2 (P3) and Clause 8.4.5 (P1)	23/01/2021	09/02/2021	Approved 25/02/2021
15/12/2020	2020/178	29-31 Smith Street WIVENHOE TAS 7320	Outbuilding - Reliant on General Provisions for grant of permit - Clause 7.1	30/01/2021	15/02/2021	Approved 16/02/2021
15/12/2020	2020/179	62 Grandview Avenue PARK GROVE TAS 7320	Dwelling Extension (Deck) - Reliant on performance criteria for grant of permit - Clause 8.4.2 (P3)	17/02/2021	03/03/2021	Approved 05/03/2021
21/12/2020	2020/181	32 Reeves Street SOUTH BURNIE TAS 7320	Awning	N/A	N/A	Approved 01/02/2021
14/01/2021	2021/3	39 River Road WIVENHOE TAS 7320	New Storage Shed and relocation of two existing shipping containers	N/A	N/A	Approved 01/02/2021
20/01/2021	2021/5	20 Main Road WIVENHOE TAS 7320	Automotive Windscreen Service Facility with associated demolition and consolidation of 2 lots - Reliant on performance criteria for grant of permit - Clauses 19.4.2 (P1) - 19.4.3 (P1) - C2.5.1 (P1.1) and C2.6.5 (P1)	13/03/2021	29/03/2021	Approved 31/03/2021
25/01/2021	2021/7	68 Three Mile Line Road SHOREWELL PARK TAS 7320	Outbuilding - Reliant on performance criteria for grant of permit - Clause 8.4.2 (P3)	13/03/2021	29/03/2021	Approved 31/03/2021
27/01/2021	2021/8	5 Winforton Avenue HEYBRIDGE TAS 7316	Single Dwelling and Outbuilding	N/A	N/A	Approved 05/03/2021
02/02/2021	2021/9	240 Mount Street UPPER BURNIE TAS 7320	Establish a Community Meeting and Entertainment Use	N/A	N/A	Approved 17/02/2021
03/02/2021	2021/12	213 Mount Street UPPER BURNIE TAS 7320	Dwelling Extensions - Reliant on performance criteria for grant of permit - Clause 8.4.2 (P3)	13/03/2021	29/03/2021	Approved 15/04/2021

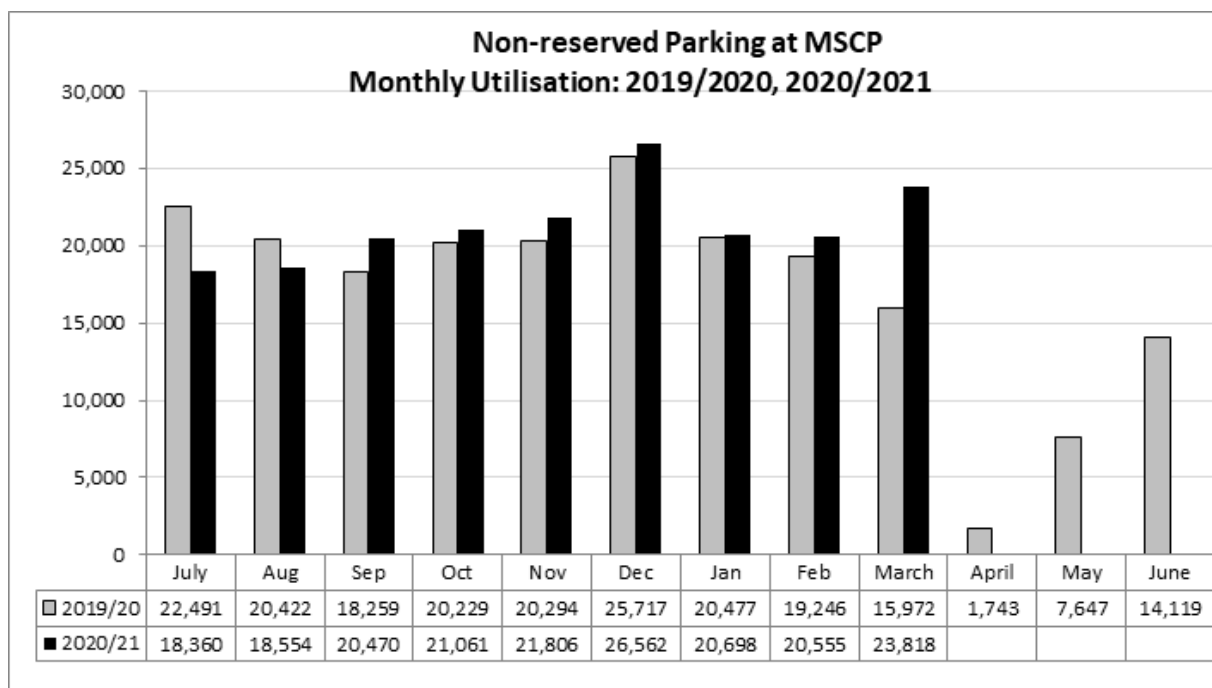
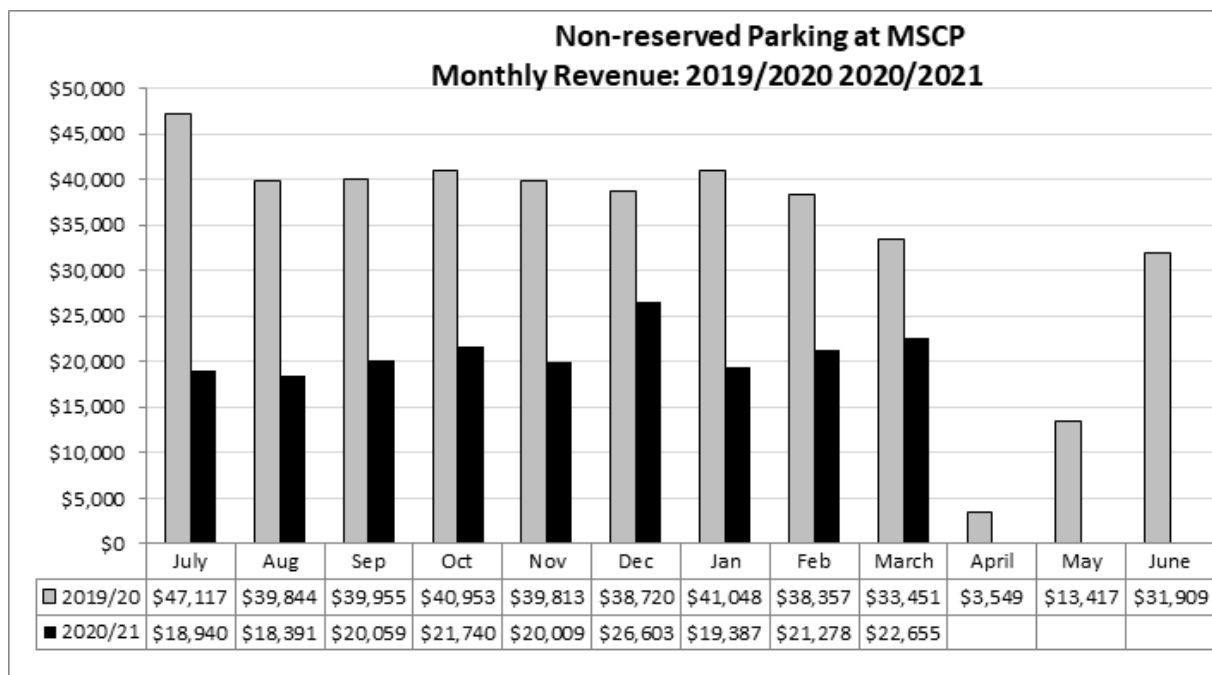
04/02/2021	2021/13	299 Bass Highway OCEAN VISTA TAS 7320	Outbuilding - Reliant on performance criteria for grant of permit - Clause 8.4.2 (P1, P2 & P3)	20/02/2021	09/03/2021	Approved 19/03/2021
08/02/2021	2021/16	10 Anglesea Street WIVENHOE TAS 7320	Demolition of Dwelling	N/A	N/A	Approved 24/02/2021
19/02/2021	2021/20	39 West Park Grove PARKLANDS TAS 7320	Dwelling Extension and New Outbuilding - Reliant on performance criteria for grant of permit - Clause 8.4.2 (P2 & P3)	27/02/2021	16/03/2021	Approved 29/03/2021
23/02/2021	2021/19	115 Minna Road HEYBRIDGE TAS 7316	Telecommunication Antenna (Wi-Fi) on existing building - Reliant on performance criteria for grant of permit - Clauses 20.4.1 (P1) and C5.6.1 (P1.2)	27/02/2021	16/03/2021	Approved 29/03/2021
23/02/2021	2021/21	3 Ormsby Street WIVENHOE TAS 7320	New Shed with ancillary office/reception and lunchroom	N/A	N/A	Approved 25/03/2021
23/02/2021	2021/22	23 Brickport Road COOEE TAS 7320	Hospital Addition	N/A	N/A	Approved 04/03/2021
23/02/2021	2021/23	463 Stowport Road STOWPORT TAS 7321	Farm Shed - Reliant on performance criteria for grant of permit - Clause 21.3.1 (P2 & P3)	27/02/2021	16/03/2021	Approved 25/03/2021
26/02/2021	2021/25	5 Thorne Street UPPER BURNIE TAS 7320	Demolition of Outbuilding	N/A	N/A	Approved 10/03/2021
11/03/2021	2021/33	10 Main Road WIVENHOE TAS 7320	Wall Painted Sign	N/A	N/A	Approved 25/03/2021

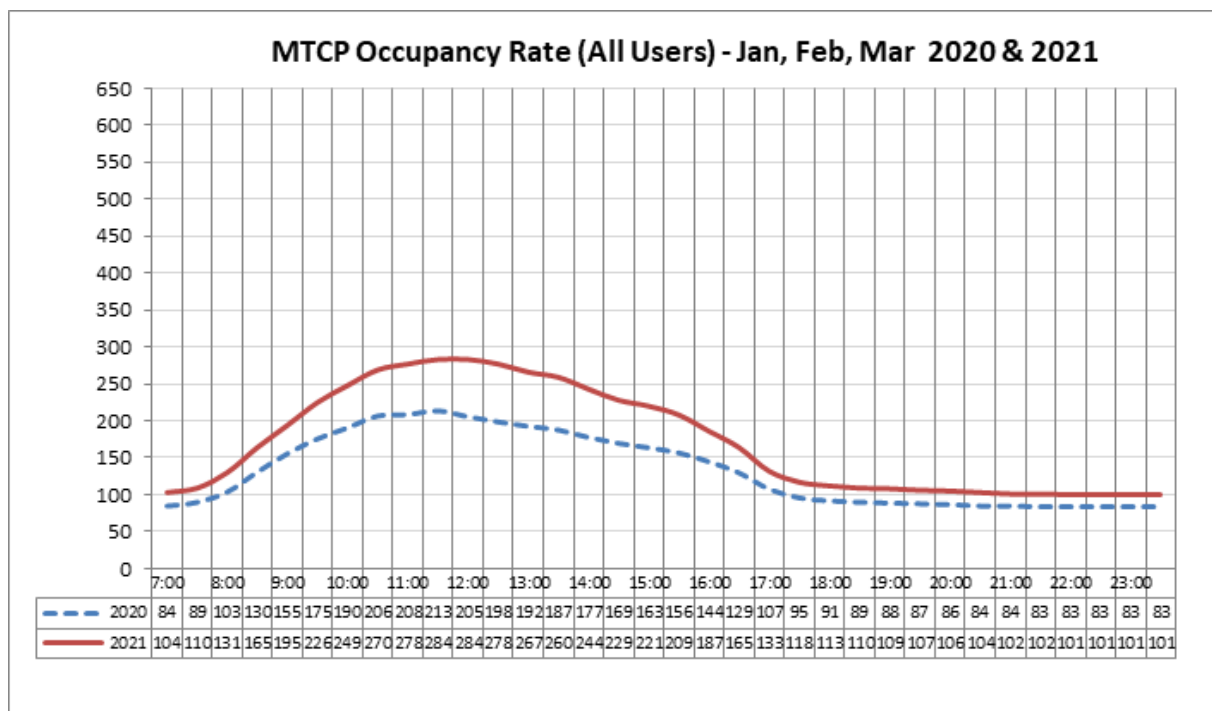
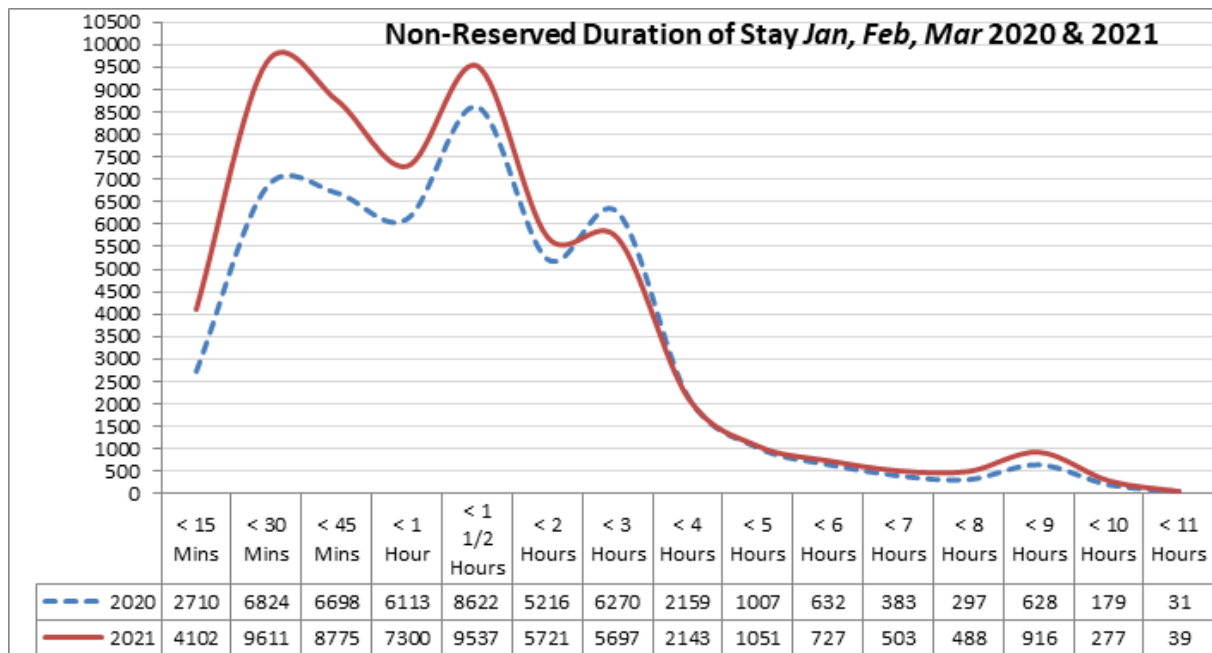
2.3.3 Subdivision Applications

