



## **MINUTES**

# **Ordinary Meeting**

**TUESDAY, 28 MARCH 2023**

**7.00PM**

**CITY OFFICES, 80 WILSON STREET, BURNIE**



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# ORDER OF BUSINESS

## OPEN SESSION

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# ORDER OF BUSINESS

## OPEN SESSION

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**MINUTES OF THE OPEN SESSION ORDINARY MEETING  
OF THE BURNIE CITY COUNCIL  
HELD AT THE CITY OFFICES ON TUESDAY, 28 MARCH 2023**

**HOUR:** 5.59pm – 6.00pm  
7.15pm – 8.41pm

**TIME OCCUPIED:** 1 hour 27 minutes

**PRESENT:** Mayor T Brumby, Deputy Mayor G Simpson, Cr T Aitken, Cr K Dorsey, Cr J Grave, Cr A Keygan, Cr S Kons, Cr C Lynch, Cr D Pease

**Officers in Attendance:**

General Manager (S Overland), Director Corporate (B Lynch), Director Works and Services (D White), Executive Manager Development Services (S Pearce), Executive Manager Compliance Services (M Peisker), Chief Financial Officer (B Pilgrim), Executive Manager Corporate Governance (M Neasey), Governance Officer (N French) and Media and Communications Officer (K Kong)

**APOLOGIES:** There were no apologies tendered

**‘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
AC024-23 COUNCILLORS DECLARATIONS OF INTEREST	15(2)(g)
AC025-23 CONFIRMATION OF MINUTES OF THE 'CLOSED SESSION' MEETING OF COUNCIL HELD ON 28 FEBRUARY 2023	15(2)(g)
AC026-23 APPLICATIONS FOR LEAVE OF ABSENCE	15(2)(h)
AC027-23 GENERAL MANAGER'S REPORT - CLOSED SESSION	15(2)(i)
AC028-23 REALTY DEVELOPMENTS - NORTH TERRACE VISITOR ACCOMMODATION	15(2)(b)
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AC030-23 AWARD OF CONTRACT 2694 BURNIE ARTS AND FUNCTION CENTRE REDEVELOPMENT BURNIE CULTURAL PRECINCT	15(2)(d)
AC031-23 NON AGENDA ITEMS	15(2)(g)
AC032-23 AUTHORISATION TO DISCLOSE CONFIDENTIAL INFORMATION	15(2)(g)
AC033-23 COMPLETION OF CLOSED SESSION / MEETING ADJOURNMENT	15(2)(g)

**RECOMMENDATION**

***“THAT the meeting be closed to the public to enable Council to consider agenda items AC024-23 to AC033-23 which are confidential matters as prescribed in Clause 15 of the Local Government (Meeting Procedures) Regulations 2015”***

**COUNCIL RESOLUTION****Resolution number: MO053-23****MOVED:**            *Cr G Simpson***SECONDED:**      *Cr D Pease****“THAT the meeting be closed to the public to enable Council to consider agenda items AC024-23 to AC033-23 which are confidential matters as prescribed in Clause 15 of the Local Government (Meeting Procedures) Regulations 2015”*****For:**            Cr T Brumby, Cr G Simpson, Cr T Aitken, Cr K Dorsey, Cr J Grave, Cr A Keygan, Cr S Kons, Cr C Lynch, Cr D Pease.**Against:*****CARRIED UNANIMOUSLY*****Reg            Confidential Reason**

- 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 due to an administration error, the *Matters Considered in Closed Session* report was omitted from the Agenda.

## 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.

***Burnie City Council acknowledges that every part of Australia is, always was and always will be, Aboriginal land. Burnie City Council pays respect to the pakana / palawa – original owners and cultural custodians – of all the lands and waters across trouwunna / lutruwita / Tasmania upon which pataway / Burnie is situated and where our Council meets.***

## VIDEO RECORDING AND LIVE STREAMING

It is noted that the open session of the meeting will be video recorded and live streamed. The live stream is accessible from <https://webcast.burnie.tas.gov.au/>

The video 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 Rev Phil Coghlan of Burnie Anglican Church.

## AO038-23 COUNCILLORS 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.



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**AO039-23 CONFIRMATION OF MINUTES OF THE 'OPEN SESSION' MEETING  
OF COUNCIL HELD ON 28 FEBRUARY 2023****RECOMMENDATION:**

***“THAT the minutes of the ‘Open Session’ of the Burnie City Council, held at the City Office on 28 February 2023, be confirmed as true and correct.”***

**COUNCIL RESOLUTION**

**Resolution number: MO054-23**

**MOVED:** *Cr D Pease*

**SECONDED:** *Cr T Aitken*

***“THAT the minutes of the ‘Open Session’ of the Burnie City Council, held at the City Office on 28 February 2023, be confirmed as true and correct.”***

**For:** Cr T Brumby, Cr G Simpson, Cr T Aitken, Cr K Dorsey, Cr J Grave, Cr A Keygan, Cr S Kons, Cr C Lynch, Cr D Pease.

**Against:**

***CARRIED UNANIMOUSLY***

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**QUESTIONS ON NOTICE****AO040-23 QUESTION ON NOTICE - FUTURE POLICIES, PLANS AND STRATEGIES**

FILE NO: 15/5/5, 23/5331

PREVIOUS MIN:

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**THE GENERAL MANAGER** referred to Councillor Steve Kons's Question on Notice which asked:

*At the AGM, 4 months ago, I asked a question about what the Mayor's Policies, Plans and Strategies were for the future. The Mayor stated she would take that on notice. Beyond her office renovation and Facebook posts, I now formally ask what are her plans, policies or strategies or will we have to wait for her self advised second term request or for Prince Charles to officially open the Mayor's newly renovated office before I get a response to the above question.*

**COUNCILLOR'S COMMENTS**

No comments provided.

**GENERAL MANAGER'S COMMENTS**

The legislative framework under which all councillors operate requires that any future strategies or plans, however conceived and developed, require Council support and approval if they are to progress. I am aware of behind the scenes work being undertaken by the Mayor on some of her ideas for the future benefit of Burnie, some of which she has shared with councillors.

It is a matter for the Mayor when and how she determines to outline her plans to councillors and seeks to engage them in a process that builds this necessary support, initially with other councillors and if successful then with the Burnie community.

**RECOMMENDATION:**

*"THAT the information be noted."*

**COUNCIL RESOLUTION****Resolution number: MO055-23*****MOVED:***            *Cr S Kons****SECONDED:***      *Cr K Dorsey****“THAT the information be noted.”***

**For:**            Cr T Brumby, Cr G Simpson, Cr T Aitken, Cr K Dorsey, Cr J Grave, Cr A Keygan, Cr S Kons, Cr C Lynch, Cr D Pease.

**Against:**

***CARRIED UNANIMOUSLY***

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**MOTIONS ON NOTICE****AO041-23 MOTION ON NOTICE - FREE MOTORCYCLE PARKING IN THE CBD****FILE NO: 15/5/2****PREVIOUS MIN:**

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

***“THAT Council approve the introduction of free designated motorcycle parking in the CBD and the General Manager provide a list of the most suitable CBD locations for conversion and implementation on 1 July 2023.”***

**COUNCILLOR'S COMMENTS**

Previous motions have been sidelined due an inability of Councillors or Council Officers to locate suitable locations and the misguided notions that this is inequitable treatment for some. There are numerous locations in the CBD that are suitable for motorcycles but not cars. Utilisation of these spaces does not impinge on current spaces or foot traffic, nor would it be of any real cost to the city. In addition, we now have free scooter and shopping trolley parking throughout the city on footpaths.

Motorcycle stalls (allocated spaces) are typically 4 feet wide (1.3 meters) and 9 feet long (3 meters). It's possible to fit four or five motorcycle stalls into a single standard parking space, so ***most places have no more than one or two full parking spaces of asphalt dedicated*** to motorcycles.

**The City of Adelaide** has created eight designated footpath areas across the city where motorcycles and scooters may be parked free.

**Newcastle** has introduced free all-day motorcycle parking zones in some Newcastle CBD streets.

**Darwin** - All motorcycle parking is free, if you park in a designated motorcycle bay.

**Bendigo** - motorcycle parking is free in areas reserved for motorcycles in Car Parks 3, 6 and the Visitor's Car Park.

**Woolongong** - all revenue raised from metered parking is reserved and used to improve infrastructure in the City Centre. Some of the major improvements made are:

- Construction of four (4) new car parks
- Pedestrian upgrades - Bus shelters
- free motorcycle spots.

**Melbourne** - In Melbourne you can legally park your motorcycle or scooter on the footpath (unless otherwise signed), as long as you do not obstruct pedestrians, public transport users, doorways, delivery vehicles or access to street infrastructure (such as parking meters and public bins) and parked cars. You can also park in one of the 450+ on-street parking spaces in the central city that are specifically for motorcycles.

**Brisbane** – free motorcycle designated areas

**Hobart, Launceston and Devonport** - free motorcycle designated areas

The idea has been raised on a few occasions over the past 7 years with Council limiting action to designated spaces in the MSCP. It was previously addressed with Council Officers suggesting an idea to spend \$10,000 to pave an area out of sight for bike owners and charge 50% of the scheduled fee for a vehicle that uses 20 - 25% of the space of a car. This was rejected by Councilors and motorcycle riders as being ill-considered and costly.

In another attempt to find a solution the Council marked out designated spaces in the MSCP for motorcycles. Usage is unknown.

Whilst I personally do not believe that a few motorcycle parking spots will create considerable activity in town or cause an influx of motorcycle riders; it will not result in any real loss of income. It has been recognized by every other city that charges for parking in Tasmania that it works in bringing people to town and provides safe havens for motorcyclist.

It is an open invitation for motorcycle riders to park in a highly visible location that will have minimal cost to the BCC. It will provide a location where riders can display their bikes and feel safe with others in close proximity. It eliminates the need to place a parking voucher on the bike and whilst it is possible to use the app, not everyone has a credit card nor is able to use the app.

One area noted was the space beneath the Norfolk Pines on the waterfront (motorcycles fit); a previous Council officer advised that the conversion of these areas to motorcycle parking would be costly to change the curbing etc? The area directly under the trees requires no modification and can fit 4-5 bikes comfortably. It will not disturb the aesthetics of the waterfront and can actually be responsible for greater use of the parking area. How can the aesthetics of an area provides for say 70 car spaces be affected by providing an unused space to park a few motorcycles?



Allocated spaces in the CBD would only require markings and signage.

This is an easy motion, it provides an avenue that allows for more on-street parking for cars (4-5 motorcycles in one parking bay), adds a small reason to ride the motorcycle, come to town and shop or have a meal.

#### **Further Information**

##### **Launceston**

*In Launceston there are 59 on-street motorcycle spaces spread throughout the city. These designated on-street motorcycle parking spaces are **FREE**. Some spaces may have time restrictions. It is recommended that motorcycle/scooter riders check the signage when parking. There are FREE spaces behind the Paterson Street West Car Park, near the laneway from Brisbane Street, and also at Cameron Street Car Park and Windmill Hill Memorial Hall Car Park*

*Or a low cost option...There are 16 dedicated motorcycle bays spread throughout Paterson Street East, Paterson Street West and Elizabeth Street off-street Car Parks. The cost to park motorcycles in these **Car Parks** is **\$2.00** per entry as they are in secure areas*

##### **Hobart**

*In Hobart, free all-day motorcycle parking is provided throughout the City. The link below will take you to a map of the motorcycle parking available (34 locations): Motorcyclists can also park undercover in the City of Hobart's multistorey car parks at a significantly cheaper rate than other motor vehicles.*

*Secure long-term parking The City of Hobart also offers long-term motorcycle parking in these secure, underground car parks:*

*Trafalgar car park – \$50/month - \$276/month for car*

*Salamanca Square car park – \$45/month - \$300/car*

[Hobart Motorbike Parking Map](#)

**Devonport (at the end of the mall)**



### GENERAL MANAGER'S COMMENTS

Council last considered a motion from Councillor Dorsey on motor cycle parking in the CBD in August 2019 (AO227-19 refers). The motion as moved by Councillor Dorsey was lost on a unanimous vote of then councillors (including Councillor Dorsey).

It appears an alternative motion was moved for Council to organise designated motor cycle parking in the CBD, preferably at no cost to the motorcycle rider. This has been actioned. Nothing has changed since that time other than an individual who lives outside the municipality has continued to agitate for broader implementation of free motorcycle parking in the CBD.

It is recommended that this motion not be supported.

### COUNCIL RESOLUTION

**Resolution number: MO056-23**

**MOVED:** *Cr K Dorsey*

**SECONDED:** *Cr T Aitken*

***"THAT Council approve the introduction of free designated motorcycle parking in the CBD and the General Manager provide a list of the most suitable CBD locations for conversion and implementation on 1 July 2023."***

*The motion was not put due to the following procedural motion*

**MOVED:** Cr G Simpson

**SECONDED:** Cr D Pease

***“THAT the matter be deferred.”***

For: Cr T Brumby, Cr G Simpson, Cr S Kons, Cr D Pease.

Against: Cr T Aitken, Cr K Dorsey, Cr J Grave, Cr A Keygan, Cr C Lynch.

**LOST**

*The meeting returned to the original substantive motion*

***“THAT Council approve the introduction of free designated motorcycle parking in the CBD and the General Manager provide a list of the most suitable CBD locations for conversion and implementation on 1 July 2023.”***

For: Cr G Simpson, Cr T Aitken, Cr K Dorsey, Cr J Grave, Cr C Lynch.

Against: Cr T Brumby, Cr A Keygan, Cr D Pease.

Abstained: Cr S Kons.

**CARRIED**



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**PUBLIC QUESTION TIME****AO042-23 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.

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**Our Process for Public Questions**

All public questions are required to be submitted by 5pm the Friday before the Council Meeting. You can submit your question online at [www.burnie.tas.gov.au](http://www.burnie.tas.gov.au) or obtain a form from Customer Services. There is a limit of two questions per person.

Please note:

- You do not need to be present at the meeting to ask your question
- If you are in attendance at the meeting, you will be invited by the Mayor to read out your question. Please use the microphone as directed
- If it is not possible to answer the question at the meeting, the General Manager will provide a written answer within 10 days
- All questions must be in writing and the question and answer cannot be debated
- The Mayor may refuse to accept a question
- Parliamentary Privilege does not apply at Council Meetings
- Council Meetings are recorded

Debbie Agar of Burnie:

- 1) *Over the past 6 months I have been reporting oil spills in the Emu River. This month alone there have been 3 possibly 4 large spills that not only myself but other members of the public have witnessed. The last one was according to social media was on Saturday where people were reporting it being on their feet. The next day apparently the beach and river were cordoned off. My question is 1. What is being done to prevent these spills into our river so our children, grandchildren and our pets are safe from contamination.***

The Mayor provided the following response:

Burnie City Council is aware of the reported oil spills into the Emu River. At each occurrence Council officers have been made aware of the spill and have attended the site and attempted to locate the source. Council first needs to be able to ascertain the source / cause of the spills in order to prevent them into the future. Council officers' investigations are ongoing.

- 2) *What, if any, testing is done and how often, if testing is done, on the river water so we can swim fish etc without any worries of becoming seriously ill from the water?***

The Mayor provided the following response:

The Emu River and associated area is not a recreational beach as defined under the *Public Health Act 1997*. There is no requirement under the *Public Health Act 1997*, to test the water. Council is not ruling out that testing into the future may occur as part of its investigations, but as the investigations are ongoing, it is not appropriate to comment any further.

Ian Jones of Burnie:

- 1) *I heard that councillors recently visited the new band rooms at West Park during a workshop session. Can you advise of the current status of the band rooms, including the total floor area available in the new band rooms compared to that in the current band rooms? Are there any other costs that Council needs to take into account?***

The Mayor provided the following response:

Thanks for this question. Most councillors were able to inspect the new band rooms being constructed by UTAS at West Park. The rooms are nearing completion and in fact the keys will be handed over to me this Friday at 11am, symbolising the formal handover of the new building to Burnie City Council as required by the Deed between Council and UTAS for the redevelopment of West Park.

The new band rooms are magnificent and will provide amazing accommodation for the Burnie Highland Pipe Band. The floor area of the Burnie Highland Pipe Band room is approximately 245sqm. The common entry way is another 76sqm.

As you are aware, the Burnie City Brass Band will not be moving into the new band room, claiming that it is not of sufficient size. The new band room built by UTAS for the Burnie City Brass Band is approximately 240sqm in size, with the practice room, where the band can set up to rehearse, of 164sqm.

It is worth comparing the size of this new band room with the current room occupied by the Burnie City Brass Band. Their current band room is 269sqm in total, but this includes 32sqm of attic storage space. Their current practice room, is approximately 117sqm, so significantly smaller than the 164sqm in the new facility.

There will be a community open day this Saturday between 10am and 2pm to provide an opportunity for the community to inspect these new facilities, before the Burnie City Pipe Band occupy their side of the facility.

In terms of cost, Council owes UTAS as a result of the exploration of extending the new room for the Brass Band, which was not pursued because of the cost of that extension. Council has not yet been invoiced by UTAS for this amount.

Council has undertaken preliminary work on the cost of building a new facility for the Brass Band on Council owned land. Cost estimates for the building range between \$1M to above \$1.8M, depending on the size of the building to be constructed. The Brass Band is asking for a new building of 525sqm, which Council has rejected as unaffordable.

- 2) *Can Council please provide an update on the decision to name the road at the cenotaph after Cameron Baird VC MG? Has a decision been made by the Nomenclature Board on the name and will it be a boulevard or an avenue?***

The Mayor provided the following response:

The Council has written to Corporal Baird's family advising of the decision and has been waiting to see if the family has any feedback before we proceed to make formal application. So, it is in train.

Lyn Price of Burnie:

- 1) *From 2015 through until 2021 Burnie City Council had a Public Art Advisory Committee (PAAC) formed in accordance with the Local Government Act. As a result of the restructuring of Council's management of cultural facilities this committee was disbanded leaving a void in the selection, oversight and rigour of the Public Art selection process.***

***Our concern is that this leaves us with a context of "free range" decision making. The PAAC had worked very hard to ensure this was not going to be an ongoing approach by the city. The Public Art Policy available on the Council's Website includes reference to the existence of a PAAC.***

***Will Council re-instate this committee to oversee the revitalisation of Burnie's public spaces and prevent inappropriate activities which could bring damage to the city's reputation as a quality Arts Hub?***

The Mayor provided the following response:

Council has no plans to re-instate this committee, but we are continuing to involve broader community representation to assist and guide our various projects.

There is an urban planning project for our CBD underway that is being steered by a group that involves a number of community members and which is being undertaken by a professional firm. There will be extensive community consultation throughout this process. It is envisaged that a community steering group will remain in place for implementation of the urban plan.

With the renovations about to commence on our Arts and Function Centre, I am advised by the General Manager that consideration is currently being given to establishing a general advisory committee to work with the Executive Manager on arts

and cultural issues for the new centre and the wider city. More will be announced about those plans as they develop.

These are but two examples of our commitment to improved community consultation.

Justin McErlain of Wynyard:

**1) *Can Council advise the status of the project to remove pigeons from the CBD?***

The Mayor provided the following response:

Council trialled feeding pigeons laced with contraceptive that appeared to reduce the number of pigeons in Burnie. Since the trial ended it appears bird numbers have again increased. Council will consider whether to institute the program to curb pigeon numbers as part of the current budget process.

**QUESTIONS WITHOUT NOTICE****AO043-23 QUESTIONS WITHOUT NOTICE****FILE NO: 15/5/5**

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**Questions without Notice**

Questions without notice may be asked by councillors, in accordance with Regulation 29 of the *Local Government (Meeting Procedures) Regulations 2015*.

The Regulation provides that a councillor may ask a question of the chairperson, another councillor, or the general manager – Reg 29(1).

In putting a question without notice at a meeting, a councillor must not offer an argument or opinion, or draw any inference or make any imputations, except so far as may be necessary to explain the question – Reg 29(2).

The Chairperson must not permit any debate of a question without notice, or its answer – Reg 29(3).

The Chairperson, councillor or general manager who is asked a question without notice at a meeting may decline to answer the question – Reg 29(4).

The Chairperson may refuse to accept a question without notice if it does not relate to the activities of the Council – Reg 29(5).

The Chairperson may require a councillor to put a question without notice in writing – Reg 29(7).

The Mayor facilitated responses to Questions Without Notice as raised by Councillors.

**WORKS AND SERVICES****AO044-23 PUBLIC LAND REGISTER - REVIEW**

FILE NO: 5/14/1  
PREVIOUS MIN: AO044-22

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**1.0 RECOMMENDATION:**

***“THAT Council endorse the revisions to the Public Land Register and maps as attached to this report.”***

**2.0 EXECUTIVE SUMMARY****Purpose and Background**

Council has a legal requirement to ensure it maintains a Public Land Register.

**Key Issues**

This report presents the Public Land Register with amendments made since the last review in March 2022, for endorsement.

**3.0 SUPPORTING INFORMATION****Strategic Alignment**

This report does not have a direct alignment to strategy, but it is a legislative requirement.

**Legal**

All Councils are required under the *Local Government Act 1993* to maintain a list or maps of all public land within the municipal area. Section 177A of the Act defines what is considered public land, which is listed below.

**Finance**

There are no financial impacts resulting from this report.

**Relation to Council Policy**

There are no Council policies relating to this report.

## Discussion

Section 177A of the *Local Government Act 1993* states that the following land owned by a council is classified as public land:

- A public pier or public jetty
- Any land that provides health, recreation, amusement or sporting facilities for public use
- Any public park or garden
- Any land acquired under section 176 for the purpose of establishing or extending public land
- Any land shown on a subdivision plan as public open space that is acquired by a council under the Local Government (Building and Miscellaneous Provisions) Act 1993
- Any other land that the council determines is public land
- Any other prescribed land or class of land.

A list of public land and an electronic map containing same is available on the Council website for viewing.

The absence of a parcel land from the Public Land Register does not mean that the land may not be considered as public land for the purposes of the Act.

A review of the Register and associated maps has occurred. The following additions have been identified and included in the revised attachments for endorsement, relating to the land south of Wivenhoe show grounds, acquired for community purposes:

- Parcel added - 232168/1 – 10 Smith Street, Wivenhoe
- Parcel added - 222644/1 – 10 Smith Street, Wivenhoe
- Parcel added - 216005/10 – 10 Smith Street, Wivenhoe
- Parcel added - 216413/8 – 10 Smith Street, Wivenhoe
- Parcel added - 76195/9 – 10 Smith Street, Wivenhoe
- Parcel added - 167400/1 – 10 Smith Street, Wivenhoe
- Parcel added - 223549/1 – 10 Smith Street, Wivenhoe

There are no removal of parcels required at this time. In the past year, Council completed a disposal of public land process for part of parcel 159354/1 at 1 Mussen Close for which a contract of sale has since been signed. This property will remain on the register until the sale is settled.

It is noted that parcels of public land that are under lease are to remain on the Public Land Register.

A copy of the revised Register is attached for endorsement, together with the relevant map for the above additions. All maps are maintained on council's website.

## Health and Safety

There are no health and safety impacts resulting from this report.

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**Risk**

There is a potential legal risk of not maintaining the currency of the public land register, in terms of clear delineation of ownership and responsibility of landholdings, together with legislated disposal processes specific to public land. It is current practice for Council to review the register on an annual basis, and this action is included in the compliance register.

**Environmental Sustainability**

There are no environmental sustainability impacts to be considered in this report.



**Consultation**

Relevant Council Officers have been consulted in the preparation of this report.

**Conflict Of Interest**

No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a material or general conflict of interest in relation to the matter of the report.

**ATTACHMENTS**

- 1  Draft - Revised Public Land Register
- 2  Draft - updated map for Public Land Register additions

**COUNCIL RESOLUTION**

**Resolution number: MO057-23**

***MOVED: Cr D Pease***

***SECONDED: Cr C Lynch***

***“THAT Council endorse the revisions to the Public Land Register and maps as attached to this report.”***

For: Cr T Brumby, Cr G Simpson, Cr T Aitken, Cr K Dorsey, Cr J Grave, Cr A Keygan, Cr S Kons, Cr C Lynch, Cr D Pease.

Against:

***CARRIED UNANIMOUSLY***



Public Land Register - Burnie City Council (DRAFT)						
Approved By: Council		Document Code: REG-CCS-CG-014				
Document Controller: General Manager		Version: 11.0				
File: 5/14/1		Approved Date: TBC				
		Next Review Date: TBC				
Property Name	Location	PID	CT	Area (ha)	Type of Public Land	Map
Acton Recreation Ground Clubrooms	91 Payne Street	7,460,966	214858/1	3.02	Health, recreation, amusement or sporting facilities	12
Acton Recreation Ground Oval	Payne Street	7,204,903	235251/1	2.41	Health, recreation, amusement or sporting facilities	12
Aileen Crescent - Car Park	Aileen Crescent	6,129,892	114204/1	0.13	Other	8
Aileen Crescent - Car Park	Aileen Crescent	6,129,892	55517/91	0.24	Other	9
Aleeka Court - Playground	28-30 Aleeka Court	7,620,843	29275/18	0.09	Health, recreation, amusement or sporting facilities	18
Aleeka Court - Playground	28-30 Aleeka Court	7,620,843	29275/19	0.13	Health, recreation, amusement or sporting facilities	18
Alma Place - Playground	Alma Place	2,859,476	152645/2	0.21	Health, recreation, amusement or sporting facilities	1
Appleby's Road - Playground	Appleby's Road	7,906,737	104686/1	0.43	Health, recreation, amusement or sporting facilities	26
Aquatic Centre	1-5 Terrylands Street	3,017,465	158965/1	1.70	Health, recreation, amusement or sporting facilities	8
Arts & Function Centre	77 Wilmot Street	3,444,758	120072/3	0.05	Health, recreation, amusement or sporting facilities	5
Arts & Function Centre	77 Wilmot Street	3,444,758	168095/1	0.04	Health, recreation, amusement or sporting facilities	5
Arts & Function Centre	77 Wilmot Street	3,444,678	171332/1	0.24	Health, recreation, amusement or sporting facilities	5
Arts & Function Centre	77 Wilmot Street	3,444,758	221433/1	0.04	Health, recreation, amusement or sporting facilities	5
Arts & Function Centre	77 Wilmot Street	3,444,758	224694/1	0.04	Health, recreation, amusement or sporting facilities	5
Arts & Function Centre	77 Wilmot Street	3,444,758	248229/1	0.04	Health, recreation, amusement or sporting facilities	5
Arts & Function Centre	77 Wilmot Street	3,444,758	70766/1	0.06	Health, recreation, amusement or sporting facilities	5
Arts & Function Centre	77 Wilmot Street	3,444,758	70766/2	0.05	Health, recreation, amusement or sporting facilities	5
Arts & Function Centre	77 Wilmot Street	3,444,758	8007/1	0.09	Health, recreation, amusement or sporting facilities	5
Arts & Function Centre	77 Wilmot Street	3,444,758	88414/4	0.08	Health, recreation, amusement or sporting facilities	5
Arts & Function Centre	77 Wilmot Street	3,444,758	88415/4	0.07	Health, recreation, amusement or sporting facilities	5
Arts & Function Centre	77 Wilmot Street	3,444,758	88416/4	0.10	Health, recreation, amusement or sporting facilities	5
Barker Street - Playground	Barker Street	6,158,300	61385/51	0.46	Health, recreation, amusement or sporting facilities	13
Bathurst Street - Reserve	9 Bathurst Street	6,158,538	62664/30	0.55	Health, recreation, amusement or sporting facilities	13
Belton Street - Park	Belton Street	6,131,757	236098/1	0.43	Park or Public Garden	12
Bird Street - Reserve	Lot 6 Bird Street	2,943,168	156291/6	0.56	Park or Public Garden	5
Brickport Road - Reserve	Brickport Road	3,198,526	121561/279	0.34	Park or Public Garden	4
Brickport Road - Reserve	Brickport Road	3,198,526	153767/50	0.02	Park or Public Garden	4
Brickport Road - Reserve	Brickport Road	3,198,526	156273/40	0.09	Park or Public Garden	4
Brooklyn Road - Reserve	Brooklyn Road	6,132,899	54693/2	0.12	Park or Public Garden	9
Burnie Greens Bowls Club	15 Fidler Street	3,104,964	13555/1	4.12	Health, recreation, amusement or sporting facilities	1

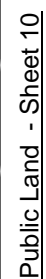
Property Name	Location	PID	CT	Area (ha)	Type of Public Land	Map
Burnie Park	Bass Highway	7,585,806	48493/1	0.04	Park or Public Garden	4
Burnie Park	Bass Highway	7,585,806	48493/2	0.13	Park or Public Garden	4
Burnie Park	Burnie Park	7,585,806	17/6980	8.20	Park or Public Garden	4
Burnie Sports Centre	2 Southwell Street	7,629,792	149149/1	0.23	Health, recreation, amusement or sporting facilities	9
Burnie Tennis Centre	1 Eastwood Drive	7,404,569	50302/1	1.54	Health, recreation, amusement or sporting facilities	4
Byworth Street - Playground	Byworth Street	1,665,426	34099/1	0.36	Health, recreation, amusement or sporting facilities	4
Camdale Reserve	Bass Highway	6,184,656	65830/1	1.32	Other	27
Camdale Reserve	Bass Highway	6,184,656	65830/2	1.76	Other	27
Coastal Pathway	Port Road	3,194,269	139528/2	0.40	Health, recreation, amusement or sporting facilities	9
Coastal Pathway	Port Road	3,432,108	163575/1	0.09	Health, recreation, amusement or sporting facilities	5
Coastal Pathway	Port Road	3,194,277	163575/2	0.21	Health, recreation, amusement or sporting facilities	5
Coastal Pathway	Port Road	3,432,108	169800/2	0.05	Health, recreation, amusement or sporting facilities	5
Coosee Car Park & Toilet	94 Bass Highway	6,112,396	207515/1	0.08	Acquired under section 176	1
Coosee Car Park & Toilet	94 Bass Highway	6,112,396	251890/1	0.10	Acquired under section 176	1
Coosee Foreshore Reserve	Bass Highway Coosee	1,754,963	149142/1	0.86	Park or Public Garden	2
Coosee Point Reserve	2 Coosee Point Road	7,609,484	117536/2	3.92	Park or Public Garden	1
Coronation Park	14 Charles Street	2,837,883	152605/2	0.07	Park or Public Garden	5
Council Chambers	80 Wilson Street	7,623,526	47625/1	0.36	Other	5
Curraghmore Avenue - Reserve	Curraghmore Avenue	1,805,521	136406/3	3.09	Park or Public Garden	8
Durham Road - Open Space	26 Durham Road	7,535,067	10771/11	2.27	Park or Public Garden	1
Durham Road - Open Space	26 Durham Road	7,535,067	118591/101	2.30	Park or Public Garden	1
Euroka Court - Reserve	Euroka Court	6,163,660	13477/17	0.30	Park or Public Garden	13
Fernglade Reserve	Fern Glade Road	6,176,613	32/5191	45.44	Park or Public Garden	18
Fernglade Reserve	Stowport Road	7,635,631	32042/4	40.96	Park or Public Garden	19
Fernglade Reserve	Stowport Road	7,635,631	39151/1	2.66	Park or Public Garden	21
Fernglade Reserve	Stowport Road	7,635,631	41094/1	18.00	Park or Public Garden	21
Garner Court - Park	19 Garner Court	7,407,700	32913/1001	0.91	Park or Public Garden	12
Greenacre Street - Reserve	Lot 1 Greenacre Street	3,214,282	164153/1	0.63	Park or Public Garden	13
Greenacre Street Reserve	Lot 1 Greenacre Street	2,951,715	86613/1	0.21	Park or Public Garden	13
Greenacre Street Reserve	Lot 369 Greenacre Street	2,951,707	55652/369	0.31	Park or Public Garden	13
Grenville Street - Park	Grenville Street	6,138,027	197546/1	0.36	Park or Public Garden	9
Guide Falls Reserve	245 West Ridgley Road	2,071,072	152604/1	0.44	Park or Public Garden	23
Hayes Street - Reserve	1 Hayes Street	6,139,097	54880/103	0.08	Park or Public Garden	8
Hilder Parade & Surf Club	2 North Terrace	2,745,778	147506/1	0.98	Health, recreation, amusement or sporting facilities	5
Hutchinson Street - Vacant land	Hutchinson Street	7,617,820	32913/1004	0.49	Other	12
Jacobs Crescent - Reserve	Jacobs Crescent	7,611,656	55652/368	1.42	Park or Public Garden	13
Jago Reserve	Bass Highway/Arthur Street	6,184,023	198939/1	0.21	Park or Public Garden	1

Property Name	Location	PID	CT	Area (ha)	Type of Public Land	Map
Janet Drive	12 Janet Drive	3,514,701	173166/200	0.42	Public Open Space from Subdivision	7
Janet Drive	17 Janet Drive	3,514,728	173166/201	0.72	Public Open Space from Subdivision	7
Lawn Cemetery	Laird Road	2,780,555	150778/1	15.16	Other	6
Lorymer Place - Park	Lorymer Place	7,183,583	24315/2006	0.06	Park or Public Garden	12
Lyons Street - Park	1 Lyons Street	6,141,218	119947/1	0.40	Park or Public Garden	8
Madden Street Reserve	Madden Street	7,609,046	55652/370	0.26	Park or Public Garden	12
Manuka Drive - Reserve	Manuka Drive	6,169,958	9784/109	1.41	Park or Public Garden	18
McKenna Park Hockey Complex	11 Three Mile Line Road	2,862,413	133259/2	6.80	Health, recreation, amusement or sporting facilities	17
Montello Soccer Complex	46-46A Terrylands Street	3,015,742	158953/1	5.01	Health, recreation, amusement or sporting facilities	8
Mooreville Road Community Hall	420 Mooreville Road	6,187,996	212874/1	0.43	Health, recreation, amusement or sporting facilities	16
Mount Street - Landcare Reserve	Mount Street to Aileen Crescent	6,144,059	147474/1	0.89	Park or Public Garden	9
Mussen Close - Reserve	1 Mussen Close	3,029,853	159534/1	11.67	Park or Public Garden	12
Mylan Crescent - Reserve	Mylan Crescent	7,609,492	9994/298	0.30	Park or Public Garden	12
Mylan Crescent - Reserve	Mylan Crescent	7,609,492	9994/299	0.13	Park or Public Garden	12
Natone Football Clubrooms	133 Upper Natone Road	7,254,652	223526/1	0.54	Health, recreation, amusement or sporting facilities	25
Natone Football Ground	Upper Natone Road	7,254,644	223526/1	2.70	Health, recreation, amusement or sporting facilities	25
Netball Centre	15-23 Howe Street	2,199,930	139435/3	0.53	Health, recreation, amusement or sporting facilities	4
Netball Centre	15-23 Howe Street	2,199,930	199550/1	1.83	Health, recreation, amusement or sporting facilities	4
Netball Centre	15-23 Howe Street	2,199,930	83556/1	1.10	Health, recreation, amusement or sporting facilities	4
Netball Centre	15-23 Howe Street	2,199,930	8509/22	0.07	Health, recreation, amusement or sporting facilities	4
Oakleigh Park	1 Brickwell St	6,142,210	125115/7	0.24	Park or Public Garden	5
Oakleigh Park	Marine Terrace	6,142,202	252463/1	0.83	Park or Public Garden	5
Ormsby Street - Vacant Land	Ormsby Street	2,071,451	251733/1	0.96	Other	14
Ormsby Street - Vacant Land	Ormsby Street	2,071,451	74319/8	0.09	Other	14
Panorama Crescent - Easement	Panorama Crescent	2,105,826	137258/101	0.01	Public Open Space from Subdivision	1
Richardson Crescent - Reserve	Richardson Crescent	7,404,577	50302/1	1.36	Park or Public Garden	4
Richardson Crescent - Reserve	Richardson Crescent	7,404,577	61745/12	0.24	Park or Public Garden	4
Ridgley Bowls Club	4 Parker Court Ridgley	7,525,205	27710/3	1.18	Health, recreation, amusement or sporting facilities	24
Ridgley Bowls Club	4 Parker Court Ridgley	7,525,205	48719/1	0.39	Health, recreation, amusement or sporting facilities	24
Ridgley Cemetery	44 West Ridgley Road	6,197,887	317519	0.81	Other	24
Ridgley Community Centre	2 Parker Court Ridgley	7,525,192	27710/2	0.11	Health, recreation, amusement or sporting facilities	24
Ridgley Community Centre	2 Parker Court Ridgley	7,525,192	49309/3	0.57	Health, recreation, amusement or sporting facilities	24
Ridgley Highway/Circular Road - Reserve	Ridgley Highway/Circular Road	3,017,510	155022/2	0.15	Other	24
Ridgley Highway/Circular Road - Reserve	Ridgley Highway/Circular Road	3,017,510	81799/1	0.00	Other	24
Ridgley Sports Ground	2 George Street	7,710,590	1576646	1.94	Health, recreation, amusement or sporting facilities	24
Romaine Reserve	13 Amanda Court	1,928,900	131820/2	0.04	Park or Public Garden	13
Romaine Reserve	13 Amanda Court	1,928,900	14195/128	3.91	Park or Public Garden	18

Property Name	Location	PID	CT	Area (ha)	Type of Public Land	Map
Romaine Reserve	13 Amanda Court	1,928,900	14450/1	2.50	Park or Public Garden	13
Romaine Reserve	13 Amanda Court	1,928,900	155736/1	3.06	Park or Public Garden	13
Romaine Reserve	13 Amanda Court	1,928,900	155736/2	2.50	Park or Public Garden	13
Romaine Reserve	13 Amanda Court	1,928,900	18108/32	2.10	Park or Public Garden	18
Romaine Reserve	13 Amanda Court	1,928,900	40951/1	0.03	Park or Public Garden	13
Romaine Reserve	13 Amanda Court	1,928,900	40951/2	1.59	Park or Public Garden	13
Romaine Reserve	13 Amanda Court	1,928,900	40951/3	3.91	Park or Public Garden	18
Romaine Reserve	13 Amanda Court	1,928,900	40951/4	0.49	Park or Public Garden	18
Romaine Reserve	13 Amanda Court	1,928,900	40951/5	2.71	Park or Public Garden	18
Romaine Reserve	13 Amanda Court	1,928,900	54930/27	0.08	Park or Public Garden	13
Romaine Reserve	13 Amanda Court	1,928,900	54930/28	0.08	Park or Public Garden	13
Romaine Reserve	13 Amanda Court	1,928,900	54930/29	0.08	Park or Public Garden	13
Romaine Reserve	13 Amanda Court	1,928,900	54930/30	0.08	Park or Public Garden	13
Romaine Reserve	13 Amanda Court	1,928,900	54930/31	0.08	Park or Public Garden	13
Romaine Reserve	13 Amanda Court	1,928,900	63205/43	0.11	Park or Public Garden	13
Romaine Reserve	13 Amanda Court	1,928,900	63205/54	0.28	Park or Public Garden	13
Romaine Reserve	13 Amanda Court	1,928,900	72882/1	0.68	Park or Public Garden	13
Romaine Reserve	13 Amanda Court	1,928,900	72883/1	0.30	Park or Public Garden	13
Romaine Reserve	13 Amanda Court	1,928,900	85795/1	1.18	Park or Public Garden	13
Romaine Reserve	13 Amanda Court	1,928,900	9246/1	0.79	Park or Public Garden	13
Romaine Reserve	Sebastian Court	1,666,533	131088/212	1.41	Park or Public Garden	17
Roundhill Reserve	Letteene Road	1,942,323	132976/1	139.80	Park or Public Garden	15
Rouse Place - Park	Rouse Place	1,914,672	159534/1	1.40	Park or Public Garden	12
Sampson Street - Vacant Land	Sampson Street	6,149,025	202136/1	2.30	Subdivision as open space	8
Senior Citizens	6 Jones Street	3,444,678	171332/2	0.10	Health, recreation, amusement or sporting facilities	5
Senior Citizens	6 Jones Street	3,444,678	171332/3	0.09	Health, recreation, amusement or sporting facilities	5
Skate Park	Bass Highway	7,460,835	22/4840	0.42	Health, recreation, amusement or sporting facilities	2
South Burnie Bowls Club	38 Strahan Street	7,595,609	153938/2	1.14	Health, recreation, amusement or sporting facilities	9
Stowport Hall	580 Stowport Road	6,191,119	216840/1	0.09	Health, recreation, amusement or sporting facilities	22
Stowport Recreation Ground	574 Stowport Road	6,191,100	216840/1	3.18	Health, recreation, amusement or sporting facilities	22
Stowport Road - Vacant Land	Stowport Road	7,601,597	149316/1	1.53	Other	14
Stowport Road - Vacant Land	Stowport Road	1,893,111	149318/3	2.06	Other	14
Stowport Road - Vacant Land	Stowport Road	1,893,111	149318/4	0.07	Other	14
Truganini Street - Playground	Truganini Street	6,126,595	211501/1	0.91	Health, recreation, amusement or sporting facilities	4
Uplands Place - Reserve	28 Uplands Place	7,609,441	7755/39	0.35	Park or Public Garden	2
Upper Burnie Hall	242 Mount Street	6,144,515	54953/5	0.07	Health, recreation, amusement or sporting facilities	13
VDL Hill	Mount Street	6,144,072	/0	3.56	Park or Public Garden	5
View Road - Reserve	View Road	6,120,011	199876/2	0.19	Park or Public Garden	4

