



CITY OF HOBART

AGENDA

FINANCE COMMITTEE MEETING (OPEN PORTION OF THE MEETING)

TUESDAY 19 APRIL 2016

AT 5.00 PM

THE MISSION

Our mission is to ensure good governance of our capital City.

THE VALUES

The Council is:

about people

We value people – our community, our customers and colleagues.

professional

We take pride in our work.

enterprising

We look for ways to create value.

responsive

We're accessible and focused on service.

inclusive

We respect diversity in people and ideas.

making a difference

We recognise that everything we do shapes Hobart's future.

HOBART 2025 VISION

In 2025 Hobart will be a city that:

- Offers opportunities for all ages and a city for life
 - Is recognised for its natural beauty and quality of environment
 - Is well governed at a regional and community level
 - Achieves good quality development and urban management
 - Is highly accessible through efficient transport options
 - Builds strong and healthy communities through diversity, participation and empathy
 - Is dynamic, vibrant and culturally expressive
-


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**BUSINESS LISTED ON THE AGENDA IS TO BE CONDUCTED IN THE ORDER
IN WHICH IT IS SET OUT UNLESS THE COMMITTEE BY SIMPLE MAJORITY
DETERMINES OTHERWISE**

I, Nicholas David Heath, General Manager of the Hobart City Council, hereby certify that:

1. In accordance with Section 65 of the Local Government Act 1993, the reports in this agenda have been prepared by persons who have the qualifications or the experience necessary to give such advice, information or recommendations included therein.
2. No interests have been notified, pursuant to Section 55(1) of the Local Government Act 1993, other than those that have been advised to the Council.


N.D. HEATH
GENERAL MANAGER

FINANCE COMMITTEE AGENDA (OPEN)

Committee Members

Cocker (Chairman)
Deputy Lord Mayor Christie
Zucco
Ruzicka
Sexton
Aldermen
Lord Mayor Hickey
Briscoe
Burnet
Thomas
Reynolds
Denison
Harvey

**Finance Committee (Open Portion of the Meeting) -
Tuesday, 19 April 2016 at 5.00 pm in the Lady Osborne
Room.**

PRESENT:

APOLOGIES:

LEAVE OF ABSENCE:

CO-OPTION OF COMMITTEE MEMBERS IN THE EVENT OF A VACANCY

Where a vacancy may exist from time to time on the Committee, the Local Government Act 1993 provides that the Council Committees may fill such a vacancy.

1. MINUTES OF THE OPEN PORTION OF THE MEETING OF THE FINANCE COMMITTEE HELD ON WEDNESDAY, 16 MARCH 2016

2. CONSIDERATION OF SUPPLEMENTARY ITEMS TO THE AGENDA

In accordance with the requirements of Part 2 Regulation 8 (6) of the Local Government (Meeting Procedures) Regulations 2015, the Committee, by simple majority may approve the consideration of a matter not appearing on the agenda, where the General Manager has reported:

- (a) the reason it was not possible to include the matter on the agenda, and
- (b) that the matter is urgent, and
- (c) that advice has been provided under Section 65 of the Local Government Act 1993.

RECOMMENDATION

That the Committee resolve to deal with any supplementary items not appearing on the agenda, as reported by the General Manager in accordance with the provisions of the Local Government (Meeting Procedures) Regulations 2015.

3. INDICATIONS OF PECUNIARY AND CONFLICTS OF INTEREST

In accordance with Part 2 Regulation 8 (7) of the Local Government (Meeting Procedures) Regulations 2015, the chairman of a meeting is to request Aldermen to indicate whether they have, or are likely to have, a pecuniary interest in any item on the agenda.

In addition, in accordance with the Council's resolution of 14 April 2008, Aldermen are requested to indicate any conflicts of interest in accordance with the Aldermanic Code of Conduct adopted by the Council on 27 August 2007.

Accordingly, Aldermen are requested to advise of pecuniary or conflicts of interest they may have in respect to any matter appearing on the agenda, or any supplementary item to the agenda, which the committee has resolved to deal with, in accordance with Part 2 Regulation 8 (6) of the Local Government (Meeting Procedures) Regulations 2015.

4. TRANSFER OF AGENDA ITEMS

Are there any items which the meeting believes should be transferred from this agenda to the closed agenda or from the closed agenda to the open agenda, in accordance with the procedures allowed under Regulation 15 of the Local Government (Meeting Procedures) Regulations 2015?