DATE	PERMIT NO.	LOCATION	TYPE OF DEVELOPMENT	PUBLIC NOTIFY DATE	EXPIRY DATE	DECISION / DATE
18/11/2020	2020/1312	25 Cascade Road, ROMAINE TAS 7320	Subdivision x 2 Lots – Reliant on performance criteria for grant of permit – Clause 11.5.1 (P1 & P2) and 11.5.3 (P2)	09/12/2020	23/12/2020	Approved 05.01.2021
27.11.2020	2020/1313	166A Old Surrey Road, HAVENVIEW TAS 7320	Subdivision x 2 Lots – Reliant on performance criteria for grant of permit – Clause 10.6.1 (P1 & P2)	09/12/2020	23/12/2020	Approved 11.01.2021
03.02.2021	2021/1316	Mooreville Road, SHOREWELL PARK TAS 7320	Subdivision x 36 Lots – Reliant on General Provisions 7.6 and performance criteria for grant of permit - Clauses 8.6.1 (P2 & P4) - 8.6.2 (P1) - 29.5.1 (P1) - C7.7.1 (P1) - C7.7.2 (P1.1 & P1.2) and C12.7.1 (P1)	20/02/2021	09/03/2021	Approved 17.03.2021
04/02/2021	2021/1317	27, 29 and 31 Bathurst Street, UPPER BURNIE TAS 7320	Subdivision from 3 Lots to 2 Lots	N/A	N/A	Approved 26/02/2021



Average time for determination of permit applications decided by month.

2.4 PARKING



Calculated on remaining spaces – Average 78 Reserved spaces for Jan/Feb/Mar for 2020 and 97 Reserved spaces Jan/Feb/Mar 2021

2.5 CEMETERY STATISTICS

Burials	Jan	Feb	Mar	YTD Total
Lawn Cemetery	7	7	2	52
Wivenhoe / Ridgley	0	0	0	0
Other	0	0	0	0
Total	7	7	2	52

YTD is measured from 1 July each year.

Ashes Interred	Jan	Feb	Mar	YTD Total
Lawn Cemetery	2	2	2	20
Wivenhoe / Ridgley	0	0	0	0
Total	2	2	2	20

YTD is measured from 1 July each year.

COUNCIL RESOLUTION

Resolution number: MO068-21

MOVED: *Cr A Keygan*

SECONDED: *Cr D Pease*

“THAT the General Manager’s Quarterly Information Report for Land and Environmental Services for the March 2021 quarter be noted.”

For: Cr S Kons, Cr A Boyd, Cr K Dorsey, Cr C Lynch, Cr A Keygan, Cr G Simpson, Cr T Bulle, Cr D Pease.

Against:

CARRIED UNANIMOUSLY

GENERAL MANAGER**AO071-21 GENERAL MANAGER'S QUARTERLY INFORMATION REPORT
COMMUNITY AND ECONOMIC DEVELOPMENT - MARCH 2021****FILE NO: 4/18/2****PREVIOUS MIN:**

MAKING BURNIE 2030 – CORPORATE PLAN REFERENCE:

Direction	2	AN INCLUSIVE AND HEALTHY COMMUNITY
Objective	2.3	A place where everyone feels accepted and participates freely in community activities.
Strategy	2.3.4	Promote inclusiveness and participation within identifiable groups.

1.0 RECOMMENDATION:

“THAT the General Manager’s Quarterly Information Report for Community and Economic Development for the March 2021 quarter be noted.”

2.0 SUMMARY

This report provides the past month’s updates under the following areas:

Community and Economic Development

- 2.1 Business and Recreation
- 2.2 Community / Cultural Development
- 2.3 Burnie Regional Museum and Burnie Regional Art Gallery
- 2.4 Burnie Arts and Function Centre
- 2.5 Makers’ Workshop – Visitor Information Centre
- 2.6 Marketing and Events
- 2.7 Collective Impact

2.1 BUSINESS AND RECREATION

Manager Business and Recreation currently on leave.

2.2 COMMUNITY / CULTURAL DEVELOPMENT

Applications from sporting clubs for their Winter Sports Ground Allocation have been processed.

Special Financial Assistance Grant to clubs and organisations 2020/2021 opened on 3 February and closed on 17 March, with budget of \$25,000. A total of 15 applications were received seeking assistance totalling \$70,649.

Working with COTA to organise Burnie's first Walk Against Elder Abuse for 2021. This event will be held on World Elder Abuse Awareness Day (WEAAD) - Tuesday 15 June. The Walk will commence in the Burnie CBD and will finish with a morning tea at the Burnie Regional Art Gallery's Learning Space, this includes an associated exhibition curated by COTA.

2020/2021 Financial Assistance Grants (as at 13/4/21)***Committed Three Year Sponsorship (2019-2022)***

Cohee to Camdale Coastcare (\$7,410 over 3yrs)	\$2,470	\$715	To purchase equipment, clothing and assist with insurance and telephone costs.
Burnie Amateur Swimming Club (\$9,000 over 3yrs)	\$3,000	\$0	To assist with the costs of hiring the Burnie Aquatic Centre.
Burnie Harness Racing Club (2019/2020 - \$1,485); (2020/2021 - \$1,980); (2021/2022 - \$1,980)	\$1,980	\$1,980	To off-set costs associated with access across the rail corridor at Wivenhoe.
Total	\$7,450	\$2,695	

Committed Five Year Sponsorship (2020/21 to 2024/25)

Burnie Mens Shed (2020/21 to 2024/25)	\$2,500	\$2,447	In recognition of the valuable support it provides to residents of the Burnie community.
Total	\$2,500	\$2,447	

Annual Community Group Assistance

Name/Organisation	Committed	Paid
Morning Melodies	\$1,460	\$0
Tasmanian Special Children's Christmas Party	\$1,500	\$1,500
Koori Kids - NAIDOC Week	\$400	\$450
Burnie Community House – A2P's Learner Driver Mentor Program 2 x Parking Spaces	\$2,398	\$2,398
Carols by Candlelight	\$4,500	\$4,500
Total	\$10,258	\$8,848

State Representatives Allowance

	Budget	Paid
State Representatives	\$10,000	\$1,350

Mayor Financial Assistance Minor Sponsorship Requests

	Budget	Paid
Minor Sponsorship Requests	\$2,500	\$0

Food License Permits Requests

	Budget	Paid
Cancer Council of Tasmania		\$141
Total	\$1,000	\$141

Other Annual Assistance

Name/Organisation	Committed	Paid
Burnie Concert Band	\$2,500	\$2,500
Burnie Highland Pipe Band	\$2,500	\$0
City of Burnie Brass Band	\$2,500	\$0
EMUsicians	\$2,500	\$2,500
Stringalong Music Programme	\$2,500	\$1,513
Total	\$12,500	\$6,513

Waste Disposal Costs for Charitable & NFP Organisations

Name/Organisation	Committed	Paid
Australian Red Cross	\$600	\$60
Launceston City Mission – Mission Shop Burnie	\$1,000	\$308
Lifeline Tasmania	\$300	\$0
Salvation Army Thrift Shop Burnie	\$1,000	\$30
Total	\$2,900	\$398

YTD Totals

Name/Organisation	Budget	Committed	Paid
Committed Three Year Sponsorship (2019/2020 -2021/2022)		\$7,450	\$2,695
Committed Five Year Sponsorship (2020/21 to 2024/25)		\$2,500	\$2,447
Other Annual Community Group Assistance		\$10,258	\$8,848
State Representatives Allowance		\$10,000	\$1,350
Minor Sponsorship Grants by Mayor		\$2,500	\$0
Food License Permits		\$1,000	\$141
Total Financial Assistance Grants	\$70,500	\$33,708	\$15,481
Other Annual Assistance		\$12,500	\$6,513
Waste Disposal Costs for Charitable & NFP Organisations	\$5,000	\$1,900	\$398

2.3 BURNIE REGIONAL MUSEUM and BURNIE REGIONAL ART GALLERY**Burnie Regional Art Gallery:-**

All attendance:- Jan – March

	Monday – Friday	Saturday (No of Saturdays)	Monthly Total
January	377	96 (5)	473
February	252	56 (4)	308
March	538	106 (4)	644

Exhibitions

Main Gallery - The Over-Wintering Project exhibition which ran from 18 December 2020 – 6 February 2021 concluded

Main Gallery - Vic McEwan's Haunting exhibition – a Ten Days on the Island event ran from 12 February to 20 March 2021.

Middle Gallery – Collection exhibition of Looby Prints

Burnie Print Prize 2021 was opened on Friday 26 March, the exhibition runs through until 1 May, Annika Romeyn (NSW) Guerilla Bay 3 was selected as the winner.