Property Name	Location	PID	CT	Area (ha)	Type of Public Land	Map
View Road - Reserve	View Road	7,193,386	116689/2	0.67	Park or Public Garden	8
View Road - Reserve	View Road	7,193,386	116690/1	1.48	Park or Public Garden	8
View Road - Reserve	View Road	7,193,386	117706/1	1.30	Park or Public Garden	8
View Road - Reserve	View Road	7,193,386	137905/1	0.53	Park or Public Garden	4
View Road - Reserve	View Road	7,193,386	145707/3	1.13	Park or Public Garden	8
View Road - Reserve	View Road	7,193,386	197984/1	1.02	Park or Public Garden	8
View Road - Reserve	View Road	7,193,386	246945/2	3.30	Park or Public Garden	8
View Road - Reserve	View Road	7,193,386	251473/1	6.32	Park or Public Garden	4
View Road - Reserve	View Road	7,193,386	36516/1	0.44	Park or Public Garden	4
View Road - Reserve	View Road	7,193,386	54658/101	3.91	Park or Public Garden	8
View Road - Reserve	View Road	7,193,386	60575/118	1.28	Park or Public Garden	8
View Road - Reserve	View Road	7,193,386	9426/1	0.61	Park or Public Garden	8
Wattle Avenue - Reserve	Wattle Avenue	2,123,274	135321/6	0.62	Park or Public Garden	14
Wattle Place - Playground	Wattle Place	2,123,266	135321/5	0.15	Health, recreation, amusement or sporting facilities	14
West Mooreville Road - Parkland	27 West Mooreville Road	1,573,695	114510/15	0.48	Park or Public Garden	7
West Park Oval	10 Bass Highway	2,213,333	137631/1	3.38	Health, recreation, amusement or sporting facilities	2
Wilfred Campbell Reserve	Mount Street	7,629,805	149149/1	7.75	Park or Public Garden	9
Wilfred Campbell Reserve	Mount Street	7,629,805	23570/1	2.80	Park or Public Garden	9
Wiseman St - Reserve North	Wiseman Street	6,181,770	9994/300	1.34	Park or Public Garden	12
Wiseman St Reserve South	Wiseman Street	7,461,344	123423/1	2.84	Park or Public Garden	12
Wivenhoe Cemetery	27-45 Pearl Street	6,149,359	152606/1	3.09	Other	14
Wivenhoe Grounds	1-7 Pearl Street	7,721,484	152607/1	5.00	Health, recreation, amusement or sporting facilities	10
Wivenhoe Grounds	1-7 Pearl Street	7,721,484	231921/1	0.17	Health, recreation, amusement or sporting facilities	10
Wivenhoe Grounds	10 Smith Street	3,041,449	232168/1	0.40	Health, recreation, amusement or sporting facilities	10
Wivenhoe Grounds	10 Smith Street	3,041,449	222644/1	0.08	Health, recreation, amusement or sporting facilities	10
Wivenhoe Grounds	10 Smith Street	3,041,449	216005/10	0.17	Health, recreation, amusement or sporting facilities	10
Wivenhoe Grounds	10 Smith Street	3,041,449	216413/8	0.08	Health, recreation, amusement or sporting facilities	10
Wivenhoe Grounds	10 Smith Street	3,041,449	76195/9	0.17	Health, recreation, amusement or sporting facilities	10
Wivenhoe Grounds	10 Smith Street	3,041,449	167400/1	0.32	Health, recreation, amusement or sporting facilities	10
Wivenhoe Grounds	10 Smith Street	3,041,449	223549/1	0.07	Health, recreation, amusement or sporting facilities	10
Woniara Road - Reserve	Woniara Road	7,576,088	60791/150	0.07	Park or Public Garden	12
Woniara Road - Reserve	Woniara Road	7,576,088	60791/176	1.14	Park or Public Garden	12
Woniara Road - Reserve	Woniara Road	7,576,088	60791/2	0.61	Park or Public Garden	12
Woniara Road - Reserve	Woniara Road	7,576,088	6516/156	0.63	Park or Public Garden	12
Woniara Road - Reserve	Woniara Road	7,576,088	6516/157	2.15	Park or Public Garden	12
Woniara Road - Reserve	Woniara Road	7,576,088	6516/158	1.98	Park or Public Garden	12
Woniara Road - Reserve	Woniara Road	7,629,733	6516/309	0.83	Park or Public Garden	12
Wright Street - Reserve	Wright Street	7,617,943	32913/1007	0.77	Park or Public Garden	12

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**WORKS AND SERVICES****AO045-23 FOOD ORGANICS AND GARDEN ORGANICS (FOGO)**

FILE NO: 34/1/6

PREVIOUS MIN:

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**1.0 RECOMMENDATION:**

***“THAT Council agree in principal to a FOGO collection service being introduced but postpone implementation of the service for up to eighteen (18) months to gather and evaluate further information about implementation of this service and to educate our community.”***

**2.0 EXECUTIVE SUMMARY****Purpose and Background**

The information relating to the adoption of a Food Organics and Garden Organics (FOGO) collection service was supplied to Councillors for consideration at a recent Council workshop.

This report recommends that Council agrees in principal to a FOGO collection service, but postpone implementation of the service for up to eighteen (18) months to gather and evaluate further information and to educate our community.

**Key Issues**

The collection and treatment of FOGO will reduce the amount of organic waste going into landfill and thereby reduce the amount of harmful greenhouse gasses, especially methane (CH<sub>4</sub>) which is seventeen times more harmful to the environment than Carbon Dioxide (CO<sub>2</sub>) and convert a waste product into a useable commodity.

Reducing the amount of organic material going to landfill will reduce over time the total cost of treating landfill as the landfill levy (currently \$20/t but increasing to \$60/t) will not be applied to organic waste as it is currently.

Information supplied to Councillors at the workshop (and also ***attached*** to this report) outlines the benefits of FOGO not only to the environment, but also potentially to the community as a whole due to the offset in costs by diverting waste away from landfill.

Delaying implementation allows a longer period to fully understand the impact of implementation of FOGO and more time for thorough communication with our community on implementation.



Other local Councils may take a similar approach to the introduction of FOGO and as the information suggests, the more local Councils that move towards FOGO the more financially rewarding it could be for all. (Media reports suggest that Devonport City Council are implementing a FOGO collection service).

### **3.0 SUPPORTING INFORMATION**

#### **Strategic Alignment**

Current Strategic Goals under the Council Plan 2022 – 2025 are: Vibrant Town Centre; Community Facilities to Support Liveability; and Environmentally Responsible.

Adopting the FOGO proposal helps us meet our responsibilities towards good environmental governance, as well as delivering the most cost effective result for our community.

#### **Legal**

There are no direct legal implications or legislative requirements for Council arising from the recommendation in this report.

#### **Finance**

There will be an initial financial impact introducing a FOGO collection service, postponing the implementation will give Council time to fully understand the financial implications and determine the point in the future when collection of FOGO becomes a cost neutral proposal.

#### **Relation to Council Policy**

There are no current Council policies relating to this report.

#### **Discussion**

Refer to attachment for further information.

#### **Health and Safety**

There are no health and safety impacts resulting from this report.

#### **Risk**

There is documented evidence relating to the negative effects that methane production generated in landfill has on the environment. There could also be reputational damage incurred by Burnie City Council, if the Council does not (at some stage) implement a FOGO collection service and other Councils do.

## Environmental Sustainability

Evidence suggests that there are substantial benefits to the environment by reducing the amount of greenhouse gasses emitted by reducing the amount of green waste in landfill.

## Consultation

Relevant Council officers have been consulted in the preparation of this report and Councilors have had the opportunity for comment via the workshop process.

## Conflict Of Interest

No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a material or general conflict of interest in relation to the matter of the report.

## 4.0 DETAIL

Details on the benefits of FOGO are contained in the attachment to this report and previously provided to Councillors at the workshop.

## ATTACHMENTS

1  FOGO Report

## COUNCIL RESOLUTION

**Resolution number: MO058-23**

**MOVED:** Cr A Keygan

**SECONDED:** Cr G Simpson

***“THAT Council agree in principle to a FOGO collection service being introduced but postpone implementation of the service for up to eighteen (18) months to gather and evaluate further information about implementation of this service and to educate our community.”***

*The motion was not put due to the following amendment motion*

**MOVED:** Cr D Pease

**SECONDED:** Cr C Lynch

***“THAT the motion be amended to read:***

***THAT Council agree in principle to a FOGO collection service being introduced but postpone implementation of the service to gather and evaluate further information about implementation of this service and to educate our community."***

For: Cr T Brumby, Cr G Simpson, Cr K Dorsey, Cr J Grave, Cr A Keygan, Cr S Kons, Cr C Lynch, Cr D Pease.

Against: Cr T Aitken.

**CARRIED**

*The amendment then became the substantive motion as follows*

***"THAT Council agree in principle to a FOGO collection service being introduced but postpone implementation of the service to gather and evaluate further information about implementation of this service and to educate our community."***

For: Cr T Brumby, Cr G Simpson, Cr K Dorsey, Cr J Grave, Cr A Keygan, Cr S Kons, Cr C Lynch, Cr D Pease.

Against: Cr T Aitken.

**CARRIED**

## WORKSHOP BRIEFING PAPER

Management Report to Councillors



## FOGO UPDATE

Douglas White, Director Works and Services

14/02/2023

File: 4/11/9; 34/1/6; 23/03589

Report Status:

☐ Confidential☐ Open

## EXECUTIVE SUMMARY

## Recommendation from Management

1. This report is provided for information only.

## Purpose and Background

2. The purpose of this report is to furnish council with the latest information to allow council to make a decision on whether or not Burnie City Council implement a FOGO collection service and make provision in the 23/24 operational budget.

## Key Issues

3. The collection and treatment of FOGO (Food Organics Garden Organics) is a system designed to reduce the amount of organic waste going in to land fill and reduce the amount of harmful greenhouse gasses, (Especially methane (CH<sub>4</sub>) which is seventeen (17) times more harmful to the environment than Carbon Dioxide (CO<sub>2</sub>)) and convert a waste product in to a useable commodity.
4. Another benefit to the community of the FOGO system is by reducing the amount of organic material going to land fill, the total cost of treating land fill will reduce over time as the land fill levy (currently \$20/t but increasing to \$60/t) will not be applied to organic waste as it is currently.
5. Burnie City Council officers have previously made a number of representation to the council on the subject of FOGO. Attached to this paper is the latest information received from Dulverton Waste Management and a discussion paper from December 2021 both of which outline potential costs and benefits of implementing a FOGO waste collection system.
6. Pages three (3) and four (4) of the discussion paper developed in December 2021 contain tables outlining prospective implementation and community costs and the impact of the graduated increases of the state waste levy. Pages two (2) and three(3) of the Cradle Coast Waste management group identify the impact of the regional approach to FOGO implementation and MRA report identifies implementation strategies including pick up cycles and bin sizes.

Council's Purpose:

Council Officers' Purpose:

To represent and make informed decisions in the best interests of our community over the long term.

To provide frank, fearless and evidence based advice and to implement the decisions and functions of Council efficiently and effectively.

**ATTACHMENTS**

Supporting Information

1. FOGO Discussion Paper dated December 2021
2. CCWMG Report dated March 2022
3. MRA Consulting Group FOGO Waste Projection Model

**SUPPORTING INFORMATION****Strategic Alignment**

1. For Information Only.

**Legal**

2. There are no direct legal implications or legislative requirements for Council arising from the recommendation in this report.

**Finance**

3. There will be significant cost to implement this program but this will be offset by the saving created reducing the amount of material going in to land fill as the land fill levy rises.

**Relation to Council Policy**

4. There are no Council policies relating to this report.

**Discussion**

5. Council need to consider the information provided and make a decision whether or not Burnie City Council implement FOGO collection.

**Health and Safety**

6. There are no health and safety impacts resulting from this report.

**Risk**

7. There is a risk that not taking action on FOGO collection potentially could result in Burnie City Council being penalized for excess carbon production.

**Environmental Sustainability**

8. There are potential significant environmental impacts caused by not controlling the amount of methane being released in to the atmosphere produced by organic content in land fill.

**Consultation**

9. Relevant Council Officers have been consulted in the preparation of this report.

**Conflict of Interest**

10. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a material or general conflict of interest in relation to the matter of the report.

## Discussion Paper



To: Mayor and Councillors  
From: Director Works and Services  
Subject: **FOOD ORGANICS AND GARDEN ORGANICS (FOGO)  
SERVICE DELIVERY TO BURNIE COMMUNITY**  
Date: 17 December 2021 File Nos: 34/1/6 & 21/53227

Annual Plan Action: Investigate the feasibility of a Food Organic and Garden Organic (FOGO) service for 2022/2023.

### SUMMARY

Council has previously been supportive of the concept of Food Organics and Garden Organics kerbside collection service. The drivers for such a service are touched upon in this paper.

The lack of processing infrastructure for FOGO in the region has been a barrier in progressing a regional approach to FOGO.

Dulverton Waste Management have committed to developing a FOGO processing facility on their site by late 2023. It is also understood that other regional Councils are considering committing to introducing a kerbside FOGO service.

Central Coast Council have operated a FOGO service for the last 18 months. While initially there was some resident resistance to the service it has ultimately been well received. Data from Central Coast Council has been used in reviewing the cost implications for a FOGO service.

A key learning from the Central Coast Council experience is the need for a communication and education plan in the lead up to the service implementation (six (6) months).

A review of potential cost implications for a Kerbside FOGO service has been carried. Based upon this work the additional service delivery cost would be in the order of \$40 per serviced property.

Introducing a FOGO service to our community will:

- Contribute to reducing greenhouse gas emissions.
- Support the achievement of Council's, regional and state waste diversion targets.
- Support a regional composting facility, adding value to the region.
- Prolong the life of regional landfills.
- Mitigate the impact of the planned waste levy.

It is recommended to Council that allocates funds the 2022/23 financial year to develop and fund a communication and education program (may be a regional approach) in respect to FOGO.

In the latter half of 23/23 Council to consider its formal position on introducing FOGO, in preparation for the development of the 23/24 budget. And should Council support the service, progress actions as noted in this paper.

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Discussion Paper

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**BACKGROUND**

Council has investigated the implementation of a FOGO service over recent years.

Drivers for introducing the service have been discussed with Council and broadly are:

- State Waste Policy.
- Landfill levy.
- Environmental responsibility.
- Reducing the carbon footprint of our community.
- Regional development.

The previous papers to Council have explored the drivers in detail.

There have been barriers for Council in taking the leap and introducing the service.

- Cost to the community and uncertainty as to their level of acceptance.
- Availability of a cost effective processing facility.
- Our focus on addressing broader organisational sustainability

The experience of Central Coast Council in the delivery of a FOGO service and subsequent detailed review of the program has shown that the majority of their community support the service. This is not to say that there are not some who still have reservations about the service, but this situation will occur with any new service a Council delivers.

Dulverton Waste Management have committed to developing a FOGO processing facility by late 2023.

The Council is now on the path to sustainability with a clear strategy in place. Goal three (3) of the four (4) year plan is "Environmentally Responsible."

Under this Goal the objectives are:

Objective	FOGO outcomes
Minimise Council's negative impact on the Environment	Greenhouse gas reduction, demonstrating leadership.
Mitigate the impacts of Climate Change	Removal of FOGO from the waste stream reduces greenhouse gas emissions from landfilling.
Reduces Burnie's waste stream to landfill	Based on 2253 t diversion (13,000 tonne to landfill) 17 % reduction.
Support our community to protect and improve our environment	Residents have a direct impact through choosing to separate FOGO. Processed FOGO can be used by the community to enhance soils and gardens.

It is suggested that the justification for introducing a FOGO service has been well discussed and does not need to be further debated, rather the key decisions to be made are around the nature of service delivery, planning for implementation and finalising cost implications



## Discussion Paper

**DISCUSSION**

There are two possible service delivery models for FOGO :

*In house*

- Kerbside waste and FOGO collected fortnightly (week about).
- Collection via the Council side loader trucks.
- FOGO deposited to the Waste Transfer Station.
- FOGO transported via truck to the processing facility.
- FOGO processed at a processing facility and converted to compost.

The FOGO service mirrors to a large extent the kerbside waste collection service and Council is well experienced, resourced and capable in delivering that service.

*External*

- FOGO collected fortnightly and transported via truck to the processing facility.
- FOGO processed at a processing facility and converted to compost.

In this approach the FOGO service mirrors to a large extent the kerbside recycling collection service delivered by a contractor on behalf of Council.

**Cost Implications**

Council has previously received information as to potential costs associated with the FOGO service.

The paper **attached** provided an update on potential cost implications, drawing upon recent information from Dulverton Waste Management and the Cradle Coast Waste management Group

A noted in the paper the cost implications are grouped as follows:

*Project planning and associated works (prior to service implementation) .*

Item	Cost	Timing	Cap Ex / Op Ex	Comment
Education and Information program	\$30,000	22/23	Op ex	
Project management (implementation plan)	\$20,000	22/23	Op ex	
FOGO bin rollout	\$420,900	23/24	Cap ex	Amortise cost over 10 years. Recover via service charge.
Waste transfer Station modifications	\$400,000	23/24	Cap ex	Site changes to support FOGO management.
	\$870,900			

## Discussion Paper

*Implementation and service delivery 2023/2024 financial year*

The cost paper attached details the cost implications of the two service delivery options and considers two FOGO generation models.

The outputs for the cost modelling were as follows:

Scenario	Cost per Tenement- council delivered	Cost per Tenement- contractor delivered
1	\$39.02	\$46.22
2	\$37.73	\$41.84

Annual additional cost implications

Scenario	Tenement	Service cost – Council delivered	Service cost - contractor delivered
1	8418	\$328,470	\$389,080
2	8418	\$317,611	\$352,209

These figures do not include any provision for the avoidance of paying the landfill levy.

The landfill levy avoided under the two FOGO generation scenarios would be as follows

Scenario	FOGO from waste stream	\$20	\$40	\$60
1	2253	\$45,060	\$90,120	\$135,180
2	3090	\$61,800	\$123,600	\$185,400

A Council delivered service would have a marginally lower cost implication of an externally delivered services.

While overtime there is benefit to the community avoiding the landfill levy, the delivery of a FOGO service will have a net cost impact on the community.

Cost though is only one of the drivers for introducing a FOGO service.

**Risk Management**

As part of the project planning for the implementation of a FOGO service a detailed risk assessment will be prepared and appropriate mitigation strategies developed.

Aside from operational matters associated with service planning, implementation, coordination with key stakeholders and service delivery key risks will include:

- Community acceptance in regard to the service and cost implications.
- Fortnightly waste and concerns with bin capacity, waste odours and the like.
- The Dulverton Waste Management FOGO facility being operational to coincide with service implementation.
- Contamination and poor disposal practices by users.
- Service delivery cost escalation.

**Discussion Paper**

A robust communication and education strategy will aid in managing much the community focussed risks.

The work undertaken by the Central Coast Council over the past year or so in respect to communication and education in respect to their FOGO service would be a valuable resource to draw upon in that regard.

**Project Timelines**

There is a significant body of work that will need to occur to plan for and implement a FOGO collection service. Key timelines are noted below:

<b>Project Element</b>	<b>Timing</b>	<b>Comment</b>
Council briefing on FOGO cost implications	April 2022	
Budget allocation in preparation for FOGO	June 2022	
Council decided whether to commit to FOGO introduction in 23/24	Latter half of 2022	Allows for inclusion in FMS
Develop an implementation plan and progress preparatory actions.	January 2023 to June 2023	Detailed plan to be developed.
Commencement of FOGO service.	October 2023	



## REPORT FOR CRADLE COAST WASTE MANAGEMENT GROUP

**SUBJECT:** MSW and FOGO Pricing Projection  
**AUTHOR:** Jenna Westwood, Administration Officer (Finance)  
**APPROVED BY:** Mat Greskie, Chief Executive Officer  
**DATE:** 25<sup>th</sup> March, 2022  
**ATTACHMENTS:** MRA Report – FOGO Waste Projection Model (pgs 5-19)

### 1. BACKGROUND

Cradle Coast Waste Services (CCWS), on behalf of the Cradle Coast Waste Management Group (CCWMG), engaged MRA Consulting to undertake a review of the Municipal Solid Waste (MSW) composition, in order to forecast volumes associated with the introduction of a regional Food Organic Garden Organic (FOGO) collection program.

MRA compared two different composition scenarios; one based on data from the 2018 Landfill Composition Audit, conducted by Dulverton Waste Management (DWM), and one based on data from the 2022 Residual MSW Composition Audits conducted by MRA. For the purposes of this comparison, the compositional data from the latter has been used.

MRA determined an upper and a lower bounds of FOGO yield for the Cradle Coast region, based on a calculation of our composition percentages and yields from other regions similar to the Cradle Coast. Their calculation resulted in a lower yield of 62% and an upper yield of 85%. These percentages are used in the comparison in order to simulate what yield might be when a FOGO service is first introduced, compared with a highly functioning, established FOGO service.

By applying the composition percentages to present volumes of kerbside MSW, MRA have projected the anticipated reduction in landfill waste, and the projected FOGO volumes disposed via a kerbside service.

Based on the analysis completed by MRA, the projected changes to MSW volumes and FOGO volumes for each council are summarised in Table 1.

Data presented has the following assumptions applied:

- The pre-FOGO landfill volume used is the total kerbside portion of MSW for the 2020/21 year for each council, and does not include volumes of other landfill waste.
- Unless otherwise indicated, the modelled participation rate is assumed to be 100% of the total number of active recyclables tenements as at 30 November 2021.
- Circular Head Council's FOGO volume is a calculation based on the kg per household of Waratah-Wynyard Council, due to similarities in the remoteness of some residents without a recycling service.

- Projected volumes for residual MSW and FOGO are derived from the 2022 Residual Waste MSW Composition Audit (Tables 14 and 15 from the attached MRA report).
- Residual MSW is defined as being the volume remaining after the diversion of FOGO.
- Due to Central Coast Council already having a FOGO service in place, the actual tonnes per annum without a projected upper and lower yield have been used, and the landfill tonnes specified already have the landfill volume reduction effected.
- Unless otherwise indicated, prices stated are at present value and exclusive of GST.
- Allowance has not been made for potential population growth or rises or falls in waste generation through other means.

**Table 1 – Projection of disposal volumes for each council based on MRA analysis (tonnes per annum).**

LOWER FOGO YIELD (62%)	Pre-FOGO MSW	Landfill Reduction	Post FOGO Residual MSW	FOGO Volume
Burnie	5,814	-2,253	3,561	4,047
Central Coast	2,245	-	2,245	3,202
Circular Head	1,398	-541	857	999
Devonport	7,757	-3,006	4,751	5,580
Kentish	945	-366	579	751
Latrobe	2,341	-907	1,434	2,132
Waratah-Wynyard	3,343	-1,295	2,048	2,389
UPPER FOGO YIELD (85%)	Pre-FOGO MSW	Landfill Reduction	Post FOGO Residual MSW	FOGO Volume
Burnie	5,814	-3,090	2,724	4,884
Central Coast	2,245	-	2,245	3,202
Circular Head	1,398	-743	655	1,201
Devonport	7,757	-4,122	3,635	6,696
Kentish	945	-502	443	887
Latrobe	2,341	-1,244	1,097	2,469
Waratah-Wynyard	3,343	-1,777	1,566	2,870

## 2. STRATEGIC DIRECTION

The vision of the CCWMG is to deliver a sustainable community in the Cradle Coast region of Tasmania by implementing strategies which minimise waste through increases in waste diversion and recovery.

The information and conclusions contained within this report support the following objectives from the 2017-2022 Action Plan:

- **Item 1:** Establish which member councils intend to participate in FOGO Tender and appoint contractor where applicable.

**3. POLICY CONSIDERATIONS**

Nil.

**4. FINANCIAL CONSIDERATIONS**

As the State-wide Waste Levy approaches \$60, the cost benefit to councils to introduce a FOGO service increases. Based on the data from MRA, the longer the service has been established prior to introduction of the levy, could mean councils have the potential to achieve yields in the upper ranges of the comparison, with the support of a strong education and promotion scheme in the region.

Factors which may influence FOGO yield can also include bin system (size and frequency of disposal), provision of caddies and compostable liners, and waste transfer station pricing.

Councils will need to consider total estimated disposal costs, based on disposal rates with their respective landfill operators.

Initial financial modelling conducted by DWM indicates the FOGO gate fee will be in the order of \$79 per tonne (present value), however this figure is heavily influenced by operating costs of the completed Dulverton Organics Transformation (DOT) facility.

Participating councils should also consider the cost to provide this service, in addition to the current kerbside service.

The preferred tenderer submitted two pricing options for bin collection rate:

- Option one: pricing based on a full participation from the region's councils
- Option two: pricing based on partial participation from councils.

Councils should note that, in addition to the bin collection rate, variable costs include bin provision, replacement and repairs, provision of caddies and liners, and wheel in/wheel out services for impaired residents.

Full details of these additional costs will be provided to councils in a full tender assessment report in the coming weeks.

Details of the submitted bin collection rate, per participating council, are detailed in Table 2, and covers services for regular dwellings on a fortnightly collection schedule for a standard 240L bin.

**Table 2 – Tendered prices by council for FOGO collection and processing.**

council	Number of tenements (as at 30 <sup>th</sup> Nov 2021)	FULL PARTICIPATION (\$ per tenement)	PARTIAL PARTICIPATION (\$ per tenement)
Burnie City	8,418	1.30	1.57
Central Coast	8,985	1.30	1.50
Circular Head	2,146	1.30	3.35
Devonport City	12,074	1.30	1.26
Kentish	1,806	1.30	3.03
Latrobe	5,744	1.30	1.75
Waratah-Wynyard	5,130	1.30	1.60

## 5. CONCLUSION

Cradle Coast Waste Services (CCWS), on behalf of the Cradle Coast Waste Management Group (CCWMG), engaged MRA Consulting to undertake a review of the Municipal Solid Waste (MSW) composition, in order to forecast volumes associated with the introduction of a regional Food Organic Garden Organic (FOGO) collection program. Using this data MRA have projected the anticipated reduction in landfill waste, and the projected FOGO volumes disposed via a kerbside service.

As the State-wide Waste Levy approaches \$60, the cost benefit to councils to introduce a FOGO service increases. Based on the data from MRA, the longer the service has been established prior to introduction of the levy, could mean councils have the potential to achieve yields in the upper ranges of the comparison, with the support of a strong education and promotion scheme in the region.

Factors which may influence FOGO yield can also include bin system (size and frequency of disposal), provision of caddies and compostable liners, and waste transfer station pricing.

Councils will need to consider total estimated disposal costs, based on disposal rates with their respective landfill operators.

Participating councils should also consider the cost to provide this service, in addition to the current kerbside service, including bin provision, replacement and repairs, provision of caddies and liners, and wheel in/wheel out services for impaired residents.

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24 March 2022

Matthew Layton  
Dulverton Waste Management  
1/17 Fenton Way  
Devonport TAS 7310

Dear Matthew,

## RE: FOGO Waste Projection Model

### 1 Introduction

This report provides the assumptions used and summarises the results of a model of projected Residual (MSW) and FOGO waste arising from the introduction of FOGO kerbside collection services across the Cradle Coast Region. The model, which provides the ability to sensitivity test the waste generation arising from each of residual (MSW) and FOGO services, is provided as a separate attachment to this report.

### 2 Method and Model Assumptions

#### 2.1 Projected Waste Growth

Historical national trends suggest that waste growth across all sectors exceeds both economic growth and population growth factors. However, for the purposes of estimating future waste growth arising from the model it is suggested that:

- The total waste generation per household is forecast as constant; and
- The total household waste generation across the region will increase as per the average regional population growth forecast.

Table 1 Waste Generation Growth Rate

Parameter	Value
Average population compound annual growth rate	As per ABS (%)
Waste generation compound annual growth rate	As per population compound annual growth rate

Insert Client Name Here / Insert Report Title Here

1



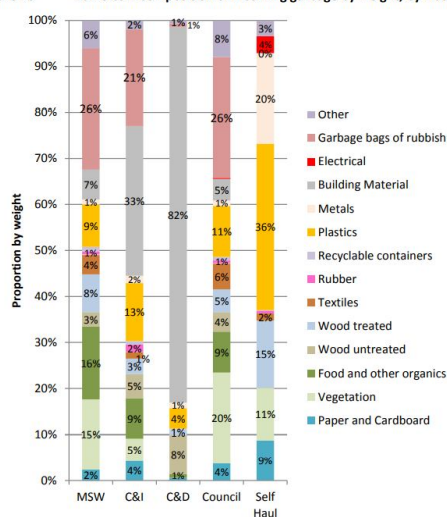


## 2.2 Baseline (2018 landfill audit) Residual Waste (MSW) Composition

Previous residual waste audits (2018 landfill audit) undertaken by DWM ascertained the following material composition (excerpt shown):

**Figure 1 Residual Waste Composition by Weight and Waste type**

Figure 26 Dulverton: composition of incoming garbage by weight, by waste type



Further analysis of the MSW composition, arising from this audit shown above, was undertaken in order to ascertain the potentially recoverable FOGO. Based on this identified the FOGO composition is estimated to be 49.8% of the residual waste (MSW) by weight, for the purposes of this modelling.

**Table 2 Baseline Residual (MSW) Composition Pre FOGO**

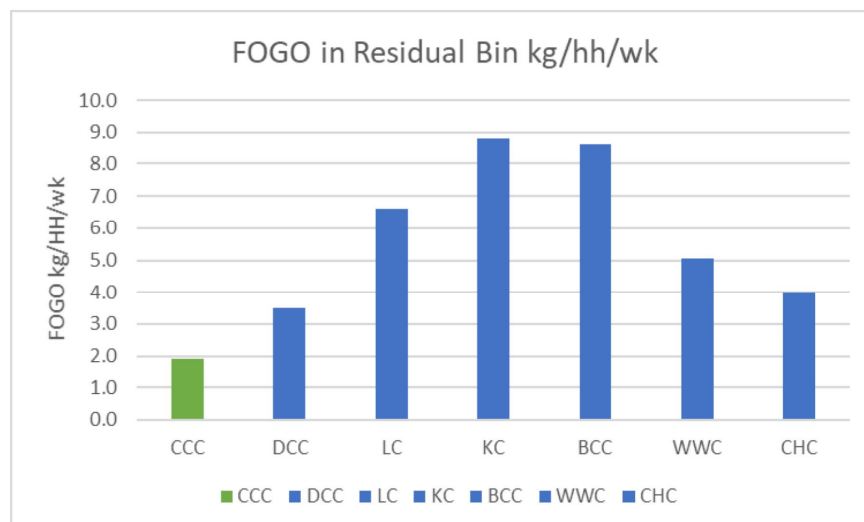
Material	Composition Percentage (by Weight)
FO & other organics	16.0%
GO	15.0%
Garbage Bags	26.0%
FO and other organics in Garbage Bag expressed as % total composition	5.2%
GO in Garbage Bags expressed as % total composition	3.6%
FO Total	26.2%
GO Total	23.6%
<b>FOGO Composition (percentage by weight)</b>	<b>49.8%</b>



### 2.3 January 2022 Audit Residual Waste (MSW) Composition

In January 2022, MRA undertook a visual inspection of MSW residual waste loads and a physical composition audit of bagged material contained within these loads. An analysis of the composition and waste generation arising from each Council illustrates that the generation of MSW residual (Kg/HH) drops significantly with the introduction of FOGO and the quantity of FOGO remaining in the MSW residual bin drops significantly as shown in the figure below.

Figure 2 FOGO in MSW Residual Bin



Households in Central Coast Council (CCC) local government area, which has FOGO, generate less than half the amount of FOGO in the residual bin compared with the average household without FOGO as shown below.

Table 3 Detailed FOGO category breakdown

Material Category	CCC	DCC	LC	KC	BCC	WWC	CHC
FO	22.2%	28.4%	21.5%	24.0%	21.0%	23.4%	24.5%
GO	1.0%	7.0%	22.8%	45.5%	34.6%	13.3%	0.4%
Other Organics	16.6%	5.7%	9.3%	0.9%	9.3%	13.5%	5.3%
<b>Total Organic Composition</b>	<b>39.7%</b>	<b>41.1%</b>	<b>53.6%</b>	<b>70.4%</b>	<b>64.9%</b>	<b>50.3%</b>	<b>30.2%</b>
<b>Residual Waste kg/HH/wk</b>	<b>4.81</b>	8.56	12.35	12.53	13.28	10.06	13.28
<b>FOGO in Residual waste kg/HH/wk</b>	<b>1.91</b>	3.5	6.6	8.8	8.6	5.1	4.0

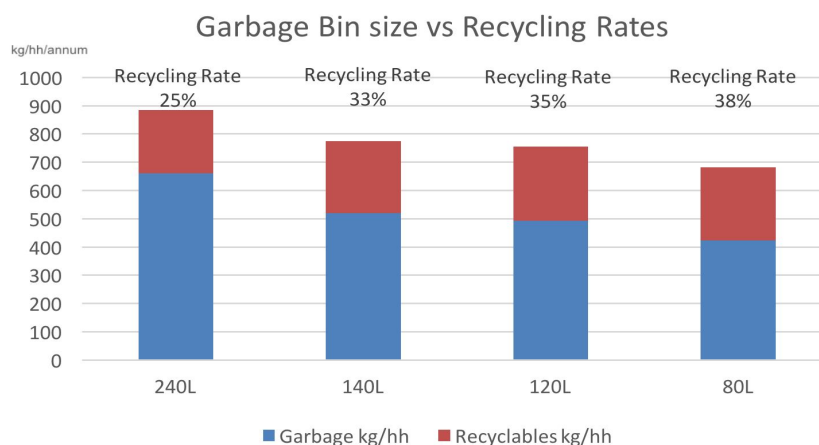


Aside from the impact of introducing a FOGO service other key factor that contributes to lower residual waste generation which may impact variability in household generation include:

- Geographic proximity of population centres to and cost of access to public transfer stations;
- Demographic factors such as:
  - Density and dwelling type (Single User Dwellings and Multi Unit Dwellings) and the mix thereof across a municipality;
  - Average household population; and
  - Household income and other socio economic factors driving household consumption and waste generation.
- Specifically, as it relates to Garden Organics, climatic conditions and impact on vegetation growth; and
- The residual (garbage) bin size.

Research<sup>1</sup> of the impact on household waste generation across all Victorian Councils found that reducing the size of a garbage bin improved recycling rate and reduced waste generation per household.

Figure 3 Garbage bin size impact on annual waste generation and recycling rates



There would appear to be a similar correlation between the household garbage waste generation and household garbage bin size in the Cradle Coast region. That is, for all Councils where the households provide their own garbage bins (which MRA understand are typically 240L) the residual waste generation is much higher than that of the Central Coast Council which has issued residents a 120L residual waste bins.

<sup>1</sup> Victorian Local Government Annual Waste Services (VLGAWS) 2013-14, Sustainability Victoria



A comparison of the composition of audit results for the councils in the region that do and do **not** currently have a FOGO service, is shown below.

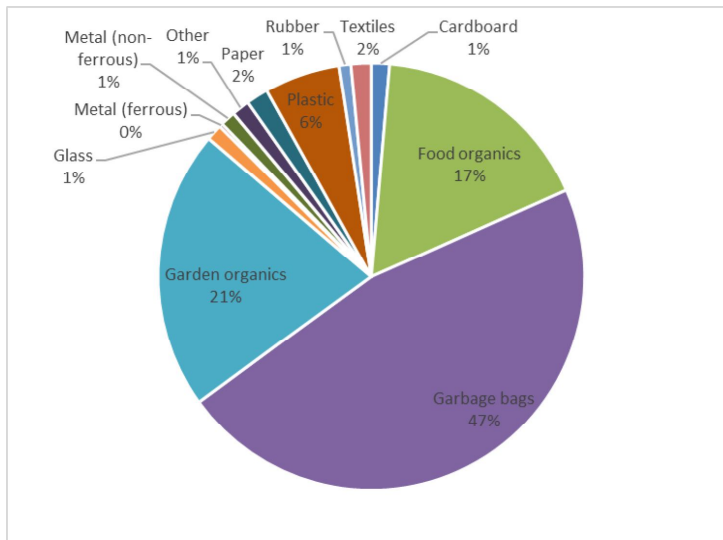
**Table 4 Visual inspection audit results comparing pre- and post-FOGO implementation Councils**

Material	Pre-FOGO Composition (%)	Post-FOGO Composition (%)	Variation
Cardboard	1%	0%	-1%
Electrical	0%	0%	0%
Food organics	17%	12%	-5%
Garbage bags	47%	71%	24%
Garden organics	21%	2%	-19%
Glass	1%	2%	1%
Masonry materials	0%	0%	0%
Metal (ferrous)	0%	1%	1%
Metal (non-ferrous)	1%	0%	-1%
Other	1%	1%	0%
Paper	2%	2%	0%
Plastic	6%	4%	-2%
Rubber	1%	1%	0%
Textiles	2%	3%	1%
Wood	0%	0%	0%



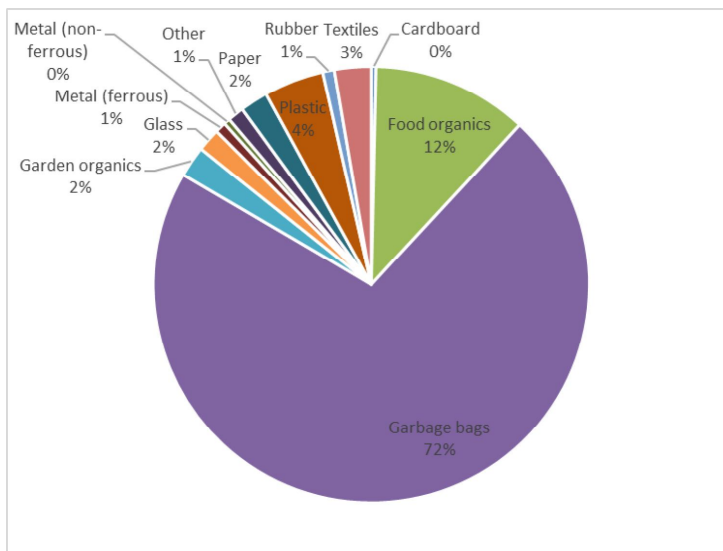
The results of the visual audits identified, for the councils in the region that do **not** currently have a FOGO service, have a waste composition is shown below.

**Figure 4 Visual estimate of composition by weight of residual waste (Council without a FOGO service)**



By comparison the results of the visual audits identified, for the council in the region (Central Coast Council) that has implemented a FOGO service, is shown below.