**5. BATTERY POINT HERITAGE WALK – GRANT –
FILE REFS: 60-1-8; 14-60-13**

8x's

Report of the Senior Cultural Heritage Officer of 8 April 2016 and attachments.

DELEGATION: Council

This matter is also listed on the City Planning Committee agenda for consideration at its meeting on 18 April 2015.

TO : General Manager

FROM : Senior Cultural Heritage Officer

DATE : 8 April 2016

SUBJECT : **BATTERY POINT HERITAGE WALK - GRANT**

FILE : ""60-1-8/2; 14-60-13/3 BPL:BPL (c:\users\lennardb\documents\report for committee-battery point brochures.doc)

1. INTRODUCTION

- 1.1. This report presents a request from the Battery Point Sullivans Cove Community Association Inc. for funding to assist the design and printing of a brochure associated with the new self-guided heritage walk of Battery Point (known as “In Bobby’s Footsteps” – a reference to the colony’s first chaplain, the Rev’d Robert Knopwood, who lived near Montpelier Retreat and once owned a large part of Battery Point).
- 1.2. The initial request was for a grant of \$22,548.00 (excluding GST) to cover design and printing of 50,000 brochures. Since the initial request (November 2015) several meetings have been held between representatives of the Association and Council officers to explore aspects of the overall project.
- 1.3. The report provides background information about the organisation and its project.
- 1.4. The report recommends that partial funding be provided, to accommodate the design component and allow for the printing of 10,000 brochures.

2. BACKGROUND

- 2.1. The Battery Point Sullivans Cove Community Association Inc. is an active community organisation with an established interest in the care and conservation of an important part of Hobart. The Association has received substantial Tasmanian Community Fund (TCF) support for the development of the overall project, with a grant of \$49,000 for historical research and website development.
- 2.2. Details of the overall project are outlined in the Association’s letter (**Attachment A**). Small sign panels with QR codes have been developed at the Association’s expense, and these will be discreetly located on existing sign poles in the road reservation, in consultation with relevant Council staff.
- 2.3. The TCF grant did not cover the production of printed material. Based on work recently completed in Stanley (among other places) the

Association regarded it as imperative that the self-guided walk be available in brochure format, in addition to electronic web-based access. The Association requested funding for the production of 50,000 brochures, based upon the quotations received from the graphic production company 'Webmistress' (**Attachment B**).

- 2.4. Because the full amount of \$22,548.00 is well beyond any current budget allocation, a preferred approach is for partial funding.
- 2.5. The suggested approach is for Council to provide funding for the design amount (\$5000) and an initial print-run limited to 10,000 (\$4352).
- 2.6. Consideration can then be given at a later date to a further print-run. This suggested approach also has the advantage of incorporating any requisite adjustments which come to light following the initial publication.

3. PROPOSAL

- 3.1. It is proposed that the Council agree to the partial funding of the specific request.
- 3.2. It is proposed that an allocation of \$9352 be made in the current year, from funds in the Heritage and Conservation Function. The funding would be conditional upon formal agreement with the Battery Point Sullivans Cove Community Association Inc. Any future allocation would be subject to further request and Council approval.

4. IMPLEMENTATION

- 4.1. The proposal would be implemented by:
 - a) preparing and securing formal agreement between the parties;
 - b) providing payment of \$9352 this financial year, upon receipt of invoice;
 - c) receiving full acquittal report.

5. STRATEGIC PLANNING IMPLICATIONS

- 5.1. Strategic Objective 2.4 states:

Unique heritage assets are protected and celebrated

and includes:

2.4.1 Improve the interpretation of heritage by developing accessible information.
- 5.2. This significant community project aligns closely with Council's desire to promote the City's heritage attributes to local citizens and visitors.

6. FINANCIAL IMPLICATIONS

6.1. Funding Source(s)

- 6.1.1. Heritage and Conservation (function) – promotion, education and interpretation (activity) – grants (resource).

6.2. Impact on Current Year Operating Result

- 6.2.1. The allocation of \$9352 from the Heritage and Conservation Function is not expected to have a major impact upon the overall operating result in 2015-2016. The design cost of \$5000 would be offset from an existing allocation for graphic design, and the printing cost of \$4352 would be offset from an allocation for brochure printing (\$5000 currently available).

6.3. Impact on Future Years' Financial Result

- 6.3.1. None at this stage; any request for additional funding in future years will be subject to further reporting.