2.4 BURNIE ARTS AND FUNCTION CENTRE**January:-**

- NW Liliun Society – Burnie Liliun Show (Town Hall/Braddon Hall) 450pax
- Australia Day Celebrations (Town Hall/Braddon Hall) 200pax
- Ten Days on the Island Launch (Plaza/Arts Theatre)
- St Giles First Aid Training ((Bass & Flinders Rooms) 15pax
- Burnie Historical Society - Meeting
- Hellyer College Evening of Excellence (Town Hall)

February:-

- RACT (Board Room) 22pax
- Mental Health Council Tas (Bass & Flinders Rooms) 12pax
- Domaar Productions – One Flew Over The Cuckoo's Nest – 6 shows (Town Hall) 433pax
- Burnie Works Jobs Fair (Town Hall/Braddon Hall)
- Tas Ports (VIP Room) 12pax
- TOLL Tas – (VIP Room) 10pax
- St Giles First Aid Training (Bass & Flinders Rooms) 25pax
- Open Arms – Veterans & Families (Bass & Flinders Rooms) 10pax
- National Disability Services (Braddon Hall) 13pax

March:-

- PLI (Department of Education – Professional Learning Institute) (Braddon Hall/VIP Room) 70pax
- Housing, Disability Community Services (Bass & Flinders Rooms/VIP Room) 30pax
- GRIP Leadership – Student Leadership Conference (Town Hall) 100pax
- Housing Industry Association (Braddon Hall) 45pax
- Ten Days on the Island – Creative Coast (Whole Centre) 900pax?
- Kevin Bloody Wilson (Town Hall) 169pax
- Tasmanian Leaders (Braddon Hall) 25pax
- International Women’s Day Luncheon (Town Hall/Braddon Hall) 157pax
- Randy Feltface (Town Hall) 135pax
- Fisher & Paykel Healthcare (Braddon Hall) 14pax
- Lifestyle Solutions – Seminars- 4 days (Bass & Flinders Rooms) 48pax
- Mudlark Theatre – Caravan Boat Treehouse (Arts Theatre) 125pax
- TAC Cultural Awareness Training – Braddon Hall) 21pax
- Speakout Advocacy (Bass & Flinders Rooms) 10pax
- Marist College Senior Ball (Town Hall) 220pax
- Burnie Works – Collective Impact sessions, 4 days (Braddon Hall) 20pax
- Volunteering Tas (Bass & Flinders Rooms) 15pax
- Autism Tas (Bass & Flinders Rooms) 20pax

2.5 MAKERS’ WORKSHOP – VISITOR INFORMATION CENTRE

Makers’ Workshop continued Thursday to Monday operating hours, during the first quarter of 2021. New hours of Tuesday to Saturday started on March 22.

Visitor Numbers –

	January 2021	January 2020	February 2021	February 2020	March 2021	March 2020
Makers Workshop Door Count	2887	17238	3022	14025	3958	10397
Visitor Centre Counter	532	2219	507	1470	492	1035
Cruise Ships	-	10	-	12	-	8

Creative Paper Tasmania

	January 2021	January 2020	February 2021	February 2020	March 2021	March 2020
Hand Made Paper Tour Experience	130	1384	186	1022	107	505
Coach/School Groups	0	9	1	10	3	10

Online Activity

	Online Sales – First Quarter		Online Enquiries – First Quarter	
	2020	2019	2020	2019
Website	8	7	2	5
eBay	3	-	2	-

First quarter paper sales for Creative Paper were 68% of 2020.

2.6 MARKETING AND EVENTS

Bite and Brew was held on 27 February 2021 at North Terrace. This was held in conjunction with the Auto Corsa North West Rally of Champions. The event was a Level 1 COVID controlled event with attendees capped at 1000.

Kids in the Park Easter Sunday event was not held in 2021.

2.7 COLLECTIVE IMPACT

Burnie Works

The Burnie Works Learning Circle was held on 18 February 2021, attended by representatives of the Local Enabling Group Inc, working groups, strategic partners, State and Federal Government. This is part of the annual learning process for Burnie Works under Stronger Places, Stronger People.

TAC Cultural Competency Training was held in March 2021. Sessions will also be held in April, May and June 2021.

Collective Change Facilitation was held in Burnie on 29 March – 1 April 2021, facilitated by Real Well – Griffith University.

Social Recovery

Havenview Community Connections was held on 17 January 2021 at Barker Street Reserve with a wellbeing theme and strong support from Havenview Primary School association.

Recharge events are continuing, with speakers Ben Pangas (February) and Associate Professor Kimberley Norris (March). A Recharge lunch is scheduled for April with guest speaker Tony Cohen.

The Set Me Free sculpture by Cynthia Hawkins began touring as part of the social recovery campaign at the Burnie Regional Art Gallery on 2 February 2021. The sculpture has visited Montello Primary School, Natone Primary School, Havenview Primary School and Romaine Park Primary School. The sculpture is at the Burnie Wellbeing Hub for April and will be at Burnie Youth Expo and Burnie Library in May. The sculpture is accompanied by wellbeing tools and creative workshops.

Local Enabling Group (LEG)

The Local Enabling Group Inc is in the process of transitioning from an incorporated association to a company limited by guarantee.

International Women's Day

An International Women's Day Luncheon was held on 12 March 2021, featuring MC Amina Keygan in conversation with Melanie Bartlett, Hayley Elmer and Samantha Boarder. The luncheon was attended by 157 community members, raising \$785 for Warrawee Women's Shelter.

Dream Big

Dream Big Grade 5 Higher Education Visits and Job Brainstorming Sessions took place in Term 1 2021 at Hellyer College and the University of Tasmania. Grade 6 students Higher Education Visits, will take place in Term 2 2021, for students who were unable to participate due to COVID-19 in 2021. TasTAFE was unable to participate due to COVID-19 restrictions on site.

BIG

Up Close and BIG sessions will commence in Term 2.

BIG has welcomed new members Jackie Harvey, Luke Wescombe, Richard Ingram and will welcome Rochelle Cunningham in April.

Local Drug Action Team (LDAT)

The 'Know the Risks' Community Action Plan will commence in April 2021.

Families

The Families working group is continuing to meet. The working group members submitted feedback to the State Government's Child and Youth Wellbeing Survey.

First 1000 Days

Burnie Works is providing systems mapping and evaluation support to the First 1000 Days initiative. This initiative is a collaboration between Burnie Community House, Burnie Child and Family Centre and Burnie Library.

Burnie Youth Council

Burnie Youth Council met on 25 March 2021 and appointed Youth Mayor Danielle Jones (Parklands High School), Deputy Youth Mayor Jai Mollison (Burnie High School) and Deputy Youth Mayor (Junior) Oliver Ebdon (Romaine Park Primary School).

Employment Partnership Group (EPG)

EPG members and other training and stakeholders participated in a workshop to map the employment and training system in Burnie and identify priority areas for change. The systems map creates a knowledge piece that will feed into future action planning for the group.

The Future Jobs and Training Expo was held on 11 February 2021, with over 150 people in attendance. Over 40 stakeholders attended a pre-expo workshop hosted by James McCormack on the challenges faced by industry, training and employment organisations during and post COVID.

COUNCIL RESOLUTION**Resolution number: MO069-21*****MOVED: Cr G Simpson******SECONDED: Cr D Pease******“THAT the General Manager’s Quarterly Information Report for Community and Economic Development for the March 2021 quarter be noted.”***

For: Cr S Kons, Cr A Boyd, Cr K Dorsey, Cr C Lynch, Cr A Keygan, Cr G Simpson, Cr T Bulle, Cr D Pease.

Against:

CARRIED UNANIMOUSLY

GENERAL MANAGER**AO072-21 GENERAL MANAGER'S QUARTERLY INFORMATION REPORT
CORPORATE AND BUSINESS SERVICES - MARCH 2021****FILE NO: 4/18/2****PREVIOUS MIN:**

MAKING BURNIE 2030 – CORPORATE PLAN REFERENCE:

Direction	7	AN ENGAGING AND ACCOUNTABLE LEADERSHIP FOCUSED ON A STRONG FUTURE
Objective	7.4	A sustainable, viable financial future is assured and accountability is demonstrated through open and transparent processes.
Strategy	7.4.2	Demonstrate financial accountability and ensure strong internal controls underpin performance.

1.0 RECOMMENDATION:

“THAT the General Manager’s Quarterly Information Report for Corporate and Business Services for the March 2021 quarter be noted.”

2.0 SUMMARY

The report includes the following items:

Corporate and Business Services

- 2.1 Summary Financial Statements
- 2.2 Schedule of Investments
- 2.3 Operational Report by Directorate/Department
- 2.4 Receivables Analysis
- 2.5 Rates Analysis
- 2.6 Capital Expenditure Report
- 2.7 Contracts Awarded
- 2.8 Consultants Engaged
- 2.9 Governance – Use of Council Seal

2.1 SUMMARY FINANCIAL STATEMENTS**Statement of Comprehensive Income**

This report provides the draft YTD operating results for the period ending 31 March 2021.

YTD Comprehensive Income Statement

	YTD Actual	YTD Budget	YTD Variance to Budget	Annual Budget 2021	Annual Forecast 2021	Forecast Variance to Budget	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Recurrent Income							
Rates and charges	22,901	22,994	✖ 92	22,994	22,973	⚠ 20	U
Statutory fees and fines	711	783	✖ 73	1,045	857	✖ 188	U
User fees	2,318	2,407	✖ 89	3,210	3,115	✖ 95	U
Grants	2,084	2,805	✖ 721	3,740	3,736	⚠ 4	U
Reimbursements	324	318	✔ (6)	424	455	✔ (32)	F
Other income	455	644	✖ 189	859	679	✖ 180	U
Investment income	725	123	✔ (602)	123	330	✔ (207)	F
Total recurrent income	29,518	30,075	✖ 557	32,394	32,147	✖ 248	U
Recurrent Expenses							
Employee benefits	8,202	8,850	✔ (647)	11,925	12,057	✖ 132	U
Materials and services	6,956	8,280	✔ (1,324)	11,028	10,813	✔ (215)	F
Depreciation and amortisation	5,862	5,995	✔ (133)	7,994	7,994	✔ -	F
Finance costs	118	126	✔ (8)	227	227	✔ -	F
Other expenses	2,099	2,617	✔ (518)	3,406	3,386	✔ (20)	F
Total recurrent expenses	23,236	25,867	✔ (2,631)	34,579	34,477	✔ (102)	F
Operating surplus/(deficit)	6,282	4,207	✔ (2,074)	(2,185)	(2,330)	✖ 145	U
Capital Items							
Capital grants	923	2,275	✖ 1,352	3,034	3,034	✔ -	F
Expenditure on assets not owned by Council	-	-	✔ -	-	-	✔ -	F
Contributions - non-monetary assets	-	-	✔ -	-	-	✔ -	F
Net gain/(loss) on disposal of assets	8	(187)	✔ (195)	(250)	(250)	✔ -	F
	931	2,087	✖ 1,157	2,784	2,784	✔ -	F
Surplus/(deficit)	7,212	6,295	✔ (918)	599	454	✖ 145	U
Operating Margin	1.27	1.16		0.94	0.93		



A favourable variance



An unfavorable variance < \$50k



An unfavorable variance > \$50k

F = YTD favourable variance to budget

U = YTD unfavourable variance to budget

Council is budgeting for an underlying deficit of \$2.185m in 2020-21.

Council is currently forecasting to have an unfavourable operational variance to budget of \$0.145m.

Statement of Financial Position

The Statement of Financial Position provides a snapshot of Council's financial position at the end of the reporting period. The current ratio is an indicator of Council's liquidity and ability to pay its debts when they fall due. A ratio of more than 1.00 or more indicates that there is more cash and short terms assets than short term liabilities.

Statement of Financial Position

	Actual 2021 \$'000	Budget 2021 \$'000	Forecast 2021 \$'000
Assets			
Current assets			
Cash and cash equivalents	18,936	9,926	9,070
Trade and other receivables	2,578	1,875	1,875
Inventories	90	91	91
Other assets	5	36	36
Total current assets	21,609	11,928	11,073
Non-current assets			
Investment in water corporation	58,156	75,672	58,156
Investments in subsidiaries	2,103	2,103	2,103
Investment in joint venture	3,740	3,311	3,740
Property, infrastructure, plant and equipment	348,205	347,434	353,012
Total non-current assets	412,203	428,520	417,011
Total assets	433,812	440,448	428,084
Liabilities			
Current liabilities			
Trade and other payables	612	1,899	1,899
Trust funds and deposits	132	140	140
Interest-bearing loans and borrowings	1,298	1,332	1,332
Employee provisions	2,125	2,574	2,574
Contract liabilities	66	-	-
Total current liabilities	4,234	5,945	5,945
Non-current liabilities			
Interest-bearing loans and borrowings	9,394	8,706	8,706
Employee provisions	192	199	199
Total non-current liabilities	9,586	8,905	8,905
Total liabilities	13,820	14,850	14,850
Net Assets	419,992	425,598	413,234
Equity			
Accumulated surplus	276,190	276,831	276,189
Surplus/(deficit)	7,212	599	454
Reserves	136,590	148,168	136,590
Total Equity	419,992	425,598	413,234
CURRENT RATIO	5	2.01	1.86

Statement of Cash Flows

This report details cash and investment movements and balances as at the end of the reporting period.

Council's cash and investments balance as at 31 March 2021 is \$18.936m.