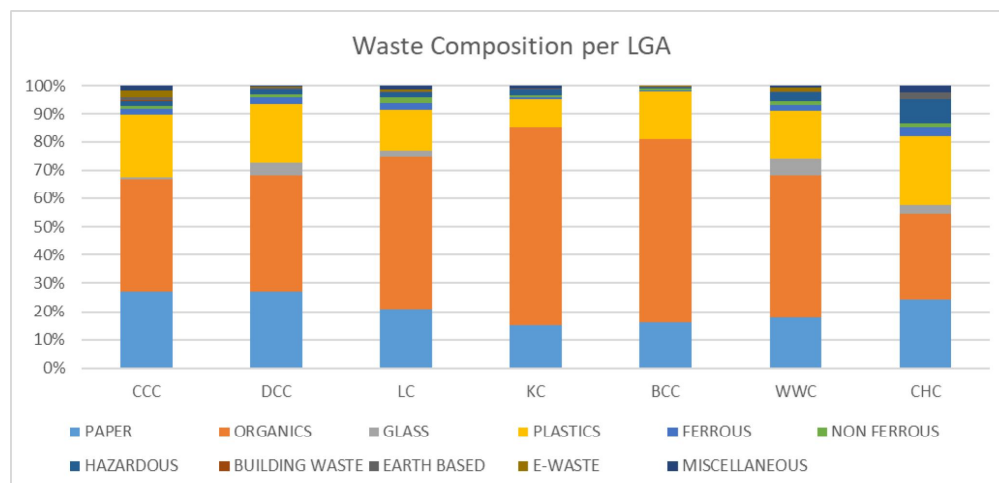
**Figure 5 Visual estimate of composition by weight of residual waste - Central Coast Council**





Further detailed compositional analysis of bagged material identified the FOGO component (Organics) of bagged materials for each of all the Councils in the region as shown below.

Figure 6 Composition of bagged residual waste



The average FOGO composition of bagged material for a Council without a FOGO service was 51.7%. The total FOGO composition by weight of residual waste (including loose GO, FO and FOGO contained within bags) for these Councils without a FOGO service was estimated to be 62.9%.

The average FOGO composition of bagged material for CCC was 39.7%. The total FOGO composition by weight of residual waste for CCC (including loose GO, FO and FOGO contained within bags) was estimated to be 40.6%.

For the purposes of comparison, the baseline (2018 landfill audit) and recent January 2022 audit FOGO Composition results are shown below, however it is important to note that the waste generation arising from CCC (with FOGO) is less than half of that of those Councils without FOGO.

In MRA's opinion, the introduction of the FOGO service and standardisation on a smaller 120L residual waste bin within Central Coast Council are **both** significantly contributing to the reduced waste generation observed.

Table 5 Baseline Residual (MSW) Composition Pre FOGO

Material	Baseline Percentage (by Weight)	2022 Councils without FOGO	2022 Council with FOGO (CCC)
<b>FOGO total composition (percentage by weight)</b>	49.8% (2018 landfill audit)	62.9%	40.6%

## 2.4 Baseline Council Residual Waste (MSW) Generation

### 2.4.1 Baseline Household Serviced

The number of households which currently (CY2021) receive a residual waste collection service is shown below, as provided by DWM. It is assumed, for the model, that each of these households will receive a FOGO kerbside collection service.



Table 6 Baseline Residual (MSW) Households Serviced

Council	Number of Households Service
Burnie City	8,418
Central Coast (FOGO in place)	8,985
Circular Head	2,146
Devonport City	12,074
Kentish	1,806
Latrobe	5,744
Waratah-Wynyard	5,130
<b>Total</b>	<b>44,303</b>

#### 2.4.2 Baseline Household Residual Waste (MSW) Collection

The quantity of residual waste collected from households which currently (CY2021) receive a residual waste collection service is shown below, as provided by DWM.

Table 7 Baseline Residual (MSW) generation

Council	Annual Residual (MSW) Collection (tonnes/annum)	Generation Residual (MSW) (Kg/hh/annum)
Burnie City	5,814	690
Central Coast (FOGO in place)	2,245	250 (FOGO in place)
Circular Head	1,398 (estimate based on Waratah Wynyard generation)	651
Devonport City	7,757	643
Kentish	945	523
Latrobe	2,341	408
Waratah-Wynyard	3,343	583
<b>Total</b>	<b>23,843</b>	<b>538</b>



## 2.5 FOGO Generation

### 2.5.1 Baseline FOGO Service

The number of households which currently (CY2021) receive a FOGO waste collection service and the quantity of FOGO collected is shown below, as provided by DWM. It is assumed that 100% of Councils in the region will participate in a FOGO service and the number of households across the region to receive a FOGO service will correspond to the number of Residual (MSW) collection services shown earlier in Section 2.4.1.

Table 8 Baseline FOGO Service

Council	Number of Households Served	Annual FOGO collection (tonnes/annum)
Burnie City	0	0
Central Coast (FOGO in place)	8,935	3,202 (or 356kg/hh/annum)
Circular Head	0	0
Devonport City	0	0
Kentish	0	0
Latrobe	0	0
Waratah-Wynyard	0	0
<b>Total</b>	<b>8,935</b>	<b>3,202</b>

### 2.5.2 Additional GO (Arising from new service)

The introduction of a new GO or FOGO collection service, results in additional material being collected from households through the kerbside system. For example, lawn clipping that may have previously been managed on the household's property or taken to a Council Transfer Station would now be placed in the kerbside GO or FOGO bin.

The model assumes that the additional GO yield will be aligned with the same assumptions used in modelling previously published by Sustainability Victoria (2017)<sup>2</sup> for regional implementation of a GO or FOGO service.

<sup>2</sup> <https://assets.sustainability.vic.gov.au/susvic/Report-Optimising-kerbside-collection-systems-Supporting-Evidence-and-analysis-2017.docx>





Table 9 Additional GO Generation

Council	Additional GO Yield (kg/Household/week)
Burnie City	4.1 kg
Central Coast (FOGO in place)	N/A Service already introduced
Circular Head	4.1 kg
Devonport City	4.1 kg
Kentish	4.1 kg
Latrobe	4.1 kg
Waratah-Wynyard	4.1 kg

### 2.5.3 FOGO yield (from Residual MSW)

The yield of FOGO from the residual (MSW) household bin will be dependent on a range of factors which will influence the performance of the FOGO systems. For example, adequacy of the household education provided, bin system (size and collection frequency of residual and FOGO bins), provision of caddies and compostable liners. For the purposes of modelling, an upper and lower threshold have been modelled to illustrate the impact on FOGO yield based on an average (or newly introduced) system and an established, well performing system. The FOGO yield has been broken into two components, being the FO yield and the GO yield which are modelled separately, as shown below.

Table 10 FOGO Yield from Residual Bin

FOGO Yield description	Yield Rate
FO Upper Yield Threshold	75.0%
FO Lower Yield Threshold	45.0%
GO Upper Yield Threshold	95.0%
GO Lower Yield Threshold	80.0%
Net FOGO Yield Upper Threshold	84.5%
Net FOGO Yield Lower Threshold	61.6%

## 2.6 FOGO Contamination vs Investment in Education

A correlation has been observed between expenditure on education and behaviour change programs and the amount of contamination present in kerbside recycling and FOGO bins. Similarly the amount invested in education by councils (per household) has also been used and used as measure of the likely effectiveness of education programs to reduce contamination in both the Recycling and FOGO kerbside bins.

A case study of the regional implementation of a FOGO service by councils participating in the Halve Waste program that utilise the Albury landfill is provided below.



Table 11 Halve Waste Contamination vs Education

Parameter	Value
Halve Waste kerbside services education budget	\$380,000-\$400,000/year
FOGO kerbside education budget (component)	Unknown
Total number of Councils in region	6
Total number of households in region	70,200 comprising: <ul style="list-style-type: none"> <li>• Wodonga (17,500 HH),</li> <li>• Albury (25,000 HH),</li> <li>• Indigo (7,000 HH),</li> <li>• Federation (9,000 HH),</li> <li>• Greater Hume (4,500 HH) and</li> <li>• Alpine Shire (7,200 HH).</li> </ul>
Number of Councils with FOGO bin services in region	3 comprising: <ul style="list-style-type: none"> <li>• Wodonga</li> <li>• Albury</li> <li>• Indigo</li> </ul>
Number of households with FOGO services in region	Estimated at 49,500 HH
FOGO contamination rate	<0.5% by weight
Education spend per household per year (Average for all councils)	\$5.70

### 3 Model Results and Conclusions

#### 3.1 FOGO Waste Arising

Based on the current (2021) waste generation, the modelled materials flows arising from the introduction of FOGO, using the lower FOGO yield, are given below (Table 12).



Table 12 Modelled FOGO Kerbside Collection Service (Lower FOGO Yield)

Council	MSW (tonnes/year)	Change in MSW (tonnes/year)	FOGO Collection (tonnes/year)
Burnie City	4029	-1785	3580
Central Coast (FOGO in place)	2245	0	3202
Circular Head	969	-429	887
Devonport City	5375	-2382	4956
Kentish	655	-290	675
Latrobe	1622	-719	1943
Waratah-Wynyard	2317	-1026	2120
<b>Total</b>	<b>17212</b>	<b>-6631</b>	<b>17363</b>
<b><u>Net Kerbside Collection Mass Increase (tonnes/year)</u></b>			<b><u>10732</u></b>

Based on the current (2021) waste generation, the modelled materials flows arising from the introduction of FOGO, using the upper FOGO yield, are given below (Table 13).

Table 13 Modelled FOGO Kerbside Collection Service (Upper FOGO Yield)

Council	MSW (tonnes/year)	Change in MSW (tonnes/year)	FOGO Collection (tonnes/year)
Burnie City	3366	-2448	4243
Central Coast (FOGO in place)	2245	0	3202
Circular Head	810	-589	1046
Devonport City	4491	-3266	5840
Kentish	547	-398	783
Latrobe	1355	-986	2210
Waratah-Wynyard	1935	-1408	2501
<b>Total</b>	<b>14749</b>	<b>-9095</b>	<b>19826</b>
<b><u>Net Kerbside Collection Mass Increase (tonnes/year)</u></b>			<b><u>10732</u></b>

### 3.2 FOGO Waste Arising (January 2022 Audit Results)



Based on the current (2021) waste generation and results of the January 2022 audit, the modelled materials flows arising from the introduction of FOGO, using the lower FOGO yield, are given below (Table 14).

**Table 14 Modelled FOGO Kerbside Collection Service (Lower FOGO Yield) - January 2022 audit**

Council	MSW (tonnes/year)	Change in MSW (tonnes/year)	FOGO Collection (tonnes/year)
Burnie City	3561	-2253	4047
Central Coast (FOGO in place)	2245	0	3202
Circular Head	857	-542	999
Devonport City	4751	-3006	5580
Kentish	579	-366	751
Latrobe	1434	-907	2132
Waratah-Wynyard	2048	-1295	2389
<b>Total</b>	<b>15475</b>	<b>-8369</b>	<b>19101</b>
<b><u>Net Kerbside Collection Mass Increase (tonnes/year)</u></b>			<b><u>10732</u></b>

Based on the current (2021) waste generation and results of the January 2022 Audit, the modelled materials flows arising from the introduction of FOGO, using the upper FOGO yield, are given below (Table 15).

**Table 15 Modelled FOGO Kerbside Collection Service (Upper FOGO Yield) - January 2022 audit**

Council	MSW (tonnes/year)	Change in MSW (tonnes/year)	FOGO Collection (tonnes/year)
Burnie City	2724	-3090	4884
Central Coast (FOGO in place)	2245	0	3202
Circular Head	655	-743	1201
Devonport City	3635	-4122	6696
Kentish	443	-502	887
Latrobe	1097	-1244	2469
Waratah-Wynyard	1566	-1777	2870
<b>Total</b>	<b>12366</b>	<b>-11478</b>	<b>22210</b>
<b><u>Net Kerbside Collection Mass Increase (tonnes/year)</u></b>			<b><u>10732</u></b>



### 3.1 Comparison with other FOGO Systems implemented

For comparison purposes the actual (FY2020) FOGO and Garbage Yield for similar FOGO services implemented in regional Victoria local government areas are shown below. The regional council with the closest matching service to that proposed in the Cradle Coast Region is Corangamite Shire Council.

Table 16 Regional Victorian FOGO service yield

Local government	FOGO kerbside service	FOGO Bin system	FOGO Yield (kg per HH)	Garbage Bin System	Garbage Yield (kg per HH)
Greater Shepparton City Council	Mandatory FOGO	240L fortnightly	404	240L weekly	433
Indigo Shire Council	Mandatory FOGO	240L weekly	480	140L fortnightly	228
Wodonga City Council	Mandatory FOGO	240L weekly	460	140L fortnightly	265
<b>Corangamite Shire Council</b>	<b>Mandatory FOGO</b>	<b>240L fortnightly</b>	<b>427</b>	<b>120L weekly</b>	<b>335</b>

The modelled scenario which closest matches the actual performance the most similar FOGO system implemented in regional Victoria is the projection based on a Lower FOGO Yield (62%) utilising the compositional analysis arising from the January 2022 audit results as shown below.

Table 17 Comparison with similar Victorian FOGO service

Local government	FOGO kerbside service	FOGO Bin system	FOGO Yield (kg per HH)	Garbage Bin System	Garbage Yield (kg per HH)
<b>Corangamite Shire Council</b>	<b>Mandatory FOGO</b>	<b>240L f</b>	<b>427</b>	<b>120L weekly</b>	<b>335</b>
Burnie City	Mandatory FOGO	Fortnightly	481	Weekly	423
Central Coast (FOGO in place)	Mandatory FOGO	Fortnightly	358	Weekly	250
Circular Head	Mandatory FOGO	Fortnightly	466	Weekly	399
Devonport City	Mandatory FOGO	Fortnightly	462	Weekly	394
Kentish	Mandatory FOGO	Fortnightly	416	Weekly	321
Latrobe	Mandatory FOGO	Fortnightly	371	Weekly	250
Waratah-Wynyard	Mandatory FOGO	Fortnightly	466	Weekly	399
<b>Regional Average</b>			<b>431</b>		<b>348</b>



### 3.2 Conclusions and Recommendations

As a result of the introduction of FOGO services it is anticipated that there will be a total increase in the collection mass of nearly 11,000 tonnes per year across the residual (MSW) and FOGO collection services.

Implementation of the FOGO collections service across the region is modelled to yield between 17,000 and 22,000 tonnes per year based upon CY2021 residual waste generation and existing FOGO collection services (Central Coast Council).

A comparison with similar FOGO systems implemented in Victoria suggest that most likely yield will be 19,100 tonnes of FOGO per year with a decrease of 8,370 tonnes per year of garbage disposed to landfill based upon the current population.

It is anticipated that kerbside waste generation will increase in line with ABS population rate forecasts for the region.

As a result of the introduction of FOGO services it is anticipated that there will be a reduction in Transfer Station drop off Garden Organics tonnes. Some GO material e.g., lawn clippings and smaller prunings will most likely be collected through the kerbside FOGO collections as opposed to being dropped off by residents.

The industry experience of FOGO implementation is that there is a benefit of additional yield of recyclables from the residual waste stream attributable to the increased household education.

The model results vary based on the assumption base and will most significantly alter arising from additional residual waste audit data.

#### Recommendations

1. Investigate the cost benefit to implement standardised bin colours and sizes across the region and to reduce the residual waste bin size a smaller bin, e.g. 120L as per CCC.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'David Cocks'.

David Cocks / Manager – Victoria, Tasmania  
david@mraconsulting.com.au / 0408 338 489

#### Disclaimer

This report has been prepared by MRA Consulting Group (MRA) (registered as Mike Ritchie and Associates Pty Ltd) Dulverton Waste Management. MRA (ABN 13 143 273 812) cannot accept any responsibility for any use of or reliance on the contents of this document by any third party.

#### Attachments

DWM FOGO waste flow projections 080222\_v6.xls

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**WORKS AND SERVICES****AO046-23 AWARD OF CONTRACT 2694  
BURNIE ARTS AND FUNCTION CENTRE REDEVELOPMENT  
BURNIE CULTURAL PRECINCT**

**FILE NO:** 5/6/164; 3459239  
**PREVIOUS MIN:** AO015-23

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**1.0 RECOMMENDATION:**

***“THAT Council accept the cost submission and award the contract from Vos Construction and Joinery Pty Ltd for Stage One of Contract 2694 – Burnie Arts and Function Centre Redevelopment, Burnie Cultural Precinct.”***

**2.0 EXECUTIVE SUMMARY****Purpose and Background**

Prior to the federal election, Council received election commitments from both major parties in support of this project and this provided Council with the confidence to increase the scope of work. The project has been staged to meet funding requirements and timelines while also creating practical construction stages and ensuring forward bookings for the Town Hall theatre are honoured. Construction is scheduled to commence Wednesday, 12 April, 2023.

Stage One of this project includes the new entry, the new café and adjacent amenities, the section of the Long Room, including new amenities and reception, Level 2 administration area, external cladding to the Town Hall fly tower and other works.

Council have previously, acknowledged Vos Construction and Joinery Pty Ltd (VOS) as the preferred builder for Contract 2694 – Burnie Arts and Function Centre Redevelopment, Burnie Cultural Precinct.

VOS' cost submission is for the entire project (inclusive of Stage One). This includes Zinc cladding to replace all existing degraded Hardies cement sheet.

**Key Issues**

Drawings and specifications were issued to VOS for pricing of the project on Monday, 13 February 2023 and pricing was to be submitted Monday, 6 March 2023.

VOS submitted their initial cost submission Friday, 10 March 2023. Provisional sums for the electrical works and mechanical BMS were included due to insufficient and conflicting documentation.

Final pricing was received Friday, 17 March 2023.

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Life Cycle Cost Management (quantity surveyors) were engaged by Council to complete cost estimates for various trades.

### **3.0 SUPPORTING INFORMATION**

To achieve a **Vibrant Town Centre** - the Council is committed to delivering a town centre that is clean, well maintained and attractive; ensuring that recreational and public space is activated and that entertainment and leisure events are facilitated with key partners, and that the town centre is multi-functional, well connected and lived in.

For our **Community Facilities to Support Liveability** - the Council is committed to ensuring that the building and maintenance of Council facilities aligns with Council's strategic priorities and community needs and that facilities are maximised for community benefit, are well managed and are used safely.

#### **Legal**

There are no direct legal implications or legislative requirements for Council arising from the recommendation in this report.

#### **Finance**

The Federal Government will contribute \$5 million for the first stage of this project with the remainder allocated in the 2022/23 and 2023/24 capital budgets.

#### **Relation to Council Policy**

There are no Council policies relating to this report.

#### **Discussion**

VOS conducted two site inspections for interested sub-contractors and initial interest from sub-contractors for the project was quite good. However, the complexity and scale of this project meant that some sub-contractors determined not to tender.

Burnie and north-west based companies are still well represented amongst a sub-contractor from the south of the state and one from Adelaide.

The pressure on the industry, complexity of the project and document inconsistencies reflected in some pricing. However, sub-contractors showed a good understanding of the project and made allowances where necessary. Many have indicated cost savings for future discussion.

Builder's work is a much lesser component of this project.

#### **Health and Safety**



There are no health and safety impacts resulting from this report.

**Risk**

There are no identified risks that require consideration in relation to this report.

**Environmental Sustainability**

There are no environmental sustainability impacts to be considered in this report.

**Consultation**

Relevant Council Officers have been consulted in the preparation of this report.

**Conflict Of Interest**

No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a material or general conflict of interest in relation to the matter of the report.

**COUNCIL RESOLUTION**

**Resolution number: MO059-23**

***MOVED: Cr T Aitken***

***SECONDED: Cr A Keygan***

***“THAT Council accept the cost submission and award the contract from Vos Construction and Joinery Pty Ltd for Stage One of Contract 2694 – Burnie Arts and Function Centre Redevelopment, Burnie Cultural Precinct.”***

**For:** Cr T Brumby, Cr G Simpson, Cr T Aitken, Cr K Dorsey, Cr J Grave, Cr A Keygan, Cr S Kons, Cr C Lynch, Cr D Pease.

**Against:**

***CARRIED UNANIMOUSLY***

**CORPORATE AND COMMERCIAL SERVICES****AO047-23 FINANCIAL MANAGEMENT STRATEGY 2024-2033**

FILE NO: 13/16/4  
PREVIOUS MIN:

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**1.0 RECOMMENDATION:**

***“THAT Council approve the Financial Management Strategy 2024-2033, as presented.”***

**2.0 EXECUTIVE SUMMARY****Purpose and Background**

The purpose of this report is to seek Council’s approval of the long term Financial Management Strategy (FMS) 2024-2033.

**Key Issues**

- The revised FMS delivers surpluses over the life of the Strategy; maintains the Council’s cash position; and allows for renewal of our existing assets, which are all consistent with the FMS principles.
- Given the Council is continuing its journey toward long term financial sustainability however, it does not yet provide the capacity to fund new assets above what has been determined until at least 2030, or provide for additional services that are not fully cost recovered.
- Rate increases until 2026 are based upon CPI plus a varying percentage increase to recognize that Council needs to increase its income in order to continue to provide the current level of service; provide for the renewal of the current asset base; and operate the business of the Council. After this period, the rating strategy shifts to be more in line with CPI expectations.
- If the Council do not realise these rate increases, it will not be able to sustain its current operations over the long term; cash resources will be depleted; and the Council risks running concurrent underlying deficits.
- Another method available to the Council in order to moderate rate increases is for the Council to consider strategic decisions that reduce its liabilities, albeit at this time these considerations have not been made.
- Within the FMS, the Council is maintaining its cash reserves within the required cash buffer, across 9 out of the 10 year period. This is currently underpinned by the \$10.4 million COVID-19 Concessional Loan. This buffer is required to withstand unexpected events and to support increasing disaster recovery requirements.

- Cash reserves in 2023-24 are reduced as Council funds will be required to be spent to construct major projects ahead of funding being received from Government.
- Council are expecting \$27.75 million in cash funds to be received for major projects in 2023-24. With our reduced cash reserves in 2023-24, these capital projects cannot proceed without the timely receipt of these external funds from Government sources.
- It's not until after 2030, when the \$10.4m COVID-19 Concessional Loan is paid out, that Council can accumulate appropriate cash reserves – currently the cost of the Council's loans equate to a repayment of \$1.3 million dollars each year.
- In 2030 following the payout of the COVID-19 Concessional Loan and the accumulation of cash reserves, Council will then be in a position to consider strategic infrastructure or other investments for the community.
- No new borrowings have been included in the FMS.
- The Council's ability to borrow funds is very limited, due to our current capacity to repay the loan operationally. Borrowing funds would require rates to be increased in excess of those increases included in the FMS, to cover repayment requirements.
- Depreciation to fund community assets remains a significant concern for the long term sustainability of the Council. Depreciation over the next several years will increase significantly due to the new assets being constructed such as the Cultural Centre, Coastal Pathway and various flood recovery works.

### 3.0 SUPPORTING INFORMATION

#### Strategic Alignment

This report aligns with the Key Enabler of *Financial Management* under the Council's Plan 2022-2025.

#### Legal

Sections 70 of the *Local Government Act 1993* requires the Council to have a Long Term Financial Management Plan for at least a 10 year period.

Additionally, the Council is required to have a Financial Management Strategy that prescribes as a minimum, the requirements under section 70A of the Act.

Council has one FMS document that currently provides for both purposes and therefore meets the Council's legislative obligations.

#### Finance

The FMS presented adheres to the long term financial management strategies of the Council. The principles contained within the document are being met to varying degrees, most notably the Council has aspirations to achieve more robust performance in:

- Maintaining community wealth to ensure that the wealth enjoyed by today's generation may also be enjoyed by tomorrow's generation.
- Ensuring the financial position will be robust enough to recover from unanticipated events, and absorb the volatility inherent in revenues and expenditures.

While there are underlying surpluses predicted over the full 10 year period of the FMS, it should be noted that those in the short to mid-term are far from sufficient to elevate Council's financial performance to enable a greater range of Council services and infrastructure to be delivered over and above current provisions.

### **Relation to Council Policy**

The Council Plan 2022-2025 and the Council's Treasury Management Policy are related to this matter.

### **Discussion**

The FMS is the key funding document for Council. It ensures that there will be sufficient funding to continue its service delivery, capital works program and operations of the Council over the long term, to the appropriate standard.

The draft FMS presented has been revised using a range of assumptions about the future, however no one can accurately predict the future and therefore it is expected that variations will naturally occur.

Details of these potential variations are captured in the Financial Risk Register within the Financial Management Strategy 2024-2033 document **attached**. The impact of these variations on the Council's financial performance is calculated through sensitivity analysis (how a change in one variable / input affects another).

The financial principles of the FMS include delivering surplus budgets with an emphasis on improving our financial position and setting an appropriate pathway for financial sustainability for our community, over the long term.

The starting point for any FMS is to predict the financial outcome if the same services and assets were delivered over the life of the Strategy for the betterment of the community, with CPI as the base increase in rating income generated. The reality of the present situation however is that the Council's finances having been eroded for over a decade, and this scenario is not viable. The scenario does not provide the necessary uplift that enables delivery of the FMS principles. In fact this scenario delivers deficit budgets across the full 10 year period.

Therefore Council needs to increase its income, and reduce its expenditure. While there are many opportunities available to the Council to consider reducing its costs through strategic decision making, this has not occurred at this time. Therefore the only alternative is to significantly increase income which is primarily derived from rates income. The FMS is therefore modelled on increases of CPI plus a percentage of varying degrees each year until 2026, which a shift to around CPI thereafter.

The cash position of the Council remains at the low to mid-range of the Tasmanian Audit Office recommended cash buffer target until around 2030, being 3 to 6 months of adequate cash cover. This is because the Council will be required to use its own cash to build the new major assets currently determined – the Cultural Centre and Coastal Pathway – until such time as grant funding is provided by Government. One of the other major impact to the Council's cash constraints is the current payment of the COVID-19 Concessional Loan until 2030.

The capital program has been modelled based only on the new major projects that the Council has formally resolved at this time, it does not include future decisions. The program is based on all renewal (depreciation) funding being used to fund work to existing assets with the exception of the two major projects underway being the Coastal Pathway and the Cultural Centre. Equally, this is true for operational expenditure, no allowance has been made for future decisions.

To this end, the Council will need to carefully consider the financial impact of any new motions or decisions taken, against: affordability for the short to long term; on capital budgets and cash reserves; the impact to its community such as by way of increased rates and charges; and the lifecycle costs of decisions made where Council assets are concerned.

Depreciation remains a significant concern for the Burnie City Council, with a large asset base, elevated depreciation, and the exacerbation of this in future year by the building of three new assets, the Coastal Pathway, Cultural Centre and the UTAS Band Rooms that will eventually be handed to Council. The depreciation for these three new assets has been included in the FMS, no other new infrastructure works are catered for.

On the basis of these assumptions Council is forecasting to have a surplus financial positions to varying degrees across the 10 years of the Strategy.

### **Health and Safety**

There are no health and safety impacts resulting from this report.

### **Risk**

Please refer to the Financial Risk Register included in the FMS.

### **Environmental Sustainability**

There are no environmental sustainability impacts to be considered in this report.

### **Consultation**

Relevant Council officers have been consulted in the development of the FMS.

The FMS principles and methodology were discussed at the Audit Panel meeting of 8 February 2023 and the Panel were satisfied with the methodology presented by officers.

The FMS principles were then discussed with councilors at the Council Workshop held on 14 March 2023. No changes to the current FMS methodology were requested and as such this document is consistent with Council's current financial methodologies outlined in previous FMS documents.

### Conflict Of Interest

No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a material or general conflict of interest in relation to the matter of the report.

### 4.0 DETAIL

For further detail please refer to the Financial Management Strategy 2024-2033, as attached.

### ATTACHMENTS

1. [Draft Financial Management Strategy 2024-2033](#)

### COUNCIL RESOLUTION

**Resolution number: MO060-23**

**MOVED:** Cr C Lynch

**SECONDED:** Cr G Simpson

***"THAT Council approve the Financial Management Strategy 2024-2033, as presented."***

*The motion was not put due to the following procedural motion*

**MOVED:** Cr D Pease

**SECONDED:** Cr A Keygan

***"THAT the matter be deferred."***

**For:** Cr T Brumby, Cr G Simpson, Cr T Aitken, Cr K Dorsey, Cr J Grave, Cr A Keygan, Cr S Kons, Cr C Lynch, Cr D Pease.

**Against:**

**CARRIED UNANIMOUSLY**



March 2023

# FINANCIAL MANAGEMENT STRATEGY

2024 - 2033

The Financial Management Strategy 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.

**Burnie City Council**  
80 Wilson Street Burnie, TASMANIA



 <b>BURNIE</b> CITY COUNCIL	<b>Financial Management Strategy 2024-2033 (DRAFT)</b>	
Approved By:	Council	Document Code: <b>CD-CBS-FIN-001</b>
Doc Controller:	Director Corporate and Commercial Services	Version: <b>11.0</b> File: 13/16/4 Approved: <b>TBD</b> Date: Next Review: <b>TBD</b> Date:

Document Endorsement	
Responsibility:	<p>The Council have responsibility to ensure that financial decisions are made in accordance with this Strategy once adopted.</p> <p>The General Manager has overall accountability for implementing the Strategy.</p> <p>It is the responsibility of the Director Corporate and Commercial Services to operationalise the Strategy and to review the Strategy with Council periodically.</p>
Legislative Reference:	<p>This document is designed to meet the following provisions of the <i>Local Government Act 1993</i>:</p> <p>Section 70 – Long Term Financial Management Plan</p> <p>Section 70A – Financial Management Strategy</p>
Document Approval:	<b>TBD</b>
Previous Documents:	<p>This document replaces the previous Financial Management Strategy which was approved by the Council on 28 June 2022, as part of decision AO117-22.</p>
Publication of Strategy:	<p>Members of the public may access this strategy on Council's website (<a href="http://www.burnie.tas.gov.au">www.burnie.tas.gov.au</a>).</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 2024-2033**

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## 1 Executive Summary

The Burnie City Council's Financial Management Strategy (FMS) is a requirement under s70 and s70a of the *Local Government Act 1993*. The FMS sets out the principles Council uses when setting its financial strategy. This document provides users with information about how the Burnie City Council (the Council) intends to govern its finances both now and into the future. The FMS guides the development and refinement of the Council's strategies, annual budget and plans. Through its strategic plans Council determines priorities and makes decisions balancing rates increases, commercial revenue and user fees against the community's capacity to pay, while in turn considering the impacts of continuing to deliver core services and constructing and maintaining community assets. Burnie is a regional centre and Council provides a broad range of services that rival much larger jurisdictions, and as such rates in Burnie are typically higher than surrounding Councils.

Council's cash position has been eroded over a number of years due to previous financial strategies that saw Council run operating deficits over several years and more recently the impacts of the COVID-19 pandemic. In June 2020 Council borrowed \$10.4 million to support its operations due to insufficient cash reserves at that time. Since then, Council has modified its financial strategies, instead working hard to improve its financial performance and cash position, through reducing expenditure, evaluating income streams and setting expectations of having surplus budget position each year.

Council's position however will not be repaired in the short term, it will take many years for the Council to start to realise financial sustainability for the future. Having adequate cash reserves is vital for responding to unexpected events, such as the substantial road damage caused by floods in October 2022, and is imperative to long term financial sustainability. A strong financial position paves the way for strategic infrastructure decisions and continued service provision for the community into the future.

Council continues to review its operations to improve our financial performance, evidenced by the significant decisions made to the delivery of discretionary services and the organisational structure of the Council, which have provided an improvement to the Council's financial position. More must be done however to achieve financial sustainability for the future and there is now limited opportunities to provide savings from an operational perspective.

Council will need to determine its strategic priorities and critically evaluate other potential means of directing limited funding to core services and activities. This may include limited options for further strategic savings options, for example rationalisation of Council's assets which is recommended as a priority action for the Council to implement. Without these savings, the Council needs to generate significant additional income in order to achieve its FMS principles and rebuild its cash reserves. As the majority of Council's income is generated from rates, the only real driver the Council has to achieve this is by increasing rates income.

Increases of CPI over the life of the FMS do not accord with the FMS principles set by the Council. In fact increasing rates income by CPI over the forecast period produces deficit budgets across the full 10 year period of the FMS. Subsequently the FMS reflects that rate increases will need to be CPI plus a percentage factor per year until 2026, then reverting to expected CPI. Council has limited capacity to borrow funds, due to existing loan commitments, which will limit Council's ability to significantly upgrade or build new community assets, until cash reserves increase (expected after 2030 when the existing loan is fully repaid).

The FMS provides a foundation for restored financial sustainability now and into the future, with projected surplus budgets of varying degrees, over the 10 year period of the Strategy, but this can only be achieved with discipline and strong and effective governance.

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**Burnie City Council****Financial Management Strategy 2024-2033**

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During the FMS horizon, Council looks forward to delivering the following key projects:

- New Coastal Pathway
- New Cultural Precinct
- New UTAS Band Rooms (once transferred to Council)
- Implementing gateway markers at three entrances to Burnie
- Upgrade of Three Mile Line intersection
- Restoring flood damaged roads
- Implementing flood warning systems for Emu River

These strategic projects, predominantly government funded, demonstrate Council's commitment to having functional and safe roads, improving our ability to respond to potential disasters while enhancing recreation, arts, culture and creativity for our City.

The projections contained in the financial modelling and which are based upon evidence based assumptions, produce the following outcomes:

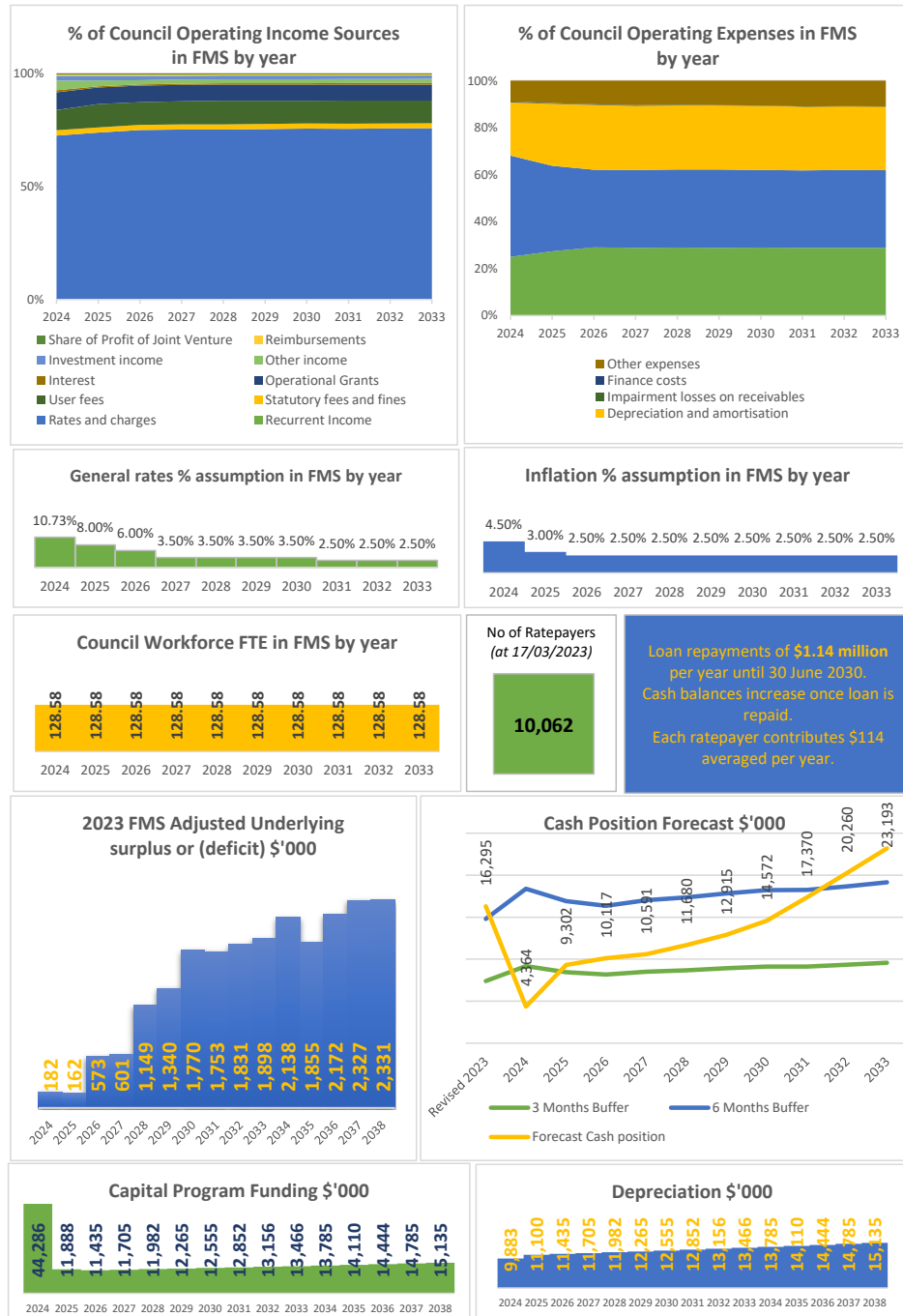
- The need to increase rates income at varying percentages above CPI until 2026, thereafter reverting to expected CPI indexation.
- Surpluses predicted at varying degrees, over the full year 10 year period of the FMS.
- Council's cash reserves will be maintained and then increase more substantially after 2030 (following the discharge of existing loan borrowings).
- Council will have increased capacity to respond to unexpected events and disasters than it has had in the past, due to increased cash reserves, but will still rely on significant government contributions to respond appropriately. Any use of the cash buffer reduces the balance by that amount across all of the future FMS years.
- Council will continue to have the necessary funds to deliver its existing services and pay its debts when they fall due. Any future increase in service levels will require additional resources and funds and is therefore likely to increase rates.
- Council will have the necessary funds available for the projected capital expenditure requirements over the next 10 years.
- With the cash reserves starting to accumulate once more in 2030, Council will be in a position to consider new and upgraded strategic infrastructure, provided it fully understands and accounts for the life cycle costs of new assets which impact the annual operating result.

This Strategy is based best available assumptions and nobody can predict the future. Therefore it is expected that this Strategy will guide financial decision making, however our success will be dependent upon the Council's capacity to implement it. Council will therefore follow the principles contained within this FMS when setting its Annual Plan and Budget Estimates for the organisation so as to ensure a strong financial future for the City of Burnie and its community.

## Burnie City Council

## Financial Management Strategy 2024-2033

## 1.1 Financial Management Strategy Insights



## 1.2 Alignment with Council Strategy

Council's strategic planning framework guides Council in identifying community needs and aspirations over the long term (Our Vision), medium term (Council Plan – 4 years) and short term (Annual Plan and Budget Estimates). The Council monitors its performance during the year through its reporting framework and is measured on the success of this strategy through the Audited Financial Statements and Annual Report.

Council is currently in the process of developing a new Strategic Plan for the next 20 year period. This Plan is being co-created with the Burnie community to ensure that it aligns with the community's expectations for their City during the period, moderated against the Council's capacity to deliver on the necessary outcomes.

The FMS is the key funding document for Council. It ensures that Council can fund its existing operations, maintain and renew its existing community assets and in time consider future infrastructure needs identified in Council's long term asset management plans. It is therefore one of the primary inputs into the development of Council's Annual Plan and Budget Estimates.

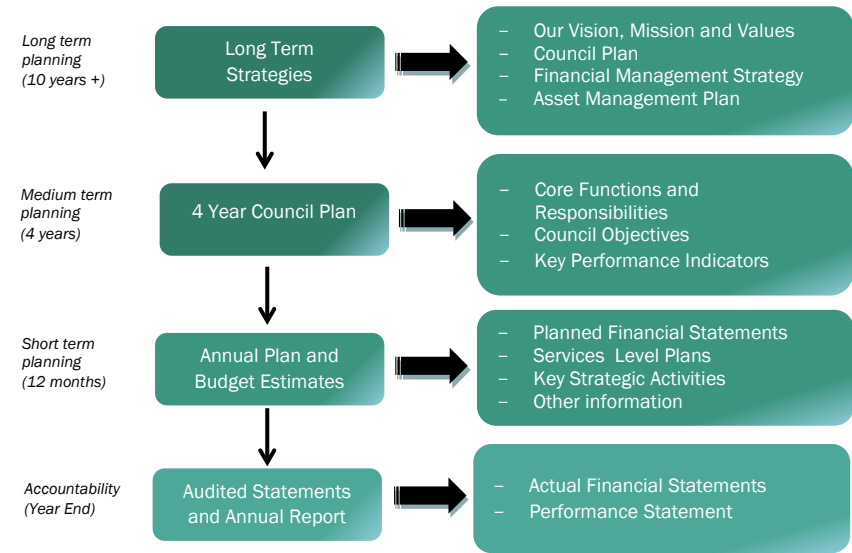
Council make a number of assumptions about the future within the FMS. It is expected that actual performance will differ from planned performance, due to uncertainty, risk and change. Comparing Council performance against the FMS allows Council to identify when corrective actions are required to ensure that financial objectives identified within this strategy can still be achieved.