6.4. Asset Related Implications

- 6.4.1. The brochures would not be Council assets; they could be distributed through the Tasmanian Travel and Information Centre, but any final arrangements for distribution would be subject to negotiation between the Association and the TTIC.

7. ECONOMIC BENEFITS

- 7.1. In the year ending December 2015, there were 1.15 million visitors to Tasmania, up 8% from the previous year. 70% of tourists to Tasmania indicate that while on holiday, they like to visit heritage sites and historical attractions. Tourists who are motivated by an interest in cultural heritage tend to contribute more expenditure to local economies. In its submission to the recent Legislative Council Inquiry into Built Heritage Tourism, the Tasmanian Government noted that historic heritage was a core element of the visitor experience, fostering local employment and contributing to the state's economy. "Nature and heritage remain two key pillars ..." according to Mr John Fitzgerald, CEO of Tourism Tasmania.
- 7.2. Battery Point is one of the earliest parts of colonial Hobart. It is widely renowned for its rich history, major nineteenth landmarks and its intact streetscapes of early buildings. For visitors spending just a short time in Hobart (such as cruise ship passengers) it is a favourite and accessible destination.
- 7.3. The proposed brochure will enhance this experience and lead to increased visitor activity within this part of Hobart, including Salamanca

Place and Hampden Road. The brochure will also be of benefit to the local community, enhancing knowledge and appreciation of Battery Point's cultural heritage.

8. RISK MANAGEMENT IMPLICATIONS

- 8.1. None foreseen; if the project is not completed for whatever reason, the recipient will be required to return unexpended funds.

9. LEGAL IMPLICATIONS

- 9.1. None foreseen; the grant will be subject to formal agreement between the Council, the recipient and the 'auspicing' organisation.

10. COMMUNICATION AND MEDIA IMPLICATIONS

- 10.1. The project has already received some media attention and this is expected to expand once the brochures are published.

11. DELEGATION

- 11.1. The matter is reserved to the Council; no delegation is sought.

12. CONSULTATION

- 12.1. In preparing this report, the author has conferred with officers of the Community Development Division and Financial Services Division.
- 12.2. The suggestion of a smaller quantity was put to the committee of the Battery Point Sullivans Cove Community Association Inc. and the President of the Association has confirmed the committee's acceptance of that approach.

13. CONCLUSION

- 13.1. The Battery Point Sullivans Cove Community Association Inc. is an established local community group, with a strong interest in the heritage of Battery Point and Sullivans Cove – key parts of colonial Hobart.
- 13.2. The Association has been successful in obtaining funding from the Tasmanian Community Fund (TCF) for the research and development of a self-guided heritage walk.
- 13.3. The funding received from the TCF did not include a printed brochure, which is a logical extension to the project, providing information in an accessible format for visitors.
- 13.4. The request (as revised) is for a modest amount of \$9352 to assist with graphic design and printing costs.

- 13.5. The request is considered reasonable, and a Council contribution will enable 10,000 brochures to be produced.

14. RECOMMENDATION

That:

14.1. The report BPL:bpl(c:\users\lennardb\documents\report for committee-battery point brochures.doc) be received and noted.

14.2. The Council agree to provide a grant of \$9352 to the Battery Point Sullivans Cove Community Association Inc. for the purposes of designing and printing 10,000 copies of a brochure based on the self-guided walk, "In Bobby's Footsteps".

14.3. The grant be conditional upon a formal agreement between the Council and the Battery Point Sullivans Cove Community Association Inc.

As signatory to this report, I certify that, pursuant to Section 55(1) of the Local Government Act 1993, I hold no interest, as referred to in Section 49 of the Local Government Act 1993, in matters contained in this report.



(Brendan Lennard)

SENIOR CULTURAL HERITAGE OFFICER



(Neil Noye)

DIRECTOR CITY PLANNING

Attachment(s) A: Letter dated 17 November 2015 from Roger Dixon, President, Battery Point Sullivans Cove Community Association Inc.

B: Quotation from Webmistress dated 11 November 2015, for the design and printing of brochures.



**Battery Point Sullivan's Cove Community
Association Inc**

ABN: 2415 3590 707

General Manager
Hobart City Council
Macquarie Street
HOBART TAS 7000

17th November 2015

Dear Mr Heath,

You will be aware that the Battery Point Community Association has been working informally with the Hobart City Council in developing a self-guided historic walk around Battery Point.