Burnie City Council
Statement of Cash Flows

	Actual 2021 \$'000	Budget 2021 \$'000	Forecast 2021 \$'000
Cash flows from operating activities			
Rates and charges	21,580	22,932	22,911
Statutory fees and fines	711	1,045	857
User fees	2,318	3,172	3,115
Grants	1,669	3,740	3,320
Reimbursements	324	424	455
Other income	455	879	679
Payments to suppliers	(7,590)	(10,923)	(9,829)
Payments to employees	(8,566)	(11,834)	(11,965)
Other payments	(2,099)	(3,430)	(3,386)
Net cash provided by (used in) operating activities	8,803	6,005	6,158
Cash flows from investing activities			
Payments for property, infrastructure, plant and equip	(5,020)	(11,979)	(13,129)
Dividends and distributions	725	123	330
Capital grants	923	3,034	2,970
Net cash provided by (used in) investing activities	(3,372)	(8,822)	(9,829)
Cash flows from financing activities			
Finance costs	(118)	(227)	(227)
Trust funds & deposits	-	-	-
New borrowings	-	-	-
Repayment of interest bearing loans and borrowings	(645)	(1,298)	(1,299)
Net cash provided by (used in) financing activities	(763)	(1,525)	(1,526)
Net increase (decrease) in cash and cash equivalents	4,668	(4,342)	(5,197)
Cash and cash equivalents at the beginning of the financial year	14,268	14,268	14,268
Cash and cash equivalents at the end of the period	18,936	9,926	9,070

2.2 SCHEDULE OF INVESTMENTS

A schedule of Council's investments is provided as at 31 March 2021:

Investments Schedule as at 31/03/2021							
Institution	Term	Rate	S&P Rating	Lodgement Date	Maturity	Amount	Total
ANZ	At Call	0.05%	A1+			2,764,049	2,764,049
ANZ	180 Days	0.20%	A1+	01-01-21	01-04-21	1,004,083	
ANZ	365 Days	0.82%	A1+	27-08-20	27-08-21	1,500,000	2,504,083
MyState	90 Days	0.70%	A2	01-10-20	01-04-21	1,000,000	
MyState	90 Days	0.70%	A2	01-10-20	01-04-21	1,000,000	
MyState	730 Days	1.00%	A2	02-09-20	02-09-22	1,000,000	3,000,000
NAB	730 Days	0.87%	A1+	27-08-20	27-08-22	2,000,000	
NAB	180 Days	0.50%	A1+	06-11-20	06-05-21	1,000,000	3,000,000
Bank of Queensland	365 Days	1.05%	A2	30-06-20	30-06-21	1,000,000	
Bank of Queensland	730 Days	0.95%	A2	01-09-20	01-09-22	2,000,000	3,000,000
ME Bank	210 Days	0.50%	A2	06-11-20	04-06-21	1,000,000	
ME Bank	150 Days	0.45%	A2	04-02-21	05-07-21	1,000,000	2,000,000
Westpac	120 Days	0.21%	A1+	27-01-21	27-05-21	1,000,000	
Westpac	150 Days	0.21%	A1+	27-01-21	28-06-21	1,000,000	
Westpac	180 Days	0.22%	A1+	27-01-21	27-07-21	500,000	2,500,000
							18,768,133

Investment Allocation by Credit Rating

Credit Rating	%	Amount	WAIR
A1+	57%	\$10,768,133	0.40%
A1	0%	\$0	
A2	43%	\$8,000,000	0.79%
	100%	\$18,768,133	

Investment Allocation by Bank

Bank	%	Amount
ANZ	28%	\$5,268,133
MyState	16%	\$3,000,000
NAB	16%	\$3,000,000
BOQ	16%	\$3,000,000
ME Bank	11%	\$2,000,000
Westpac	13%	\$2,500,000
	100%	\$18,768,133

Council's Treasury Management Policy CP-CBS-SG-038 sets the parameters for management of Council's investment portfolio.

Cash reserves require careful management to both achieve optimum investment incomes and to ensure that cash is available when needed for planned expenditures. Funds are invested in a manner that allows Council to earn interest on community funds for as long as possible while retaining flexibility in accessing those funds for Council operations.

The primary tool for deciding on how much and how long to invest is the cash flow budget. A buffer of funds is retained in an interest bearing at call account to ensure funds are available to meet the Council's commitments.

Council's risk from exposure to any individual institution is restricted through diversification of the investment portfolio. No more than 40% of Council's total investment portfolio will be invested in any one institution. Council is also mindful of limiting its exposure to institutions with a credit rating of less than A1 and will not invest more than \$3 million with any one institution with a credit rating of less than A1.

2.3 OPERATIONAL REPORT BY DIRECTORATE/DEPARTMENT

This section provides an overview of the operational performance of each department. Forecasts are provided for each department highlighting anticipated variances to budget identified to date.

Explanations are provided for forecast budget variances of \$20,000 or more.

Department	31-Mar	Annual Budget	Forecast	Forecast Variance to Budget	Note
Community & Economic Development					
Burnie Arts & Function Centre	633,200	934,427	932,147	(2,280) Favourable	
Burnie Regional Art Gallery	289,720	528,322	493,151	(35,171) Favourable	1
Burnie Regional Museum	227,019	489,550	478,750	(10,800) Favourable	
Burnie Works	(541,719)	90,766	31,026	(59,740) Favourable	2
Business & Recreation	137,292	269,098	277,673	8,575 Unfavourable	
CED Management	301,509	330,000	361,470	31,470 Unfavourable	3
Community & Youth	163,054	300,109	245,639	(54,470) Favourable	4
Marketing & Events	238,816	413,634	369,544	(44,090) Favourable	5
Visitor Information Centre	316,677	538,577	480,635	(57,942) Favourable	6
Community & Economic Development Total	1,765,568	3,894,483	3,670,035	(224,448) Favourable	
Corporate & Business Services					
Corporate Services Management	10,589	-	73,073	73,073 Unfavourable	7
Customer Services	237,701	330,151	319,895	(10,256) Favourable	
Information Management	189,007	231,805	277,335	45,530 Unfavourable	8
Information Technology Services	(100,671)	-	27,525	27,525 Unfavourable	9
Office of the Chief Financial Officer	(85,427)	(60)	(16,163)	(16,103) Favourable	
People & Safety	(53,062)	-	(4,351)	(4,351) Favourable	
Corporate & Commercial Services Total	198,137	561,896	677,314	115,418 Unfavourable	
Employee Oncost Recovery					
Oncosts	267,515	(4)	214,636	214,640 Unfavourable	10
Employee Oncost Recovery Total	267,515	(4)	214,636	214,640 Unfavourable	
Land & Environmental Services					
Compliance Support	(80,713)	(249,311)	38,820	288,131 Unfavourable	11
Development Services	354,345	709,965	621,838	(88,127) Favourable	12
LES Managemnet	198,373	337,094	283,548	(53,546) Favourable	13
Land & Environmental Services Total	472,005	797,748	944,206	146,458 Unfavourable	
Office of the General Manager					
OGM Management	354,624	511,684	517,315	5,631 Unfavourable	
Strategic & Governance	(15,894,515)	(14,753,256)	(14,866,408)	(113,152) Favourable	14
Office of the General Manager Total	(15,539,891)	(14,241,572)	(14,349,093)	(107,521) Favourable	
Works & Services					
Cemetery Services	(19,583)	11,418	11,418	- Favourable	
Facilities Management	1,628,436	2,373,527	2,331,321	(42,206) Favourable	15
Management WS	(265,654)	42,730	13,198	(29,532) Favourable	16
Parks & Reserves	1,353,068	778,269	773,254	(5,015) Favourable	
Sporting Grounds	1,123,689	797,213	815,293	18,080 Unfavourable	
Stormwater Services	(755,664)	(420,270)	(420,270)	- Favourable	
Transport Services	3,713,153	4,729,665	4,709,324	(20,341) Favourable	17
Waste Management	(1,153,116)	76,118	155,578	79,460 Unfavourable	18
Works & Services Total	5,624,329	8,388,670	8,389,116	446 Unfavourable	
Total	(7,212,337)	(598,779)	(453,786)	144,993	

Community & Economic Development***1. Burnie Regional Art Gallery***

The Art Gallery presents a range of quality exhibitions and professional visual art experiences to the community.

The favourable variance to budget of \$35k for the Burnie Regional Art Gallery is due to lower than budgeted advertising costs \$(7k), lower than budgeted grant expenditure (\$5k), lower than budgeted public programs expenditure (\$6k) and lower than budgeted employee costs (\$15k).

2. Burnie Works

Facilitating a whole of community response to social outcomes, including educational achievement, workforce participation and social inclusion, within a Collective Impact framework.

The favourable variance to budget of \$59k for Burnie Works is due to lower than budgeted employee expenditure.

3. CED Management

Works in partnership with local and regional communities, state and federal government, non-government agencies and the private sector to deliver a diverse range of services, programs and facilities necessary to maintain and build a healthy and sustainable community now and into the future.

The unfavourable variance to budget of \$31k for CED Management is due to higher than budgeted employee costs (\$14k), higher than budgeted strategic initiatives (\$12k) and higher than budgeted volunteer awards (\$5k).

4. Community & Youth

Facilitates a diverse range of community development activities that build community capacity and contributes to community wellbeing including Youth Development, Community and Recreation.

The favourable variance to budget of \$54k for Community and Youth is predominately due to lower than budgeted employee costs (\$45k) for Youth Services, lower than budgeted financial assistance for clubs & organisations (\$13k) offset with lower than budgeted income from the Burnie Farmers Market (\$3k).

5. Marketing & Events

Actively promotes the uniqueness of Burnie to increase tourism visitation to the City and provides information and support to maximise visitor expenditure in Burnie. Also undertakes a range of special events that celebrate the community of Burnie and help attract visitors to the region.

The favourable variance to budget of \$44k for Marketing & Events is due to lower than budgeted expenditure on Council events (\$73k) offset with lower than budgeted event income (\$29k).

6. Visitor Information Centre

The Visitor Information Centre includes elements of the Pioneer Village Museum on display, and the iconic Creative Paper. The operations are carried out within the Makers Workshop building which provides a unique visitor experience through its retail shop, café and art gallery.

The favourable variance to budget of \$58k for the Visitor Information Centre is due to lower than budgeted advertising costs (\$35k) and lower than budgeted cruise ship expenditure (\$23k).

Corporate & Business Services**7. Corporate Services Management**

Provides strategic leadership across all Burnie City Council corporate services including People and Safety; Finance and Accounting Services; Information Management; Customer Services and Information Technology Services and acts as corporate and commercial adviser to Council, EMT and all business units.

The unfavourable variance of \$73k is due to the forecast cost for the recruitment of a Director Corporate being included from 1st March 2021. This is made up of wages (including on-costs) and an allowance for vehicle costs.

8. Information Management

This business unit manages information management systems and processes to centralise collection, storage, disposal and retrieval of Council information and records for all areas of Council.

The unfavourable variance to budget of \$45k for information management is predominately due to increased wages from the recruitment of the Information Management Project Officer & Business Trainee positions. This unfavourable variance is offset by a favourable variance in LES Management, with the wages budget from a vacated position being transferred to Information Management.

9. Information Technology Services

This business unit is where costs associated with the maintenance of business systems used to assist Council in achieving its objectives and the management of Council's IT resources and infrastructure.

The unfavourable variance to budget of \$27k for information technology is predominately due to higher than budgeted software subscription expenditure.

Employee Oncost Recovery**10. Employee Oncosts**

Oncosts are forecast to be \$215k higher than budgeted due to:

- Unbudgeted pandemic leave \$14k
- Unbudgeted redundancy payments \$42k
- Unbudgeted provision of 3 days TOIL \$79k
- Higher than budgeted payroll tax expenditure \$87k

Land & Environmental Services**11. Compliance Support**

Compliance support business unit includes regulatory compliance and is responsible for the administration and management of cemeteries; the provision and regulation of public car spaces; and municipal inspection. Activities of this unit assist to protect the community from the nuisance behaviours of animals, weeds or other conditions on land in accordance with relevant legislation and Council by-laws.

Compliance Support has an unfavourable variance to budget of \$288k which is predominately due to lower fines income (\$260k) which is down 44% on 2019-20 fines income, lower than budgeted cemetery management income (\$70k) and higher than budgeted municipal inspection wages (\$29k). This is offset by higher than budgeted parking fee revenue (\$56k).