Council documents key aspects of its service that are subject to significant change and variation, which subsequently create a risk for the delivery of its desired outcomes, in its Financial Risk Register (see *Risk Management*).

Council provides sensitivity analysis (see *Sensitivity Analysis*) information that allows users of the FMS to calculate how changes in financial items may impact the financial performance and position of the Council.

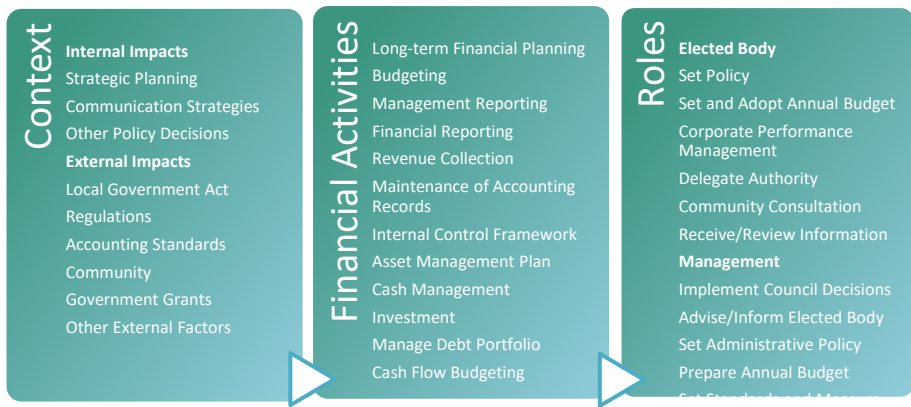
These assumptions form the basis of key performance indicators, which allow Council to monitor how it is tracking against its planned financial performance over the long term (see *Financial Targets and Financial Management Strategy Insights*).

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



1.3 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 the Council.



## 2 Financial Principles

The Council sets its FMS by considering and balancing the following principles:

**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 to deliver upon its FMS, 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 that 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 at times 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 resources 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.



### 3 Financial Management Strategies

#### 3.1 Rating Strategy

Council has set its rating strategy balancing the following factors:-

- The current financial performance of the Council and the desire to move towards financial sustainability for the future
- The quality, frequency and range of services provided by the Council
- The capital works program, centred around renewal of existing assets but considering future needs such as potential upgrade and new works, including the corresponding full life cycle costs
- The predicted amount of Commonwealth and State funding to be received, based on executed agreements
- User-pays policies, recovering revenue through the use of council services and assets on a commercial or cost-recovery basis, or community subsidised basis where determined
- The socio-economic profile of the municipal area as an indicator of our communities capacity to afford increases
- The current and predicted future economic environment and its implications for the Council's revenue streams and expenditure growth

Rates revenue comprises 73% (in 2024) of total revenue received by the Council. Therefore this is one of the most important considerations the Council makes, in order to ensure it can operate sustainably both now and into the future.

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.

Burnie is a regional centre and Council provide a broad range of services which rival larger cities such as Hobart and Launceston, such as an airport, Cultural Centre and Aquatic Centre. This is challenging for our City as our ratepayer base is considerably smaller than those larger cities meaning that costs are not shared across as many ratable properties. As such, rates in Burnie are typically higher than the state average.

Council's rates strategy within this life of this FMS is based upon CPI in addition to a percentage increase of varying degrees until 2026 thereafter reverting to CPI indexation.

##### 3.1.1 Rating Structure

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

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

Service charges are levied to recover the cost of specific services provided 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 available on Council's website.

### 3.2 Asset Management Strategy

The key objective of Council's Asset Management Strategy is to hold assets that the community value and use, that also generate income where possible (to reduce the rates burden).

Assets that do not meet this criteria may be sold with proceeds either being reinvested in assets that do meet this criteria, or to increasing financial sustainability for our City.

As the community asset custodian, Council maintains key assets at the desired condition levels to support effective service delivery and community use. This FMS is based upon maintaining the current level of service. Should an increase in service level be required, this would add additional cost to the Council. If sufficient funding is not allocated to asset renewal annually then the condition of Council's assets will decline which may subsequently decrease Council's capacity to deliver services to the community in the future.

Council's Asset Management Policy ensures that adequate provision is made for the long-term replacement of existing 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.

Importantly the FMS is based upon the renewal of existing assets only, it does not provide for new assets with the exception of three new assets that have been determined. These are the Coastal Pathway, the new Cultural Precinct and the UTAS Band Rooms which will ultimately transfer to the community once completed.

This means that any decision taken by the Council to build any additional new assets outside of the agreed strategic Council priorities, will:

- Increase ongoing lifecycle costs of assets such as depreciation, staffing and maintenance;
- Decrease predicted surpluses and Council's cash reserves;

- Require loan borrowings which will add to inter-generational debt and add significant operational costs to service the loan payments;
- Increase asset renewal funding requirements in the long term; and
- Result in further increases to rates to support the above.

### 3.3 Treasury Strategy

Through treasury management, Council ensures there are sufficient funds to support operations and capital program requirements at all times, with surplus funds being invested in low risk term deposits to maximise returns while emphasising security of funds.

Managing financial risk is a core component of treasury management. Ensuring that Council raises and collects sufficient revenue is imperative. Interest rates are a key variable in determining the return Council is able to achieve on its investments.

Council manages the financing and funding of its operations, capital program and future needs through forward financial planning and projections included in this FMS, and the Annual Plan and Budget Estimates. Cash requirements are monitored throughout the year.

Council targets an adequate cash buffer of 3 to 6 months coverage of operating costs in line with the recommendation of the Tasmanian Audit Office. It is imperative this cash buffer is maintained as it allows Council to respond to unexpected events such as natural disasters and provides security against unforeseen circumstances such as experienced recently with the impacts of COVID-19. During this FMS the Council aims to increase its cash buffer towards having 6 months coverage. This will be achieved in 2031, after the discharge of existing loans.

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

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

More information regarding how Council manages its cash and treasury is contained in Council's Treasury Management Policy available on Council's website.

### 3.4 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 aims to maximise returns based on available interest rates, maturities and funds available to invest, while retaining flexibility in accessing those funds for Council purposes as required.

Council's FMS and Annual Plan and Budget Estimates will be used to provide direction on the amount and term of investments to be made. Council will ensure that enough funds are on hand to ensure that all its obligations can be met at any given time.

**Burnie City Council****Financial Management Strategy 2024-2033**

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Funds are invested in accordance with the approved investment portfolio, credit risk framework and within the Council's stated risk appetite for financial matters which is outlined in the Risk Management Framework.

More information regarding how Council manages its investments is contained in Council's Treasury Management Policy.

**3.5 Borrowing Strategy**

Council may borrow funds to support the development of strategic capital projects that would otherwise be unable to undertaken. Where these are provided for or need to be accounted for, they are outlined in Council's relevant strategy documents.

The Council is mindful of intergenerational equity in terms of generating revenue to offset service costs. 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).

Council aims to achieve a surplus position. This means that on average over time it will generate sufficient funds to offset the consumption of existing assets (through its depreciation expense); have sufficient capacity to accommodate asset renewal requirements; realise the strategic infrastructure needs of the community; and support the delivery of Council's strategy and services, without the need to raise additional borrowings.

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.

Any funds that are not immediately required to meet approved expenditure may be applied to reduce Council's level of borrowings or to defer and/or reduce the level of new borrowings that would otherwise be required.

The FMS does not provide for any new borrowings across the life of this Strategy.

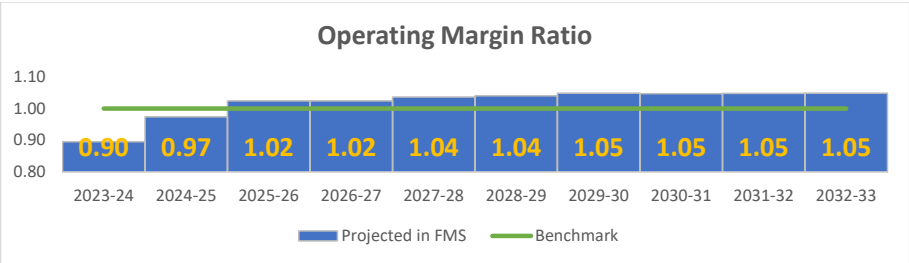
4 Financial Targets

4.1 Council Financial Management Strategy Targets

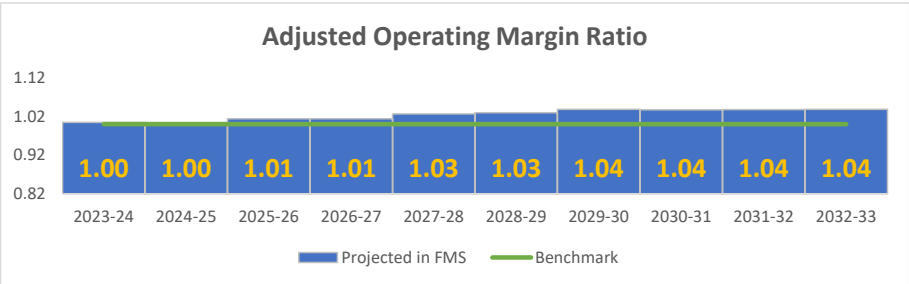
Council sets a number of targets as part of its FMS. These targets enable Council to monitor its performance and take corrective action where necessary to ensure that financial objectives are achieved.

4.1.1 Operating Margin Ratio

The operating margin measures operating effectiveness. The benchmark is 1.00 (when recurrent income equals recurrent expenditure). A result of less than 1.00 indicates a deficit. A result of more than 1.00 indicates a surplus. In 2023-24 and 2024-25 Council is showing an operating margin ratio of less than 1.00 due to the impacts of undertaking construction work on the Wynyard section of the Coastal Pathway, which will ultimately be on-charged to Waratah Wynyard Council.



The adjusted operating margin adjusts for timing (Financial Assistance Grants) and one off impacts (such as the Wynyard section of the Coastal Pathway). Council are projecting small operating surpluses over the life of the FMP. The Tasmanian Audit Office use the adjusted results when reporting on Council performance to Parliament.

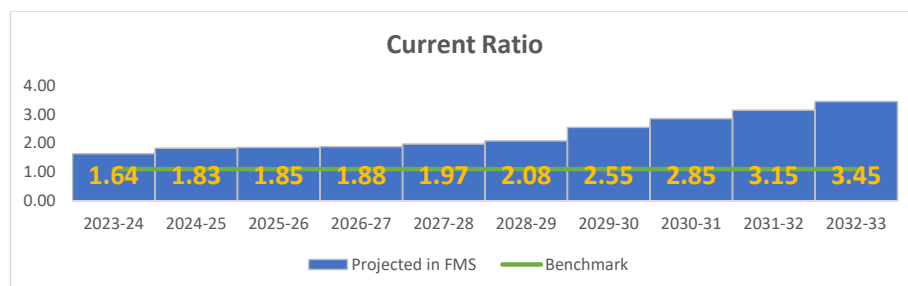


4.1.2 Current Ratio

The current ratio measures the ability of Council to pay its short term financial obligations. The benchmark is greater than 1.10 (at a minimum). A result of less than 1.00 indicates Council cannot pay its bills when they are due. A result of more than 1.00 indicates Council can pay its bills when they are due.

## Burnie City Council

## Financial Management Strategy 2024-2033

**4.2 Council Financial Management Indicators**

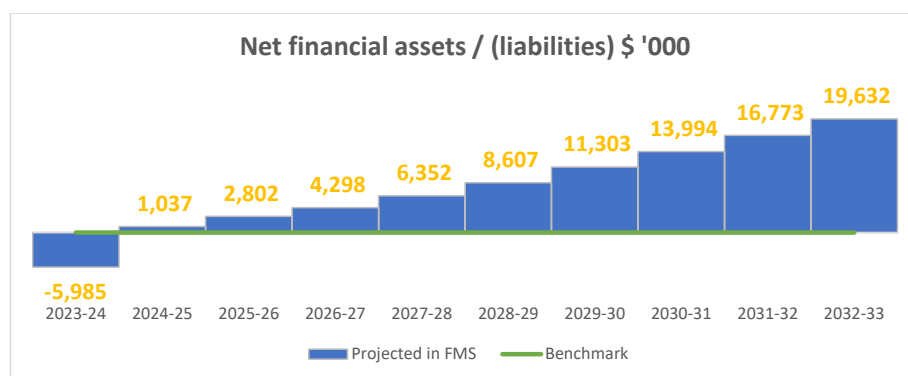
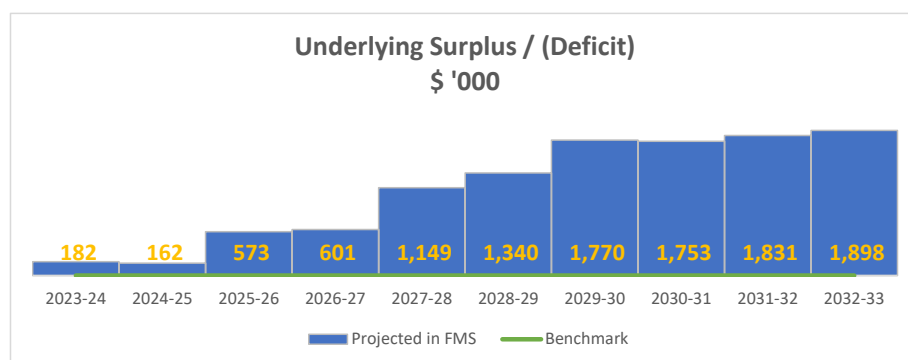
Section 84(2A) of the Local Government Act and Local Government (Management Indicators) Order (S.R.2014, No. 36) set out a number of indicators that Council must report on. The Tasmanian Audit Office has set the benchmark for each indicator.

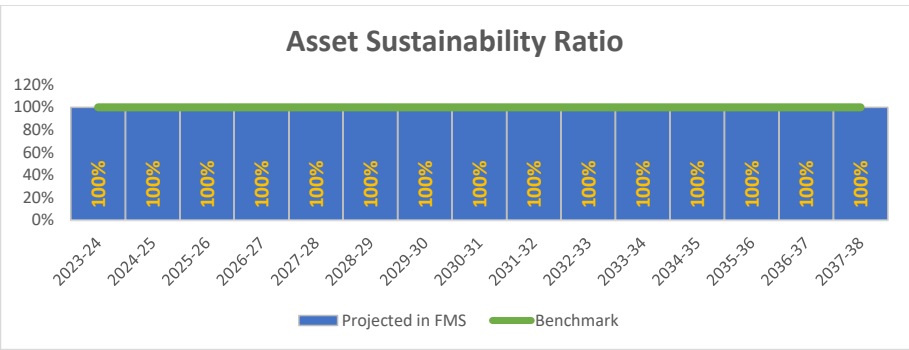
Target Measure	Description of Measure	Benchmark	Benchmark achieved in FMS
Underlying surplus / (deficit)	Revenue less expenses for the financial year. Adjusts the net result to remove one off items that are not part of council's normal day to day operations to understand how Council has performed.	>\$0	YES
Underlying surplus (deficit) ratio	A positive percentage indicates a surplus result. A negative percentage indicates a deficit result. The higher the percentage the higher the surplus.	>0%	YES
Net financial assets / (liabilities)	Measures how much liquid assets the council has left after allowing for financial liabilities.	\$0	NO Not met in 2023-24 due to capital work in advance of cash (grant funding) received (see contract assets). Met in all other years
Net financial assets / (liabilities) ratio	Measures the extent to which net liabilities can be met by operating income. A falling ratio indicates capacity to meet obligations in strengthening.	0% to (50%)	YES, within range during all FMS years
Asset consumption ratio - Buildings	Shows the average 'new' condition left in the depreciable asset class	>60%	Revision of Council Asset Management Plan is underway. This ratio therefore cannot be calculated at this time.

## Burnie City Council

## Financial Management Strategy 2024-2033

Asset consumption ratio - Transport	Shows the average 'new' condition left in the depreciable asset class	>60%	Revision of Council Asset Management Plan is underway. This ratio therefore cannot be calculated at this time.
Asset consumption ratio - Drainage	Shows the average 'new' condition left in the depreciable asset class	>60%	Revision of Council Asset Management Plan is underway. This ratio therefore cannot be calculated at this time.
Asset renewal funding ratio	Measures the capacity to fund asset replacements for the future (based on financial management and asset management long term plans)	90%-100%	Revision of Council Asset Management Plan is underway. This ratio therefore cannot be calculated at this time.
Asset sustainability ratio	Compares spending on existing infrastructure, property, plant and equipment (renewal) with depreciation.	100%	YES





5 Financial Modelling

The Financial Management Strategy includes estimated financial statements showing the long-term financial position and performance of the Burnie City Council over the next 10 years. The following statements are included:

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

A number of assumptions, documented below, are made in estimating the future performance and position of the Council. Assumptions are required due to uncertainty in the future. Actual performance may vary in the future with any variances needing to be managed within the annual budget estimates process and performance management during the financial year.

Information regarding risks and uncertainties can be found in the sections related to *Risk Management* and *Sensitivity Analysis*.

These assumptions form the basis of key performance indicators that allow Council to monitor its performance against this strategy and take action as required to deliver the projected outcomes over the 10 year period of the Financial Management Strategy.

5.1 Modelling Methodology

Following each statement are descriptions of the assumptions specifically applied to produce the FMS estimates.

Modelling is based on:

- The 2022-23 original Annual Plan and Budget Estimates, adjusted for one off items, structural changes and recent council decisions as the base for the projections.
- A review of external economic conditions and context, establishing and linking relevant indexation factors as drivers for future revenue and expenditure changes.
- Alignment with relevant Council strategic documents.



## Burnie City Council

## Financial Management Strategy 2024-2033

## 5.2 Economic Context and Indexation Factors

Council conducted a review of the current and projected economic conditions, using reputable sources.

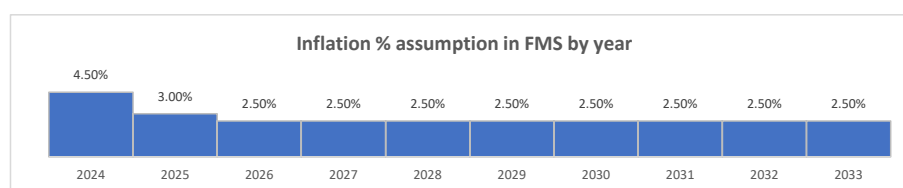
There is continued significant inflationary pressure. The annual increases in General CPI (all groups) measures to 31 December 2022 were 7.83% (Aust wide) and 7.73% (Hobart, TAS). This has continued to be underpinned by house price, construction materials and fuel price increases with wage increasing also starting to exert pressure.

Predicting inflation rates is extremely challenging and therefore Council uses the mid-range of these economist predictions. These forecasts are based on peak inflation having been reached in December 2022 with lowering inflation until a return to long run inflation of 2.5% within the RBA target inflation band.

There is a risk that Australia will enter a recession (20% – 40% chance) during 2024. There is a risk that a wage price spiral will be created where increasing inflation fuels continued wage increases, though this is currently not expected to arise and is therefore considered a low risk.

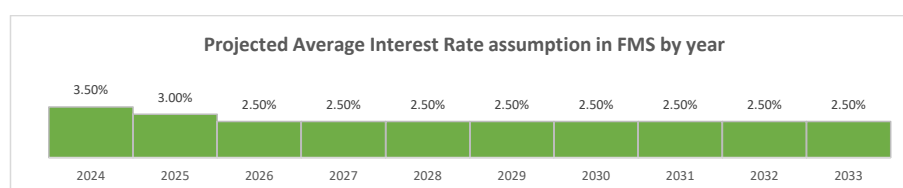
The expected impact of rising interest rates on reducing household spending is yet to flow through (approximately 6 month lag). This is expected to impact community discretionary income which will impact some council revenue sources.

Key economic indicators included in the model are



Increased costs due to inflation above predictions will result in higher deficits across the FMS horizon. Sensitivity analysis below shows the dollar impact of a 1% variation in inflation and the % increase in rates required to offset that.

		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Sensitivity Analysis</b>											
<b>Item</b>	<b>Impact of Inflation on Materials and Services</b>										
<b>Current Assumption in FMS</b>	Links to expected inflation % increase within FMP	18,807	15,362	13,704	14,278	14,581	15,013	15,233	15,661	16,099	16,445
<b>\$ impact if</b>	changes (+/-) by/	188	154	137	143	146	150	152	157	161	164
<b>% impact on rates if</b>	changes (+/-) by/	0.66%	0.51%	0.43%	0.43%	0.43%	0.42%	0.42%	0.42%	0.42%	0.42%



The average interest rate is the expected return Council will achieve on its term deposit investments, not borrowing interest rates.

## Burnie City Council

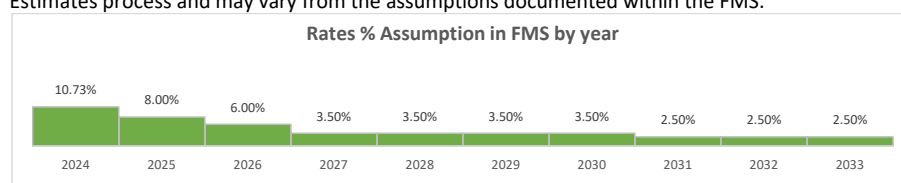
## Financial Management Strategy 2024-2033

**5.3 Statement of Comprehensive Income****5.3.1 Recurrent Income****Rates and charges**

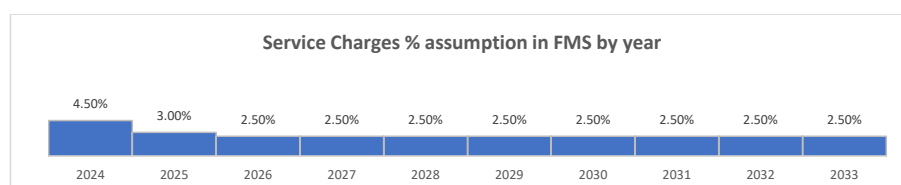
The FMS recognises that the price of delivering services to the community over time will increase, forecast in this FMS to occur each year, which is typically the case. Therefore the level of rates levied to cover those services will also need to increase annually in order to continue to deliver the same level of service. Additionally in order to repair Council's financial position, an additional percentage increase is required over a number of years in order to generate the income required to maintain Council's operations and return to a stronger financial position that will support investments and provide a better hedge for unforeseen risks.

General Rates have been modelled in the FMS on the basis of a 10.73% increase in 2023-24 based upon the General CPI (all groups) (Hobart TAS) measure to 31 December 2022 being 7.73% plus 3%, then 8% in 2025 and 6% in 2026. From 2027 to 2023 rates are scheduled at 3.5% per annum, expected to be similar to CPI indicators, with a return to matching long run inflation from 2031 onwards.

Rating decisions are made by Council on an annual basis through the Annual Plan and Budget Estimates process and may vary from the assumptions documented within the FMS.



Service charges for waste and stormwater have been modelled on the basis of the 4.5% increase in 2023-24, dropping to 3% in 2025 and then 2.5%, matching long run inflation from 2026 onwards.



Rates income in the FMS does not take into account the redistributive effects of revaluations in the future. Full revaluation of property only occurs on a seven year basis, and therefore the State Government through the Office of the Valuer-General, undertake Adjusted AAV processes (last reviewed for the 2022-23 financial year) approximately each four year period. This ensures that the increasing property markets are taken account of periodically, and are not left to ratepayers to absorb each seven year period.

Fire levies are set by the State Government and are outside the control of the Council. The Fire Levy increase has been modelled on the basis of estimates contained within the 2022-23 State Government Budget paper for the State Fire Commission.

The State Government has also introduced a Waste Levy for all municipal areas which took effect on 1 July 2022 at \$20 plus indexation per tonne of waste.

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The State Government has advised of increases to \$40 plus indexation per tonne on 1 July 2024 and \$60 plus indexation per tonne on 1 July 2026. These increased costs for waste services have been factored into the FMS on a full cost recovery basis. This will be recovered through a combination of the Waste Levy applied to each ratable property, and through increased usage fees at the Waste Transfer Station.

The rates discount has been modelled at 2% for the full term of the FMS.

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

	Revised Budget 2023 \$'000	Strategic Projections									
		2024 \$'000	2025 \$'000	2026 \$'000	2027 \$'000	2028 \$'000	2029 \$'000	2030 \$'000	2031 \$'000	2032 \$'000	2033 \$'000
General Rates	17,552	19,370	20,919	22,175	22,951	23,754	24,585	25,446	26,082	26,734	27,402
Waste Service Charges	4,309	4,503	4,638	4,754	4,873	4,994	5,119	5,247	5,378	5,513	5,651
Stormwater Service Charges	1,871	1,799	1,853	1,899	1,947	1,995	2,045	2,096	2,149	2,202	2,257
Add: Supplementary Rates	137	152	164	174	180	186	193	199	204	209	215
	23,870	25,823	27,574	29,001	29,950	30,930	31,942	32,989	33,813	34,659	35,525
% change in rates		8.18%	6.78%	5.18%	3.27%	3.27%	3.27%	3.28%	2.50%	2.50%	2.50%
Fire Levy	2,274	2,376	2,481	2,592	2,708	2,830	2,958	3,091	3,230	3,375	3,527
Landfill Levy	120	129	266	273	420	431	442	453	464	475	485
Total rates and charges	26,264	28,328	30,321	31,866	33,078	34,191	35,342	36,532	37,507	38,508	39,538
Overall \$ Change		2,064	1,993	1,545	1,212	1,113	1,151	1,190	975	1,002	1,029
Overall % Change		7.86%	7.04%	5.09%	3.80%	3.36%	3.37%	3.37%	2.67%	2.67%	2.67%

**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. These items are generally indexed to General Fees and Charges unless the item relates to an alternative index. For example permit application fees are linked to the value of building works and indexed accordingly.

**User Fees**

User fees relate to the recovery of service delivery costs through the charging of fees to users of Council's services. These include income such as for parking fees, cultural precinct revenue and the hire of halls and sporting grounds. These items are generally indexed to General Fees and Charges unless the item relates to an alternative index. For example parking fees are linked to Council's parking strategy of 3 yearly increases based on the previous 3 year's CPI.

**Grants**

The main source of grant revenue is from the State Grants Commission (SGC) in the form of Financial Assistance Grants (FAG). FAG payments methodology includes a factor for population changes. It has been assumed that the population will remain constant and the current base funding will continue, indexed at 2.5% based on Commonwealth Government Budget Papers 2022-23 projections. In recent years Council has received 50% of next financial year payment in the current financial year, with 75% received in advance for 2022-23. The adjusted surplus / deficit provided in the FMS is based on Council receiving 50% advance payments in all FMS years which is traditionally the case.

Other operating grants are included where there is an executed agreement in place.

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**Reimbursements**

Reimbursements are indexed to General Fees and Charges unless the reimbursement relates to cost recovery for an item that is linked to an alternative index.

Council has benefited from receiving a reimbursement of interest paid on its \$10.4 million COVID-19 concessional loan taken in June 2020. This reimbursement ceases in June 2023, reducing income by \$150,435 across the FMS horizon.

**Other Income**

Other income includes rates penalties and rental income on Council properties.

Rates penalties are based on the current debtor level and structure, to Reserve Bank of Australia 10 year Bond yield rate at the end of February each year for penalty interest rate setting as per the Local Government Act 1993 (TAS). It is expected that the subsequent rates increases will flow through to a corresponding increase in the value of penalties.

Rental income from Council properties is indexed to General CPI, where applicable. Some rentals agreements do not index.

**Investment Income**

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 although this is considered a low risk at this time.

Distributions from Burnie Airport Corporation are based on the entity's Corporate Plan and projections. Projected profits are higher than history due to increased travel post COVID-19 and Qantas now flying into the airport. Any reduction in passenger numbers will reduce the profit distribution.

**Interest**

Interest receipts on investments are based on expected cash flows, funds available for investment and expected interest rates (*see economic conditions*) for Council's investment portfolio. Funds are invested, using rates paid upfront (estimated 60% of ratepayers pay upfront and receive the rates discount) until they are required for operating purposes during the year, in line with the Treasury Management Policy.

**5.3.2 Recurrent Expenses****Employee Benefits**

The current Council Enterprise Bargaining Agreement contains an annual increase of 2.3%. The agreement finishes on 30 June 2023. Enterprise bargaining negotiations between management and employees is therefore underway. Council has reflected an expected wage increased within the FMS despite negotiations not having concluded at this time.

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Employee benefits are based on the Council's position establishment, which details the number of employees required to deliver existing Council services. The FMS is modelled on staffing of 128.85 FTE per annum.

A portion of some employee costs are capitalised as part of the construction and renewal of Council assets. Council's ability to set an achievable capital works program, to ensure its full delivery against operational and reactive circumstances is imperative to the Council achieving its desired financial sustainability into the future.

Appropriate provisions for all leave and on-costs are included in the FMS, including the staged increases in the Superannuation Guarantee Contribution.

**Materials and Services**

In general materials and services has been indexed to General CPI.

Exceptions to this include:

- Insurance costs (expected to grow at 12% per annum in 2023-24 and then at general inflation afterwards) based on current expectations of the insurance market.
- Rental of communications towers for commercial communications operations (indexed at 5%).

As part of its new operating model, Council has allocated funds each year to support the delivery of a range of vibrant and engaging events for the City, and to enable funding for the Council's community grants program.

**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 consumption of the service 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 Council's existing assets (refer to the asset sustainability ratio). Depreciation is estimated based on the expected capital works program.

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.

Across the life of this FMS, depreciation remains a significant liability which materially impacts the Council's financial sustainability.

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**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 FMS 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 a fixed term and are at a fixed interest rate for the full term of the loan.

**Other Expenses**

Other expenses include levies to the State Government for land tax and fire levies, water and sewer rates, remissions, discounts, councillor allowances and auditor remuneration.

In general other expenses has been indexed to General CPI.

An allowance of \$150,000 has been provided in 2026-27 and 2030-31 for one off electoral commission costs associated with the conduct of local government elections in those years.

**5.3.3 Capital Items****Capital grants**

Capital grants revenue is recognised as performance obligations are met, based on projected percentage completion of work at the relevant year end. Only executed agreements for those grants that are known, are included in the FMS.

**Net gain / (loss) on disposal of assets**

Council disposes of assets as part of its normal operations. Net gain / (loss) on disposal of assets is estimated based on previous 5 years historical data, excluding non-recurrent items and any strategic transactions known.

**5.4 Statement of Financial Position**

Council is projecting a strong current ratio throughout the 10 year FMS period, meaning it will be able to meet its current liabilities as and when they fall due.

It has been assumed that the structure of debtors and payables cycles will remain constant over the 10 year period with the value increasing by CPI.

Inventory levels reflect standard operating requirements.

Other assets predominantly reflect expected prepayments at year end, particularly for software licenses and subscriptions.

Contract assets relate to externally funded capital works that have been completed (based on expected year end completion percentage) under an executed agreement creating a receivable to be paid in the future. These amounts must be funded prior to receiving.

Council no longer operates Tas Communications, so there are no investments in subsidiaries.

Council estimates the value of revaluations based on expected asset values and relevant indices.

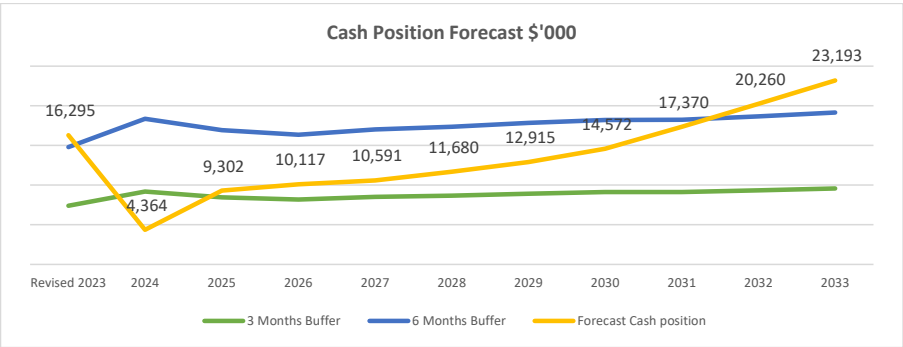
Contract liabilities reflect funds Council has received under an executed deed but services or capital projects have not yet been delivered. Once delivered, revenue is recognised and the contract liability is extinguished.

Employee provisions reflect expected FTE (128.85 per year) and anticipated wages indexation.

5.5 Statement of Cash Flows

Council needs to ensure that enough funds are on hand at any point in order to meet its operational funding requirements.

The Tasmanian Audit Office consider a cash buffer (using the cash expense cover ratio) of between 3 to 6 months as “adequate” to cover operating activities of the Council. This ratio indicates the number of months the Council could operate on current monthly expenditure (excluding the delivery of capital works) without additional cash flow. Council’s expected cash position against the buffer is displayed below.



Council will maintain an appropriate cash buffer across 9 out of the 10 years of the Financial Management Strategy. The buffer is lower in 2023-24 financial year due to council funding major capital projects prior to the receipt of grant funds (refer to contract assets on the statement of financial position for details). After these major projects are completed the cash buffer is restored. The cash buffer starts to accumulate following the payout out of the current COVID-19 concessional loan in 2030.

5.5.1 Operating Activities

Cash generated from operating activities refers to cash generated or used in the delivery of Council’s normal services. 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.

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.

## Burnie City Council

## Financial Management Strategy 2024-2033

The following table is a reconciliation of cash provided from operating activities to the operating surplus/(deficit) for the year in line with the Comprehensive Income Statement:

	Revised Budget 2023 \$'000	Strategic Projections									
		2024 \$'000	2025 \$'000	2026 \$'000	2027 \$'000	2028 \$'000	2029 \$'000	2030 \$'000	2031 \$'000	2032 \$'000	2033 \$'000
<b>Result from continuing operations</b>	<b>1,605</b>	<b>31,345</b>	<b>2,467</b>	<b>1,094</b>	<b>1,123</b>	<b>1,671</b>	<b>1,863</b>	<b>2,294</b>	<b>2,279</b>	<b>2,357</b>	<b>2,425</b>
<b>Non-cash flows</b>											
Depreciation and amortisation	9,251	9,883	11,100	11,435	11,705	11,982	12,265	12,555	12,852	13,156	13,466
Net (gain) / loss on disposal of assets	345	361	371	381	390	400	410	420	431	441	453
Contributions - non-monetary assets	-	-	-	-	-	-	-	-	-	-	-
Capital grants received specifically for new or upgraded i	(1,931)	(36,254)	(3,949)	(484)	(484)	(484)	(484)	(484)	(484)	(484)	(484)
<b>Changes in assets and liabilities</b>											
- (increase)/decrease in trade and other receivables	21	(481)	(232)	(160)	(144)	(73)	(114)	(117)	(89)	(90)	(91)
- (increase)/decrease in other assets	(72)	(24)	(17)	(14)	(15)	(15)	(16)	(16)	(16)	(17)	(17)
- (increase)/decrease in inventories	(5)	(3)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
- increase/(decrease) in trade and other payables	268	235	180	151	121	124	128	131	120	123	126
- increase/(decrease) in other liabilities	23	-	-	-	-	-	-	-	-	-	(40)
- increase/(decrease) in provisions	55	121	102	106	69	71	72	74	76	78	80
<b>Cash flow from operations</b>	<b>9,558</b>	<b>5,183</b>	<b>10,020</b>	<b>12,506</b>	<b>12,762</b>	<b>13,674</b>	<b>14,122</b>	<b>14,856</b>	<b>15,165</b>	<b>15,561</b>	<b>15,915</b>

## 5.5.2 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.

Council plans for the renewal of its existing infrastructure in order to maintain current service levels. Current committed strategic projects are included in the FMS and are funded, including the Coastal Pathway and Cultural Precinct redevelopment. Council are counting on significant government funds to support the delivery of capital projects in 2023-24 and 2024-25.

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.

Any asset sales over the life of the FMS will increase Council's cash reserves.

## 5.5.3 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.



**5.5.4 Capital Works Expenditure and Asset Renewal Needs**

The capital works program is based on committed strategic projects and ensuring the renewal of existing assets. Renewal expenditure 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 may be carried out to address deficiencies in current service levels or to meet new standards or statutory requirements. Expenditure on new assets will result in future costs for operations, maintenance, depreciation and capital renewal expenditure and therefore needs to be carefully considered by the Council. Council has not provisioned in the FMS for any new or upgraded assets above those that have a current Council decision.

Instead the FMS is based on the renewal of assets across the 10 year period of the FMS modelled on an asset sustainability ratio of 100%, or alternatively explained as the investment of funds equivalent to depreciation.

## Burnie City Council

## Financial Management Strategy 2024-2033

## 5.6 Sensitivity Analysis

Council has conducted a sensitivity analysis (what if scenarios) looking at material variabilities of projected revenue and expenditure within the FMS. These items include:

- The impact of inflation on materials and services expenditure
- A change in employee benefits expenditure due to changes in wage negotiations or structure
- The variation in commercial revenue and user fees that will be generated due to economic and market changes
- The variation in depreciation due to capital program delivery changes, the nature of work undertaken, and review of useful lives and revaluations

The table below shows the average impact for each item across the 10 year FMS horizon, the percentage change in the item, what the dollar impact is and what the corresponding percentage impact on the rating strategy would need to be to accommodate the revised scenarios. These figures are indicative only and are provided so users of the FMS can assess what the impact of positive and negative changes will be to the operating position of Council and its rating strategy.

Sensitivity Analysis			Average impact over 10 years of FMS
Item	Impact of Inflation on Materials and Services		Amounts in \$'000
Current Assumption in FMS	Links to expected inflation % increase within FMP		15,518
\$ impact if	changes (+ / -) by	1.00%	155
% impact on rates if	changes (+ / -) by	1.00%	0.45%
Item	Increase in Employee Benefits expenditure		
Current Assumption in FMS	Links to expected wages % increase within FMP		12,793
\$ impact if	changes (+ / -) by	1.00%	128
% impact on rates if	changes (+ / -) by	1.00%	0.37%
Item	Commercial Revenue Variability		
Current Assumption in FMS	This relates to income earned from commercial activities and user fees, that may be impacted by changes in demand		4,628
\$ impact if	changes (+ / -) by	10.00%	463
% impact on rates if	changes (+ / -) by	10.00%	1.34%
Item	Depreciation Variability		
Current Assumption in FMS	Depreciation may vary in any particular year depending on capital program delivery, the nature of work undertaken (new, upgrade or renewal), reviews of useful lives and revaluations.		12,040
\$ impact if	changes (+ / -) by	1.00%	120
% impact on rates if	changes (+ / -) by	1.00%	0.35%

6 Risk Management

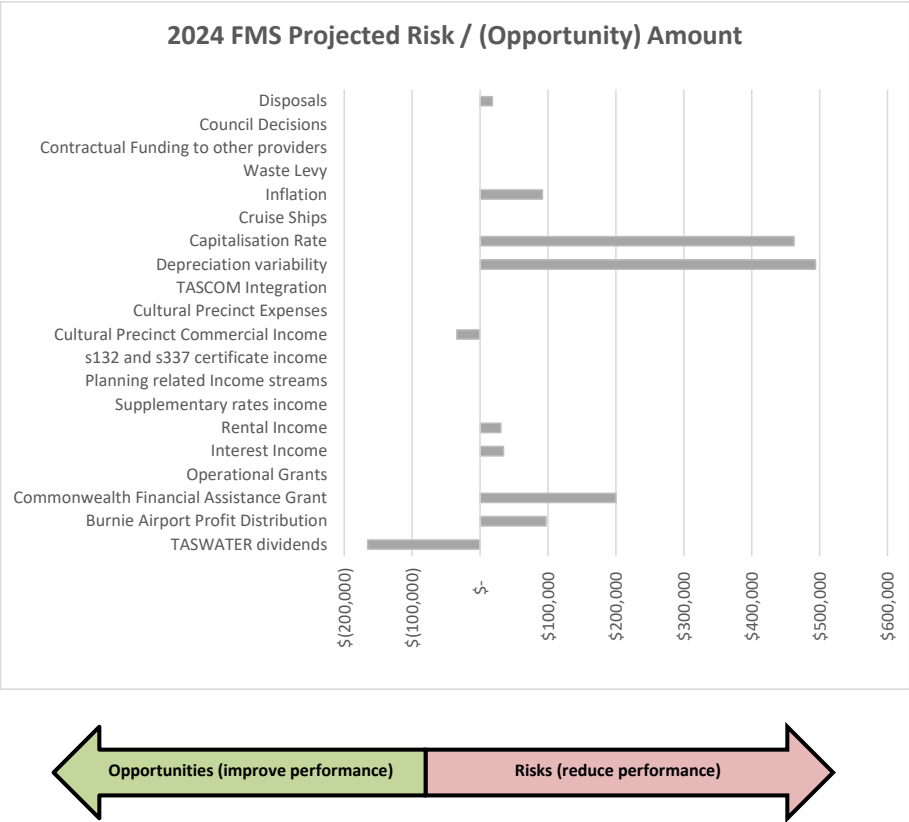
Council monitors key financial risks that may have a material impact on realising its FMS goals. These key risks highlight the uncertainty Council must manage to achieve its objectives. In accordance with the Risk Management Framework, Council has a “minimal” financial risk appetite with a preference for options that avoid risk or have low inherent risk.