In 2014 the Tasmanian Community Fund recognised the importance of this project and provided \$49,000 to research and develop a website that could be accessed by locals and visitors. During 2015 the researchers have documented the development of colonial Battery Point from the days of Robert Knopwood, hence the name of the walk "In Bobby's Footsteps" which traces key historic origins of Hobart's unique suburb.

The project has involved oral history from older local identities who grew up in Battery Point in the 1950s. It has also included Albuera St school children whose art work reflects their understanding of the heritage values of Battery Point. These features involving older residents and children add another dimension to the project based on community involvement. A high quality website has been constructed by Webmistress so that the public can access professionally developed information in a creative format.

We have maintained communication with the Hobart City Council and the Lord Mayor Sue Hickey launched 'In Bobby's Footsteps' in April 2015. We are now reaching the stage where we need to confirm the specific role of Hobart City Council in supporting this significant project.

In a meeting with Lord Mayor, Sue Hickey and Council staff Brendan Lennard and Kimbra Parker on Tuesday 10th November, it was suggested the most appropriate course of action would be to present you with the background to the project and to seek a level of Hobart City Council financial sponsorship.

Therefore I would like to submit a formal request for the Council to meet the cost of printing 50,000 Booklets that can be distributed to cruise ship visitor and other tourists as detailed in the attached quote from Webmistress.

We consider that while many people will access the website through their mobile phones, there is still a need to promote hard copy of the information which will be in the form of an attractive small booklet, which many people would retain as a memento of their Hobart City visit. The booklet would

of course include a welcome message from the Lord Mayor and the Council's Logo with Council approving the final draft.

In addition to the brochure we are already working with Hobart City staff to negotiate the placement of the QR codes for accessing the website on Council recommended sites. The Battery Point Community Association will meet the costs of actual signage but would appreciate council staff assistance in this aspect of finalizing the project.

We plan to have the website go live in February and will request the Lord Mayor's participation together with that of Albuera Street School children who have contributed to this project

Therefore we seek an early response to our request so that Webmistress can meet our projected time frames.

With thanks

Yours sincerely



Roger Dixon
President
Battery Point Sullivans Cove Community Association

Enc. 1

webmistress



Attachment B

4/245 Elizabeth St F
GPO Box 1764 Hobart, TAS 7001
Tel 03 6231 9351 Fax 03 6251 1505
info@webmistress.com.au
www.webmistress.com.au
ABN 70 493 521 201

Quotation #1410

To Battery Point Sullivans Cove Community Association Inc
PO Box 26
Battery Point, TAS 7004

Date 11 Nov 2015

For project Battery Point heritage self-guided walk

Design/development	Amount
Booklet design – consultation, research, art direction, design and output of 24pp A6 booklet including short introduction, overview of the walk, map, 16 locations and acknowledgements (includes output of files for print and online)	\$5000.00
Booklet production (offset printing) – full colour 24pp A6 saddle-wired booklet on 135gsm Revive Laser Recycled stock (qty of 2000 is \$1723+GST, qty of 5000 is \$2694+GST, qty of 10000 is \$4352+GST, qty of 20000 is \$7665+GST)	\$17548.00 for 50000
Subtotal	\$22548.00
GST (10%)	\$2254.80
Total including GST	\$24802.80

Please note

This costing is based on up-front payment before each stage (design and printing), and all liaison and final approvals being received by Battery Point Sullivans Cove Community Association via our *In Bobby's Footsteps* project managers (Robert Vincent / Annie Rushton / Margaret Reynolds).

The booklet quote above includes space for a short introduction from the Lord Major and inclusion of the City of Hobart logo in the acknowledgements section.

Acceptance

To accept this quotation, please send an email to info@webmistress.com.au. Once we have received approval for this project, work will be scheduled, timeframes confirmed and an initial invoice sent. By accepting this quotation you agree to the terms of engagement of Webmistress, which can be read at <http://www.webmistress.com.au/terms/>

Thanks for the opportunity to provide quotation. If you have any questions please don't hesitate to get in touch!

**6. DELEGATION FOR THE REMISSION OF RATES AND CHARGES –
FILE REF: 22-2-1**

23x's

Report of the Director Financial Services and the Group Manager Rates and Procurement of 11 April and attachment.