12. Development Services

The development services business unit includes land use planning, building compliance and environmental health.

The favourable variance to budget of \$88k for Development Services is predominately due to higher than budgeted land use planning fees income (\$66k) and higher than budgeted building compliance fee income (\$23k).

13. LES Management

This business unit oversees and provides professional strategic advice in relation to enforcement of regulatory obligations including awareness for land use, environmental health, public health, building compliance, environmental amenity, natural resource management and controlled car parking.

The favourable variance to budget of \$54k for LES Management is due to a vacated position. The wages for this position have been reallocated to Information Management to fund a 3 year Project Officer role.

Office of the General Manager**14. Strategic & Governance**

This business unit provides the overall governance focus for Council. The unit now reports through the Corporate Department although financial reporting will not be updated to reflect this change until 2021-22 financial year to ensure consistency of information.

General rate revenue and expenses attributed with Councillors, the compilation of Council agendas and minutes, the facilitation of civic and ceremonial events, the oversight of insurance, organisational policies and by-laws, as well as attendance to Council's legislative imperatives are captured here.

The favourable variance to budget for Strategic & Governance of \$113k is made up of a number of favourable and unfavourable variances, a summary of the main variances is below.

Description	Amount
Higher than budgeted TasWater distributions	(207)
Lower than budgeted financial hardship assistance	(50)
Higher than budgeted workers compensation claims rebates	(42)
Lower than budgeted interest income	98
Lower than budgeted rental income	64
Lower than budgeted rates income	30
	(107)

Works & Services

15. Facilities Management

Facilities Management is responsible for the management of Council's buildings to ensure long term sustainability.

The favourable variance to budget of \$42k for Facilities Management is due to lower than budgeted strategic initiatives (\$20k), lower than budgeted electricity and gas costs (\$48k) offset by lower than budgeted rental income (\$18k) and higher than budgeted contract expenditure (\$7k).

16. WS Management

The WS Management business unit provides management and strategic support, coordination and advice in relation to Council's significant investment in infrastructure including engineering services.

The favourable variance to budget for WS Management of \$29k is due to lower than budgeted employee costs.

17. Transport Services

Transport services is where the costs relating to construction and maintenance of Council's local roads network, maintenance and management of road reservations is captured.

The \$20k favourable variance to budget for Transport Services is due to lower than expected street lighting expenditure.

18. Waste Management

The Waste Management business unit provides waste management services including domestic garage collection, recycling, commercial garbage and litter bin collections and

operation of the Burnie Waste Management Centre. This area includes maintenance and management of Burnie's CBD and street cleaning.

The unfavourable variance to budget of \$79k for Waste Management is due to higher than budgeted contract expenditure (\$47k) and higher than budgeted strategic initiatives (\$33k).

2.4 RECEIVABLES ANALYSIS

The receivables analysis summarises all current amounts owed to Council as at the end of the reporting period. Graphical analysis is provided for the breakup of main receivable categories.

Receivables Analysis as at 31 March 2021

	<u>Total</u>	<u>Current - 30 Days</u>	<u>60 Days</u>	<u>90 Days</u>	<u>120+ Days</u>
Trade Debtors					
Sundry Debtors	133,614	95,953	305	17,348	20,009
Reserved Parking Spaces	8,187	7,611	(417)	129	865
Burnie Venues & Catering	16,912	16,539	-	-	373
Lease Debtors	41,796	25,993	1,397	209	14,197
Business & Recreation Debtors	100	-	-	-	100
Waste Debtors	32,135	32,831	421	128	(1,246)
Total Trade Debtors	232,744	178,927	1,706	17,814	34,297
Goods & Services Tax	(135,186)				
Infringements & Parking	1,270,854				
Other Receivables	(1,658,892)				
Rates & Charges	3,956,425				
Allowance for Impaired Debts	(1,087,975)				
Total Receivables	2,577,969				

Infringements & parking

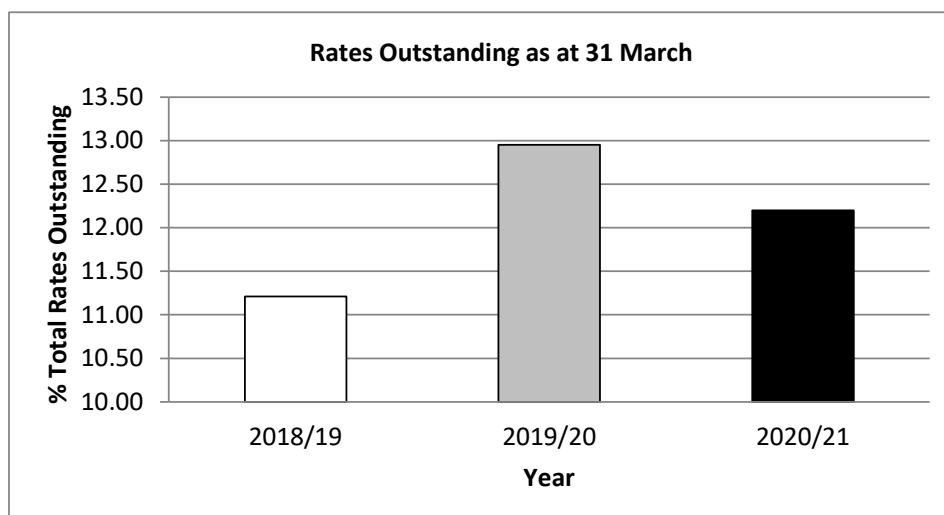
	Mar-21		Mar-20		Movement	
	Count	Balance	Count	Balance	Count	Balance
Issued 2021	1,581	106,687			1,581	106,687
Issued 2020	1,332	133,295	2,561	184,560	(1,229)	(51,265)
Issued 2019	990	87,087	1,345	126,282	(355)	(39,195)
Issued 2018	813	48,769	999	69,907	(186)	(21,138)
Issued 2017	1,600	39,864	1,642	53,065	(42)	(13,201)
Issued 2016	938	30,285	976	37,435	(38)	(7,150)
Issued 2015	523	30,960	574	36,274	(51)	(5,314)
Issued 2014	474	30,091	510	33,055	(36)	(2,964)
Issued 2013	591	34,827	616	36,830	(25)	(2,004)
Issued 2012	487	29,563	520	32,232	(33)	(2,669)
Issued 2011	489	28,970	519	31,463	(30)	(2,493)
Issued 2010	614	21,146	638	23,432	(24)	(2,286)
Issued 2009	710	49,387	754	52,346	(44)	(2,959)
Issued Pre-2008	13,290	606,568	13,323	616,320	(33)	(9,752)
	24,432	1,277,499	24,977	1,333,201	(545)	(55,703)

2.5 RATES ANALYSIS

The rates analysis contains a summary of rating transaction movements for 2020/21 including the total levied, the total paid to date and the total unpaid as at the end of the reporting period. Rates are levied in July each year.

Rates Outstanding as at 31/03/2021

	This Financial Year 31 Mar 2021		Last Financial Year 31 Mar 2020		Change
		\$		\$	\$
Arrears Brought Forward as at July 1	7.25%	1,734,603	2.88%	674,513	1,060,091
Credit Brought Forward	-3.37%	(805,360)	-0.44%	(103,929)	(701,431)
Legal Fees Carried Forward	-0.01%	(1,687)			(1,687)
Add Current Rates & Charges Levied	95.68%	22,882,141	96.95%	22,716,267	165,875
Penalty	0.25%	59,514	0.31%	73,725	(14,211)
Supplementary Rates	0.19%	46,316	0.30%	69,161	(22,845)
Gross Rates and Charges Demanded	100.00%	23,915,528	100.00%	23,429,737	485,791
Less: Rates & Charges Collected	83.22%	19,902,185	82.38%	19,301,293	600,892
Pension Remission	3.08%	736,428	3.08%	720,490	15,938
Residential Waste Remission	0.08%	19,305	0.08%	19,008	297
Hardship Interest Remission	0.00%	-	0.00%	76	(76)
Private Conservation	0.00%	165	0.00%	165	-
Misc Remissions	0.00%	-	0.00%	-	-
Services Remissions	0.00%	-	0.00%	-	-
Stormwater Remission	0.04%	8,567	0.04%	8,933	(366)
General Rate Remission	0.00%	-	0.00%	-	-
- Legal Fees	0.00%	-	0.00%	(468)	468
- Discounts	1.39%	331,413	1.47%	345,026	(13,613)
- Roundings/Adjustments	0.00%	316	0.00%	26	289
Sub Total	87.80%	20,998,378	87.05%	20,394,549	603,829
Unpaid Rates & Charges as at 31/03	12.20%	2,917,150	12.95%	3,035,188	(118,039)



2.6 CAPITAL EXPENDITURE REPORT

The following report outlines council's YTD capital expenditure compared to budget as at 31 March 2021. Explanations are provided below for project forecast variances to budget of \$20,000 or more.





YTD Capital Expenditure 2020/21						
	YTD Expenditure	Annual Budget	Balance Unspent	Forecast	Forecast Variance to Budget	Note
ROADS						
RURAL ROADS						
Upgrade Programme	399,401	502,310	102,909	1,053,325	✖ 551,015	1
Rural Roads Resealing	146,945	207,729	60,784	207,729	● -	
Rural Roads Major Patching & Resealing	135,318	439,310	303,992	439,310	● -	
Rural Roads Bridges Programme	264,079	338,394	74,316	354,754	⚠ 16,360	
TOTAL RURAL ROADS	945,742	1,487,743	542,001	2,055,118	✖ 567,375	
URBAN ROADS						
Car Parking Improvements	73,197	297,952	224,755	297,952	● -	
Driveways, Footpaths and Channel	186,951	473,498	286,547	473,498	● -	
Retaining Walls	84,925	382,309	297,384	382,337	● 28	
Urban Infrastructure	258,841	491,119	232,278	793,598	✖ 302,479	2
Urban Road Renewal & Upgrades	366,024	710,312	344,288	721,334	⚠ 11,022	
Urban Road Resealing	716,595	1,024,641	308,046	1,093,569	✖ 68,928	3
TOTAL URBAN ROADS	1,686,533	3,379,831	1,693,298	3,762,288	✖ 382,457	
TOTAL ROADS	2,632,275	4,867,574	2,235,299	5,817,406	✖ 949,832	
STORMWATER						
Storm Water Upgrades & Replacements	220,274	674,114	453,840	674,114	● -	
TOTAL STORMWATER	220,274	674,114	453,840	674,114	● -	
PARKS, RESERVES AND SPORTING FACILITIES						
General Parks and Reserves	607,253	3,206,224	2,598,971	3,351,442	✖ 145,218	4
Cemeteries	7,088	58,150	51,062	58,150	● -	
Sporting Grounds & Facilities	495,467	1,126,806	631,339	1,126,855	● 49	
TOTAL PARKS, RESERVES & SPORTING FACILITIES	1,109,808	4,391,180	3,281,372	4,536,447	✖ 145,267	
WASTE						
Garbage and Recycling	18,217	129,472	111,255	129,472	● -	
Waste Management Centre	174,758	209,697	34,939	228,049	⚠ 18,352	
TOTAL WASTE MANAGEMENT	192,976	339,169	146,193	357,521	⚠ 18,352	
BUILDINGS						
Sporting Facilities	99,291	391,746	292,455	404,026	⚠ 12,280	
Public Amenities	36,129	296,195	260,066	297,790	● 1,595	
Acquatic Centre	15,411	35,580	20,169	35,580	● -	
Other Buildings	184,213	256,236	72,023	333,952	✖ 77,716	5
TOTAL BUILDINGS	335,044	979,757	644,713	1,071,348	✖ 91,591	
PROPERTY, PLANT & EQUIPMENT (PPE)						
Computer Equipment	215,323	691,741	476,418	688,964	● (2,777)	
Vehicles	117,065	185,000	67,935	210,065	✖ 25,065	6
Plant	28,354	856,130	827,776	756,130	● (100,000)	
Other	54,835	78,311	23,476	100,671	✖ 22,360	7
Parking Equipment	72,000	72,000	-	72,000	● -	
Furniture & Fittings	42,104	94,900	52,796	94,900	● -	
TOTAL PLANT/EQUIPMENT/VEHICLES	529,681	1,978,082	1,448,401	1,922,730	● (55,352)	
TOTAL	5,020,058	13,229,876	8,209,818	14,379,566	✖ 1,149,690	

Note 1 – Upgrade Programme

Project Description	YTD Actual	Annual Budget	Forecast	Forecast Variance	% Variance
Safer Rural Roads Program - Natone Road	144	0	623,915		623,915 0%

Safer Rural Roads Program – Natone Rd - Fully grant funded by Safer Rural Roads Program, to be paid on completion.