6.1 Financial Risk Register

A summary view of the Council’s financial risk register, based on current risks within the Statement of Comprehensive Income is included below *(Please note: Bracketed figures are revenue / non bracketed figures are expenses).*

Council maintain a comprehensive, detailed financial risk register that is reported against as part of Quarterly Council Financial Reports.

The risk register shows the items that will materially affect (in a positive or negative way) the predicted financial performance of Council. Council has management strategies in place to manage these risks. Items with no dollar value are not expected to vary, based on current assumptions or cannot be estimated at this time.



## Burnie City Council

## Financial Management Strategy 2024-2033

## 7 Estimated Financial Statements

Burnie City Council Statement of Comprehensive Income											
	Revised Budget 2023 \$'000	Strategic Projections									
		2024 \$'000	2025 \$'000	2026 \$'000	2027 \$'000	2028 \$'000	2029 \$'000	2030 \$'000	2031 \$'000	2032 \$'000	2033 \$'000
<b>Recurrent Income</b>											
Rates and charges	26,264	28,328	30,321	31,866	33,078	34,191	35,342	36,532	37,507	38,508	39,538
Statutory fees and fines	1,201	929	965	988	1,011	1,039	1,064	1,089	1,119	1,145	1,173
User fees	3,833	3,485	4,224	4,284	4,500	4,711	4,779	4,849	5,076	5,150	5,226
Operational Grants	2,428	3,067	3,041	3,114	3,188	3,264	3,342	3,422	3,504	3,548	3,634
Interest	499	346	195	224	239	260	285	317	365	421	479
Other income	693	1,675	1,075	787	802	817	832	847	859	871	883
Investment income	828	828	828	828	711	731	756	780	780	780	780
Reimbursements	472	217	224	231	236	242	248	255	261	268	274
Share of Profit of Joint Venture	-	194	211	203	239	200	200	200	200	200	200
<b>Total recurrent income</b>	<b>36,218</b>	<b>39,070</b>	<b>41,083</b>	<b>42,523</b>	<b>44,004</b>	<b>45,455</b>	<b>46,848</b>	<b>48,290</b>	<b>49,670</b>	<b>50,891</b>	<b>52,185</b>
<b>Recurrent Expenses</b>											
Employee benefits	11,039	10,896	11,557	12,074	12,375	12,685	13,002	13,327	13,660	14,002	14,352
Materials and services	11,954	18,807	15,362	13,704	14,278	14,581	15,013	15,233	15,661	16,099	16,445
Depreciation and amortisation	9,251	9,883	11,100	11,435	11,705	11,982	12,265	12,555	12,852	13,156	13,466
Impairment losses on receivables	-	40	42	44	46	48	50	53	55	57	60
Finance costs	160	136	114	95	75	56	36	15	-	-	-
Other expenses	3,794	3,856	4,020	4,182	4,496	4,516	4,693	4,878	5,217	5,263	5,468
<b>Total recurrent expenses</b>	<b>36,198</b>	<b>43,618</b>	<b>42,194</b>	<b>41,533</b>	<b>42,975</b>	<b>43,868</b>	<b>45,059</b>	<b>46,060</b>	<b>47,445</b>	<b>48,577</b>	<b>49,792</b>
<b>Operating surplus/(deficit) before capital items</b>	<b>19</b>	<b>(4,548)</b>	<b>(1,111)</b>	<b>990</b>	<b>1,029</b>	<b>1,587</b>	<b>1,789</b>	<b>2,230</b>	<b>2,225</b>	<b>2,314</b>	<b>2,394</b>
<b>Capital Items</b>											
Capital grants	1,931	36,254	3,949	484	484	484	484	484	484	484	484
Contributions - non-monetary assets	-	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) on disposal of assets	(345)	(361)	(371)	(381)	(390)	(400)	(410)	(420)	(431)	(441)	(453)
<b>Total Capital Items</b>	<b>1,585</b>	<b>35,894</b>	<b>3,578</b>	<b>104</b>	<b>94</b>	<b>84</b>	<b>74</b>	<b>64</b>	<b>53</b>	<b>43</b>	<b>32</b>
<b>Result from continuing operations Surplus/(Deficit)</b>	<b>1,605</b>	<b>31,345</b>	<b>2,467</b>	<b>1,094</b>	<b>1,123</b>	<b>1,671</b>	<b>1,863</b>	<b>2,294</b>	<b>2,279</b>	<b>2,357</b>	<b>2,425</b>
<b>Other Comprehensive Income</b>											
Net asset revaluation increment/(decrement)	32,900	18,876	14,134	12,134	12,421	12,714	13,015	13,322	13,637	13,960	14,290
<b>Total Other Comprehensive Income</b>	<b>32,900</b>	<b>18,876</b>	<b>14,134</b>	<b>12,134</b>	<b>12,421</b>	<b>12,714</b>	<b>13,015</b>	<b>13,322</b>	<b>13,637</b>	<b>13,960</b>	<b>14,290</b>
<b>Total Comprehensive Result</b>	<b>34,505</b>	<b>50,221</b>	<b>16,601</b>	<b>13,228</b>	<b>13,543</b>	<b>14,385</b>	<b>14,878</b>	<b>15,616</b>	<b>15,916</b>	<b>16,316</b>	<b>16,715</b>
<b>Operating Margin</b>	<b>1.00</b>	<b>0.90</b>	<b>0.97</b>	<b>1.02</b>	<b>1.02</b>	<b>1.04</b>	<b>1.04</b>	<b>1.05</b>	<b>1.05</b>	<b>1.05</b>	<b>1.05</b>
<b>Underlying surplus or deficit</b>											
<b>Recurrent Income</b>											
Total income from continuing operations	37,803	74,964	44,661	42,627	44,098	45,539	46,922	48,354	49,724	50,934	52,217
<b>Less non operating income</b>											
Capital grants	(1,931)	(36,254)	(3,949)	(484)	(484)	(484)	(484)	(484)	(484)	(484)	(484)
Contributions - non-monetary assets	-	-	-	-	-	-	-	-	-	-	-
Revenue from Constructed Assets	-	(923)	(308)	-	-	-	-	-	-	-	-
Adjustments to timing of Financial Assistance	-	-	-	-	-	-	-	-	-	-	-
Grants	755	51	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	(43)
<b>Recurrent Income</b>	<b>36,628</b>	<b>37,838</b>	<b>40,369</b>	<b>42,106</b>	<b>43,577</b>	<b>45,017</b>	<b>46,399</b>	<b>47,830</b>	<b>49,198</b>	<b>50,407</b>	<b>51,690</b>
<b>Recurrent Expenditure</b>	<b>36,198</b>	<b>43,618</b>	<b>42,194</b>	<b>41,533</b>	<b>42,975</b>	<b>43,868</b>	<b>45,059</b>	<b>46,060</b>	<b>47,445</b>	<b>48,577</b>	<b>49,792</b>
<b>Less non-operational expenditure</b>											
Capital works completed on assets not owned by Council	-	(5,963)	(1,988)	-	-	-	-	-	-	-	-
<b>Recurrent Expenditure</b>	<b>36,198</b>	<b>37,656</b>	<b>40,207</b>	<b>41,533</b>	<b>42,975</b>	<b>43,868</b>	<b>45,059</b>	<b>46,060</b>	<b>47,445</b>	<b>48,577</b>	<b>49,792</b>
<b>Adjusted Underlying surplus or (deficit)</b>	<b>429</b>	<b>182</b>	<b>162</b>	<b>573</b>	<b>601</b>	<b>1,149</b>	<b>1,340</b>	<b>1,770</b>	<b>1,753</b>	<b>1,831</b>	<b>1,898</b>
<b>Adjusted Operating Margin</b>	<b>1.01</b>	<b>1.00</b>	<b>1.00</b>	<b>1.01</b>	<b>1.01</b>	<b>1.03</b>	<b>1.03</b>	<b>1.04</b>	<b>1.04</b>	<b>1.04</b>	<b>1.04</b>

## Burnie City Council

## Financial Management Strategy 2024-2033

Burnie City Council Statement of Financial Position											
	Revised Budget	Strategic Projections									
	2023 \$'000	2024 \$'000	2025 \$'000	2026 \$'000	2027 \$'000	2028 \$'000	2029 \$'000	2030 \$'000	2031 \$'000	2032 \$'000	2033 \$'000
<b>Assets</b>											
<b>Current assets</b>											
Cash and cash equivalents	16,295	4,364	9,302	10,117	10,591	11,680	12,915	14,572	17,370	20,260	23,193
Trade and other receivables	3,414	3,895	4,126	4,287	4,431	4,504	4,618	4,735	4,824	4,914	5,005
Investments	-	-	-	-	-	-	-	-	-	-	-
Prepayments	535	559	576	590	605	620	636	652	668	685	702
Inventories	72	75	77	79	81	83	85	87	90	92	94
Contract Assets	121	5,298	308	-	-	-	-	-	-	-	-
<b>Total current assets</b>	<b>20,437</b>	<b>14,191</b>	<b>14,389</b>	<b>15,073</b>	<b>15,708</b>	<b>16,887</b>	<b>18,254</b>	<b>20,046</b>	<b>22,951</b>	<b>25,950</b>	<b>28,994</b>
<b>Non-current assets</b>											
Investment in water corporation	64,551	64,551	64,551	64,551	64,551	64,551	64,551	64,551	64,551	64,551	64,551
Investment in joint venture	3,341	3,341	3,341	3,341	3,341	3,341	3,341	3,341	3,341	3,341	3,341
Investment in subsidiaries	-	-	-	-	-	-	-	-	-	-	-
Property, infrastructure, plant and equipment	429,702	482,619	497,170	508,923	520,953	533,268	545,873	558,775	571,981	585,500	599,337
<b>Total non-current assets</b>	<b>497,593</b>	<b>550,511</b>	<b>565,061</b>	<b>576,815</b>	<b>588,845</b>	<b>601,159</b>	<b>613,764</b>	<b>626,666</b>	<b>639,873</b>	<b>653,391</b>	<b>667,228</b>
<b>Total assets</b>	<b>518,030</b>	<b>564,701</b>	<b>579,451</b>	<b>591,888</b>	<b>604,553</b>	<b>618,047</b>	<b>632,018</b>	<b>646,713</b>	<b>662,824</b>	<b>679,341</b>	<b>696,222</b>
<b>Liabilities</b>											
<b>Current liabilities</b>											
Trade and other payables	3,716	3,951	4,131	4,282	4,403	4,527	4,654	4,786	4,905	5,028	5,154
Trust funds and deposits	132	132	132	132	132	132	132	132	132	132	132
Contract liabilities	4,040	1,145	40	40	40	40	40	40	40	40	-
Provisions	2,305	2,420	2,517	2,618	2,683	2,750	2,819	2,889	2,962	3,036	3,112
Interest-bearing loans and borrowings	1,010	1,029	1,048	1,067	1,087	1,107	1,127	-	-	-	-
<b>Total current liabilities</b>	<b>11,204</b>	<b>8,677</b>	<b>7,868</b>	<b>8,139</b>	<b>8,345</b>	<b>8,556</b>	<b>8,773</b>	<b>7,847</b>	<b>8,039</b>	<b>8,236</b>	<b>8,398</b>
<b>Non-current liabilities</b>											
Provisions - NC	125	131	136	142	145	149	153	157	160	164	169
Interest-bearing loans and borrowings - NC	6,465	5,436	4,388	3,321	2,234	1,127	-	-	-	-	-
<b>Total non-current liabilities</b>	<b>6,590</b>	<b>5,567</b>	<b>4,524</b>	<b>3,463</b>	<b>2,379</b>	<b>1,276</b>	<b>153</b>	<b>157</b>	<b>160</b>	<b>164</b>	<b>169</b>
<b>Total liabilities</b>	<b>17,793</b>	<b>14,244</b>	<b>12,392</b>	<b>11,602</b>	<b>10,724</b>	<b>9,832</b>	<b>8,925</b>	<b>8,004</b>	<b>8,200</b>	<b>8,400</b>	<b>8,566</b>
<b>Net Assets</b>	<b>500,237</b>	<b>550,457</b>	<b>567,059</b>	<b>580,286</b>	<b>593,829</b>	<b>608,215</b>	<b>623,092</b>	<b>638,709</b>	<b>654,625</b>	<b>670,941</b>	<b>687,656</b>
<b>Equity</b>											
Reserves	215,695	234,570	248,705	260,839	273,259	285,974	298,988	312,311	325,948	339,908	354,197
Surplus / (deficit)	1,605	31,345	2,467	1,094	1,123	1,671	1,863	2,294	2,279	2,357	2,425
Accumulated surplus / (deficit)	282,937	284,542	315,887	318,354	319,447	320,570	322,241	324,104	326,398	328,676	331,033
<b>Total Equity</b>	<b>500,236</b>	<b>550,457</b>	<b>567,058</b>	<b>580,286</b>	<b>593,829</b>	<b>608,215</b>	<b>623,092</b>	<b>638,709</b>	<b>654,624</b>	<b>670,941</b>	<b>687,656</b>
<b>CURRENT RATIO</b>	<b>1.82</b>	<b>1.64</b>	<b>1.83</b>	<b>1.85</b>	<b>1.88</b>	<b>1.97</b>	<b>2.08</b>	<b>2.55</b>	<b>2.85</b>	<b>3.15</b>	<b>3.45</b>

## Burnie City Council

## Financial Management Strategy 2024-2033

Burnie City Council Statement of Cash Flows											
	Revised 2023					Strategic Projections					
	\$'000	2024 \$'000	2025 \$'000	2026 \$'000	2027 \$'000	2028 \$'000	2029 \$'000	2030 \$'000	2031 \$'000	2032 \$'000	2033 \$'000
<b>Cash flows from operating activities</b>											
Rates	26,165	28,213	30,226	31,789	33,031	34,142	35,291	36,479	37,468	38,468	39,497
Statutory fees and fines	1,196	922	960	984	1,007	1,035	1,059	1,084	1,114	1,141	1,168
User fees (inclusive of GST)	4,145	3,739	4,580	4,655	4,891	5,122	5,196	5,271	5,520	5,599	5,680
Operational Grants (inclusive of GST)	2,474	3,067	3,041	3,114	3,188	3,264	3,342	3,422	3,504	3,548	3,594
Reimbursements (inclusive of GST)	519	238	246	254	260	267	273	280	287	294	302
Rents (inclusive of GST)	657	672	693	707	719	731	743	754	766	777	788
Other receipts (inclusive of GST)	105	1,170	489	158	162	167	172	176	179	181	183
Interest	496	343	192	222	237	257	283	315	362	418	476
Investment revenue from Water Corporation	828	828	828	828	711	731	756	780	780	780	780
Distributions from Joint Venture	262	-	194	211	203	239	200	200	200	200	200
Payments to employees	(10,980)	(10,764)	(11,446)	(11,959)	(12,301)	(12,608)	(12,923)	(13,247)	(13,578)	(13,917)	(14,265)
Payments to suppliers	(13,081)	(20,596)	(16,834)	(15,020)	(15,650)	(15,982)	(16,455)	(16,696)	(17,166)	(17,645)	(18,025)
Finance Costs paid	(160)	(136)	(114)	(95)	(75)	(56)	(36)	(15)	-	-	-
Other payments	(4,140)	(4,241)	(4,422)	(4,600)	(4,945)	(4,967)	(5,162)	(5,365)	(5,738)	(5,790)	(6,015)
Net GST refund / (payment)	1,072	1,729	1,386	1,259	1,324	1,333	1,385	1,416	1,468	1,508	1,553
<b>Net cash provided by (used in) operating activities</b>	<b>9,558</b>	<b>5,183</b>	<b>10,020</b>	<b>12,506</b>	<b>12,762</b>	<b>13,674</b>	<b>14,122</b>	<b>14,856</b>	<b>15,165</b>	<b>15,561</b>	<b>15,915</b>
<b>Cash flows from investing activities</b>											
Payments for property, infrastructure, plant and equipment	(15,437)	(44,286)	(11,888)	(11,435)	(11,705)	(11,982)	(12,265)	(12,555)	(12,852)	(13,156)	(13,466)
Proceeds from sale of property, plant, infrastructure and Capital grants	5,312	28,183	7,834	792	484	484	484	484	484	484	484
Receipts from maturity of short term investments	7,512	-	-	-	-	-	-	-	-	-	-
Funds deposited as short term investments	-	-	-	-	-	-	-	-	-	-	-
<b>Net cash provided by (used in) investing activities</b>	<b>(2,613)</b>	<b>(16,103)</b>	<b>(4,054)</b>	<b>(10,643)</b>	<b>(11,221)</b>	<b>(11,498)</b>	<b>(11,781)</b>	<b>(12,071)</b>	<b>(12,368)</b>	<b>(12,671)</b>	<b>(12,982)</b>
<b>Cash flows from financing activities</b>											
Proceeds from trust funds and deposits	-	-	-	-	-	-	-	-	-	-	-
Repayment of interest bearing loans and borrowings	(1,230)	(1,010)	(1,029)	(1,048)	(1,067)	(1,087)	(1,107)	(1,127)	-	-	-
<b>Net cash provided by (used in) financing activities</b>	<b>(1,230)</b>	<b>(1,010)</b>	<b>(1,029)</b>	<b>(1,048)</b>	<b>(1,067)</b>	<b>(1,087)</b>	<b>(1,107)</b>	<b>(1,127)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net increase (decrease) in cash and cash equivalents	5,715	(11,931)	4,938	815	474	1,089	1,234	1,658	2,798	2,890	2,933
Cash and cash equivalents at the beginning of the financial year	10,580	16,295	4,364	9,302	10,117	10,591	11,680	12,915	14,572	17,370	20,260
<b>Cash and cash equivalents at the end of the period</b>	<b>16,295</b>	<b>4,364</b>	<b>9,302</b>	<b>10,117</b>	<b>10,591</b>	<b>11,680</b>	<b>12,915</b>	<b>14,572</b>	<b>17,370</b>	<b>20,260</b>	<b>23,193</b>



**Burnie City Council**  
80 Wilson Street Burnie, TASMANIA



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**CORPORATE AND COMMERCIAL SERVICES****AO048-23 TASMANIAN AUDIT OFFICE - MEMORANDUM OF AUDIT FINDINGS 2021-22**

FILE NO: 13/2/1  
PREVIOUS MIN:

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**1.0 RECOMMENDATION:**

***“THAT Council note the Tasmanian Audit Office’s Memorandum of Audit Findings for the 2021-22 financial year, as presented.”***

**2.0 EXECUTIVE SUMMARY****Purpose and Background**

The purpose of this report is to present to the Council, the Memorandum of Audit Findings developed by the Tasmanian Audit Office (TAO) for the 2021-22 financial year.

**Key Issues**

- Ordinarily the Memorandum of Audit Findings is presented to the Council at the conclusion of the financial audit, generally around October annually.
- Due to delays with the 2021-22 audit, believed to be associated with resourcing constraints within the TAO, the Memorandum of Audit Findings was not supplied to the Council until December 2022.
- The Audit Panel discussed the findings at their February meeting.
- There are three recommendations provided by the TAO within the report, all of which have been accepted by management.
- The audit findings do not present any significant risks to the Council.
- All outstanding recommendations from prior year audits have been completed.

**3.0 SUPPORTING INFORMATION****Strategic Alignment**

This report aligns with a key enabler of the Council Plan 2022-2025 being *Financial Management*.



**Legal**

The Australian Accounting Standards and the *Local Government Act 1993* are both applicable to this matter in setting the framework for the accounting principles required of Councils, in order to comply with in terms of their financial management and reporting.

**Finance**

There are no financial impacts resulting from this report.

**Relation to Council Policy**

There are no Council policies relating to this report.

**Discussion**

The Memorandum of Audit Findings presents three new recommendations from the 2021-22 financial year. Two are related to business improvement and considered low risk. In discussions with the TAO representatives, they have advised that these recommendations have been applied to all Council's across the State so as to enable an uplift in this area across the jurisdiction, with the exception of two Council's that currently have best practice approaches.

To this end, as the TAO did not actually audit which of Council's policies may need improvement and were therefore unable to make specific recommendations, it has been agreed that the Burnie City Council will work on these recommendations over the next several financial years.

The third recommendation relates to the Council reassessing the useful lives associated with its asset base. As councillors are aware, this work has begun and will be completed throughout the 2022-23 financial year.

All other recommendations from previous years have been completed and verified as such by the Audit Office. These recommendations are now closed.

**Health and Safety**

There are no health and safety impacts resulting from this report.

**Risk**

The risks associated with the recommendations within the Memorandum of Audit Findings are all considered to be low to moderate and therefore do not present any strategic risks to the Council or community.

**Environmental Sustainability**

There are no environmental sustainability impacts to be considered in this report.

**Consultation**

Council Officers have been consulted in the preparation of this report.

**Conflict Of Interest**

No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a material or general conflict of interest in relation to the matter of the report.

**4.0 DETAIL**

Further detail can be found in the accompanying report.

**ATTACHMENTS**

1. [Tasmanian Audit Office - Memorandum of Audit Findings 2021-22](#)

**COUNCIL RESOLUTION**

**Resolution number: MO061-23**

***MOVED: Cr K Dorsey***

***SECONDED: Cr C Lynch***

***“THAT Council note the Tasmanian Audit Office’s Memorandum of Audit Findings for the 2021-22 financial year, as presented.”***

**For:** Cr T Brumby, Cr G Simpson, Cr T Aitken, Cr K Dorsey, Cr J Grave, Cr A Keygan, Cr S Kons, Cr C Lynch, Cr D Pease.

**Against:**

***CARRIED UNANIMOUSLY***



## Burnie City Council

Memorandum of audit findings  
for the year ended 30 June 2022

2 December 2022

Strive • Lead • Excel | *To Make a Difference*

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## Executive summary

### Significant findings from the audit

Australian Auditing Standards require us to communicate significant findings arising during the audit of the financial statements of Burnie City Council (Council) that, in our professional judgement, are of sufficient importance to bring to the attention of those charged with governance and management. Significant findings include:

- our views about significant qualitative aspects of accounting practices, including accounting policies, accounting estimates and financial reporting disclosures
- significant matters arising during the audit that are relevant to the oversight of the financial reporting process
- deficiencies in internal control identified by us.

A deficiency in internal control means:

- a control is designed, implemented or operated in such a way that it is unable to prevent, or detect and correct, misstatements in the financial report on a timely basis, or
- a control necessary to prevent, or detect and correct, misstatements in the financial report on a timely basis is missing.

The significance of a deficiency or a combination of deficiencies in internal control depends not only on whether a misstatement has actually occurred, but also on the likelihood that a misstatement could occur and the potential magnitude of the misstatement. Significant deficiencies may therefore exist even though we have not identified misstatements during the audit.

### New audit findings

New audit findings, as summarised in the table below, were identified during the interim and final audit visits for Council for the year ending 30 June 2022.

Ref.	Finding	Risk	Corrective Action Date
Not yet resolved			
1.1	Documentation of financial procedures and control activities	Low	June 2024
1.2	Identifying and assessing business risk relevant to financial reporting objectives	Low	June 2024
1.3	Assessment of useful life	Moderate	June 2023

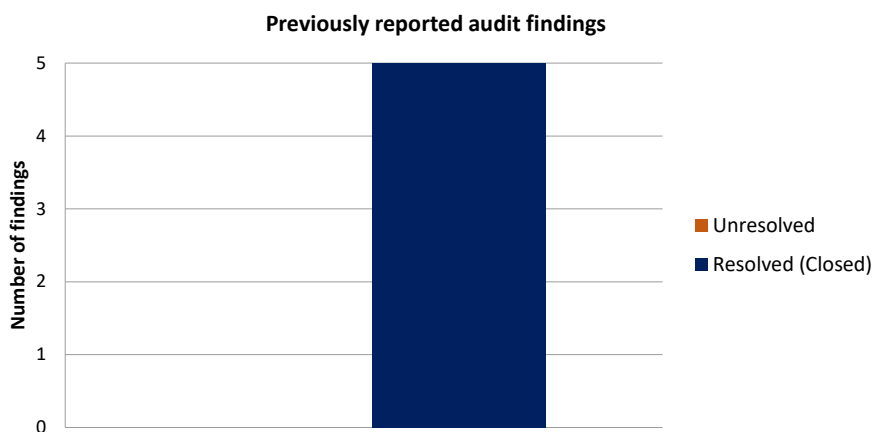
The risk rating attributed to audit findings, as described in Appendix 1, reflects our assessment of both the likelihood and consequence of each identified finding in terms of its impact on the:

- effectiveness and efficiency of operations, including probity, propriety and compliance with applicable laws
- reliability, accuracy and timeliness of financial reporting.

Audit findings rated as high or moderate may be included in our report to Parliament on the results of our financial statement audits.

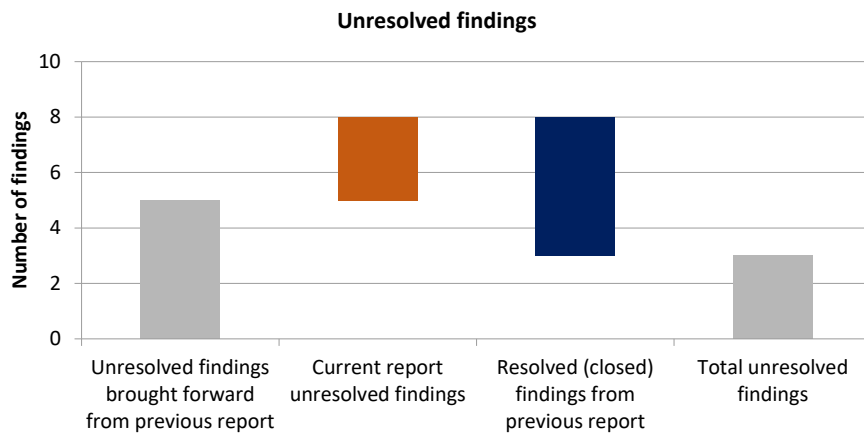
### Previously reported audit findings

The following graph shows the number of unresolved previously reported audit findings and the number closed since the last report.



## Unresolved findings

The following graph illustrates the number of unresolved findings reconciled to the number of unresolved findings brought forward from the previous memorandum of findings.



## 1. New findings yet to be resolved

### 1.1 Documentation of financial procedures and control activities (Low risk)

Finding	<p>As part of our audit procedures for 2021-22, we have focussed on an entity's internal documentation of financial procedures and control activities.</p> <p>Our review found Council has clear documented procedures related to key financial processes, including payroll, expenditure, assets, rates revenue and user charges. The documentation could be improved by identifying and documenting key controls in each process.</p> <p>Documented procedures provide guidance for staff who have financial management responsibilities, which outline process steps and key control points for financial transactions from initiation through to completion. Procedure documentation should clearly identify controls including delegations, authorisations, reconciliations and segregation of duties.</p> <p>To be effective, these must be kept up-to-date and readily accessible to staff.</p>
Classification	Internal control – control environment
Implications	An absence of clearly defined procedures and control activities may not identify control weaknesses in processes that may lead to business, fraud and financial reporting risks.
Recommendation	Council improve documentation of procedures relating to financial procedures and control activities, including the incorporation of key internal controls to mitigate financial reporting risks.
Management response – November 2022	<p>Director Corporate and Commercial Services</p> <p>The Council concurs that our documentation could be improved to take account of the recommendations provided. The Tasmanian Audit Office have been unable to qualify which specific procedures are included in their assessment of this risk, and therefore if the expectation is that all procedures be reviewed, this will understandably take some time to achieve. Council will establish a new organisational wide financial control framework and link specific procedures within it.</p>



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Timeframe for corrective action	June 2024
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Audit response – December 2022	Audit acknowledges that this process will take time and believes that the suggested timeframe is appropriate. We are happy to provide guidance as Council progressively addresses this matter over the coming audit year.
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New findings yet to be resolved 5

## 1.2 Identifying and assessing business risk relevant to financial reporting objectives (Low risk)

Finding	<p>As noted in our Audit Strategy for the 2019-20 financial year, we drew Council's attention to the pending implementation of Auditing Standard ASA 315 Identifying and Assessing the Risks of Material Misstatement.</p> <p>The revised ASA 315 requires us to assess whether, and if so, how Council's risk assessment process identifies business risks relevant to financial reporting objectives, how it assesses the significance of those risks, including the likelihood of their occurrence and how it addresses those risks (i.e. the controls in place to address the risks).</p> <p>As part of our planning, in compliance with the auditing standard, we assessed Council's process for identifying and assessing business risks relevant to financial reporting objectives.</p> <p>We noted Council does not currently undertake a risk assessment to specifically assess business risks relevant to financial reporting objectives.</p>
Classification	Internal control - Risk assessment
Implications	By not undertaking a specific assessment of business risks relevant to financial reporting objectives, there may be vulnerabilities in the Council's processes and systems that may result in a material misstatement in the financial statements.

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- Recommendation Management undertake a risk assessment to specifically assess business risks relevant to financial reporting objectives. Areas that could be covered by the risk assessment include:
- the overall control environment, for example:
    - governance structure, commitment to integrity and ethical values
    - compliance with Australian Accounting Standards and Interpretations, together with any other relevant legislative requirements
    - assignment of authority and responsibility
    - resourcing and capability of the finance function
  - information systems and communication, for example:
    - risks related to IT applications, infrastructure and processes that impact the processing of financial transactions
    - initiation, recording, processing and correcting of transactions
    - capture, processing and disclosure of other events and conditions (other than transactions) in the financial report
    - maintenance of accounting records
  - control activities, such as authorisations and approvals, review of reconciliations, manual verifications, physical controls, safeguarding of assets, segregation of duties, IT application controls
  - monitoring activities
  - financial reporting considerations, such as, key judgement areas and estimates, use of experts, likelihood of fraud and error.

In addition to identifying business risks impacting on financial reporting objectives, the assessment should identify key controls in place to mitigate the risks so as to provide a view of residual risk exposures.

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Management response – November 2022	Director Corporate and Commercial Services This is closely interrelated with the previous recommendation. Council has an establishment risk management framework which it will use to inform an assessment of business risks against the financial reporting objectives.
Timeframe for corrective action	June 2024

8 New findings yet to be resolved

### 1.3 Assessment of useful life (Moderate risk)

Finding	<p>Australian Accounting Standards require that management assess the useful lives of assets on an annual basis, thereby reducing the risk that the assets and associated depreciation and amortisation are not materially misstated.</p> <p>Upon review of the Council's asset classes, it was noted that there is not an annual assessment performed of the assets remaining useful lives.</p>
Classification	Internal control – Monitoring activity
Implications	A lack of review may cause improper useful lives being applied to an asset causing the associated depreciation expense to be under or overstated.
Recommendation	It is recommended an annual review and assessment of asset's useful lives is performed.
Management response – November 2022	<p>Director Works and Services</p> <p>The Council have engaged CT Management Group to undertake an updated condition assessment for Council's assets, which will include an evaluation of the useful lives for the 2022-23 financial year.</p> <p>Council will update its internal processes to include assessing the useful life of each asset per annum.</p>
Timeframe for corrective action	June 2023

## 2. Resolved previously reported findings

### 2.1 Bridge Valuation (Low risk)

Finding	<p>Bridge assets were subject to a formal revaluation in 2020-21, based on data provided by an independent expert (AusSpan).</p> <p>AusSpan provide both gross replacement costs and residual values (written down value).</p> <p>Council applied AusSpan's gross replacement costs, as part of its revaluation. However, Council undertook separate calculations to determine the assets' written down value.</p> <p>TAO estimated that Council's written down value was \$0.27m less than the residual value provided by AusSpan</p>
Classification	Financial reporting (fair value)
Implications	The difference may represent an understatement of the fair value of Bridge assets. The difference has been included in our Completion Report as an unadjusted difference.
Recommendation	It is recommended that management consider whether the residual value, as provided by AusSpan, should be used when Bridge assets are next revalued
Management response – September 2021	Management agrees with the recommendation and will use AusSpan residual values when Bridge assets are next revalued. The responsible officer will be the Director of Works and Services. Until then procedures will be reviewed to ensure the correct treatment is stated.
Timeframe for corrective action	As part of the next formal Bridges revaluation due in 2025-26 (5 yearly).
Audit response – June 2022	Audit have discussed this finding with management and have accepted the timeframe noted above. Given the period of time required to clear this item, we have made a note on our audit files to follow this item up, and therefore we feel it is not necessary to carry forward this item within our memorandum. As a result, this matter is considered <b>RESOLVED</b> .

## 2.2 Miscellaneous and other assets not revalued (Low risk)

Finding	<p>Council undertook formal revaluations of Transport and Parks infrastructure asset classes in 2020-21. A review of the revaluations found that the following sub-classes of assets did not move in value:</p> <ul style="list-style-type: none"> <li>• Transport – “Other” assets totalling \$9.25m</li> <li>• Parks – “Miscellaneous” assets totalling \$15.97m.</li> </ul> <p>The above sub-classes comprise unique assets or asset groups that are different enough to not fit into standard asset types which have unit rates applied to them.</p> <p>Although they have not been subject to a revaluation movement in 2020-21, they have been subject to indexation between formal revaluations.</p>
Classification	Financial reporting (fair value)
Implications	<p>AASB 116 <i>Property, Plant and Equipment</i> provides that if an item of property, plant and equipment is revalued, the entire class to which that asset belongs is to be revalued.</p> <p>Where a sub-class of assets is not revalued, there is a risk that the carrying amount of the asset class does not reflect its fair value</p>
Recommendation	It is recommended that management review the relevant sub-classes in 2021-22 to ensure they reflect their fair value.
Management response – September 2021	Management agrees with the recommendation. Management will undertake to review the nominated sub classes to ensure they reflect fair value. The responsible officer will be the Director of Works and Services.
Timeframe for corrective action	During the 2021-22 financial year
Audit response – October 2022	Revaluation processed in 2021-22 – matter considered <b>RESOLVED</b> .

Resolved previously reported findings 11

## 2.3 Parks valuation (Low risk)

Finding	<p>Parks assets were subject to a formal revaluation in 2020-21, based on information determined internally by Council's technical services staff.</p> <p>The methodology used to determine accumulated depreciation for Parks assets was different to that applied in the revaluation of Transport and Bridge assets.</p> <p>For Parks assets, the accumulated depreciation was determined by reference to the asset's remaining useful life and the total useful life. In comparison, accumulated depreciation for Transport and Bridge assets was based on the percentage movement in the gross value.</p> <p>A review of both methodologies found that the total useful life may not be an appropriate basis for determining accumulated depreciation. It appears that the asset's useful life is not updated when changes are made to reflect changes in remaining useful lives. The asset's remaining useful life is what is used to determine depreciation charged in a given year.</p> <p>It was also noted that changes are made to remaining useful lives in the asset system, without being tracked, making it difficult to assess the impact of any changes to lives.</p>
Classification	Financial reporting (fair value)
Implications	<p>TAO recalculated Parks accumulated depreciation using the same methodology applied for Transport and Bridge asset classes. The calculated difference was an understatement of accumulated depreciation of \$1.66m. The difference has been included in our Completion Report as an unadjusted difference.</p>
Recommendation	<p>It is recommended that management:</p> <ul style="list-style-type: none"> <li>• review the methodology applied in the calculation of accumulated depreciation for Parks assets to ensure it accurately reflects the expired service potential of the assets</li> <li>• review the methodology and documentation of changes to useful lives and remaining lives to enable financial staff to determine the impact of any changes to lives.</li> </ul>
Management response – September 2021	<p>Management agrees with the recommendation. The responsible officer will be the Director Corporate and Commercial Services.</p>



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Timeframe for  
corrective action

During the 2021-22 financial year.

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Audit response –  
October 2022

Revaluation adjustment processed in 2021-22 – matter considered  
**RESOLVED**

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Resolved previously reported findings 13

## 2.4 Asset usage and monitoring (Low risk)

Finding	<p>Probity is a special consideration in the public sector that requires an understanding of the expectations and standards required for the use of public resources. We undertook procedures to review controls and safeguards that management has in place to ensure ethical and appropriate management of public resources.</p> <p>Our review identified that improvements could be made to ensure assets that may be considered attractive and portable, although below Council's capitalisation threshold, are recorded, tracked and only used for legitimate business (or their personal use is limited and managed).</p>
Classification	Internal control – monitoring activity
Implications	<p>Management is responsible for safeguarding all assets, even items under the capitalisation threshold which are not tracked or depreciated for financial reporting purposes. Management is also responsible for ensuring that Council's property and resources are used efficiently and for the purpose of achieving its objectives.</p> <p>Because of the attractive and portable nature of some items, it is considered prudent to implement controls to ensure they are managed and safeguarded from unauthorised use or disposal, theft or loss.</p>
Recommendation	<p>Council:</p> <ul style="list-style-type: none"> <li>• develops and implements a policy and procedures for the management of portable and attractive items</li> <li>• establishes guidelines relating to the provision and usage of Council owned mobile phones, tablets, tools and similar items with the view that private usage should be kept to a minimum.</li> </ul>
Management response – September 2017	Management agrees with the recommendations and will develop a workplace policy in the first half of 2018.
Timeframe for corrective action	June 2018

Audit response – September 2018	Council has recently created an accounting position focused on Council's plant and asset systems. This position will be working with the Works department in coming months to progress an audit of small items of plant and equipment, including development of a policy regarding use of Council assets. This matter is therefore considered UNRESOLVED and will be followed up in 2018-19
Audit response – June 2019	<p>Council is yet to develop and implement a policy and procedure for the management of portable and attractive items. Preliminary work has begun however, such as the updating and review of internally held data on portable and attractive items held. This work is not expected to be completed during the 2018-19 financial audit cycle and is to be followed up in 2019-20.</p> <p>Council currently leases its mobile phones and tablets for two years where previously they were purchased outright. It is the view of Council that these items are 'consumable' and a specific guideline is not required. It is not a requirement that Council maintains a guideline for mobile phone use and therefore audit will close this aspect of the recommendation going forward.</p>
Updated timeframe for corrective action	June 2020
Audit response – November 2020	Council has not progressed any further with this item. While a yearly audit of tools and equipment at the Council depot is completed, a workplace policy outlining Council process and steps to safeguard attractive and portable plant and equipment has not been developed.
Updated timeframe for corrective action	30 June 2021
Management response – September 2021	<p>The Portable and Attractive Assets Policy has been approved by the Council at its meeting of 24 August 2021, following review of the policy by the Audit Panel.</p> <p>Work will now begin on operationalising the policy. This may take some time as there are no existing process in place, nor any business system to support this, at this time</p>

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Updated timeframe for corrective action	30 June 2022
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Audit response – October 2022	The Policy is in place and all portable and attractive items meeting the criteria are currently being entered into the Council's asset register. Matter considered <b>RESOLVED</b> .
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16    Resolved previously reported findings

## 2.5 General computer controls (Moderate risk)

Finding	<p>When undertaking an evaluation of the design and implementation of controls to address key objectives in the management and operation of Council's Computer Processing Environment (CPE) this year, internal control weaknesses were identified:</p> <ol style="list-style-type: none"> <li>1. IT systems security is not appropriately implemented, administered and logged to safeguard against unauthorised modifications to programs and data. This matter has been raised with Council through previous audits. We were advised previously that an IT Security Management Policy would be finalised and implemented in August 2015. It is noted this remains outstanding</li> </ol>
Classification	Internal control – information system and communication
Implications	<p>Where general computer control weaknesses exist, the risk of inappropriate access to key financial applications and the integrity of financial data may become compromised. In particular:</p> <ol style="list-style-type: none"> <li>1. Incomplete, inaccurate, or invalid processing or recording of financial information may occur.</li> <li>2. Financial data may not be complete, accurate, and valid during back-up, recovery and storage processes.</li> </ol> <p>The lack of general computer controls increases the risk of material misstatement in the financial report and is indicative of a weaker access control environment which is vulnerable to unauthorised access and modification of financial data</p>
Recommendation	It is recommended Council consider the finalisation of the development and implementation of the IT security management policy.
Management response – September 2017	Management agree with recommendations and will develop and implement an IT security management policy during the first half of 2018. (Executive Manager Corporate Finance)
Timeframe for corrective action	June 2018

Resolved previously reported findings 17

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Audit response – September 2018	Council is yet to finalise its IT security policy. In addition, the finding from Issue 3.4 below, relating to the recommended monitoring of user activity for significant applications, has been incorporated into this recommendation. This matter is therefore considered UNRESOLVED.
Audit response – June 2019	As at interim 2018-19 the IT Security Policy is yet to be completed. Council is developing the policy in conjunction with Tas Communications but it is not expected to be completed as part of the 2018-19 audit cycle. To be followed up in 2019-20.
Updated timeframe for corrective action	June 2020
Audit response – November 2020	Council has not yet developed an IT Security Policy. Council officers are working with Tas Communications to complete a security posture audit including development of IT security policies and documentation. Officers have received a quote to complete the work and a briefing on work to be completed by the external provider. A decision on how to proceed is likely to be made by the end of December 2020.
Updated timeframe for corrective action	31 December 2021
Management response – September 2021	<p>The Cyber Vulnerability Audit is the first step in this process to determine the current state, risks and potential treatments and controls.</p> <p>The report commissioned has been received and is being reviewed by officers, before being discussed with the Executive Management Team and tabled to the next Audit Panel meeting.</p> <p>The information will lead to the development of an IT security management policy.</p>
Updated timeframe for corrective action	The above timeframe of 31 December 2021 remains appropriate.
Audit response – October 2022	Policies formalised on 28 June 2022 – matter considered <b>RESOLVED</b> .