DELEGATION: Council

TO : Finance Committee

FROM : Director Financial Services and Group Manager Rates and Procurement

DATE : 11 April, 2016

SUBJECT : **DELEGATION FOR THE REMISSION OF RATES AND CHARGES**

FILE : 22-2-1 LM:LM (o:\council & committee meetings reports\fc reports\19 april\word version of report\open delegation for the remission of rates and charges.doc)

1. INTRODUCTION

- 1.1. This report seeks the Council's approval to delegate its powers to grant a remission of all or parts of any rates payable by a ratepayer under section 129 of the *Local Government Act 1993* to the General Manager up to a limit of \$2000 pursuant to Council's Rates and Charges Policy.

2. BACKGROUND

- 2.1. Council has the power to remit rates paid or payable or any penalty or interest charged under section 129 of the *Local Government Act 1993* (LG Act), as follows:

129. Remission of rates

- (1) *A ratepayer may apply to the council for remission of all or part of any rates paid or payable by the ratepayer or any penalty imposed or interest charged under [section 128](#).*
 - (2) *An application is to be –*
 - (a) *made in writing; and*
 - (b) *lodged with the general manager.*
 - (3) *A council, by absolute majority, may grant a remission of all or part of any rates, penalty or interest paid or payable by the ratepayer.*
 - (4) *A council, by absolute majority, may grant a remission of any rates, penalty or interest paid or payable by a class of ratepayers.*
 - (5) *The general manager is to keep a record of the details of any remission granted under this section.*
- 2.2. Council has already delegated to the General Manager the authority to grant a remission of all or part of any penalty and interest charged under

section 129 of the LG Act. At its closed meeting on 15 December 2014, Council resolved that:

Pursuant to section 22 of the Local Government Act 1993, the Council delegate to the General Manager the authority to determine future applications for the remission of penalty and interest charges pertaining to Council rates, in the interests of administrative efficiency given the monetary value of these charges.

- 2.3. However, applications for the remission of all or part of any rates paid or payable under section 129 of the LG Act remains under the authority of Council, by absolute majority.
- 2.4. Applications under section 129 of the LG Act are not common but do occur. Reasons for rate remission applications vary and it is notable that the LG Act is silent as to the grounds for a rate remission request.
- 2.5. Section 9 of Council's Rates and Charges Policy sets out Council's policy and procedures in respect of rates remissions – refer **attachment A**.
- 2.6. It should be noted that pursuant to section 86B(4)(a) of the LG Act, *A council must review its rates and charges policy by the end of each successive 4-year period after 31 August 2012. The Hobart City Council Rates and Charges Policy, dated August 2012, is currently under review and will be the subject of a future report to Committee and Council prior to 31 August 2016.*

3. PROPOSAL

- 3.1. It is proposed that the Council delegate its authority to grant a remission of all or parts of any rates paid or payable by a ratepayer under section 129 of the *Local Government Act 1993* to the General Manager up to a limit of \$2000 per application pursuant to Council's Rates and Charges Policy.
- 3.2. It is proposed that applications for rate remissions where the dollar value exceeds \$2000 remain under the authority of Council, by absolute majority.
- 3.3. It is considered more efficient from an administrative perspective for the General Manager to consider applications for rate remissions where the monetary value of the remission request is low. The \$2000 limit has been calculated based on a cost vs. benefit analysis of Officer time in preparing a report for Committee / Council and council time in considering these types of requests where the monetary value is low.

3.4. Pursuant to section 22(2)(b) of the LG Act, Delegation by council:

(2) *A council, in writing, may delegate any of the following powers only to the general manager or a council committee and only on condition that the council has determined appropriate policies and procedures to be followed in relation to those powers:*

(b) *the remission or rebate of rates and charges.*

3.5. As Council's Rates and Charges Policy sets out Council's policy and procedures in respect of rates remissions, should Council agree to the delegation, it is proposed that the *Hobart City Council Rates and Charges Policy* be amended to include details of the delegation in section 9.2 Rate Remissions.

3.6. This would be the only change proposed to the *Hobart City Council Rates and Charges Policy* at this time as the document is currently under comprehensive review and will be the subject of a future report to Committee / Council prior to 31 August 2016.

4. IMPLEMENTATION

4.1. Should Council agree to delegate its authority to the General Manager as proposed, the General Manager will make decisions regarding future applications for the remission of part or all of rates paid or payable by the ratepayer, where the application has a monetary value of \$2000 or under.