Note 2 - Urban Infrastructure

Project Description	Actual	Budget	Forecast	Variance	Variance
Uplighting of Norfolk Pines	68,284	10,000	80,000		70,000 700%
Mount St Taxi Rank Cover (Resolution MO169-18)	9,792	51,576	65,000		13,424 26%
Guardrailing on West Mooreville Road (Blackspot Project)	99,682	68,325	99,682		31,357 46%
The Boulevard Pedestrian Crossing (Montello Primary)	9,103	48,640	235,809		187,169 385%






Up lighting of Norfolk Pines – Council has determined to install decorative lighting at the Norfolk Pine at St George Church. The forecast reflects the planned spend. Seeking grant funding to offset. Refer Council Resolution MO295-20.

Mount St Taxi Rank Cover (Resolution MO169-18) – Resolution MO169-18.

Guard Railing on West Mooreville Road (Blackspot Project) – Scope has been extended. To be funded by guard rail upgrade program.






The Boulevard Pedestrian Crossing (Montello Primary) – Additional to original budget. The variance is fully funded from a Vulnerable Road Users Program grant (\$187,169).

Note 3 – Urban Road Resealing

Project Description	YTD Actual	Annual Budget	Forecast	Forecast Variance	% Variance
Bird Street - Randall to Joyce	136,152	123,396	136,152		12,756 10%
Hardy Street - Ogden to Payne	44,517	36,402	44,517		8,115 22%
Mount Street - Wilmot to Cattley	129,840	98,203	129,840		31,637 32%
Ready Street - Pearl to end	47,263	41,132	47,263		6,131 15%
Roslyn Avenue - Collins to Blackwood Pde	55,082	44,793	55,082		10,289 23%

Urban Road Resealing - Variation in the extent of maintenance and repair works and actual area treated will occur within each project with the urban road resealing program. The program as a whole will be managed with the overall program allocation.

Note 4 – General Parks & Reserves

Project Description	YTD Actual	Annual Budget	Forecast	Forecast Variance	% Variance
Skate Park Upgrade	35,106	22,183	35,106		12,923 58%
South Burnie Jetty (North) Ladder Replacement	15,148	4,500	15,148		10,648 237%
View Road Reserve - Car Park Extension	87,441	71,128	87,441		16,313 23%
Shorewell Creek Bridge Reconstruction - Woniora Road North	22,952	30,150	45,000		14,850 49%
View Road Reserve - Pump and Cycle Tracks	232,117	410,000	500,000		90,000 22%

Skate Park Upgrade – change in scope previously reported to Council. Additional works progressed.

South Burnie Jetty (North) Ladder Replacement – Original budget allocation was not sufficient for the project. Three ladders replaced in marine grade stainless steel.

View Road Reserve – Car Park Extension - additional landscaping and subgrade issues.

Shorewell Creek Bridge Reconstruction – Woniora Road North – Increase in scope of works, replacing the original bridge with a steel framed structure for increased structure life. Construction was more challenging than anticipated requiring cranes. Additional works required at each lead into the bridge.

View Road Reserve – Pump and Cycle Tracks – Refer AC157-20.

Note 5 – Other Buildings

Project Description	YTD Actual	Annual Budget	Forecast Forecast	Forecast Variance	% Variance
Netball Centre - DDA Toilet	96,946	30,067	96,946	66,879	222%

Netball Centre – DDA Toilet – Council to recover \$13,000 from Netball Association and a government grant of \$35,000.

Note 6 – Vehicles

Project Description	YTD Actual	Annual Budget	Forecast Forecast	Forecast Variance	% Variance
Corporate Vehicle Fleet	117,065	92,000	117,065	25,065	27%

Corporate Vehicle Fleet – Vehicle added to fleet as a result of the appointment of Director Corporate.

Note 7 - Other

Project Description	YTD Actual	Annual Budget	Forecast Forecast	Forecast Variance	% Variance
Municipal Revaluation	22,000	0	22,000	22,000	0%

Municipal Revaluation – Final payment of 2018-19 Municipal Revaluation Contract.

2.7 CONTRACTS AWARDED

The following table shows contracts awarded over \$100,000 (full contract value) during January to March 2021:

Contract Number	Contract Title	Successful Contractor Registered Business Name and Address	Awarded Date	Initial Term/ Duration	Value of Contract (Ex GST)
No contracts awarded over \$100,000 for January to March 2021					

2.8 CONSULTANTS ENGAGED

The following table lists consultants engaged throughout the current financial year for a cost greater than \$10,000. For the purpose of this table, a consultant is defined as a person or organisation that provides Council with professional advice in areas of strategy, planning or engineering. Consultants are engaged in accordance with Council's policy *Code for Tenders and Contracts CP-CBS-SG-012*.

Reasons that consultants may be engaged:

- A Lack of resource within Council
- B Specialist expertise required
- C Independence
- D Value for money (where Council cannot provide the service as efficiently)
- E Legal requirement

Project	Consultant	Description	Committed \$	Actual \$ LTD	Reason	Funded from	Complete
North West Museum & Art Gallery	Lifecycle Cost Management	Quantity Surveyor Cost Estimating, Stage 1 Services	19,550	25,026	B	Capital Works Allocation	On Hold
North West Museum & Art Gallery	Terroir	Stage 1 Services – Concept and Design Development	566,473	472,026	B	Capital Works Allocation	On Hold
Sports Centre Planning Study	@Leisure Planners	Planning study	19,765	19,935.10	B	Strategic project funding	Yes
Oakleigh Park Fountain Upgrade	Debbie Thomson and (EST sub-consultant)	Design, Documentation and Inspections	15,100	5,035.50	B	Capital Works Allocation	On Hold
Futuna Avenue (Design & Consultation)	Pitt & Sherry	Consultant Brief 199 Futuna Avenue and Bay Street Traffic Study	21,425	18,368	B	Capital Works Allocation	No
Upper Burnie Lookout Redevelopment	Red Arrow	Design and installation of Interpretation panels	33,000	8,700	B	Capital Works Allocation	No
Sport Centre Planning study (stage 2)	@Leisure Planners	Siting assessment and concept design	12,000	5,876	B	Capital Works Allocation	No

Project	Consultant	Description	Committed \$	Actual \$ LTD	Reason	Funded from	Complete
Burnie Works Ltd	R Greene	Govern, manage funding, contractual obligations, risk and staffing for Burnie Words Ltd	36,500	0	B	CED Operating Budget	No
BAFC Redevelopment	Hirst Projects	Development of business case and infrastructure scope	\$29,000	0	B	Capital works	In progress

2.9 GOVERNANCE – USE OF COUNCIL SEAL

12 Jan 2021	Contract 2656 Montello Soccer Ground Upgrade
13 Jan 2021	Transfer of Title – Burnie City Council to Marinus Link Pty Ltd (Volume 153919 Folio 1; Volume 153919 Folio 10; Volume 153919 Folio 11; Volume 153919 Folio 12)
14 Jan 2021	Contract 2664 Circular Road Darling River Bridge Replacement (30232)
21 Jan 2021	Deed of Assignment of Lease - B & J Boxing Fitness Club
2 Feb 2021	Grant Deed between the Crown in Right of Tasmania (represented by the Department of State Growth) and Burnie City Council – Circular Road Bridge Replacement
4 Feb 2021	Adhesion Order for 35 Strahan Street, South Burnie (CT 29773/49 and CT 29772/48)
26 Feb 2021	Final Plans of Survey SD2019/1290, 222 Old Surrey Road Havenview
2 Mar 2021	Grant Deed between the Crown in Right of Tasmania (represented by the Department of State Growth) and Burnie City Council – The Boulevard
2 Mar 2021	Grant Deed between the Crown in Right of Tasmania (represented by the Department of State Growth) and Burnie City Council – Natone Road
2 Mar 2021	Grant Deed between the Crown in Right of Tasmania (represented by the Department of Communities) and Burnie City Council – Know Your Odds Skate Scoot & BMX 2021
9 Mar 2021	Final Survey Plan and Schedule of Easements SD2020/1306 – 50-52 West Mooreville Road, Park Grove
10 Mar 2021	Contract 2660 – Design and Construction of Pump Track and Cycle Path at View Road Reserve
25 March 2021	Lease of Car Park – Montello Primary School
31 March 2021	Final Survey Plan and Schedule of Easements and Part 5 Agreement, SD2013/1204 – Three Mile Line Road (Madeline Drive) – Stage 3
31 March 2021	Final Survey Plan and Schedule of Easements SD 2019/1289 – 8-10 Thirkell Street Cooe

COUNCIL RESOLUTION**Resolution number: MO070-21*****MOVED: Cr A Keygan******SECONDED: Cr T Bulle******“THAT the General Manager’s Quarterly Information Report for Corporate and Business Services for the March 2021 quarter be noted.”***

For: Cr S Kons, Cr A Boyd, Cr K Dorsey, Cr C Lynch, Cr A Keygan, Cr G Simpson, Cr T Bulle, Cr D Pease.

Against:

CARRIED UNANIMOUSLY

MINUTES AND REPORTS OF COMMITTEES**AO073-21 BURNIE YOUTH COUNCIL SPECIAL COMMITTEE UNCONFIRMED
MINUTES OF MEETING HELD ON 25 MARCH 2021**FILE NO: 2/5/34

RECOMMENDATION:

“THAT the Unconfirmed Minutes of meeting of Burnie Youth Council Special Committee held on 25 March 2021, be received for discussion.”

SUMMARY

Nominations and a vote for Youth Mayor (senior) and Deputy Youth Mayor (senior and junior) were held.

Successful candidates were announced:

- Youth Mayor – Danielle Jones
- Deputy Youth Mayor (senior) – Jai Mollinson
- Deputy Youth Mayor (junior) – Oliver Ebdon

Youth Council brainstormed activities and ideas for the coming year.

ATTACHMENTS

1 [!\[\]\(e3275251d0893157c3584e20c81dc3ba_img.jpg\)](#). Burnie Youth Council Special Committee Meeting 25 March 2021

COUNCIL RESOLUTION**Resolution number: MO071-21*****MOVED:*** *Cr G Simpson****SECONDED:*** *Cr A Keygan****“THAT the Unconfirmed Minutes of meeting of Burnie Youth Council Special Committee held on 25 March 2021, be received for discussion.”***

For: Cr S Kons, Cr A Boyd, Cr K Dorsey, Cr C Lynch, Cr A Keygan, Cr G Simpson, Cr T Bulle, Cr D Pease.

Against:

CARRIED UNANIMOUSLY



Meeting: **BURNIE YOUTH COUNCIL SPECIAL COMMITTEE
MEETING MINUTES - UNCONFIRMED**

Held on: Thursday 25 March 2021

Venue: Burnie City Council Chambers

File No(s): 2/5/34

The meeting opened at 9.25am

		Action
1	Present: Grace Anderson (Leighland Christian School), Luka Blackwell (Cooee Primary),Tahlia Booth (Leighland Christian School),Courtney Brown (Cooee Primary),Kaitlyn Cock (Marist Regional College),Amelia Dredge (Havenview Primary),Oliver Ebdon (Romaine Park Primary),Calais Emery (Ridgley Primary),Caleb Fraser (Montello Primary),Cheala French (Havenview Primary),Danielle Jones (Parklands High),Bella Jongschaap (Parklands High), Thomas Jordan(Stella Maris Primary),Chenae McNaughton(Marist Regional College), Jai Mollinson (Burnie High),Amarli Palmer (Burnie Primary), Olivia Saward(Burnie High),Charlotte Schumann (Romaine Park Primary),Sana Shrestha (Burnie Primary),Tahira Stevens (Ridgley Primary), Jayda Taiaroa (Montello Primary),Abbey Walker (Stella Maris Primary)	
2	Apologies No apologies	
3.	Council Officers in attendance: Deputy Mayor Giovanna Simpson Project Officer Olivia Lucas Administration Officer Andrea Dallas	
4.	Welcome Deputy Mayor Giovanna Simpson commenced the meeting with the Acknowledgement of Country.	
6	Getting to know you activity Youth Councillors were given a "getting to know each other activity" to discuss what the councillors are looking forward to in the school holidays and then shared with the Council something interesting about the Youth Councillor they met.	