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## Appendix 1 – Risk ratings for findings

Risk category	Audit impact	Management action required
<b>High</b>	<p>Matters categorised as high risk pose a significant business or financial risk to the entity and have resulted or could potentially result in a modified or qualified audit opinion if not addressed as a matter of urgency.</p> <p>High risk findings represent a:</p> <ul style="list-style-type: none"> <li>control weakness which could have or is having a significant adverse effect on the ability to achieve process objectives and comply with relevant legislation</li> <li>material misstatement in the financial report is likely to occur or has already occurred.</li> </ul>	<p>Requires immediate management intervention with a detailed action plan to be implemented within one month.</p> <p>Requires management to correct the material misstatement in the financial report to avoid a modified audit opinion.</p>
<b>Moderate</b>	<p>Moderate risk findings are matters of a systemic nature that pose a moderate business or financial risk to the entity if not addressed as high priority within the current financial year, matters that may escalate to high risk if not addressed promptly or low risk matters which have been reported to management in the past but have not been satisfactorily resolved or addressed.</p> <p>Moderate risk findings represent a:</p> <ul style="list-style-type: none"> <li>systemic control weakness which could have or is having a moderate adverse effect on the ability to achieve process objectives and comply with relevant legislation</li> <li>misstatement in the financial report that is not material and has occurred.</li> </ul>	<p>Requires prompt management intervention with a detailed action plan implemented within three to six months.</p>
<b>Low</b>	<p>Matters categorised as low risk are isolated, non-systemic or procedural in nature and reflect relatively minor administrative shortcomings and could be addressed in the context of the entity's overall control environment.</p> <p>Low risk findings represent</p> <ul style="list-style-type: none"> <li>an isolated or non-systemic control weakness with minimal but reportable impact on the ability to achieve process objectives and comply with relevant legislation</li> <li>a misstatement in the financial report that is likely to occur but is not expected to be material</li> <li>an opportunity to improve an existing process or internal control.</li> </ul>	<p>Requires management intervention with a detailed action plan implemented within six to 12 months.</p>

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**GENERAL MANAGER****AO049-23 GENERAL MANAGER'S REPORT - OPEN SESSION**

FILE NO: 4/18/2  
PREVIOUS MIN:

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**1.0 RECOMMENDATION:**

***"THAT Council:***

- 1) Note the information provided in the General Manager's Report; and***
- 2) Approve the Mayor's nomination for the Local Government of Tasmania (LGAT) – 2023 General Management Committee."***

**2.0 EXECUTIVE SUMMARY**

The purpose of this report is to advise on the following items:

Mayor's Communications  
General Manager's Communications  
Notification of Council Workshops  
Notification of Special Committee Meetings  
Correspondence for Noting  
Council Meeting Action List

**3.0 DETAILS****Mayor's Communications**

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

- Ant Dry and Geoff Wood, Emu Valley Rhododendron Garden
- Cruise Ship Welcome – Pacific Explorer
- Cricket North West – Hall of Fame Function
- North / North West City Mission staff
- City Chaplain, Steve Arnol
- Felix Ellis MP
- Speaking with Somerset Primary School Grade 4/5 students
- CBD Reference Group Meeting
- Mayor Gerard Blizzard, Circular Head Council



- 
- Minister Michael Ferguson MP
  - Attended Domaar Production of Rent
  - Premier Jeremy Rockliff MP
  - Mayor Cheryl Fuller (Central Coast Council) and Mayor Alison Jarman (Devonport City Council)
  - Meeting with PJ regarding murals
  - Enterprize Tasmania meeting, with speaker Mark Acheson
  - Lindy Hume, Ten Days on the Island
  - Acting Inspector Stewart Williams, Tasmania Police
  - Business North West Breakfast Session with Guest Speakers Justin McErlain and Cyndia Hilliger
  - Melbourne Property Developer
  - Renea Stubbs
  - Kirby Cunningham, Mission to Seafarers
  - Cruise Ship Welcome – Norwegian Spirit
  - Radio Interview (Sea Creatures)
  - Tasmanian Community Fund - Sally Darke and Lola Cowle
  - International Women's Day Breakfast with Ignite Women Tasmania
  - Mayor Mary Duniam, Waratah Wynyard Council
  - Burnie Library International Women's Day Event – Everyone has a Story
  - Hellyer College Assembly
  - Keep Australia Beautiful rubbish collection with Girl Guides
  - Burnie Show Society
  - Ian Jones, Business North West
  - ABC Radio Interview – Burnie's Strategic Plan
  - Ten Days on the Island, Hobart Events -
    - Te-Wheke-A-Muturangi, by Lisa Reihana - Kangaroo Point
    - Heap, the larger than life compost heap, Salamanca Place
    - Women of Troy, The theatre Royal
    - Qwerin, traditional welsh folk dance group from Wales, St Davids Park
    - 'We will slam you with our wings' by Joanna Dudley, the Old Mercury Print Hall
    - 'Be Here', Drill Performance Company, St Davids Park
  - Kingston Playground inspection
  - Coastal Pathway photo opportunity with Minister Ferguson MP, Minister Ellis MP and Mayor Mary Duniam (Waratah Wynyard Council)
  - Cruise Ship Welcome – Noordam
  - Zahid Mohamed - Tasmania Northwest Islamic Association (TNWIA)
  - Dean Joscelyne
  - Business North West Breakfast Session with Guest Speakers MPs Anita Dow, Shane Broad and Janie Finlay
  - Senator Jacqui Lambie
  - Business North West General Meeting
  - LGAT Mayor's Workshop
  - Premier Jeremy Rockliff MP and Minister Michael Ferguson MP
  - Announcement photo opportunity with Premier Jeremy Rockliff MP
  - Property Owner of Regent Hotel, Burnie
-

- Senator Anne Urquhart

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

- 7BU Radio Interview with Leigh Kenworthy, attended by Cr Amina Keygan
- 7BU Radio Interview with Leigh Kenworthy, attended by Cr Chris Lynch
- 7BU Radio Interview with Leigh Kenworthy, attended by Cr David Pease
- Cruise Ship Welcome – Norwegian Spirit, attended by Cr Amina Keygan
- Cruise Ship Welcome – Europa, attended by Deputy Mayor Giovanna Simpson
- 7BU Radio Interview with Leigh Kenworthy, attended by Deputy Mayor Giovanna Simpson

### 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
23 February	Launch of the Strategic Regional Plan for Tasmania
24 February	Marinus Link Project: Social Impact Interview
	BCC / UTAS Fortnightly Meeting
27 February	Meeting with Burnie Highland Pipe Band
28 February	Meeting with Acting Inspector Stewart Williams, Tasmania Police
1 March	Business North West Breakfast Session with Guest Speakers Justin McErlain and Cyndia Hilliger
	Meeting with Melbourne Property Developer
	PSC Meeting - BAFC Redevelopment
7 March	Meeting with Tasmanian Community Fund - Sally Darke and Lola Cowle
	Meeting with Ben Carpenter, Beach Hotel
9 March	Meeting with Burnie Show Society
	Meeting with Ian Jones, Business North West
10 March	BCC / UTAS Fortnightly Meeting
14 March	Meeting with Dean Joscelyne
15 March	Business North West Breakfast Session with Guest Speakers MPs Anita Dow, Shane Broad and Janie Finlay
	Burnie Strategic Report Communications Session - Virtual Community Session
	Business North West General Meeting
16 March	Burnie Strategic Report Communications Session - Community
	Official Launch of Shorewell Presents - Take 3

**Notification of Council Workshops**

The General Manager advises that the following Workshops were held since the last Council Meeting report:

	<b>24 February 2023</b>
Councillors in attendance	Mayor Brumby and Cr Keygan via teleconference, Cr Pease in attendance
Apologies	Deputy Mayor Simpson, Cr Aitken, Cr Dorsey, Cr Grave, Cr Kons, Cr Lynch
Items Discussed	Councillors Meeting with Minister for Local Government, Hon Nic Street MP

<b>Workshop</b>	<b>7 March 2023</b>
Councillors in attendance	Mayor Brumby, Deputy Mayor Simpson, Cr Aitken, Cr Grave, Cr Keygan, Cr Kons, Cr Lynch, Cr Pease
Apologies	Cr Dorsey
Items Discussed	Burnie City Council Strategy
	Mayor and General Manager's Update

<b>Workshop</b>	<b>14 March 2023</b>
Councillors in attendance	Mayor Brumby, Deputy Mayor Simpson, Cr Aitken, Cr Dorsey, Cr Grave, Cr Keygan, Cr Kons, Cr Lynch, Cr Pease
Apologies	
Items Discussed	Out of Session Workshop Briefing Papers
	Policy Review – Councillors' Expenses and Allowances Policy
	Financial Management Strategy
	Transformational Leadership
	Mayor and General Manager's Update

**Notification of Committee Meetings**

The General Manager advises that the following Committee Meetings were held since the last Council Meeting report:

22 February	CBD Reference Group Meeting
23 February	Youth Council
7 March	View Road Reserve Working Group Meeting
8 March	Western District Bush Watch Meeting

**Correspondence for Noting**

- Local Government Association of Tasmania – 2023 General Management Committee Election –  
Mayor Brumby has requested to nominate for the LGAT General Management Committee for a two year term. The Tasmanian Electoral Commission will be conducting the election process and nominations close on 19 April 2023. The Election timetable and Nomination process are attached and a recommendation to nominate for this committee is included in the Motion.

**Council Meeting Action List**

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

**ATTACHMENTS**

1. LGAT 2023 Nomination form
2. Open Session - All Actions - 28 Feb 2023
3. Open Session - Outstanding Actions - Nov 2020 to Jan 2023

**COUNCIL RESOLUTION**

**Resolution number: MO062-23**

**MOVED:** Cr G Simpson

**SECONDED:** Cr D Pease

**“THAT Council:**

- 1) Note the information provided in the General Manager’s Report; and**
- 2) Approve the Mayor’s nomination for the Local Government of Tasmania (LGAT) – 2023 General Management Committee.”**

**For:** Cr T Brumby, Cr G Simpson, Cr T Aitken, Cr K Dorsey, Cr J Grave, Cr A Keygan, Cr S Kons, Cr C Lynch, Cr D Pease.

**Against:**

**CARRIED UNANIMOUSLY**

Reference: F06 03 06

Mayor Teeny Brumby  
Burnie City Council  
PO Box 973  
BURNIE TAS 7320

Dear Mayor Teeny Brumby

**Local Government Association of Tasmania – 2023 General Management Committee election**

The Tasmanian Electoral Commission has been asked to conduct the 2023 election of President and 6 members of the General Management Committee for a two-year term in accordance with the rules of the Local Government Association of Tasmania (LGAT) adopted at the AGM of the Association on 30 June 2021.

Nominations are now invited from LGAT members and must be received at my office by 5:00 pm Wednesday 19 April 2023.

Candidates will be notified of receipt of their nomination by this office.

**Election timetable**

Nominations open.....	Monday 27 February 2023
Nominations close.....	5:00 pm Wednesday 19 April 2023
Ballot material posted (if a ballot is required) .....	Monday 24 April 2023
Close of postal ballot.....	10:00 am Thursday 15 June 2023
Declaration of the result.....	Thursday 15 June 2023

A nomination form and reply-paid envelope are enclosed.

If you would like further information or assistance, please call Sarah Richardson on 6208 8724

Yours sincerely

Sarah Richardson  
RETURNING OFFICER

24 February 2023



## Local Government Association of Tasmania Nomination Form

Nomination of a candidate for election of President or Committee Member of the General Management Committee, Local Government Association of Tasmania.

Nominations are invited and must be lodged, posted, or emailed to be received by the Returning Officer at the address shown below **before 5 pm on Wednesday 19 April 2023**. This nomination must be accompanied by a copy of the Resolution passed by the Council that lawfully nominated the candidate for election. Candidates will be notified of receipt of the nominations by this office.

It is the responsibility of the candidate to ensure that the nomination form is received by the Returning Officer before the close of nominations. Late nominations cannot be accepted.

Each member is entitled to:

- nominate one elected Councillor of a Member Council for the position of President of the Local Government Association of Tasmania: and
- nominate one elected Councillor of a Member Council for the position of Committee Member of the General Management Committee. Members can only nominate a Councillor within their own electoral district and population category.

### Candidate

Family Name:	Given names:	Member Council:
Position of: <input type="checkbox"/> President <input type="checkbox"/> Committee Member		
Postal address:	Email address:	
Given names for ballot paper: (if different from above)	Contact phone numbers: Mobile	
I accept the nomination as a candidate for election to the position shown above.		
Signature. ....		Date. ....

### Nominator

Name of Member Council:	
Hereby nominates the above-named candidate for election.	
Name of person authorised to lodge nomination behalf of Member Council:	
.....	Contact mobile number: .....
Endorsed at council meeting held on:	<b>This nomination must be accompanied by a copy of the Resolution passed by the Council that lawfully nominated the candidate for election.</b>
Date. ....	
Signature of authorised person ..... Date. ....	

The address for lodgement at the Tasmanian Electoral Commission is:

Level 3, TasWater Building, 169 Main Road, MOONAH TAS 7009 Phone: (03) 6208 8724

Postal Address: PO Box 307, MOONAH TAS 7009

Email: [nominations@tec.tas.gov.au](mailto:nominations@tec.tas.gov.au)

PTO

## Electoral Districts

(for the purpose of electing members to the General Management Committee)

### NORTH WEST AND WEST COAST ELECTORAL DISTRICT

Members within the electoral district having a population less than 20,000 – **one position**

Circular Head Council  
King Island Council  
Kentish Council  
Latrobe Council  
Waratah-Wynyard Council  
West Coast Council

Members within the electoral district having a population of 20,000 or more – **one position**

Burnie City Council  
Central Coast Council  
Devonport City Council

### NORTHERN ELECTORAL DISTRICT

Members within the electoral district having a population less than 20,000 – **one position**

Break O'Day Council  
Dorset Council  
Flinders Council  
George Town Council  
Northern Midlands Council

Members within the electoral district having a population of 20,000 or more – **one position**

Launceston City Council  
Meander Valley Council  
West Tamar Council

### SOUTHERN ELECTORAL DISTRICT

Members within the electoral district having a population less than 20,000 – **one position**

Brighton Council  
Central Highlands Council  
Derwent Valley Council  
Glamorgan-Spring Bay Council  
Huon Valley Council  
Southern Midlands Council  
Sorell Council  
Tasman Council

Members within the electoral district having a population of 20,000 or more – **one position**

Clarence City Council  
Glenorchy City Council  
Kingborough Council

<b>Council Meeting Action Report</b> <b>All Actions for Open Session of 28 February 2023</b>					<b>Date From:</b> 28/02/2023 <b>Date To:</b> 28/02/2023 <b>Printed:</b> Thursday, 16 March 2023 10:49am
<b>Key:</b> RES = Action arising from Resolution; ACT = Action required in addition; QON = Question on Notice; NOTE = Progress Note					
Item Number	Report Title	Action	Department	Completed	
AO030-23	PUBLIC QUESTION TIME	<b>01 Mar 2023</b> QON: Provide a written response to Ms L Papworth (not present) for her public question under Item AO030-23. <b>15 Mar 2023</b> Completed - DOC ID 23/6473 Council 28/02/2023	Office of the General Manager	15/03/2023	
AO030-23	PUBLIC QUESTION TIME	<b>01 Mar 2023</b> QON: Provide a written response to Mr T Hainsworth (not present) for his public question under Item AO030-23. <b>15 Mar 2023</b> Completed - DOC ID 23/6474 Council 28/02/2023	Office of the General Manager	15/03/2023	
AO030-23	PUBLIC QUESTION TIME	<b>01 Mar 2023</b> QON: Provide a written response to Mr N Langley (not present) for his public question under Item AO030-23. <b>15 Mar 2023</b> Completed - DOC ID 23/6475 Council 28/02/2023	Office of the General Manager	15/03/2023	
AO032-23	POLICY REVIEW - TREASURY MANAGEMENT POLICY CP-CCS-CG-038	<b>01 Mar 2023</b> ACT: Finalise the Treasury Management Policy in the Corporate Document Framework and make available to the public, per Council resolution AO032-23. <b>01 Mar 2023</b> Completed - Document finalised and published. Council 28/02/2023	Office of the General Manager	1/03/2023	
AO033-23	POLICY REVIEW - COUNCILLORS' CODE OF CONDUCT CP-CCS-CG-024	<b>01 Mar 2023</b> ACT: Finalise the Code of Conduct Policy in the Corporate Document Framework and make available to the public, per Council resolution AO033-23. <b>01 Mar 2023</b> Completed - Document finalised and published. Council 28/02/2023	Office of the General Manager	1/03/2023	
AO034-23	STRATEGIC RISK REGISTER REVIEW	<b>01 Mar 2023</b> ACT: Finalise the Strategic Risk Register in the Corporate Document Framework and make available to the public, per Council resolution AO034-23. <b>01 Mar 2023</b> Completed - Document finalised and published. Council 28/02/2023	Office of the General Manager	1/03/2023	



Council Meeting Action Report				
Outstanding Actions for Open Sessions Nov 2020 to Jan 2023				
<b>Key:</b>		<b>RES</b> = Action arising from Resolution; <b>ACT</b> = Action required in addition; <b>QON</b> = Question on Notice; <b>NOTE</b> = Progress Note		
		<b>Date From:</b> 1/01/1900 <b>Date To:</b> 31/01/2023 <b>Printed:</b> Thursday, 16 March 2023 10:56am		
Item Number	Report Title	Action	Department	Completed
AO265-20	MOTION ON NOTICE - DUAL NAMING POLICY	<b>18 Nov 2020</b> 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.  <b>14 Apr 2021</b> NOTE: Written to TAC seeking to engage in discussion as a starting point, 21/26471. <b>11 Oct 2021</b> NOTE: 7/8 - follow up email sent, no response to date. <b>10 May 2022</b> NOTE: Several attempts to engage have not provided a successful outcome. An alternative contact is being sourced through UTAS. <b>15 Mar 2023</b> NOTE: Meeting scheduled with TAC for Tuesday, 21 March 2023	Office of the General Manager	
Council 17/11/2020				
AO186-21	MOTION ON NOTICE - CBD PLANTING OF RHODODENDRONS	<b>28 Oct 2021</b> RES: Review the cost considerations between constantly changing flowers in CBD or replacing them with midsize Rhododendrons, as per the resolution of Council AO186-21. <b>14 Jan 2022</b> NOTE: Being considered as part of Cities Gateway project and CBD greening paper	Works and Services	
Council 26/10/2021				
AO042-22	LAND DISPOSAL - PROPOSAL TO DISPOSE OF PUBLIC LAND TO SUPPORTED AFFORDABLE ACCOMMODATION TRUST LOT 2, 1 MUSSEN CLOSE, SHOREWELL PARK BEING PART OF CT VOLUME 159534, FOLIO 1	<b>23 Mar 2022</b> RES: Progress the potential disposal of land at Lot 2, 1 Mussen Close, to the Supported Affordable Accommodation Trust, in accordance with the authorisation of Council to dispose as public land, resolution AO042-22. <b>29 Jul 2022</b> NOTE: General Manager working with PDA and MMT on plan of subdivision and contract of sale	Office of the General Manager	
Council 22/03/2022				
AO106-22	BY-LAW - INTENTION TO MAKE A NEW BY-LAW - DRAFT PUBLIC PLACES BY-LAW	<b>05 Jul 2022</b> RES: Request the preparation of a Regulatory Impact Statement for the draft Public Places By-law and then progress the required Director's certification and public consultation process, before returning a report to Council, per AO106-22. <b>06 Jul 2022</b> NOTE: Preparation of RIS requested from legal practitioner on 6.7.22, doc 22/19343. <b>17 Nov 2022</b> NOTE: RIS received and being reviewed. <b>11 Jan 2023</b> NOTE: RIS finalised and sent to Director Local Government on 10.1.22 with draft by-law, seeking certification, prior to final stage of community consultation.	Office of the General Manager	
Council 28/06/2022				

Council Meeting Action Report				
Outstanding Actions for Open Sessions Nov 2020 to Jan 2023				
<b>Key:</b> RES = Action arising from Resolution; ACT = Action required in addition; QON = Question on Notice; NOTE = Progress Note			<b>Date From:</b> 1/01/1900 <b>Date To:</b> 31/01/2023 <b>Printed:</b> Thursday, 16 March 2023 10:56am	
Item Number	Report Title	Action	Department	Completed
AO101-22	MOTION ON NOTICE - RELOCATION OF BURNIE FARMER'S MARKET	<b>05 Jul 2022</b> RES: Open negotiations with organiser and stallholders of BFM, on a suggested relocation of the market into the city, per Council resolution AO101-22 <b>09 Sep 2022</b> NOTE: Meeting sought with organisers <b>07 Oct 2022</b> NOTE: Meeting organised for 11/10/2022 <b>15 Mar 2023</b> NOTE: Re-contacted 10/3/2023. Additional information to be provided to Council  Council 28/06/2022	Office of the General Manager	
AO149-22	MOTION ON NOTICE - REMOVAL OF GRAFFITI	<b>24 Aug 2022</b> RES: Negotiate a trial period of service level agreements with organisations and bring proposal forward to the 2022/23 planning and budget process, as per Council Resolution AO149-22  Council 23/08/2022	Office of the General Manager	
AO150-22	MOTION ON NOTICE - PUBLIC QUESTION TIME	<b>24 Aug 2022</b> ACT: Draft Public Question Policy <b>16 Feb 2023</b> NOTE: A policy to include this decision is being developed. <b>15 Mar 2023</b> NOTE: Policy drafted and sent to Exec Manager Corporate Governance for review.  Council 23/08/2022	Corporate and Commercial Services	
AO005-23	QUESTION ON NOTICE - FINANCIAL POSITION, REEVE STREET TOILETS, VANDALISM AND GRAFFITI	<b>08 Feb 2023</b> QON: Provide a response to Councillors on Cr Aitken's QON relating to Reeve Street toilets, which was taken on notice, per Council Resolution AO005-23. <b>16 Feb 2023</b> NOTE: Underway - GM in discussion with Director Works and Services  Council 31/01/2023	Office of the General Manager	
AO007-23	MOTION ON NOTICE - RECOGNITION OF CORPORAL CAMERON BAIRD DRIVE	<b>02 Feb 2023</b> RES: In consultation with the Baird family, write to the Nomenclature Board to request naming of internal drive at Burnie Park to be named in recognition of Cpl Baird VC MG, per Council Resolution AO007-23. <b>16 Feb 2023</b> NOTE: Correspondence sent to the Baird Family - DOC ID 23/3310  Council 31/01/2023	Office of the General Manager	
AO008-23	MOTION ON NOTICE - WORKING GROUP FOR PUBLIC EVENTS	<b>02 Feb 2023</b> RES: Establish a Public Events working Group to examine and improve how the council supports public events, per Council resolution AO008-23. <b>15 Mar 2023</b> NOTE: Councillor Lynch has discussed this matter with the General Manager. Awaiting action from Councillor Lynch.  Council 31/01/2023	Corporate and Commercial Services	

Mayor T Brumby vacated the Chair, and Deputy Mayor G Simpson took the Chair for Item AO050-23, the time being 8.26pm.

Cr J Grave left the meeting, the time being 8.26pm, and returned to the meeting, the time being 8.28pm.

## **GENERAL MANAGER**

### **AO050-23 POLICY REVIEW - COUNCILLORS' EXPENSES AND ALLOWANCES**

FILE NO: 4/14/2  
PREVIOUS MIN:

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#### **1.0 RECOMMENDATION:**

***“THAT Council adopt the revised Councillors’ Expenses and Allowances Policy, as attached.”***

#### **2.0 EXECUTIVE SUMMARY**

##### **Purpose and Background**

To review the Councillors’ Expenses and Allowances Policy which is due for review.

##### **Key Issues**

The policy has been revised significantly in an attempt to make it simpler to interpret, more efficient to administer, and be more responsive to contemporary needs.

Council must have an Expenses and Allowances Policy, and certain expenses are prescribed which must be provided.

Key revisions include expansion of ICT equipment provision, broader and simpler communications and office expenses, a broader and simpler professional development allowance, increases to amounts claimable throughout, and general simplification of each section.

#### **3.0 SUPPORTING INFORMATION**

##### **Strategic Alignment**

This policy relates to Council Plan Enabler: *Our People* in that it supports any person regardless of financial circumstances to fulfil the role of councillor effectively.

**Legal**

The *Local Government Act 1993* requires that all councils have an Expenses and Allowances Policy, and that certain prescribed expenses are included.

**Finance**

The revised policy will require an additional provision in the next budget to support adequate professional development, which is a requirement for each Councillor under their signed Declaration of Office.

**Relation to Council Policy**

The draft revised policy is attached for discussion.

**Discussion**

The key revisions in the draft revised policy include:

- a) Expansion of the ICT equipment provision – noting that Council will enhance its available suite of equipment to ensure that councillor equipment meets contemporary needs, including regard to flexibility, portability, screen size, battery life, touch screen capability – as examples.
- b) Removed ‘Provision of Facilities at City Offices’ as outdated and not relevant to contemporary needs.
- c) Added Parking Permits section reflecting current practice.
- d) Combined the old ‘Home Office Expenses’ and ‘Communications’ sections into one new section which simply provides an annual limit for all communications and expenses of office, instead of the current monthly limits and prescriptive list of what is eligible.
- e) Added Hospitality Expenses for minor hospitality costs incurred in the offices of Mayor and Deputy Mayor.
- f) Combined the old ‘Conferences and Seminars’ section and simplified the ‘Professional Development’ section to simply provide an annual limit for all PD opportunities, instead of the currently restrictions that apply.
- g) Update dollar amounts throughout.
- h) Simplified the purpose and objective.

**Health and Safety**

There are no health and safety impacts resulting from this report.

**Risk**

There are no identified risks that require consideration in relation to this report.

**Environmental Sustainability**

There are no environmental sustainability impacts to be considered in this report.

**Consultation**

Relevant Council Officers have been consulted in the preparation of this report.

**Conflict Of Interest**

No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a material or general conflict of interest in relation to the matter of the report.

**ATTACHMENTS**

1 [↓](#). Draft Revised Councillors' Expenses and Allowances Policy

**COUNCIL RESOLUTION**

**Resolution number: MO063-23**

**MOVED:** Cr A Keygan

**SECONDED:** Cr C Lynch

***“THAT Council adopt the revised Councillors’ Expenses and Allowances Policy, as attached.”***

*The motion was not put due to the following amendment motion*

**MOVED:** Cr T Brumby

**SECONDED:** Cr T Aitken

***“THAT Council adopt the revised Councillors’ Expenses and Allowances Policy, as attached, but with an amendment to section 4.4.1 to limit councillor retirement gifts to \$250 ex GST.”***

For: Cr T Brumby, Cr T Aitken, Cr A Keygan, Cr C Lynch.

Against: Cr G Simpson, Cr K Dorsey, Cr J Grave, Cr S Kons, Cr D Pease.

**LOST**

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*The meeting returned to the original substantive motion*

***“THAT Council adopt the revised Councillors’ Expenses and Allowances Policy, as attached.”***

For: Cr T Brumby, Cr G Simpson, Cr K Dorsey, Cr J Grave, Cr A Keygan, Cr S Kons, Cr C Lynch, Cr D Pease.

Against:

Abstained: Cr T Aitken

***CARRIED UNANIMOUSLY***

Mayor T Brumby resumed the Chair, the time being 8.38pm.

 <b>BURNIE</b> CITY COUNCIL	COUNCIL POLICY		
	<b>Councillors' Expenses and Allowances (DRAFT)</b>		
	Approved By:	Council	Document Code: CP-CCS-CG-001
	Doc Controller:	Executive Manager Corporate Governance	Version: 9.0
	File:	4/14/2	Approved Date: TBC
			Next Review Date: +4 years

## 1 PURPOSE

To provide a clear policy framework around councillors' entitlement to expenses and allowances in accordance with the legislative requirement for a policy under Schedule 5 of the *Local Government Act 1993*.

## 2 OBJECTIVE

The policy aims to provide for anyone, regardless of financial circumstances, to effectively fulfil their functions as a Councillor by ensuring that reasonable costs associated with the role are met.

It determines reasonable levels for claiming those expenses which are prescribed under the *Local Government (General) Regulations 2015* (Reg 43). In addition, it determines a number of additional work related expenses which the Council deems appropriate for Councillors to claim in fulfilling their duties of office.

## 3 SCOPE

This policy applies to Councillors of Burnie City Council.

Within this policy:

**the Act** means the *Local Government Act 1993*

**the Regulations** means the *Local Government (General) Regulations 2015*

## 4 POLICY

Where, in the opinion of the General Manager, a question arises as to whether a claim is eligible under this Policy, or the claim appears unreasonable or does not serve the interests of Council, the General Manager will raise the concern with the Councillor and make a decision.

It is the responsibility of Councillors to ensure that any claims are consistent with this policy and reflective of community expectations.

### 4.1 PRESCRIBED ALLOWANCES

The Council shall pay allowances for Councillors in accordance with the Regulations (Reg 42). Allowances will be paid on a monthly in arrears basis. Allowances are determined and published by the Department of Premier and Cabinet, Local Government Division, and indexed annually.

A Councillor may elect not to receive all or part of a prescribed allowance. Notification of such a decision is to be provided to the General Manager in writing. (Section 340A(3)(4) of the Act).

 <b>BURNIE</b> CITY COUNCIL	COUNCIL POLICY		
	<b>Councillors' Expenses and Allowances (DRAFT)</b>		
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## 4.2 EXPENSES OF OFFICE

### 4.2.1. Provision of ICT Equipment

Councillors will be provided with the following devices of their selection from Council's current standard suite of ICT equipment, relevant to the day:

- Laptop or Ipad; and
- Iphone (two sim card option available to support Council and private plans on one phone)

The above equipment will be replaced in accordance with ICT replacement timeframes relevant to the day. All ICT equipment issued to Councillors remains the property of Council and must be returned to Council at end of use.

The use of privately-owned devices, including laptops, ipads and iphones, to access the Council network is not permitted, due to cyber security risk management protocols.

Councillors with existing private devices connected to Council's network will have until 30 June 2023 convert to council-owned devices.

Ancillary ICT equipment required by each Councillor may be claimed under the following Communications and Expenses of Office section.

### 4.2.2. Communications and Expenses of Office

Council will directly pay or reimburse Councillors for expenses of office up to a maximum of \$3,000 ex GST per financial year for each Councillor. Such expenses of office may include but are not limited to:

- Phone call and data plans
- Internet connection and data plans
- Stationery and office supplies
- Home office expenses including minor equipment
- ICT related equipment (eg keyboards, screen covers, cameras)
- Other expenses of office necessary for carrying out the duties of a Councillor

The preferred method of internet plan is by sim card in laptop or ipad, enabling access from anywhere, and reducing administrative time for expense payments.

If travelling overseas, Councillors are requested to put appropriate measures in place to avoid excessive phone costs.

Reimbursement claims must be submitted to the Governance Officer together with receipts on the Councillor Expenses Claim Form, within the year they are incurred.



 <b>BURNIE</b> CITY COUNCIL	COUNCIL POLICY		
	<b>Councillors' Expenses and Allowances (DRAFT)</b>		
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Items under this section are generally consumables and not required to be returned at the end of the Councillors' term of office.

#### 4.2.3. Parking Permits

Each Councillor will be provided with one parking permit for use in discharging the function of a Councillor, and is valid only for the dates shown on the Permit.

The Permit allows the vehicle to be parked on any metered parking space or within a Council controlled voucher car park area in Burnie, or City Offices basement car park without payment while being used on official Council business. Permits are not effective in the Marine Terrace multi storey car park.

Permits must not be used for parking a vehicle when conducting private business, or on a purpose unrelated to Council business.

#### 4.2.4. Hospitality Expenses (Mayor and Deputy Mayor)

The Mayor and Deputy Mayor may incur reasonable expenditure for hospitality in exercising the role of Mayor and Deputy Mayor with stakeholders and constituents. The expenditure must be incurred only while on Council business. All transactions must have a receipt and be authorised by the General Manager for reimbursement. The purchase of alcohol is not permitted under the hospitality expenses.

#### 4.2.5. Professional Development

All Councillors are required and expected to undertake professional development opportunities in order to carry out their roles effectively. Professional development is a legislated requirement under the Declaration of Office signed by each Councillor.

Councillors may each claim up to \$4,000 ex GST per financial year, to undertake professional development opportunities that are directly related to the role of a councillor. Any professional development agreed by Council to be delivered to all councillors will be included in this allowance.

Professional development includes but is not limited to attendance at any local government conferences (eg LGAT, ALGA), and any state or Commonwealth government training and development sessions. Councillors are also encouraged to identify further opportunities in addition to these.

Attendance to LGAT Mayor's Workshops and similar, by the Mayor or their delegate, will be treated as Expenses of Office under section 4.2.2 above.

Professional development expenses will generally be paid directly by Council to the provider. Reasonable out-of-pocket expenses associated with the professional development may be claimed in addition to the above allowance, as provided for under section 4.3 below.

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#### 4.2.6. Dinners, Functions and Events

Council may cover the costs of dinners, functions or events to which either:

- the Mayor is invited to represent Council, or
- one or more Councillors are appointed by the Mayor to attend on behalf of Council, or
- all Councillors are invited to attend in an official capacity, subject to the discretion of the Mayor

#### 4.2.7. Partners' Costs

Where additional costs are incurred for Councillors' partners to attend functions, dinners, events or similar, these costs will be at personal expense of the Councillor or their partner. For practicality in booking arrangements, this may be by deduction from the Councillor's Allowance.

### 4.3 OUT OF POCKET EXPENSES

#### 4.3.1. Eligible Activities

Out-of-pocket expenses for meals, travel and dependent person care, may be claimed by Councillors for the following activities:

- To and from the formal meetings of Council and Council workshops.
- To and from any meeting of any Committee the Councillor has been appointed to as a representative of Burnie City Council, or for any other meeting where the Councillor has been delegated or authorised by Council or the Mayor to attend.
- Upon business of the Council, outside the municipal area, in compliance with a resolution of Council.
- To and from any conference, seminar or professional development, function or event as approved under sections 4.2.5 and 4.2.6 of this policy.
- To attend inspections or business as arranged by the General Manager.

Reimbursement claims must be submitted to the Governance Officer together with receipts on the Councillor Expenses Claim Form, within the year they are incurred.

 <b>BURNIE</b> CITY COUNCIL	COUNCIL POLICY	
	<b>Councillors' Expenses and Allowances (DRAFT)</b>	
	Approved By: <b>Council</b>	Document Code: <b>CP-CCS-CG-001</b>
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	File: 4/14/2	Approved Date: <b>TBC</b>
		Next Review Date: <b>+4 years</b>

#### 4.3.2. Meals and Accommodation

For attendance at meetings of Council, Council Workshops or meetings of any committee of Council, which commence after 5.00pm, an evening meal may be provided.

Reasonable out-of-pocket meal expenses and/or accommodation expenses for an activity specified in section 4.3.1 above will be reimbursed to a Councillor upon presentation of the Councillor Expenses Claim Form together with receipts, in the year the expenses are incurred.

#### 4.3.3. Vehicles and Travel

Wherever possible, Council will provide a vehicle for use by Councillors in the exercise of their duties and functions as a Councillor. Vehicle bookings for Councillors are to be coordinated through the Personal Assistant to the Mayor and General Manager. For cost efficiency it is preferred that Councillors seek the use of a Council vehicle for business travel outside the municipality that exceeds 100km return.

In cases where a council vehicle is not available or practical, a travel allowance will be payable to a Councillor for an activity specified in section 4.3.1 above.

The travel allowance payable will be at the Australian Tax Office rate for travel allowances.

A Councillor shall not claim travel or other expenses where the expense would otherwise have been incurred as a result of private business.

A Councillor shall not claim travel or other expenses where alternative arrangements have been made for travel, meaning that the Councillor did not incur the cost of that travel.

All policies adopted for use of Council vehicles apply to Councillors when driving Council vehicles. (See related documents at end).

#### 4.3.4. Dependant Person Care Expenses

Council will reimburse a Councillor for necessary, reasonable expenses incurred in relation to the care of any dependant of the Councillor, while undertaking an activity specified in section 4.3.1 above.

Where a licensed childcare provider is used, reimbursements made will be net of any entitlement to government subsidies. When an unlicensed provider is used, reimbursements will be made up to an hourly rate of \$25/hour ex GST.

Dependant person expenses are not eligible for reimbursement if the payment for that care is made to a person who normally or regularly lives with the Councillor or is a member of the Councillor's family.

 <b>BURNIE</b> CITY COUNCIL	COUNCIL POLICY		
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All claims must detail the date and time care was provided, the business of Council that it related to, attach a receipt or invoice from the provider (whether licensed or unlicensed), and be submitted in the year the expense was incurred. Dependant person care expenses will, unless there are exceptional circumstances, be paid in arrears.

#### 4.4 OTHER MATTERS

##### 4.4.1 Retirement Gifts

Retirement presentations for Councillors may be in the form of a gift up to the value of \$250 ex GST for each four years of service up to a maximum of \$1,000 ex GST.

##### 4.4.2 Insurance

Council will provide the following insurance cover for all Councillors, for liability arising out of or in the course of carrying the function of a Councillor:

- Personal Accident Insurance
- Directors and Officers Insurance
- Crime Insurance
- Business Travel Insurance
- Comprehensive Motor Vehicle Insurance on Council fleet vehicles

##### 4.4.3 Privacy and Disclosure

Monthly statements are to be provided to each Councillor detailing the expense claims and allowances paid and/or claimed to date.

The total expenses claimed by each Councillor will be published in Council's Annual Report, in accordance with section 72(1)(cb) of the Act. The total expense figure will include expenses claimed in accordance with this policy, including communications and expenses of office, hospitality allowance, professional development, dinners, functions and events, and out of pocket expenses including meals, accommodation, travel, and dependant care expenses.

This policy serves as a public document to provide an open and fair framework of expense entitlements within which Councillors are entitled to claim, in order that anyone regardless of financial circumstances, may effectively fulfil their functions as a Councillor.

## 5 LEGISLATION

Local Government Act 1993 S.340A Allowances  
Local Government Act 1993 Schedule 5 – Office of Councillors  
Local Government (General) Regulations 2015 S.42 Allowances for elected members  
Local Government (General) Regulations 2015 S.43 Expenses for councillors

 <b>BURNIE</b> CITY COUNCIL	COUNCIL POLICY	
	<b>Councillors' Expenses and Allowances (DRAFT)</b>	
	Approved By: <b>Council</b> Doc Controller: <b>Executive Manager</b> <b>Corporate Governance</b>	Document Code: <b>CP-CCS-CG-001</b>
	File: 4/14/2	Version: <b>9.0</b> Approved Date: <b>TBC</b> Next Review Date: <b>+4 years</b>

## 6 RELATED DOCUMENTS

Annual Schedule of Councillors' Allowances from DPAC  
 Councillor Expenses Claim Form FO-CBS-SG-009  
 Workplace Policy WP-OGM-HR-022 Vehicles – Use in the Workplace  
 Council Policy CP-CBS-SG-028 Receipt of Gifts and Benefits  
 Council Policy CP-CBS-SG-024 Code of Conduct

Policy Endorsement	
Responsibility:	It is the responsibility of individual Councillors to ensure the integrity of the policy is maintained. It is the responsibility of the General Manager to exercise discretion in respect of matters that require clarification or a decision in respect of this policy. It is the responsibility of Governance Unit to administer and maintain this policy in the Corporate Document Framework.
Minute Reference:	<b>TBC</b>
Council Meeting Date:	<b>TBC</b>
Strategic Plan Reference:	Council Plan Enabler – Our People
Previous Policies Replaced:	This policy replaces the previous policy <i>Councillors' Expenses and Allowances</i> version 8.1 dated 21 May 2019 (Item AO134-19).
Date of Commencement:	<b>TBC</b>
Publication of policy:	This policy is distributed to new Councillors on commencement and is available on the Councillors' Portal. Members of the public may inspect this policy at the City Offices or access on Council's website ( <a href="http://www.burnie.tas.gov.au">www.burnie.tas.gov.au</a> )

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**MINUTES AND REPORTS OF COMMITTEES****AO051-23 BURNIE CITY COUNCIL AUDIT PANEL - UNCONFIRMED MINUTES  
OF MEETING HELD ON 8 FEBRUARY 2023**FILE NO: 13/2/2

---

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

- 1) Note the unconfirmed minutes of the Audit Panel meeting held on the 8 February 2023; and***
- 2) Acknowledge receipt of the letter dated 24 February 2023 from the Chairperson of the Burnie City Council Audit Panel***
- 3) Note the Audit Plan and Work Program 2022-2024.”***

**SUMMARY**

Council’s Audit Panel met on 8 February 2023. The unconfirmed minutes and a report from the Chairperson are **attached** for the information of Councillors.

In addition to the Panel’s standing agenda items, the meeting had a special focus on the following matters:-

- Financial Management Strategy
- Budget Estimates Review 2022-23
- Development of a New Strategic Plan
- Strategic Risk Register Review - Progress Report
- Asset Management Policy, Plan and Strategy - Update
- Policy Review - Treasury Management Policy
- Information Security Management System
- Update On Significant Legislative Changes – Industrial Relations, Sex Discrimination And Work, Health & Safety

There were no formal recommendations that require consideration by the Council arising from the meeting of the 8 February 2023.

**ATTACHMENTS**

- 1 [!\[\]\(09885fa7dbc7efea01a3982f2e00fbcd\_img.jpg\)](#) Audit Panel Minutes of Meeting - 8 February 2023

2. Chairperson Report - BCC Audit Panel 24 February 2023
3. Audit Plan and Work Program 2022-2024

**COUNCIL RESOLUTION**

**Resolution number: MO064-23**

**MOVED:** *Cr D Pease*

**SECONDED:** *Cr S Kons*

***"THAT Council:***

- 1) Note the unconfirmed minutes of the Audit Panel meeting held on the 8 February 2023; and***
- 2) Acknowledge receipt of the letter dated 24 February 2023 from the Chairperson of the Burnie City Council Audit Panel***
- 3) Note the Audit Plan and Work Program 2022-2024."***

**For:** Cr T Brumby, Cr G Simpson, Cr T Aitken, Cr K Dorsey, Cr J Grave, Cr A Keygan, Cr S Kons, Cr C Lynch, Cr D Pease.

**Against:**

***CARRIED UNANIMOUSLY***



**Burnie City Council Audit Panel**

# Unconfirmed Minutes

**Meeting held on WEDNESDAY, 8 FEBRUARY 2023**

**At The Point West Park, 8 Bass Hwy, Parklands**



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# ORDER OF BUSINESS

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# ORDER OF BUSINESS

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**MINUTES OF THE AUDIT PANEL MEETING  
HELD AT THE POINT WEST PARK, ON WEDNESDAY, 8 FEBRUARY 2023**

**HOURL:** 1.05 pm – 1.15 pm (building tour)  
1.15 pm- 3.47 pm

**TIME OCCUPIED:** 2 hour 42 minutes

**PRESENT:**

**Members**  
Ken Clarke (Chairperson), Lisa Dixon (Panel Member), Bill Hutcheson (Panel Member)

**Councillors**  
Cr D Pease, Cr C Lynch

**Officers**  
General Manager (S Overland), Director Corporate and Commercial Services (B Lynch), Chief Financial Officer (B Pilgrim), Finance Systems Officer (M Knight)

**Invited Guests**  
Executive Manager - Corporate Governance (M Neasey) – *Item AUD009-23*  
Chief Technology Officer (D French) – *Item AUD012.23*

**APOLOGIES:** There were no apologies tendered.

AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

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**AUDIT PRELIMINARIES**

**AUD001-23            AUDIT PANEL DECLARATIONS OF INTEREST**

**FILE NO:**                13/2/2  
**PREVIOUS MIN:**

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The Chairperson requested Members 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.

AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

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**AUDIT PRELIMINARIES**

**AUD002-23          ADOPTION OF AGENDA**

**FILE NO:**                13/2/2  
**PREVIOUS MIN:**

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The Chairperson requested Members to adopt the Agenda as presented and called for any additional items.

The Agenda was confirmed as presented.

AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

**AUDIT PRELIMINARIES****AUD003-23                      CONFIRMATION OF MINUTES****FILE NO:**                      13/2/2  
**PREVIOUS MIN:****RECOMMENDATION:**

***"THAT the minutes of the Audit Panel meeting held at the City Offices on Wednesday, 7 December 2022, be confirmed as true and correct."***

**SUMMARY**

The Audit Panel met on Wednesday, 7 December 2022. A copy of the unconfirmed minutes has been provided under separate cover.

**AUDIT PANEL RESOLUTION****MOVED:**                      *Panel Member B Hutcheson***SECONDED:**                      *Chairperson K Clarke*

***"THAT the minutes of the Audit Panel meeting held at the City Offices on Wednesday, 7 December 2022, be confirmed as true and correct."***

**For:**                      Chairperson K Clarke, Panel Member B Hutcheson, Panel Member L Dixon, Panel Member C Lynch, Panel Member D Pease.

**Against:**

**CARRIED UNANIMOUSLY**

AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

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**AUDIT PRELIMINARIES****AUD004-23                      COMMUNICATION WITH COUNCIL**

FILE NO:                      13/2/2  
PREVIOUS MIN:

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**RECOMMENDATION:**

*“THAT the Audit Panel note, as attached:*

- 1) The Chairperson’s Report to Council dated 30 December 2022, and*
- 2) The Council’s response to the Chairperson dated 1 February 2023.”*

**SUMMARY****Correspondence with Council**

The Audit Panel last met on Wednesday, 7 December 2022.

Following this meeting, the Chairperson provided the attached report (Attachment 1) to Council which was considered at the Council meeting of 31 January 2022.

A copy of Council’s response from the Mayor is attached (Attachment 2).

**Matters referred by Council**

There are no new matters referred to the Audit Panel by the Council.

**ATTACHMENTS**

1. Chairperson Report - Meeting of 7 December 2022
2. The Council’s Response to the Chairperson

## AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

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## AUDIT PANEL RESOLUTION

**MOVED:** *Panel Member C Lynch***SECONDED:** *Panel Member B Hutcheson****"THAT the Audit Panel note, as attached:******1) The Chairperson's Report to Council dated 30 December 2022, and******2) The Council's response to the Chairperson dated 1 February 2023."*****For:** Chairperson K Clarke, Panel Member B Hutcheson, Panel Member L Dixon, Panel Member C Lynch, Panel Member D Pease.**Against:*****CARRIED UNANIMOUSLY***



AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

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**AUDIT PRELIMINARIES****AUD005-23                      RECOMMENDATIONS AND ACTIONS**

FILE NO:                      13/2/2  
PREVIOUS MIN:

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**RECOMMENDATION:**

*“THAT the Audit Panel note, as attached:*

- 1) All actions from the last Audit Panel meeting, and*
- 2) Those actions still outstanding from prior to the last meeting.”*

**SUMMARY****Schedule of Recommendations**

There are currently no outstanding formal recommendations made to Council by the Audit Panel.

**Action Reports**

Action Reports refer to informal actions to be completed, resulting from discussions at the Audit Panel meetings.

The attached Action Reports show:

- All actions from last meeting (including those since completed)
- Any actions which are still outstanding from prior meetings (Infocouncil report since June 2022 and previous report from before Infocouncil software)

**AUDIT PANEL DISCUSSION**

The Panel reviewed the outstanding actions and it was resolved to close the action relating to item AUD048-22.

**ATTACHMENTS**

1. All Actions for Audit Panel Meeting - 7 December 2022
  2. Audit Panel Action Report - Infocouncil Software
  3. Audit Panel Action Report - Prior to Infocouncil Software
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AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

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AUDIT PANEL RESOLUTION

**MOVED:**            *Chairperson K Clarke*

**SECONDED:**      *Panel Member L Dixon*

***“THAT the Audit Panel note, as attached:***

- 1) All actions from the last Audit Panel meeting, and***
- 2) Those actions still outstanding from prior to the last meeting.”***

**For:**            Chairperson K Clarke, Panel Member B Hutcheson, Panel Member L Dixon, Panel Member C Lynch, Panel Member D Pease.

**Against:**

***CARRIED UNANIMOUSLY***

AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

**SPECIAL FOCUS MATTERS****AUD006-23 FINANCIAL MANAGEMENT STRATEGY****FILE NO:** 13/2/2**PREVIOUS MIN:****RECOMMENDATION:**

***“THAT the Audit Panel note the process that will be undertaken to prepare the Financial Management Strategy (FMS) 2023-2033, and the associated timeframes.”***

**Report Author:** Brad Pilgrim, Chief Financial Officer

**1.0 SUMMARY**

The process to prepare the Financial Management Strategy (FMS) has not changed from the 2022-2032 process used last year.

An outline of the processes that will be undertaken to update the FMS is provided below:

1. Test and refine existing assumptions in the current FMS 2022-2032.
2. Conduct research on the current and projected future external economic conditions and context, establishing indexation factors as drivers for future cost and revenue changes.
3. Review approved strategic documents and incorporate relevant strategies within the FMS.
4. Review the current 2022-23 forecast and expected budget outcomes ensuring current year known variances, council decisions and assumptions are updated as part of the base forecast for the FMS.
5. Review the financial risk register, updating risks and opportunities and their quantum.
6. Undertake indicative rates modelling and produce scenarios relevant for decision making.
7. Undertake indicative general fees and charges modelling.
8. Review long term asset management plans, strategies and annual capital program requirements with reference to key asset management ratios, identifying impact on operating costs e.g. depreciation.
9. Review position establishment and planned future changes.
10. Review existing grant funding arrangements (capital and operational).
11. Review historical and expected capitalisation rates.
12. Review cash requirements over the 10 year forward estimates.
13. Review any borrowing requirements.
14. Draft the 10 year forward estimate financial statements.
15. Draft the Financial Management Strategy document.

## AUDIT PANEL MEETING

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Work on the FMS will be completed during February 2023.

The FMS will be discussed with Councillors at the workshop scheduled on the 14 March 2023 and presented at the Council meeting on 28 March 2023 for approval.

The FMS indicates the amount of funds available for the annual budget estimates and allows tracking of Council's annual performance.

The approved FMS will be tabled at the next audit panel meeting on 3 May 2023.

**AUDIT PANEL DISCUSSION**

The Panel reviewed the content and staff discussed the current economic challenges around inflation and financial forecasting.

**AUDIT PANEL RESOLUTION**

**MOVED:** *Panel Member D Pease*

**SECONDED:** *Panel Member B Hutcheson*

***"THAT the Audit Panel note the process that will be undertaken to prepare the Financial Management Strategy (FMS) 2023-2033, and the associated timeframes."***

For: Chairperson K Clarke, Panel Member B Hutcheson, Panel Member L Dixon, Panel Member C Lynch, Panel Member D Pease.

Against:

***CARRIED UNANIMOUSLY***

AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

**SPECIAL FOCUS MATTERS****AUD007-23                      BUDGET ESTIMATES REVIEW 2022-23****FILE NO:**                      13/2/2  
**PREVIOUS MIN:****RECOMMENDATION:*****"THAT the Audit Panel note the Budget Estimates Review 2022-23."*****SUMMARY**

A copy of the Budget Estimates Review 2022-23, as tabled to Council on 31 January 2023, is attached

**AUDIT PANEL DISCUSSION**

The panel reviewed the content and staff discussed the pressures around inflation and meeting budget.

**ATTACHMENTS**

1. Budget Estimates Review 2022-23

**AUDIT PANEL RESOLUTION****MOVED:**                      *Chairperson K Clarke***SECONDED:**                      *Panel Member L Dixon****"THAT the Audit Panel note the Budget Estimates Review 2022-23."***

**For:**                      Chairperson K Clarke, Panel Member B Hutcheson, Panel Member L Dixon, Panel Member C Lynch, Panel Member D Pease.

**Against:**

**CARRIED UNANIMOUSLY**

AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

**SPECIAL FOCUS MATTERS****AUD008-23                      DEVELOPMENT OF A NEW STRATEGIC PLAN****FILE NO:**                      13/2/2**PREVIOUS MIN:****RECOMMENDATION:*****"THAT the Audit Panel note the information provided."*****Report Author:** Simon Overland, General Manager**1.0                      SUMMARY**

To update the Audit Panel on the progress of the development of the Burnie City Council's Strategic Plan.

**2.0                      BACKGROUND**

While the City has a plan titled Making Burnie 2030, this is not considered to be a Council Strategic Plan as the Council is just one stakeholder working collaborative toward the objectives outlined, therefore it is considered to constitute a Community Plan.

This however continues to meet the Council's legislative obligations under section 66 of the *Local Government Act 1993* to have a Strategic Plan.

One of the Council's major initiatives is currently the development of a Strategic Plan that will guide the Council's effort, funding and resource over the next several decades.

**3.0                      LEGISLATIVE REQUIREMENTS**

Section 66 of the *Local Government Act 1993* requires that:

- (1) A council is to prepare a strategic plan for the municipal area.
- (2) A strategic plan is to be in respect of at least a 10 year period.
- (3) In preparing a proposed strategic plan, a council is to consult with the community in its municipal area and any authorities and bodies it considers appropriate.
- (4) The general manager is to make a copy of a proposed strategic plan available for public inspection at the public office during ordinary office hours.

**4.0                      POLICY CONSIDERATIONS**

The Council has a Council Plan 2022-25 which was developed in 2022 by the Executive Management Team with a short term horizon plan in the absence of a longer term Strategic

## AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

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Plan. It sets three high level objectives, and has six key enablers which focusses the Council's effort for the next several years.

**5.0 FINANCIAL IMPACT**

There will be financial impacts resulting from this project once the Strategic Plan aspect is commenced. In the interim the SGS Strategic Background Report has been commissioned and has been budgeted in 2022-23 at a cost of \$40,000.

**6.0 DISCUSSION**

Local Government in Tasmanian is required to have a Strategic Plan for at least a 10 year period. It is the firm belief of the Executive Management Team of the Burnie City Council that the Strategic Plan should focusses on a longer term horizon.

This is for a number of reasons: to ensure that the Council are adequately catering for the needs of the future, when in reality 10 years is not a significant amount of time; many changes needed within Burnie will take a number of decades to transpire; to ensure an elongated period of funding to implement the necessary changes; and to ensure that from a legislative perspective Council do not need to continually review the plan every couple of years simply to meet the 10 year legislative requirement.

With this in mind, the Council has commissioned SGS Economics and Planning to undertake a Strategic Background Report with a 20 year horizon, prior to embarking upon the strategic planning process, in order to take an informed approach to its development.

The scope of the project will deliver data and information from a variety of sources, and anticipate different social, environmental, demographic and economic factors that will be important inputs into shaping our desired future.

Officers have been deliberate in ensuring that the focus of this Strategic Background Report deals only with those factors that local government are either directly responsible for, or are within the Council's capacity to advocate for.

A draft of the Report has been developed and has recently been considered by the Executive Management Team with refinements now being made. The next steps will be to workshop this with councillors to explain to them the data that has been developed and garner their sense of priority areas. A copy of the final Report will be tabled to the May Audit Panel meeting when it is in its final form.

An important milestone will be assimilating this information in a way that can be understood by the Burnie community, and articulating to them the opportunities and challenges that we face over in our City over the next 20 years, as a mechanism to set the scene for the development of the Strategic Plan.

## AUDIT PANEL MEETING

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**7.0 RISK**

<b>Risk Category</b>	<b>Risk identified</b>	<b>Ways to eliminate or reduce the risk</b>
Strategic	No strategic direction to inform investment of resources and funding	Develop a long term Strategic Plan in concert with the community
Community	Community's long term aspirations and expectations for the City are not known	Undertake extensive community consultation and feedback on the new Strategic Plan
Legal and Compliance	Non-conformance with legislative obligations	Develop a long term Strategic Plan for the Council
Political	Resources are not focused on core issues but rather the issue of the day	Develop a long term Strategic Plan and factor this into Service Delivery Plans

**8.0 CONSULTATION**

This matter has been discussed with the Council's Executive Management Team, at this stage in the process.

Broad community consultation will be an important part of the Strategic Plan development process.

**AUDIT PANEL DISCUSSION**

The Panel reviewed the content and queried when the Strategic Plan would be finalised. Staff advised that it would be tabled to Council at the end of July and made available to the public once adopted.

**AUDIT PANEL RESOLUTION**

**MOVED:** *Panel Member D Pease*

**SECONDED:** *Panel Member C Lynch*

**"THAT the Audit Panel:**

**1) note the information provided**

**2) request that the draft Strategic Plan be tabled at the May meeting."**

**For:** Chairperson K Clarke, Panel Member B Hutcheson, Panel Member L Dixon, Panel Member C Lynch, Panel Member D Pease.



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Against:

*CARRIED UNANIMOUSLY*

AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

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**SPECIAL FOCUS MATTERS****AUD009-23                      STRATEGIC RISK REGISTER REVIEW - PROGRESS REPORT****FILE NO:**                      30/6/1  
**PREVIOUS MIN:**

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**RECOMMENDATION:*****"THAT the Audit Panel note the progress report of the Strategic Risk Register Review."*****Report Author:** Michelle Neasey, Executive Manager Governance**1.0            SUMMARY**

This report outlines the progress of the Strategic Risk Register review, which is due to be tabled to the February council meeting, ready to inform the 2023-24 budget process.

The review identifies one risk that can be closed and two new emerging risks to be added.

A review of existing risk profiles will be completed in February resulting in a final draft of the revised Strategic Risk Register for tabling with Council.

**2.0            BACKGROUND**

The current Strategic Risk Register was developed in March 2022. The Risk Management Framework requires that it be reviewed in full annually in October each year. The 2022 review in October was deferred until the new year, due to Local Government elections which took place in November, and a new council being installed.

Quarterly reviews by EMT, and a six-monthly report to Council and the Audit Panel applies in between the full annual review.

**3.0            LEGISLATIVE REQUIREMENTS**

There are no relevant legislative requirements or legal implications arising from this report.

**4.0            POLICY CONSIDERATIONS**

The Risk Management Policy and Risk Management Framework set out the principles and framework for the way in which Council approaches risk management across the organisation. The Framework sets clear parameters for Council's risk appetite, assessing risks consistently, and roles and responsibilities.

**5.0 FINANCIAL IMPACT**

The Strategic Risk Register provides context for the informed prioritisation of resources ahead of the budget preparation process each year.

**6.0 DISCUSSION****Review Work to date**

The attached progress report outlines the discussion outcomes of the EMT review workshop held on 18 January 2023 which considered the broader context of risk facing Council from several perspectives.

Two reports were used to provide context to the review (available on request):

- 2021 JLT Public Sector Risk Report (ref 21/56176)
- The Global Risks Report 2023, World Economic Forum (ref 23/1951)

The review identified one risk that could be closed (being Compliance) as it is no longer considered a strategic level risk with high exposures; and two emerging risks that should be added, being Climate Adaption and Asset Management.

Draft risk profiles have been developed for the two new risks and are attached.

A review of progress against Committed Actions was also undertaken by EMT to ensure the actions are being progressed and resourced.

**Remaining Review Work**

The remaining work to be done for the review prior to tabling this with Council is:

- Review of each existing Risk Profile with Risk Owners to update current status (copy of existing register attached for reference - not yet reviewed)
- Review of all committed actions for the next two years and confirm linkages to the Service Level Plans
- Provide draft revised Strategic Risk Register to Council for discussion and review

**7.0 RISK**

The key risk around this report is the risk of not integrating it adequately into the long term financial planning and annual budget process, as a key driver for the appropriate allocation of resources.

This risk is partly mitigated by ensuring that the Committed Actions for each risk, where possible, have been linked to Service Level Plans for the relevant business units and are adequately resourced in the budget.

## AUDIT PANEL MEETING

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**8.0 CONSULTATION**

Consultation up to this point has been undertaken with the senior management team in working together to prepare the review. This progress report is tabled to the Audit Panel for feedback and any additional inputs. The final draft Strategic Risk Register will then be tabled with Council for discussion and formal adoption in February.

**AUDIT PANEL DISCUSSION**

The Panel reviewed the content and discussed the review periods, staff explained that whilst it will be deferred during election years it's more important that the dates generally align with the budget process.

The Panel queried the level of flood risk in relation to Blythe River and Stoney Creek and discussed coastal erosion and the bushfire risk. Staff advised that no other waterways have been highlighted as a high level risk by consultants engaged to provide their expert opinion on flood risk, and that any identified coastal erosion should be considered when works begin on the coastal pathway.

**ATTACHMENTS**

1. Progress Report - Strategic Risk Register Review
2. Draft Risk Profile - Climate Adaption
3. Draft Risk Profile - Asset Management
4. Current Strategic Risk Register - not yet reviewed

**AUDIT PANEL RESOLUTION**

**MOVED:** *Panel Member D Pease*

**SECONDED:** *Panel Member C Lynch*

***"THAT the Audit Panel:***

- 1) note the progress report of the Strategic Risk Register Review;***
- 2) request that a report be provided to outline the controls and mitigations put in place that has resulted in 'Compliance' no longer being considered a strategic risk; and***
- 3) request a one page high level summary of the strategic risks for future reports."***

For: Chairperson K Clarke, Panel Member B Hutcheson, Panel Member L Dixon, Panel

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Member C Lynch, Panel Member D Pease.

Against:

***CARRIED UNANIMOUSLY***

AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

**SPECIAL FOCUS MATTERS****AUD010-23            ASSET MANAGEMENT POLICY, PLAN AND STRATEGY -  
UPDATE****FILE NO:**                13/2/2  
**PREVIOUS MIN:****RECOMMENDATION:*****"THAT the Audit Panel note the information provided."*****Report Author:** Bel Lynch, Director Corporate and Commercial Services**1.0        SUMMARY**

The purpose of this report is to provide the Audit Panel with an update on the asset management framework improvements that are underway, and the status of the Asset Improvement Plan.

**2.0        BACKGROUND**

Currently the Council has a Strategic Asset Management Plan 2019-2029 that has a 6-7 year life remaining and serves to cover the requirements of sections 70B and 70D of the legislation. The intention of officers is to develop separate documents with differing horizons, by December 2023 as well as review the Asset Management Policy.

It is the view of the Council's Executive that the long-term Strategic Asset Management Plan should be for a period of at least 20 years, whereby the Asset Management Strategies may have a shorter term horizon that potentially accords with local government terms.

**3.0        LEGISLATIVE REQUIREMENTS**

Section 70B of the *Local Government Act 1993* requires the Council to have a long-term strategic asset management plan as follows:

- (1) A council is to prepare a long-term strategic asset management plan for the municipal area.
- (2) A long-term strategic asset management plan is to relate to all assets that are within a class of assets specified in an order under [section 70F\(3\)](#) to be major assets.
- (3) A long-term strategic asset management plan is to be in respect of at least a 10 year period.
- (4) A long-term strategic asset management plan for a municipal area is to –
  - (a) be consistent with the strategic plan for the municipal area; and

## AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

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- (b) refer to the long-term financial 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 strategic asset management plan.

In addition Section 70D requires that:

- (1) A council is to prepare an asset management strategy for the municipal area.
- (2) An asset 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 an asset management strategy.

#### 4.0 POLICY CONSIDERATIONS

The Council, as required under legislation, has an Asset Management Policy.

#### 5.0 FINANCIAL IMPACT

The long term Strategic Asset Management Plan and Strategies have a significant and material impact on the financial performance of the Council, both in terms of planning and delivery.

#### 6.0 DISCUSSION

To assist in the re-development of the key governance documents, work has commenced on a number of inputs.

The Council has commissioned John Howard to assist in undertaking an Asset Management Maturity Assessment with the Council, with a view to then determining an Asset Improvement Plan for the next three to five years to guide investment and effort in this area.

The Maturity Assessment was facilitated by John Howard in January 2023 with a key stakeholder group of the Council, comprised of the following officers:

- General Manager
- Director Works and Services
- Director Corporate and Commercial Services
- Chief Financial Officer
- Executive Manager Corporate Governance
- Manager Technical Services
- Manager Works
- GIS/Asset Officer
- Assistant Accountant

## AUDIT PANEL MEETING

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The draft report prepared following the meeting (**Attachment A**) identifies how the group responded to each of the questions that comprise the Asset Maturity Assessment along with the overall maturity against core maturity (competency). Additionally this is then assessed against where the stakeholder group determined they aspire to be at the conclusion of the Asset Management Improvement Plan journey.

John Howard will now use this information to develop a Draft Asset Management Improvement Plan which will inform the basis of a discussion with the Executive Management Team and then the Council. Once in final form, this work including the final version of the Maturity Assessment will be tabled to the Audit Panel.

Additionally John has been engaged to undertake a scoping exercise with the stakeholder group to determine the information that is required from the upcoming Asset Condition Data Assessment. This data is critical to more informed decision making processes and hence why it is felt that Council needs to consider not only the data we require now – but into the future to mature our processes. The Asset Condition Data Assessment will commence once the scope has been developed in February.

**7.0 RISK**

Risk Category	Risk identified	Ways to eliminate or reduce the risk
Financial	Asset management has one of the largest impacts on the Council's financial performance and planning	Develop a more mature asset management framework  Implement greater informed decision making for asset management
Asset and Infrastructure	Asset data is not comprehensive and the framework does not adequately inform EMT or Council of the inherent risks	Review asset data to improve its appropriateness and accuracy  Strengthen the processes around the capital works programming to consider risk more comprehensively

**8.0 CONSULTATION**

This matter has been the subject of discussions with the stakeholder group compiled to consider asset management across the organisation.

**AUDIT PANEL DISCUSSION**

The Panel reviewed the content and discussed with staff the benefits of liaising with auditors. Staff advised that Council are building in requirements that meet the Accounting Standards, but are happy to reach out to the Tasmanian Audit Office to ensure they have no concerns with the approach being taken.



## AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

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## ATTACHMENTS

1. Attachment A - Draft Asset Management Maturity Assessment - January 2023
2. Attachment B - Core and Advanced Maturity Assessment Spider

## AUDIT PANEL RESOLUTION

**MOVED:** *Panel Member D Pease***SECONDED:** *Panel Member B Hutcheson****"THAT the Audit Panel:***

- 1) note the information provided; and***
- 2) recommend contacting the Tasmanian Audit Office to ensure that they have no concerns with the asset condition assessment methodology to be used in the upcoming asset condition audit."***

**For:** Chairperson K Clarke, Panel Member B Hutcheson, Panel Member L Dixon, Panel Member C Lynch, Panel Member D Pease.

**Against:**

***CARRIED UNANIMOUSLY***

AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

**SPECIAL FOCUS MATTERS****AUD011-23            POLICY REVIEW - TREASURY MANAGEMENT POLICY****FILE NO:**                13/2/2  
**PREVIOUS MIN:****RECOMMENDATION:*****“THAT the Audit Panel endorse the Treasury Management Policy, as attached.”*****Report Author:** Brad Pilgrim, Chief Financial Officer**1.0        SUMMARY**

The purpose of this report is to provide the revised draft Treasury Policy to the Audit Panel for endorsement, prior to it being tabled with the Council.

**2.0        BACKGROUND**

The Treasury Policy CP-CBS-SG-038 provides a clear framework to Council officers in respect to the borrowing of funds, investing community funds and sets the minimum reporting requirements of the treasury function.

The Policy was last adopted on 25 January 2022.

**3.0        LEGISLATIVE REQUIREMENTS**

While the *Local Government Act 1993* prescribes the manner in which councils are able to borrow funds and undertake investments, there is no specific requirement for the Council to have a Treasury Policy. It is however seen as good governance to do so.

**4.0        POLICY CONSIDERATIONS**

This policy is aligned to many processes associated with both the long term financial performance of the Council, through the Financial Management Strategy (FMS) CD-CBS-FIN-001 and Strategic Asset Management Plan CD-WS-T-001, and operationally through the Annual Plan and Budget Estimates (APBE) CD-CCS-CG-001.

**5.0        FINANCIAL IMPACT**

There are no direct financial impacts to the Annual Report and Budget Estimates 2021-22 that arise from this report.

## AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

**6.0 DISCUSSION**

The Treasury Policy is designed to ensure that there is sufficient working capital to support the operations and capital program requirements of the Council at all times.

The Policy has recently been reviewed following the development of the Treasury Strategy that was tabled to the Audit Panel at the December 2022 meeting.

As discussed at that meeting there are two changes that are considered necessary, that are reflected in the revised version of the document **attached**:

- Amendment to 5.1 – Treasury Management  
It is not considered prudent to have such a significant cash buffer of 3-6 months cash expense ratio, invested only in an at call account. Term deposits provide a higher level of income from interest derived, while still allowing officers the flexibility to structure these funds to be on call when required.
- Amendment to 5.2 – Investment Strategy:
  - Amendment to the table to reflect the amendment referred to at 5.1
  - Deletion of the reference to Council undertaking a physical transaction to mitigate fraudulent transactions. This is seen as impractical and a significant safety concern for our staff in taking potentially \$2 million cash to the bank to make a physical transaction. Senior officers have reviewed the processes around making such online transactions and are satisfied they are robust and a more appropriate way of mitigating the risk of risk or fraud.

**7.0 RISK**

The following table identifies relevant risks of not having a contemporary and robust treasury management system, and how the risks may need to be addressed to either eliminate or reduce them.

Risk Category	Risk identified	Ways to eliminate or reduce the risk
Financial	Liquidity risk i.e. Insufficient funds when required for operations and capital program	Mitigate risk through planning documents FMS, AMS and the Cash Flow Forecast that allow reasonable prediction of requirements to ensure adequate funds available through treasury management processes
Financial	Financial loss due to fraud or error	Mitigate risk through fraud control plan, data checks and notifications and organisation control structure
Financial	Opportunity loss / additional costs from investment /	Mitigate risk through expression of interest process

## AUDIT PANEL MEETING

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	borrowing choice i.e. a better choice is not identified when it could have been	to select provider from a broad range (may not be all providers, but will be a representative sample)
Financial	Interest rate risk i.e. losses / gains from changes in rates, which may be material due to amount invested / borrowed	Use of fixed interest rate products for investments / borrowing. Where variable interest rate products are used, stress testing scenarios will be conducted to determine affordability and sustainability
Financial	Credit risk i.e. risk of default on loan repayments	Mitigate risk through planning documents FMS, AMS and the Cash Flow Forecast that allow reasonable
Emergency Management	Counterparty risk i.e. funds by party comply with limits within this policy	A schedule of all investments and borrowings is kept where limits by counterparty type and credit rating are recorded and monitored. It should be noted that limits are observed at time of investment and may vary as funds are redeemed
Service Delivery	Reinvestment risk i.e. that terms of investment or borrowing will be different depending on when decision is made (gains and losses) which may be material due to amount invested / borrowed. This usually relates to delays in decision making.	Investments of cash are made for specified terms with automated redemption of funds as default. Terms are matched to surplus cash flow availability. Flexibility is maintained through maintaining a cash buffer based on 3 – 6 months cover in cash expense cover ratio

**8.0 CONSULTATION**

The changes recommended to the Policy were discussed at the December 2022 Audit Panel meeting.

## AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

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## ATTACHMENTS

1. Draft Treasury Management Policy

## AUDIT PANEL RESOLUTION

**MOVED:** *Panel Member L Dixon***SECONDED:** *Chairperson K Clarke****“THAT the Audit Panel endorse the Treasury Management Policy, as attached.”***

For: Chairperson K Clarke, Panel Member B Hutcheson, Panel Member L Dixon, Panel Member C Lynch, Panel Member D Pease.

Against:

***CARRIED UNANIMOUSLY***

AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

**SPECIAL FOCUS MATTERS****AUD012-23 INFORMATION SECURITY MANAGEMENT SYSTEM****FILE NO:** 4/14/2; 18/15/1  
**PREVIOUS MIN:****RECOMMENDATION:**

***“THAT the Audit Panel endorse the following policies to proceed to Council for adoption, as part of the Council’s Information Security Management System:***

- ***Network Access Control Policy;***
- ***Secure Development Policy;***
- ***Third-Party Information Security Policy.”***

**Report Author:** Bel Lynch, Director Corporate and Commercial Services

**1.0 SUMMARY**

This report is to provide both an update to the Council on the progress towards establishing an Information Security Management System that complies with ISO27001, and to seek endorsement of a number of policies required under this framework.

**2.0 BACKGROUND**

In November 2021, the Council experienced a cyber-event which lasted for approximately four weeks. Following that event, Slipstream Cyber who partnered with the Council to provide assistance during the cyber event, developed a series of recommendations for improvement with specific reference to their observations made during the cyber event.

At the request of officers, Slipstream provided a consolidated list merging together their recommendations with those of NCC who had been engaged in September 2021 to conduct a cyber-vulnerability audit. This consolidated report now serves as a means of prioritising effort and resourcing for the Council as it continues its cyber vulnerability improvement journey.

One of the major observations found is that the Council’s information security governance could be strengthened. The recommendation of Slipstream and agreed by NCC, was that the ASD Essential Eight model would be appropriate to ensure compliance with ISO27001 and to address the governance deficiencies observed.

To date, six policies have been developed which are part of the Essential Eight model, which were approved by the Council at its meeting of 28 June 2022.

**3.0 LEGISLATIVE REQUIREMENTS**

There are no legislative requirements that make compliance with ISO27001 mandatory from an IT perspective, however it is seen by all levels of government across Australia as best practice.

The Council has legislative provisions under the *Personal Information Protection Act 2004* with regard to how the Council captures, retains and secures personal information.

**4.0 POLICY CONSIDERATIONS**

The Council's Strategic Risk Register, underpinned by the methodology of both the Risk Management Policy and the Risk Management Framework, cites IT Systems and Cyber Risk as one of the Council's nine strategic risks.

Accordingly one of the commitments made in the Strategic Risk Register is that throughout the 2022-23 financial year, there would be continued effort placed on strengthening and improving the Information Security Management System.

The Council has a *Personal Information Protection Policy* which outlines the Council's commitment to how personal information collected, will be managed.

**5.0 FINANCIAL IMPACT**

There are no direct financial impacts that arise from this report at this time.

Should future requirements be identified as these policies are operationalised, any further budget implications will be considered and discussed with the Council if required.

**6.0 DISCUSSION**

There are eleven policies that form part of the ASD Essential Eight key documents, with the exception of those three which are the subject of this report, the remaining considerations that will continue to occur are as follows:

- Information Security Objectives
- Information Classification and Handling Procedure
- Physical and Environmental Security Procedure
- Human Resources Procedure
- Internal Audit Procedure
- Incident Management Procedure
- Business Continuity Procedure
- Technical Procedure

Following the adoption of the remaining policies from a governance perspective, and Implementation Plan will be developed that encompasses the work required to embed the ISMS into the Council's governance and operations, in addition to creating the remaining documents which are all procedural in nature.

## AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

In many cases these procedures are referenced in other existing documents and simply requires review to ensure that the methodologies within the Essential Eight model are adequately reflected in those existing documents.

**7.0 RISK**

The following table identifies relevant risks 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
Financial	Cyber event impacts	Improve Information Security Management System; maintain cyber insurance; rectify hardware and patching deficiencies.
Asset and Infrastructure	Failing hardware has a business continuity risk and impacts former TasCom external customers.	Decision regarding ongoing service delivery (ex TasCom); Hardware replacement and decommissioning of redundant assets.
Service Delivery	Cyber event impacts	Disaster recovery site establishment and improved Business Continuity Plan.
Technology	Information security	Introduction of an Information Security Management System and an Active Directory system to underpin this.

**8.0 CONSULTATION**

This matter has been the subject of consultation with the Chief Technology Officer.

**AUDIT PANEL DISCUSSION**

The Audit Panel reviewed the content and members and staff discussed the capabilities of the hardware.

**ATTACHMENTS**

1. Draft Network Access Control Policy
2. Draft Secure Development Policy
3. Draft Third-Party Information Security Policy



## AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

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## AUDIT PANEL RESOLUTION

**MOVED:** *Panel Member B Hutcheson***SECONDED:** *Panel Member C Lynch****“THAT the Audit Panel:***

- 1) endorse the following policies to proceed to Council for adoption, as part of the Council’s Information Security Management System:***
  - Network Access Control Policy;***
  - Secure Development Policy;***
  - Third-Party Information Security Policy,***
- 2) request officers determine a scope for an internal audit related to cyber vulnerability to be conducted in the 2023-24;***
- 3) request that the scope be tabled to the May Audit Panel meeting.”***

**For:** Chairperson K Clarke, Panel Member B Hutcheson, Panel Member L Dixon, Panel Member C Lynch, Panel Member D Pease.

**Against:**

***CARRIED UNANIMOUSLY***

AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

**SPECIAL FOCUS MATTERS**

**AUD013-23**            **UPDATE ON SIGNIFICANT LEGISLATIVE CHANGES –  
INDUSTRIAL RELATIONS, SEX DISCRIMINATION AND  
WORK, HEALTH & SAFETY**

**FILE NO:**                13/2/2  
**PREVIOUS MIN:**

**RECOMMENDATION:**

***“THAT the Audit Panel note the information provided.”***

**Report Author:** Simon Overland, General Manager

**1.0 SUMMARY**

The item is considered confidential as it contains information pertaining to personnel matters, including complaints against an employee of the council and industrial relations matters, in accordance with Clause 15(2) of the Local Government (Meeting Procedures) Regulations 2015 (a).

**ATTACHMENTS**

1. Confidential Report - Update on Legislative Changes
2. Edge Legal Employment and Safety - Update on Legislative Changes

**AUDIT PANEL RESOLUTION**

**MOVED:**                ***Panel Member B Hutcheson***

**SECONDED:**        ***Panel Member C Lynch***

***“THAT the Audit Panel note the information provided.”***

**For:**                    Chairperson K Clarke, Panel Member B Hutcheson, Panel Member L Dixon, Panel Member C Lynch, Panel Member D Pease.