		Action
7	<p>Nominations and voting for Youth Mayor and Deputy Youth Mayors</p> <p>The Project Officer called for self nominations for Youth Mayor (Senior) and Deputy Youth Mayor (Senior and Junior)</p> <p>Youth Mayor Nominations were received for Danielle Jones (PHS) and Olivia Saward(BHS)</p> <p>Deputy Mayor Nominations (Senior) were received for Danielle Jones (PHS) and Jai Mollison(BHS)</p> <p>Deputy Youth Mayor Nominations (Junior) were received for Thomas Jordan, Amelia Dredge, Amarli Palmer, Sana Shrestha, Oliver Ebdon, Jayda Taiaora and Cheala French.</p> <p>Nominated candidates were asked to present a short speech to the Youth Council why they should be elected.</p> <p>Youth Councillors were then asked to vote for each position on an internal ballot paper.</p> <p>The votes were counted by Burnie City Council staff while the Youth Councillors broke for morning tea.</p>	
8	<p>Announcement of Youth Mayors</p> <p>The successful candidates were announced for the 2021 Burnie Youth Council as Youth Mayor Danielle Jones, Deputy Youth Mayor Senior Jai Mollinson and Deputy Youth Mayor Junior Oliver Ebdon.</p>	
9	<p>Discussion of guest speakers</p> <p>Youth Councillors would asked who they would like to come and speak to them and areas that they would like to learn more about:</p> <ul style="list-style-type: none"> • BIG to speak to the Council at the April meeting • The Youth Council would like to arrange a tour of the Burnie Library. • TAC – Guy Grey was suggested • Headspace • Burnie City Council Mayor and General Manager 	The Project Officer will arrange a tour of the Library
10	<p>Brainstorming activity for ideas that the Youth Council could undertake during 2021</p> <p>Youth Councillors came up with the following list of ideas :</p>	

	Action
<ul style="list-style-type: none"> • Key focus area environment – recycling bins / clean up Australia • Native plants – fruit trees visual , practical – could homeless have access to fruit , more trees • Community garden area • Burnie 10 on bikes • Colour Run – or similar to raise awareness put a twist on some of the things we are doing • Fundraisers – Pink October, MND day, Cancer, Epilepsy • Colder seasons – more things for the homeless – sleep outs, cook out, safe places (people without homes) • Youth Councillor uniform • Show or fun day where money raised could go towards mental health • Winter time could donate some things to the homeless, school could pull together donated items • Pop up pantry • Boomerang bags –come and make bags for people who forget their bags • Public sports team that have more people who are less fortunate and provide sports equipment to them • Deposit box for people who are less fortunate / flood affected - gifts for Christmas • Book library or exchange program • Self-esteem day - life saving / positive reinforcement • Roller skating - nice to have somewhere to go roller-skating • More parking • More murals: Having a fun attraction – art on walls / art on foreshore somewhere where people could enjoy and take photos • Art exhibition • Community suggestion board • Youth Concert • Sculptures by the Sea • Different type of races, motorbike or horse race on the beach • Anzac service that is easy to understand for young people • Cleaning cemeteries • Activities at Tasmanian Aboriginal Centre • Rollerskating – nice to have somewhere to go rollerskating • Laser tag • PCYC – team building activities to build skills and togetherness <p>A list with the ideas was collated and will be discussed in detail during the April meeting.</p>	

4

		Action
13	Other Business: Councillors were informed about the Youth Network current call out for students ages 12 to 18 to be involved in a working group around transport , information will be shared with schools.	
13	Next Meeting The next meeting will be held on Thursday 29 April at 9.15am – 11.30am at the Burnie City Council Chambers.	

Signed and dated (upon confirmation at next meeting):

Chairperson_____
Date

MINUTES AND REPORTS OF COMMITTEES**AO074-21 PUBLIC ART PROJECTS SPECIAL ADVISORY COMMITTEE
UNCONFIRMED MINUTES OF MEETING HELD ON 10 MARCH 2021**FILE NO: 29/3/137

RECOMMENDATION:

“THAT the Unconfirmed Minutes of Meeting of the Public Projects Special Advisory Committee held on 10 March 2021, be received for discussion.”

SUMMARY

Key discussion points included:

- Deaccession of the Spiral Chimes Walk and also two Emu/Tasmanian Tiger art works
- Review of public art register
- Proposed redirection of grant funds toward upgrading Burnie Arts and Function Centre (BAFC) and new NWMAG not to proceed
- Public art planning
- Website update

ATTACHMENTS

1 [!\[\]\(d8ab143e904bfa3467271eec5af75a9b_img.jpg\)](#). Public Art Projects Special Advisory Committee Meeting Minutes 10 March 2021

COUNCIL RESOLUTION**Resolution number: MO072-21*****MOVED:*** *Cr D Pease****SECONDED:*** *Cr G Simpson****“THAT the Unconfirmed Minutes of Meeting of the Public Projects Special Advisory Committee held on 10 March 2021, be received for discussion.”***

For: Cr S Kons, Cr A Boyd, Cr K Dorsey, Cr C Lynch, Cr A Keygan, Cr G Simpson, Cr T Bulle, Cr D Pease.

Against:

CARRIED UNANIMOUSLY

Unconfirmed Minutes

Meeting Minutes



Meeting: **Public Art Projects Special Advisory Committee**
 Held on: Wednesday 10 March, 2021
 Venue: Burnie Regional Art Gallery
 File No(s): 29/3/137

The meeting opened at 10 am and concluded at 11 am

		Action
1	Present Mayor Steve Kons (Chair), Russell Steers (Acting Manager), Lyndal Thorne, Con Rhee, Deb Thomson, Jude Ball and Mary Reilly (minutes)	
2	Apologies	
3	Declaration of Interests Debbie Thomson declared that she has been engaged by Burnie City Council to undertake some scheme drawings for Oakleigh Park.	
4	Chairman's Communications The Chairman advised members that he has met with members of the QUT (Queensland University of Technology) team who are currently conducting a research project in the gallery. The project will address the challenge to effectively target regional arts funding to programs and activities that build capacity and have lasting impact for end-users.	
5	Confirmation of Previous Minutes <i>It was moved that the minutes of the meeting held on Wednesday 4 November 2020 be accepted as a true and accurate record. Moved Lyndal Thorne, seconded Deb Thomson. Carried</i>	
6	Business Arising <u>Oakleigh Park - Budget</u> Discussion took place on the budget for public art. The Chairman advised that the current amount of \$40,000 would be carried over to the next financial year.	
7	General Business Discussion took place on the following – 1) Deaccessioning the <i>Spiral Chimes Walk</i> - 2) Remove two murals: the emu/Tasmanian tiger 3) The need to supply the members with an updated register of public art 4) NWMAG 5) Create a strategic plan for public art 6) New website	R Steers

		Action
	<p><u>Spiral Chimes Walk</u> It was decided to deaccession the <i>Spiral Chimes Walk</i> as public art and recommend that in future consideration be given for it to be relocated to an area to be decided. Council to send a letter to the artist advising of the decision.</p> <p><u>Murals – Emu/Tasmanian Tiger</u> It was agreed to deaccession them and no decision was made to relocating them.</p> <p><u>Public Art Register</u> The members will be given a copy of the Public Art Register in order to familiarize themselves with existing artworks. The works need to be mapped and put into categories, Deb Thomson is happy to help with this task. Council to supply the Committee with preferred sites for artwork.</p> <p><u>NWMAG</u> The Chairman advised members that the proposed new NWMAG (North West Museum and Art Gallery) building would not go ahead. Instead, a request to redirect the funds to upgrade the existing Arts & Function Centre. Artworks from the Museum and Art Gallery's collections will be displayed throughout the building allowing them to be seen by the public. There is scope to discuss with the State Government about the potential demolition of the court buildings and to open a path to the civic buildings through Cattley Street.</p> <p><u>Strategic Plan</u> Members agreed that there needs to be a Strategic Plan for public art. What do Council want; where should public art be displayed, a list of proposed sites to be provided; should there be a theme. There needs to be some sort of purpose and direction.</p> <p><u>Website</u> Acting Manager, Russell Steers, reported that a new website for the Museum and Art Gallery is currently being created. It will have a fresher appearance and be easier to navigate.</p>	D Thomson
8	<p>Next Meeting The next meeting will be held at 10am on Wednesday 12 May 2021 at Burnie Regional Art Gallery.</p>	

Signed and dated (upon confirmation at next meeting):

Chairperson_____
Date

MINUTES AND REPORTS OF COMMITTEES**AO075-21 WESTERN EMERGENCY MANAGEMENT COMMITTEE
UNCONFIRMED MINUTES OF MEETING HELD ON 18 FEBRUARY
2021****FILE NO: 2/5/39**

RECOMMENDATION:

“THAT the Unconfirmed Minutes of Meeting of the Western Emergency Management Committee held on 18 February 2021 be received for discussion.”

SUMMARY

The Western Emergency Management Committee (WEMC) met on 18 February 2021 at the Waratah Wynyard Council Offices.

There was an improved level of attendance at this meeting, with a number of members attending via Zoom.

COVID -19 recovery and on-going management of preparedness arrangements to address an outbreak continue to be the focus of Regional EM and relevant agencies.

The Municipal Emergency Management Plan for the combined group has been approved by the State Controller.

The Councils and various agencies provided an update on relevant organisational activities and issues.

Presentations on the Tasmanian Fuel Reduction Program and Bushfire Ready Neighbourhoods Program were provided by Tas Fire Officers.

The next meeting is scheduled for 20 May 2021.

ATTACHMENTS

1. [Unconfirmed Minutes of Meeting of the Western Emergency Management Committee held on 18 February 2021 with the SES Report](#)

COUNCIL RESOLUTION**Resolution number: MO073-21****MOVED:** *Cr A Keygan***SECONDED:** *Cr A Boyd****“THAT the Unconfirmed Minutes of Meeting of the Western Emergency Management Committee held on 18 February 2021 be received for discussion.”***

For: Cr S Kons, Cr A Boyd, Cr K Dorsey, Cr C Lynch, Cr A Keygan, Cr G Simpson, Cr T Bulle, Cr D Pease.

Against:

CARRIED UNANIMOUSLY



Meeting Minutes

Meeting Held: Thursday 18 February 2021 10.00 am
Venue: Waratah Wynyard Council
Chairperson: Cr Celisa Edwards

1 Introduction & Welcome

Cr Celisa Edwards

Present

Cr Celisa Edwards (Chair)	Councillor Waratah-Wynyard Council – WEMC Chair
Gary Neil	MEMC - BCC
Michael Foster	DMEMC - BCC
Richard Muir-Wilson	MEMC/Social Recovery Coordinator - WWC
Julie Bernhagen (Via Zoom)	SES – Emergency Planner NW
Matthew Jamieson	DMEMC - WWC
Matthew Saward (via Zoom)	DMEMC - CHC
Allison Daley	Social Recovery Coordinator - BCC
Tony Wood	Tasmania Fire Service - Acting District Officer Arthur
Brett Patterson	Tasmania Fire Service – Community Engagement Officer
Kyle Squibb	Tasmania Fire Service – Community Development Officer
Sgt Andrew Smith	Tasmania Police (Burnie)

2 Apologies/Absent

Commander Debbie Williams	Commander Tasmania Police & Regional Controller NWREMC
Insp Adrian Shadbolt	Tasmania Police Inspector
Snr Sgt Tony Stewart	Tasmania Police (Burnie)
Sgt Katrina Chivers	Tasmania Police (Wynyard)
Colin Smith	SES – Acting Regional Manager NW
Kevin Maguire (via Zoom)	MEMC - CHC
Cr Themba Bulle	Mayor/Alderman- Burnie City Council
Chantelle French	Social Recovery Coordinator - WW
Rodney Greene	Social Recovery Coordinator - BCC
Cr Daryl Quilliam	Mayor Circular Head Council
Craig Downing	Ambulance Tasmania
Deb Mainwaring	Social Recovery Coordinator - CHC
Lisa Allison	Tasmania Health Service (NW) - Emergency Management Coordinator

3 Minutes of the Previous Meeting

The committee resolved to accept the minutes of the previous meeting held on Thursday 29 October 2020

Moved:

Seconded:

4 Matters Arising from the Previous Minutes

- Proposed by Julie Bernhagen after NWREMC that EM and Social Recovery Coordinators and their deputies meet briefly prior to future NWREMC meetings to discuss relevant matters/actions. Based on feedback it was agreed to proceed.
- 4.2
- 4.3 Western Emergency Management Plan is due for review and will need to be progressed

5 Correspondence**5.1 Inward**

Evacuation center planning – concurrent emergency (various sessions).
National Flood Mitigation Infrastructure Program (\$50 M).
Evacuation Registration training 1 December 2020.
State Planning network - various sessions.
TFS – “do your 5 minute bushfire plan now” – promotion.
Covid 19 test facility- Burnie: relocated.
Western FMAC.
Telstra – Sue Gordon - fact sheets preparedness and support for incidents for customers.
Letter State Recovery Advisor (to commander) 21 December 2020 – establishment of a three regional Covid 19 Regional Recovery Committees and Recovery Unit in DPAC.
State roads contact list – 22 December 2020.
SES – Covid 19 visitor information cards – distribution.
PPE training – LG – slides – 23 December.
TFS - Machinery Operations Guideline – revision – 14 January 2021.
COVID safe evacuation planning guide – email Cheryl Ames.
State Planning Network – Communique No. 23.