**Against:**

***CARRIED UNANIMOUSLY***

AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

**STANDING AGENDA ITEMS****AUD014-23            GENERAL MANAGER'S CERTIFICATION - DECEMBER 2022**FILE NO:            13/2/2  
PREVIOUS MIN:**RECOMMENDATION:**

***"THAT the Audit Panel note the General Manager's Certification for the period December 2022, as attached to this report."***

**SUMMARY**

Attached is the General Manager's certification for the period ending 31 December 2022.

**ATTACHMENTS**

1. General Managers Certification - 31 December 2022

**AUDIT PANEL RESOLUTION****MOVED:**            *Chairperson K Clarke***SECONDED:**       *Panel Member D Pease*

***"THAT the Audit Panel note the General Manager's Certification for the period December 2022, as attached to this report."***

For:            Chairperson K Clarke, Panel Member B Hutcheson, Panel Member L Dixon, Panel Member C Lynch, Panel Member D Pease.

Against:

**CARRIED UNANIMOUSLY**

AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

**STANDING AGENDA ITEMS****AUD015-23                      OUTSTANDING DEBTORS QUARTERLY REPORT -  
DECEMBER 2022****FILE NO:**                      13/2/2  
**PREVIOUS MIN:****RECOMMENDATION:**

***"THAT the Audit Panel note the Outstanding Debtors Quarterly Report to December 2022, as attached."***

**SUMMARY**

A copy of the Outstanding Debtors Report as at 31 December 2022, as tabled to Council on 31 January 2023, is attached.

**ATTACHMENTS**

1. Outstanding Debtors Quarterly Report - December 2022

**AUDIT PANEL RESOLUTION****MOVED:**                      *Panel Member B Hutcheson***SECONDED:**                      *Panel Member C Lynch*

***"THAT the Audit Panel note the Outstanding Debtors Quarterly Report to December 2022, as attached."***

**For:**                      Chairperson K Clarke, Panel Member B Hutcheson, Panel Member L Dixon, Panel Member C Lynch, Panel Member D Pease.

**Against:**

***CARRIED UNANIMOUSLY***

AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

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**STANDING AGENDA ITEMS****AUD016-23            GENERAL MANAGER'S QUARTERLY INFORMATION  
REPORT - CORPORATE AND COMMERCIAL SERVICES -  
DECEMBER 2022****FILE NO:**                13/2/2  
**PREVIOUS MIN:**

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**RECOMMENDATION:**

***"THAT the Audit Panel note the General Manager's Quarterly Information Report for Corporate and Commercial Services, as attached."***

**SUMMARY**

A copy of the General Manager's Quarterly Information Report for Corporate and Commercial Services for the December 2022 quarter, as tabled to Council on 31 January 2023, is attached.

**AUDIT PANEL DISCUSSION**

The Panel reviewed the content and queried various aspects of the report including the budget forecast and the challenges around the current wait times from the Office of the Valuer-General.

**ATTACHMENTS**

1. General Manager's Quarterly Information Report for Corporate and Commercial Services - December 2022

## AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

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## AUDIT PANEL RESOLUTION

**MOVED:**        *Panel Member L Dixon***SECONDED:**    *Panel Member D Pease****“THAT the Audit Panel note the General Manager’s Quarterly Information Report for Corporate and Commercial Services, as attached.”*****For:**            Chairperson K Clarke, Panel Member B Hutcheson, Panel Member L Dixon, Panel Member C Lynch, Panel Member D Pease.**Against:*****CARRIED UNANIMOUSLY***

AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

**STANDING AGENDA ITEMS****AUD017-23 PERSONNEL QUARTERLY REPORT - DECEMBER 2022****FILE NO:** 13/2/2  
**PREVIOUS MIN:****RECOMMENDATION:*****"THAT the Audit Panel note the Personnel Report for December 2022, as attached."*****SUMMARY**

A copy of the Personnel Report for the December 2022 quarter, as tabled to Council on 31 January 2023, is attached.

**ATTACHMENTS**

1. Personnel Quarterly Report - December 2022

**AUDIT PANEL RESOLUTION****MOVED:** *Panel Member B Hutcheson***SECONDED:** *Chairperson K Clarke****"THAT the Audit Panel note the Personnel Report for December 2022, as attached."***

**For:** Chairperson K Clarke, Panel Member B Hutcheson, Panel Member L Dixon, Panel Member C Lynch, Panel Member D Pease.

**Against:**

**CARRIED UNANIMOUSLY**

AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

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**STANDING AGENDA ITEMS****AUD018-23            GENERAL MANAGER'S PURCHASE CARD STATEMENT****FILE NO:**            13/2/2  
**PREVIOUS MIN:**

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**RECOMMENDATION:**

***"THAT the Audit Panel note the General Manager's Purchase Card Statement for the period 27 October to 23 December 2022."***

**SUMMARY**

A copy of the General Manager's Purchase Card Statements for the period 27 October 2022 to 23 December 2022 are attached for review.

In line with the Audit Panel's recommendation, this report no longer provides the tax invoice/receipt for each transaction. The Mayor as part of their approval, ensures there is appropriate evidentiary material to support the transactions.

**ATTACHMENTS**

1. Purchase Card Statement 27 Oct - 24 Nov 2022
2. Purchase Card Statement 25 Nov - 23 Dec 2022



## AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

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## AUDIT PANEL RESOLUTION

**MOVED:** *Panel Member D Pease***SECONDED:** *Chairperson K Clarke****"THAT the Audit Panel note the General Manager's Purchase Card Statement for the period 27 October to 23 December 2022."*****For:** Chairperson K Clarke, Panel Member B Hutcheson, Panel Member L Dixon, Panel Member C Lynch, Panel Member D Pease.**Against:*****CARRIED UNANIMOUSLY***

AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

**STANDING AGENDA ITEMS****AUD019-23            AUDIT PLAN AND WORK PROGRAM****FILE NO:**                13/2/2  
**PREVIOUS MIN:****RECOMMENDATION:*****"THAT the Audit Panel note the Work Plan for 2022-23, as attached."*****SUMMARY**

The next meeting of the Audit Panel is planned for Wednesday, 3 May 2023 at 1:00pm, to be held at the City Offices.

Attached is the Audit Plan and Work Program for reference.

**ATTACHMENTS**

1.    Audit Plan and Work Program

**AUDIT PANEL RESOLUTION****MOVED:**                *Chairperson K Clarke***SECONDED:**          *Panel Member B Hutcheson****"THAT the Audit Panel note the Work Plan for 2022-23, as attached."***

**For:**                    Chairperson K Clarke, Panel Member B Hutcheson, Panel Member L Dixon, Panel Member C Lynch, Panel Member D Pease.

**Against:**

**CARRIED UNANIMOUSLY**

## AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

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**GENERAL BUSINESS****AUD020-23                  NON-AGENDA ITEMS****FILE NO:**                  13/2/2  
**PREVIOUS MIN:**

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**SUMMARY**

The Panel queried the TAO recommendation in the most recent Memorandum of Audit Findings, "Council improve documentation of procedures relating to financial procedures and control activities, including the incorporation of key internal controls to mitigate financial reporting risks."

Staff advised that the broadness of this recommendation had been the subject of discussion with the Tasmanian Audit Office. It was agreed that because the Audit Officer were unable to determine a specific scope of the work required, that a timeframe for this action was set for completion in a two year period.

AUDIT PANEL MEETING

MINUTES - WEDNESDAY, 8 FEBRUARY 2023

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**GENERAL BUSINESS**

**AUD021-23                      CONFIDENTIAL SESSION**

**FILE NO:**                      13/2/2  
**PREVIOUS MIN:**

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**SUMMARY**

The Audit Panel may determine to hold a confidential session as appropriate.

A Confidential Session was not required

**COMPLETION OF AUDIT PANEL MEETING**

There being no further business the Chairperson declared the meeting closed at 3:47 pm.

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Kenneth Clarke B.Com (Tas) MBA (London)

CHARTERED ACCOUNTANT

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24<sup>th</sup> February 2023

The Mayor  
Burnie City Council  
PO Box 973  
BURNIE TAS 7320

Dear Mayor

Summary of Key Outcomes from the Audit Panel Meeting held on 8<sup>th</sup> February

At the request of the Chairman, the Audit Panel met at the Council's facilities at The Point, West Park and prior to commencement of the meeting, Council staff provided Panel Members with a brief tour of the property.

The meeting was productive and characterised by collective discussion to and fro between Audit Panel members and senior Council staff.

There were no formal recommendations to Council from this meeting.

Special focus matters for this meeting were: -

- **Council's Financial Management Strategy**
  - The Panel were provided with an outline of the process for the completion of Council's Financial Management Strategy (FMS) and noted that the process would be similar to that successfully followed in the prior year. Staff have commenced work on this key document and it will be workshopped with Councillors in early March, and presented to Council for formal approval at the March Council meeting.
  - The Panel questioned Council staff on the difficulties in the current economic environment and subsequent complexities in providing financial forecasts, and were satisfied with the responses and Council's approach.
  - The final approved FMS will be presented to the Audit Panel for comment and appraisal at the Panel's next meeting.
- **Budget Estimates Review**
  - The Audit Panel received and noted the Budget Estimates Review 2022-23 report that was presented to Council at its January meeting.
  - The Panel were briefed on the various measures that Council are taking to achieve the forecast Budget position (a small surplus) in the challenging economic climate. Staff will prepare another review in April after the end of the March quarter and this review will be presented to Council at its April meeting.

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**Development of a New Strategic Plan**

- The Audit Panel were provided with an update on Council's progress toward developing a Strategic Plan (in compliance with the Local Government Act 1993). Council currently has a "Community Plan" titled "Making Burnie 2030", which meets the legislative requirements, however Council has a major initiative to develop a long-term Strategic Plan that will guide Council decision-making through the next several decades. Council has commissioned a specialist consulting firm (SGS Economics and Planning) to complete a report with a twenty year time horizon that will detail the various social, environmental, demographic and economic factors that are likely to shape the Burnie community's future.
- The Executive Management Team have received a draft report from the consultants and will workshop the draft Report Findings with Councillors with the purpose of identifying key priorities. A copy of the Final Report will be presented to the Audit Panel at its next meeting.
- Broad community consultation will follow, and it is planned for Council to sign off on the final new Strategic Plan in July.

**Strategic Risk Register Review (Progress Report)**

- The Panel received and noted a progress report regarding a review of the Strategic Risk Register by the Executive Management Team. One risk was closed as mitigating controls have been put in place to reduce the strategic risk; and, two new and emerging risks were added.
- The Panel were satisfied with the evidence provided that staff are actively monitoring Council's Strategic Risks and developing and progressing appropriate actions to reduce the exposed risks.
- Council will be presented with the final draft Strategic Risk Register for discussion and formal adoption at its February meeting.

**Asset Management Policy, Plan and Strategy (Update)**

- In the later part of 2022 Council commissioned a consultant to undertake a broad review of Council's Asset Management system. This followed the Auditor General's Report on the 2021-22 Financial Statements of all 29 Councils in Tasmania, which showed that the Burnie City Council had the lowest asset sustainability ratio in the state at an average of 47.5% (47% in 2019-2020).
  - The Panel received a report detailing the asset management improvements that have commenced, and the development of a 3-5 year Asset Improvement Plan. A significant quantity of work and resource, particularly internal staff time is being directed to these improvements. The Panel queried the reporting processes that have been put in place in monitoring progress and updating Council; the Panel received an outline of the different Plan milestones and their presentation to Council.
  - The Panel did suggest that the Tasmanian Audit Office be "taken on the journey", and should be kept informed on a regular basis of the substantial amount of work that is being progressed and the methodologies used toward addressing and meeting all of the benchmark asset management key performance indicators.
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**Treasury Management Policy (Review)**

- While the Local Government Act 1993 prescribes the manner in which councils are able to borrow funds and undertake investments, there is no specific requirement for Local Councils to have a Treasury Policy. However, in the interests of good governance, Burnie City Council have adopted a Treasury Management policy that provides clear guidelines to its officers in respect of loan borrowings, investing community funds and setting minimum reporting obligations.
- Following the review of Council's Investment Strategy 2022-23 paper at its last meeting in 2022, the Audit Panel suggested that Council's Treasury Management Policy be also reviewed to ensure that both the Strategy and the Policy were consistent and aligned.
- The Policy review resulted in one significant change - a reduction in the amount of funds to be held on deposit "At Call" as opposed to being held in Term Deposits.
- The Audit Panel received and endorsed the revised Treasury Management Policy, and it will be presented to Council for approval at its February meeting.

**Information Security Management System**

- Council is progressing toward establishing an Information Security Management System that complies with ISO27001. There are no legislative requirements that make compliance with ISO27001 mandatory, however it is seen by all levels of government across Australia as best practice for Information Security and Technology systems. Following its cyber-event in 2021, IT consultants engaged by Council recommended that the "ASD Essential Eight" model would be appropriate to ensure compliance with the Standard. In all there are 11 policies that underpin the ASD Essential Eight model, and Council has already implemented 8 of these policies.
  - The Final three policies (not already implemented) were presented to the Audit Panel for endorsement as part of the Council's Information Security Management System. These policies were –
    - Network Access Control Policy;
    - Secure Development Policy;
    - Third-Party Information Security Policy.
  - The Audit Panel reviewed the content and queried various aspects of each policy, including how long the policies would take to be fully employed and embedded. Staff advised that some measures have already been implemented whilst others would take some time to work through. There are a number of remaining Procedures that need to be fully documented, however many of these requisite Procedures are already referenced in existing documents and require review to ensure that the methodologies stated in the Essential Eight model are properly referenced/reflected in Council's existing documents.
  - The Audit Panel endorsed each of the above policies.
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**Update on Significant Legislative Changes – Industrial Relations, Sex Discrimination and Work, Health & Safety**

- The Audit Panel were provided with an update on significant legislative changes that could affect Council's workforce in the future. The Panel noted the information provided in the Report.

The Panel considered several other Standing Agenda Items, as noted in the Minutes.

I would reiterate the standing invitation to all Councillors to attend Audit Committee meetings – they would be warmly welcomed.

Yours faithfully

*Kenneth Clarke*



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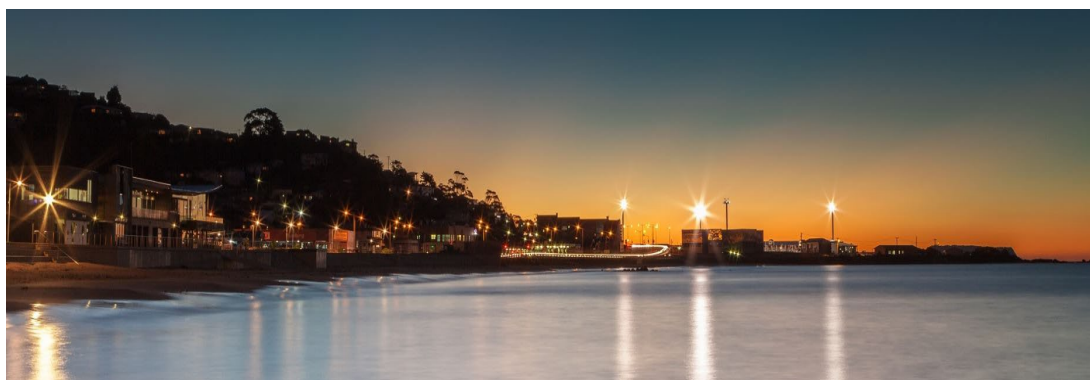


**BURNIE  
CITY  
COUNCIL**

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**AUDIT PLAN  
AND  
WORK PROGRAM  
2022 - 2024**

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AUDIT PLAN AND WORK PROGRAM



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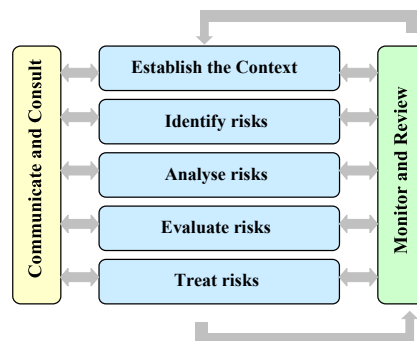
## AUDIT PLAN AND WORK PROGRAM

### INTRODUCTION

The Audit Panel of the Burnie City Council has been established in accordance with the requirements of the *Local Government Act 1993*. The Audit Panel and Terms of Reference detail the Panel's responsibilities which include the assessment of internal processes for determining and managing key risk areas.

To assist in fulfilling this responsibility the Burnie City Council has recently adopted a Risk Management Policy and Framework. As detailed within these documents, the Panel plays a crucial role in the effective management of the risks encountered in various aspects of the Council's operations.

The Policy establishes the overarching expectations of how the Council will manage its risks, while the underpinning Risk Management Framework as represented below, demonstrates the manner in which the Council will operationalise the objectives of the Policy.



The key tool employed by the Council to identify, analyse, evaluate and treat risk is the Council's Strategic Risk Register. This document is the result of work undertaken by the Executive Management Team of the Council, and subsequently is one of the major inputs into the subsequent Audit and Review Plan outlined in this document.

### OVERVIEW OF THE AUDIT APPROACH

The Audit Plan and Work Program has been developed by:

- taking account of the risks identified in the Council's Strategic Risk Register;
- focussing on areas where the Residual Risk Rating is High or Extreme;
- considering the risk mitigation strategies that are in place and being actively developed;
- determining whether an internal or external audit is required;
- considering reporting requirements; and



## AUDIT PLAN AND WORK PROGRAM

- considering the resources available to undertake the Audit Plan and Work Program.

This approach has resulted in the distillation of the Strategic Risk Register into the “**Audit Plan**” which is discussed in detail at Schedule 1.

The decision as to whether a strategic risk should be considered in the Audit Plan has been determined based on the consequences should Council fail to address the risk. The Risk Assessment Matrix and associated Likelihood Table which inform this assessment are shown below.

**Risk Assessment Matrix**

			Consequences				
			Insignificant	Minor	Moderate	Major	Catastrophic
			1	2	3	4	5
Likelihood	5	Almost certain to occur in most circumstances	Medium	High	Critical	Critical	Critical
	4	Likely to occur frequently	Low	Medium	High	Critical	Critical
	3	Possible and likely to occur at some time	Low	Low	Medium	High	Critical
	2	Unlikely to occur but could happen	Low	Low	Low	Medium	High
	1	May occur but only in rare and exceptional circumstances	Low	Low	Low	Low	Medium

The likelihood table below provides guidance on assessing the likelihood of risk occurring:

Likelihood Category	Event Frequency (The risk has occurred, or it is probable that it will occur...)	Life Cycle Probability	Description
Almost Certain	More than one event per month	Probability >90%	Expected to occur, occurs regularly in the industry.
Likely	More than one event per year	Probability 50 – 90%	Will probably occur, has occurred many times in the industry.
Possible	Once every 1 to 20 years	Probability 5 – 50%	Might occur, has occurred several times in the industry.
Unlikely	Once every 20 to 100 years	Probability < 5%	Not likely to occur, has occurred in the industry.
Rare	Less than once every 100 years	Probability < 2%	May only occur in exceptional circumstances, very rarely heard of in the industry.

In considering the Strategic Risks within their remit, the Audit Panel have a number of methods of assessment available, such as:

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## AUDIT PLAN AND WORK PROGRAM

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- Audit Review – undertaken by the Panel to provide a level of certainty and comfort that there are established and fully embedded risk mitigation strategies in place;
- Internal Audit – conducted by the Executive Management Team or the Audit Panel provide confidence that the controls and mitigation strategies in place are working adequately. This provides the Panel with the opportunity to provide insights and suggestions to improvements that might be considered.
- External Audit – usually reserved for high level legislative matters, or emerging areas of risk where a comprehensive evaluation of the risk mitigation strategies and controls needs to be determined.

The following Risk Profiles detail those risks that have a Residual Risk Rating of High or Extreme and should therefore be considered by the Audit Panel.

## AUDIT PLAN AND WORK PROGRAM



<b>Financial Sustainability</b> 	<b>Risk Description</b> The ability of the Council to manage the financial sustainability of the Council and deliver the services expected by the community, by adequately managing the revenue base, maintenance and provision of renewal of infrastructure, and the regulatory roles.
<b>Current Risk Factors</b>	<ul style="list-style-type: none"> <li>Continued pressure for low rates / decreased rates</li> <li>Financial decision making – strategies, forecasts, projections, accountabilities, asset life cycle costing</li> <li>Financial governance and oversight – appropriate Council decision making having fully considered the financial impacts of decisions</li> <li>Significant capital renewal program</li> <li>Delivery of the capital renewal program</li> <li>COVID impacts – loss of dividends, remissions, rate cuts, waivers and hardship considerations</li> </ul>
<b>Council Plan Linkage</b>	Enabler – Financial Management
<b>Risk Owner</b>	General Manager, Director Corporate and Commercial Services, Directors

## Assessment and Controls

<b>Inherent Risk Rating</b>	Likelihood – Likely	Consequence – Major	<b>Rating – High</b>
<b>Existing Controls</b>	<ul style="list-style-type: none"> <li>10 year Financial Management Strategy</li> <li>Plans required under the Local Government Act</li> <li>Policies and procedures aimed at strong financial management</li> <li>Budget process</li> </ul>	<ul style="list-style-type: none"> <li>Monthly management reporting</li> <li>Quarterly Service Level Plan reviews</li> <li>Quarterly reporting to Council and Audit Panel</li> <li>Audit Panel Work Plan</li> </ul>	
<b>Revised Risk Rating</b>	Likelihood – Possible	Consequence – Moderate	<b>Rating – High</b>

## Appetite, Exposures and Actions

<b>Appetite Statement</b>	Council has a Minimal appetite for Financial risks	Inherent Risk – High Residual Risk – High	<b>If unmanaged - Not acceptable Prioritised action required</b>
<b>Current Exposures</b>	<ul style="list-style-type: none"> <li>COVID-19</li> <li>Cost shifting</li> <li>Asset lifecycle sustainability with data, strategy and policy</li> </ul>		
<b>Committed Actions</b>	Improved forecasting model and budget review process	21-22	22-23 SLP CF
	Reporting framework review	21-22	22-23 SLP CF
	Community consultation on budget	21-22	22-23 AP,SLP CF
	Enhanced non-asset data capture	21-22	22-23 CP CF
<b>Risk Action Plan</b>	<ul style="list-style-type: none"> <li>Asset condition and life cycle data</li> <li>Critical infrastructure - expected asset failures</li> </ul>		
<b>Status</b>	Limited scope to reduce external factors Committed actions are focused on priority areas		<b>Stable, Active Monitoring</b>


## Reporting

<b>How this risk is reported</b>	<ul style="list-style-type: none"> <li>Monthly management reporting to budget managers, Directors and Council</li> <li>Quarterly Service Level Plan review</li> <li>Quarterly Reports to Audit Panel, Council</li> <li>Six month forecast and budget review</li> <li>Annual audited financial statements</li> <li>Annual Report</li> </ul>		
<b>Risk Indicators</b>	<ul style="list-style-type: none"> <li>Compliance with Treasury Policy</li> <li>Financial Management Plan Target Metrics</li> <li>Delivery of budget within FMS parameters</li> </ul>		
<b>Sub-Risk Register</b>	Not applicable	Audit Panel Work Plan Review	Yes





## AUDIT PLAN AND WORK PROGRAM

<b>Work Health and Safety</b> 	<b>Risk Description</b> The ability of the Council to provide a safe and engaging workplace for staff, third party contractors, and the community, across a diverse working environment that includes high-risk activities.
<b>Current Risk Factors</b>	<ul style="list-style-type: none"> <li>COVID-19</li> <li>Safe and respectful workplaces</li> <li>Culture and capability</li> <li>Contractor management</li> <li>Volunteer management</li> <li>Limited lead indicator data</li> </ul>
<b>Council Plan Linkage</b>	Enabler – Our People
<b>Risk Owner</b>	General Manager, Director Corporate and Commercial Services

### Assessment and Controls

Inherent Risk Rating	Likelihood – Likely	Consequence - Major	Rating – High
Existing Controls	<ul style="list-style-type: none"> <li>COVID-19 Safety Plan</li> <li>WHS Policies</li> <li>WHS Management System</li> <li>Health and Safety Committee</li> <li>Dedicated Health and Safety Advisor</li> <li>Volunteer and contractor induction</li> <li>Employee Assistance Program</li> </ul>		
Revised Risk Rating	Likelihood - Possible	Consequence - High	Rating – High

### Appetite, Exposures and Actions

Appetite Statement	Council has a Zero appetite for Workers risks	Inherent Risk – High Residual Risk – High	If unmanaged - Not acceptable Prioritised action required				
Current Exposures	<ul style="list-style-type: none"><li>• Safety leadership culture</li><li>• Inconsistent contractor management and induction</li><li>• Mental health</li><li>• Change management</li><li>• Manual handling</li><li>• Resourcing for auditing and testing of systems</li></ul>						
Committed Actions	Improvements to Policies	21-22	22-23			P&S	
	SafetyCircle leadership program	21-22	22-23	SLP		P&S	
	Health and Wellbeing program	21-22	22-23	SLP		P&S	
	Mental Health First Aid Officers and First Aid Officers	21-22	22-23			P&S	
	Enhanced data capture for improved metrics	21-22	22-23			P&S	
	Refined process for proactive hazard and risk identification	21-22	22-23	SLP		P&S	
Risk Action Plan	Not required						
Status	Committed actions are focused on priority areas		Stable, Active Monitoring				

### Reporting

How this risk is reported	<ul style="list-style-type: none"> <li>Monthly reporting to EMT, Health and Safety Committee, Council</li> <li>Quarterly reports to the Audit Panel</li> </ul>		
Risk Indicators	WHS Metrics		
Sub-Risk Register	WHS Management System, Safety Reporting Register	Audit Panel Work Plan Review	Yes



## AUDIT PLAN AND WORK PROGRAM

<b>Strategy and Planning</b> 	<b>Risk Description</b> The ability of Council to develop and implement long term strategies and plans, and responding to emerging long term impacts.
<b>Current Risk Factors</b>	<ul style="list-style-type: none"> <li>COVID impacts</li> <li>Approaches to climate change adaption</li> <li>Planning and future community needs including infrastructure planning</li> <li>Risk management and risk appetite</li> <li>Capability and capacity of Council at all levels</li> </ul>
<b>Council Plan Linkage</b>	Our Goals – Vibrant Town Centre, Community Facilities to Support Liveability, Environmentally Responsible Enablers – Financial Management, Community Consultation, Our People, Data
<b>Risk Owner</b>	General Manager

### Assessment and Controls

Inherent Risk Rating	Likelihood – Possible	Consequence – Moderate	Rating – High
Existing Controls	<ul style="list-style-type: none"> <li>Community Strategic Plan Making Burnie 2030 (new strategic plan due)</li> <li>Council Plan 2022-25</li> <li>Annual Plan focusing on current priorities</li> <li>Service Level Plans with key deliverables</li> </ul>		
		<ul style="list-style-type: none"> <li>Financial Management Strategy</li> <li>Strategic Asset Management Plan, and supporting policies</li> <li>Strategic Risk Register underpinned by Risk Management Framework</li> </ul>	
Revised Risk Rating	Likelihood – Unlikely	Consequence - Minor	Rating – Low

### Appetite, Exposures and Actions

Appetite Statement	Council has a <b>Moderate</b> appetite for Strategic risks	Inherent Risk – High Residual Risk – Low	<b>If unmanaged - Not acceptable</b> <b>Prioritised action required</b>			
Current Exposures	<ul style="list-style-type: none"><li>• New strategic plan due for development</li><li>• Reliable, accessible asset data</li><li>• COVID impacts</li><li>• Current and future community needs</li></ul>					
Committed Actions	Strategic Risk Register Review	21-22	22-23	SLP	CG	
	Strategic Plan Review	21-22	22-23	SLP	GM	
	Future state planning – 20 year horizon	21-22	22-23	SLP	GM	
Risk Action Plan	Not required					
Status	Existing controls are adequate for acceptable level of risk		Stable, Reducing			

### Reporting

How this risk is reported	<ul style="list-style-type: none"> <li>Quarterly Annual Plan Progress Report to Council and Audit Panel</li> <li>FMS parameters reviewed annually prior to Budget Estimates</li> <li>Quarterly Strategic Risk review to Council and Audit Panel</li> <li>Strategic Risk Register reviewed annually prior to Budget Estimates</li> </ul>		
Risk Indicators	<ul style="list-style-type: none"> <li>Annual Plan progress data</li> <li>FMS target metrics</li> <li>Strategic Risk Ratings</li> </ul>		
Sub-Risk Register	Not applicable	Audit Panel Work Plan Review	Yes

**SCHEDULE 1 – AUDIT PLAN ~ HIGH LEVEL RISKS**

Strategic Risk #	Audit Reference #	MITIGATION STRATEGY	2021-22	2022-23	2023-24
Financial Management	1.1	Review the Financial Management Strategy			
Financial Management	1.2	Review the Fraud and Corruption Control Policy and Framework			
Financial Management	1.3	Review the accounting policies that the Council has in relation to safeguarding its long term financial position			
Financial Management	1.4	Review and endorse the financial statements			
Financial Management	1.5	Review the Tasmanian Audit Office report to Parliament on local government performance			
Financial Management	1.6	Provide advice in the preparation of the annual budget estimates and its alignment with the objectives of the Financial Management Strategy			
Financial Management	1.7	Review quarterly management reports, and budget reviews, in respect to adherence to the budget estimates set by the Council			
Financial Management	1.8	Receive six monthly updates on outstanding audit recommendations			

Financial Management	1.9	Review the General Manager's corporate credit card expenditure including the relevance and integrity of transactions and the evidence of appropriate and independent authorisation of that expenditure			
Financial Management	1.10	Ensure the Asset Management Policy is consistent with and guides the development of Long Term Strategic Asset Management Plans			
Financial Management	1.11	Review the Council's Long Term Asset Management Plan			
Financial Management	1.12	Review the General Managers delegations to staff who manage investments under the Treasury Policy (Council decision AO031-22), every two years			
Work Health and Safety	2.1	Evaluate the effectiveness of high risk policies and procedures related to work health and safety			
Work Health and Safety	2.2	Evaluate the Council's engagement survey with staff conducted each two year period, to determine any emerging risks and associated controls that may be required			
Strategy and Planning	3.1	Review the Risk Management Policy and Framework			
Strategy and Planning	3.2	Review the Strategic Risk Register			
Strategy and Planning	3.3	Review the Council's risk management processes and their effectiveness in identifying and managing the Council's financial and business risks			
Strategy and Planning	3.4	Review of insurance portfolio			

Strategy and Planning	3.5	Develop the three year Audit Plan and Work Program			
Strategy and Planning	3.6	Development and implement a Council Plan			
Strategy and Planning	3.7	Development and implementation of a ten year Strategic Plan			
Strategy and Planning	3.8	Review the Council's Annual Plan (Service Level Plans)			
Strategy and Planning	3.9	Review the Council's Annual Report			

**SCHEDULE 2 – AUDIT PANEL WORK PROGRAM 2021-22**

Strategic Risk	Activity #	MITIGATION STRATEGY	March	June
Financial Management	1.1	Review the Financial Management Strategy		
Financial Management	1.2	Review of the Fraud and Corruption Control Policy and Framework		
Financial Management	1.5	Review the Tasmanian Audit Office report to Parliament on local government performance		
Financial Management	1.6	Provide advice in the preparation of the annual budget estimates and its alignment with the objectives of the Financial Management Strategy		
Financial Management	1.7	Review quarterly management reports, and budget reviews, in respect to adherence to the budget estimates set by the Council		
Financial Management	1.8	Receive six monthly updates on outstanding audit recommendations		
Financial Management	1.9	Review the General Manager's corporate credit card expenditure including the relevance and integrity of transactions and the evidence of appropriate and independent authorisation of that expenditure		
Work Health and Safety	2.2	Evaluate the Council's engagement survey with staff conducted each two year period, to determine any emerging risks and associated controls that may be required		

Strategy and Planning	3.2	Review the Strategic Risk Register		
Strategy and Planning	3.4	Review of Insurance portfolio		
Strategy and Planning	3.5	Develop a three year Audit Plan and Work Program		
Strategy and Planning	3.8	Review the Council's Annual Plan (Service Level Plans)		

**SCHEDULE 3 – AUDIT PANEL WORK PROGRAM 2022-23**

Strategic Risk	Activity #	MITIGATION STRATEGY	September	December	February	May
Financial Management	1.1	Review the Financial Management Strategy				
Financial Management	1.4	Review and endorse the financial statements				
Financial Management	1.5	Review the Tasmanian Audit Office report to Parliament on local government performance				
Financial Management	1.6	Provide advice in the preparation of the annual budget estimates and its alignment with the objectives of the Financial Management Strategy				
Financial Management	1.7	Review quarterly management reports, and budget reviews, in respect to adherence to the budget estimates set by the Council				
Financial Management	1.8	Receive six monthly updates on outstanding audit recommendations				
Financial Management	1.9	Review the General Manager's corporate credit card expenditure including the relevance and integrity of transactions and the evidence of appropriate and independent authorisation of that expenditure				
Financial Management	1.10	Ensuring the Asset Management Policy is consistent with and guides the development of the Long Term Strategic Asset Management Plan				

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Work Health and Safety	2.1	Evaluate the effectiveness of high risk policies and procedures related to work health and safety						
Strategy and Planning	3.2	Review the Strategic Risk Register						
Strategy and Planning	3.3	Review the Council's risk management processes and their effectiveness in identifying and managing the Council's financial and business risks						
Strategy and Planning	3.4	Review of insurance portfolio						
Strategy and Planning	3.7	Develop and implement a ten year Strategic Plan						
Strategy and Planning	3.8	Review the Council's Annual Plan (Service Level Plans)						
Strategy and Planning	3.9	Review the Council's Annual Report						
		Review Council's Gifts and Benefits Register						

**SCHEDULE 4 – AUDIT PANEL WORK PROGRAM 2023-24**

Strategic Risk	Activity #	MITIGATION STRATEGY	September	December	February	May
Financial Management	1.1	Review the Financial Management Strategy				
Financial Management	1.3	Review the accounting policies that the Council has in relation to safeguarding its long term financial position				
Financial Management	1.4	Review and endorse the financial statements				
Financial Management	1.5	Review the Tasmanian Audit Office report to Parliament on local government performance				
Financial Management	1.6	Provide advice in the preparation of the annual budget estimates and its alignment with the objectives of the Financial Management Strategy				
Financial Management	1.7	Review quarterly management reports, and budget reviews, in respect to adherence to the budget estimates set by the Council				
Financial Management	1.8	Receive six monthly updates on outstanding audit recommendations				

Financial Management	1.9	Review the General Manager's corporate credit card expenditure including the relevance and integrity of transactions and the evidence of appropriate and independent authorisation of that expenditure				
Strategy and Planning	1.11	Review the Council's Long Term Asset Management Plan				
Financial Management	1.12	Review the General Managers delegations to staff who manage investments under the Treasury Policy (Council decision AO031-22), every two years				
Work Health and Safety	2.2	Evaluate the Council's engagement survey with staff conducted each two year period, to determine any emerging risks and associated controls that may be required				
Strategy and Planning	3.1	Review the Risk Register Policy and Framework				
Strategy and Planning	3.2	Review the Strategic Risk Register				
Strategy and Planning	3.3	Review of insurance portfolio				
Strategy and Planning	3.5	Develop the three year Audit Plan and Work Program				
Strategy and Planning	3.8	Review the Council's Annual Plan (Service Level Plans)				
Strategy and Planning	3.9	Review the Council's Annual Report				

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Review Council's Gifts and Benefits Register



**MINUTES AND REPORTS OF COMMITTEES****AO052-23 BURNIE CITY YOUTH COUNCIL - UNCONFIRMED MINUTES OF  
MEETING HELD ON 23 FEBRUARY 2023**FILE NO: 2/5/34

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**RECOMMENDATION:**

***“THAT the Minutes of a meeting of the Burnie City Youth Council held on 23 February 2023, be received for discussion.”***

**SUMMARY**

The first meeting of the Burnie City Youth Council was held on 23 February 2023 for their introduction session. A copy of their meeting notes are attached.

Elections for the position of Youth Mayor and Youth Deputy Mayor will be held at the next meeting in April.

**ATTACHMENTS**

1 [!\[\]\(35dc653d59570f8f891c312eeece91a2\_img.jpg\)](#) Minutes - Burnie City Youth Council - 23 February 2023

## COUNCIL RESOLUTION

Resolution number: MO065-23

**MOVED:**            *Cr G Simpson*

**SECONDED:**      *Cr A Keygan*

***“THAT the Minutes of a meeting of the Burnie City Youth Council held on 23 February 2023, be received for discussion.”***

For:            Cr T Brumby, Cr G Simpson, Cr T Aitken, Cr K Dorsey, Cr J Grave, Cr A Keygan, Cr S Kons, Cr C Lynch, Cr D Pease.

Against:

***CARRIED UNANIMOUSLY***

## Meeting Notes



Meeting: **BURNIE YOUTH COUNCIL**  
 Held on: Thursday 23 February 2023  
 Venue: Burnie City Council Chambers  
 File No(s): 2/5/34



The meeting opened at 9.20am

1.	<p><b>Present:</b></p> <p>(BHS) – Saxon Long          (BHS) – Imogen Lloyd          (BHS) – Lottee Rolls          (BHS) – Ellie Sushames          (PHS) – Izzy Riley          (PHS) – Danika Johnston          (PHS) – Gi-Annie Kirgdon          (MRC) – Oceania Eustace          (MRC) – Harry Poke          (MRC) – Jonty Brumby          (MRC) – Bronte van der Ploeg          (HPS) – Jagger Barnard          (HPS) – Madeline French          (RPS) – Kolby Hampson          (RPS) – Eila Argent          (RPPS) – Zoish Contractor          (RPPS) – Kyson Riley          (BPS) – Sari Armstrong          (BPS) – Hudson Bain          (SMPS) – Charlie Brown          (SMPS) – Azra Khan          (LCS) – Kiana Gibson          (LCS) – Tiabella Bester</p> <p><b>Apologies:</b></p> <p>(HPS) – Jonte Schumann          (HPS) – Archer Collins          (MPS) – Kaha Taiaroa          (MPS) – Asha Taiaroa          (PHS) – Teleeka Campbell</p> <p><b>Ex-officio Officers in attendance:</b></p> <p>Deputy Mayor Giovanna Simpson          Burnie Works – Nikki Brannigan          Burnie Works – Allison Daley</p>
2.	<p><b>Acknowledgement of Country by Deputy Mayor Giovanna Simpson</b></p>



3.	<b>Explanation of Youth Council and process for morning</b> Getting to know: <ul style="list-style-type: none"> <li>- About Youth Council.</li> <li>- Make decisions about Burnie.</li> <li>- How decisions are made and why.</li> <li>- What's already happened?</li> <li>- How do we know what's worked?</li> <li>- What do we hope to achieve?</li> <li>- Learn about local government and how it works.</li> <li>- Strengthen local community.</li> </ul>
4.	<b>Giovanna on Local Government</b> <ul style="list-style-type: none"> <li>- There are three tiers of Government:               <ul style="list-style-type: none"> <li>o Federal – Prime Minister Anthony Albanese</li> <li>o State – Premier Jeremy Rockliff</li> <li>o Local – Mayor, Deputy Mayor, Councillors                   <ul style="list-style-type: none"> <li>▪ Employ the Council General Manager to oversee operations</li> <li>▪ A Councillor will put a motion forward: an idea with an explanation (needs and risk argument); other councillors will either vote for or against – a majority vote is needed to pass.</li> <li>▪ Local council is in charge of garbage collection, rates, parking, services to homes, parks.</li> </ul> </li> </ul> </li> </ul>
5.	<b>General Business</b> <ul style="list-style-type: none"> <li>- Youth Council did a tour of council by Giovanna.</li> <li>- 'Getting to know you' activity.</li> <li>- Your thoughts and suggestions.</li> </ul>
6.	<b>Next Meeting</b> Thursday 23 March

Closed: 11.20am

**AO053-23 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*.

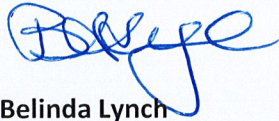
There were no non agenda items.

There being no further business the Mayor declared the Meeting closed at 8.41pm.

## 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 28 March 2023.

Confirmed:



**Belinda Lynch**  
**ACTING GENERAL MANAGER**

Date: 26-4-2023

Confirmed:



**Teeny Brumby**  
**MAYOR**

Date: 26-4-2023