5.2 Outward

Distribution of Minutes of previous meeting

6 Standing Agenda Items**6.1 Regional Emergency Coordination Centre (RECC)**

- Refer to attached RECC Report dated 18 February 2021

6.2 NW Regional Emergency Management Committee Update (Michael Foster)

- Update provided by Michael Foster on 10 February 2021 meeting

6.3 Regional Social Recovery Update – Lisa Allison

- No Report

6.4 Western FMAC

- No Report

7 Municipal Emergency Management Coordinator Reports**7.1 Burnie City Council – Gary Neil**

- Round Hill and Upper Natone Fire Management Plans have been updated. Recommended actions require additional funding
- Evacuation Plans for Recovery Centres have been reviewed
- Social Recovery Draft Covid-Safe Plans have been shared with SR Coordinators for feedback

- Bushfire Ready Neighbourhood drop-in info sessions have been planned for Round Hill, Fernglade and Minna Road in late February/March
- 7.2 Circular Head Council – Kevin Maguire**
 - Mostly business as usual
 - Covid testing bus visited Smithton for 2 days in January but was poorly promoted/communicated
 - Council provided assistance to Montague Park incident
 - Council has provided support to charity motorcycle ride organisers following fatality
- 7.3 Waratah-Wynyard Council – Richard Muir-Wilson**
 - Hazelwood River Fire – PWS controlled. New S.T.A.N.D. NBN emergency satellite communications were used for the first time very successfully.
 - Rain event (100mm) kept works crews and after-hours call centre very busy. Council to consider standing up customer service centre during future storm events to assist with volume of calls
 - Gavin Pearce launched new S.T.A.N.D. mobile NBN satellite unit
- 8 Municipal Social Recovery Coordinator Reports**
 - 8.1 Burnie City Council**
 - No report
 - 8.2 Circular Head Council**
 - No report
 - 8.3 Waratah-Wynyard Council**
 - No report
- 9 Agency Reports**
 - 9.1 Tasmania Police – Sgt Andrew Smith**
 - Police attended Circular Head motorcycle road crash fatality
 - Police assisted with isolated road flooding incidents associated with recent heavy rain event mostly around Gunns Plains area
 - 9.2 Tasmania Fire Service – Tony Wood**
 - Below average fire season
 - Late summer/Autumn outlook: above average temperatures and moisture with drier winter expected
 - Fire Permit period to be rescinded early from 28 February 2021
 - Burnie Airport light plane crash landing – debrief to be held in early April
 - Funding application has been successful for new facilities for Marrawah Fire Brigade
 - New C.A.P.P.A fire truck delivered to Burnie Brigade. More units expected throughout state.
 - 9.3 Ambulance Tasmania – Craig Downing**
 - Not in attendance - No report
 - 9.4 Tasmania Health Service North West – Lisa Allison**
 - Currently at Level 1 Preparation for COVID-19.
 - Ongoing planning for vaccination rollout. THS-NW will be third in line to commence program for Phase 1A (following the South and North). Concurrently, the federal government will be rolling out to Aged Care and Disability sector including workers. (Talking points recently distributed by Julie?).
 - Outside of COVID-19; working to catch up on workload outstanding due to last year including working with TFS to update decontamination equipment at Hospitals including Smithton District Hospital.
 - Working with Julie Bernhagen on an Evacuation exercise to take place after bushfire season.

- Lisa on leave from 25 February – 24 March. Email will be distributed with Regional Social Recovery contacts during this period.
- 9.5 **State Emergency Service** - Julie Bernhagen/Colin Smith
- Refer attached operational and unit report
- 10 **Committee Plans & Associated Documents**
- 10.1 **Western Emergency Management Plan** (Due for review June 2019)
- Plan has been officially signed-off
 - NWREMP to be emailed by Julie Bernhagen to stakeholders for review and comment
- 10.2 **WEMC Risk Register** – Michael Foster
- Risk Register is now available on WebEOC.
 - Risk Register and Actions are due for review
- 10.3 **WEMC Terms of Reference**
- Signed off by Chairperson at this meeting
- 10.4 **Tasmanian Municipal Emergency Management Guidelines**
- Tasmanian Municipal Emergency Management Guidelines to be reviewed by Executive and work plans established
- 11 **Emergency Management Programs**
- 11.1 **Funding Opportunities**
- Next round of NDRRGP funding due third quarter of 2021. Recommended that submissions are planned in advance due to small window for applications
- 11.2 **Training**
- TasEMT (Tasmanian Emergency Management Training) is available online (SES website – Emergency Management page) and consists of 7 modules
 - Contact Regional Planner for training needs including WebEOC and EM training
- 12 **Presentations**
- 12.1 Kyle Squibb (TFS) – Fuel Reduction Program
- 12.2 Brett Patterson (TFS) – Bushfire Ready Neighbourhoods
- 13 **General Business**
- 13.1 Cam River Bridge replacement – Gary Neil provided update on progress
- 13.2 TSRDA Risk Assessment – Discussion on format change to WEMC Risk Register
- 13.3 National Flood Mitigation Program discussed
- 14 **Meeting Closed:** 11:20 am
- Next Meeting:** 20 May 2021 10.00am at Circular Head Council

Forward Meeting Dates – Held quarterly on third Thursday
19 August 2021 Burnie City Council
25 November 2021 Waratah Wynyard Council
17 February 2022 Circular Head Council (to be confirmed)

Gary Neil
Interim Executive Officer

Open Actions

No.	Description	Owner	Date Assigned	Status	Date Closed
5	Letter to be forwarded to appropriate agency regarding ABC radio interference	Julie Bernhagen	24/11/16	Completed 13.02.17 – acknowledgements received. 18.05.17: Ongoing matter – Minister considering further information from Commander. 17.08.17: Circular Head Council continuing to follow up matter. 16.08.18: In discussions with Gary Baxter (ABC) re Lileah station. 15.11.18 Letter received from ABC advising of changes to Lileah broadcast. To review during summer conditions. 21.02.19 Julie Bernhagen & Wayne Richards to liaise to address this issue. 15.08.19 CHC now liaising with LGAT.	
20	EM Coordinators to develop combined Risk Register to bring to WEMC	EM Coordinators	17/08/17	17.08.07 EM Coordinators/Deputies present met following WEMC meeting. BCC & WWC to format current registers to new style and forward to Julie Bernhagen to collate. Julie forwarded CHC register and blank register to BCC & WWC. 16.11.17 Michael Foster to collate registers. MEMCs to meet and finalise register which will be brought to next meeting. 12.08.18 Met to combine risk registers – further analysis required. 15.11.18 Ongoing. Coordinators to meet to continue development. 29/10/20 Risk Register to be added to WEMC documents on WebEOC.	

No.	Description	Owner	Date Assigned	Status	Date Closed
23	Determine if there is appetite for TasRail to attend WEMC meetings.	?????	16/11/17	Julie Bernhagen contacted Shannon Cox who was to attend meetings. Advised 08.08.18 he has left organisation. 15.08.19 TasRail advised will have a representative for future meetings.	15/08/19
24	Determine if there is a TasPorts representative in the north west who may be able to attend WEMC meetings.	Julie Bernhagen	16/11/17	15.11.18 Anna Flower from TasPorts advised a person has been appointed to work in Emergency Coordinator role and should attend meetings commencing 2019.	
28	Work plan on Risk Register to become an Agenda item.	Committee	21/02/19		
32	WEMC Executive Officer to write to West Coast Council with an invitation to join the WEMC	Gary Neil	29/10/20		
33	Municipal Emergency Management Guidelines review work – work plan for the committee	Gary Neil	29/10/2020		

Western Emergency Management Committee Meeting 29.10.20 – SES Emergency Management ReportSES Arrangements

- Wayne Richards is still on extended leave – Colin Smith, who has been Regional Training Officer has been appointed Regional Manager for 3 months
 - Colin will be point of contact for SES unit matters and SES incident responses
- Julie Bernhagen, one of the 3 Regional Planners appointed across the state will be contact for Emergency Management Committees, Plans, Municipal appointments, activation of the RECC etc

RECC – COVID-19

- RECC is still in operation
- Scalable and flexible form
- Remains a point of contact for COVID-19 consequences

Natural Disaster Risk Reduction Grants Program

- Closed 23 August 2020 – successful grant applicants have been notified and details will be available on the SES website in the coming weeks

STAND NBN Program

- Western EMC successful sites in first round (3 of the 7 sites in north west region)
 - Circular Head Redpa Recreation Centre
 - Waratah/Wynyard Wynyard Sports Centre
 - Waratah/Wynyard Elma Fagan Community Centre, Waratah

Weekly SPN (State Planning Network) Discussions facilitated by Cheryl Ames

- Weekly discussion exercises focusing on evacuation in a COVID-19 environment will be held over November
- Membership of SPN is valuable resource – MC, Deputies and Social Recovery Coordinators would benefit especially in November – contact Julie Bernhagen for inclusion

TasEMT – Tasmanian Emergency Management Training

- Resource to enable people with emergency management responsibilities to increase their capability & capacity in emergency prevention, preparedness, response & recovery
- 7 modules
 - TEMA
 - Community Resilience & Engagement
 - Public Information and Warnings
 - Regional & Municipal Emergency Management
 - Introduction to WebEOC
 - Incident Management
 - Relief & Recovery
- Not time consuming and a great introduction to the topics
- Available on SES website – Emergency Management tab – TasEMT Introduction

<https://www.ses.tas.gov.au/emergency-management-2/tasemt/>

Emergency Management Workshops

- SES Emergency Management Unit have 2 workshops planned for 10 & 12 November in Burnie & Devonport focusing on understanding the new TEMA, Municipal/Regional arrangements and Incident management – with a local government focus
- Good for MC, Deputies, Social Recovery Coordinators & other staff who are involved in an emergency including reception and depot admin staff

Emergency Management Plan

- Western Emergency Management Plan should be signed off in very near future
- North West Regional Emergency Management Plan is currently being reviewed

Julie Bernhagen
27.10.20

AO076-21 NON AGENDA ITEMS

In accordance with the requirements of Regulation 8(5) of the *Local Government (Meeting Procedures) Regulations 2015* a matter may only be discussed at a meeting if it is specifically listed on the agenda of that meeting.

Council by absolute majority may decide at an ordinary meeting to deal with a matter that is not on the agenda if the General Manager has reported:

- (a) the reason it was not possible to include the matter on the agenda; and
- (b) the matter is urgent; and
- (c) that advice has been provided under section 65 of the *Act*.

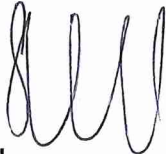
There were no non agenda items.

There being no further business the Mayor declared the Meeting closed at 8.00pm.

CERTIFICATION OF MINUTES AS A TRUE RECORD

These minutes are confirmed as an accurate record of the Open Session of the Ordinary Meeting of Burnie City Council held on 27 April 2021.

Confirmed:

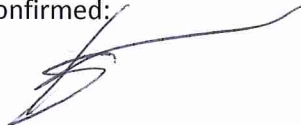


Simon Overland
GENERAL MANAGER

Date:

25 MAY 2021

Confirmed:



Steven Kons
MAYOR

Date:

25 MAY 2021