4.2. A minor amendment would be made to the current *Hobart City Council Rates and Charges Policy* to include reference to the General Manager's delegation and the General Manager's delegation will be updated to reflect this change.

5. STRATEGIC PLANNING IMPLICATIONS

5.1. This report relates to the *Hobart City Council Rates and Charges Policy*.

6. FINANCIAL IMPLICATIONS

6.1. Funding Source(s)

6.1.1. Not applicable.

6.2. Impact on Current Year Operating Result

6.2.1. Not applicable.

6.3. Impact on Future Years' Financial Result

6.3.1. Not applicable.

6.4. Asset Related Implications

6.4.1. Not applicable.

7. LEGAL IMPLICATIONS

7.1. Legal implications are considered elsewhere in this report.

8. DELEGATION

8.1. Pursuant to section 129 of the LG Act, a council, by absolute majority, may grant a remission of all or part of any rates, penalty or interest paid or payable by the ratepayer.

8.2. Council has previously delegated to the General Manager the authority to grant a remission of all or part of any penalty and interest charged under section 129 of the LG Act.

9. CONSULTATION

9.1. Consultation has been undertaken with Council's Manager Legal and Governance.

10. CONCLUSION

10.1. Council has the power to remit rates paid or payable or any penalty or interest charged under section 129 of the *Local Government Act 1993*.

10.2. In December 2014 Council delegated to the General Manager the authority to determine future applications for the remission of penalty and interest charges pertaining to Council rates under section 129 of the LG Act, in the interests of administrative efficiency given the monetary value of these charges.

10.3. This report seeks Council's approval to delegate its powers to grant a remission of all or parts of any rates payable by a ratepayer under section 129 of the *Local Government Act 1993* to the General Manager up to a limit of \$2000 per application pursuant to Council's Rates and Charges Policy in the interests of administrative efficiency and consistency with its previous decision regarding applications for the remission of penalty and interest charges pertaining to Council rates.

11. RECOMMENDATION

That:

- 11.1. The report LM:lm(o:\council & committee meetings reports\fc reports\19 april\word version of report\open delegation for the remission of rates and charges.doc) be received and noted.*
- 11.2. Pursuant to section 22 of the Local Government Act, Council delegate its authority to grant a remission of all or parts of any rates paid or payable by a ratepayer under section 129 of the Local Government Act 1993 to the General Manager up to a limit of \$2000 per application pursuant to the Hobart City Council Rates and Charges Policy.*
- 11.3. If Council approves the delegation request in section 11.2 above, Council approve a minor amendment to the Hobart City Council Rates and Charges Policy as shown at attachment A and to the General Manager's delegation to reflect the change.*
- 11.4. Council note that the Hobart City Council Rates and Charges Policy is under comprehensive review and will be the subjective of a further report prior to 31 August 2016.*

As signatory to this report, I certify that, pursuant to Section 55(1) of the Local Government Act 1993, I hold no interest, as referred to in Section 49 of the Local Government Act 1993, in matters contained in this report.



(David Spinks)

DIRECTOR FINANCIAL SERVICES



(Lara MacDonell)

GROUP MANAGER RATES AND PROCUREMENT

Attachment A

Hobart City Council Rates and Charges Policy, dated August 2012.

HOBART CITY COUNCIL



Rates & Charges Policy

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1. Introduction

Rates and charges are an important revenue source for local government, comprising approximately 65% of Hobart City Council's annual income. In setting its rates and charges Council has the challenge of balancing the need to fund existing services, the continual demand for increased services, the need to maintain and renew essential infrastructure and the desire to keep increases to rates and charges to a minimum.

Hobart City Council (Council) uses the revenue collected from rates and charges to fund the provision of more than 300 programs and services to the community and provide the infrastructure required and expected of a modern, well serviced Capital City.

This documents sets out the policy of the Hobart City Council (Council) for setting and collecting rates from its community and meeting the requirements of Part 9 of the *Local Government Act 1993* (the Act).

This Rates and Charges policy will explain:

- The relationship between Council's Strategic Plan, budget and rates;
- Council's goal in setting its rates and charges;
- The principles Council uses when setting its rates and charges;
- How Council sets its rates and charges for the year;
- What rates and charges are levied in the Hobart municipality;
- The services that rates and charges fund for the benefit of the community;
- Rates rebates and remissions;
- How and when to pay rates and the consequences of late payments; and
- Ratepayer objection rights.

Council's Rates and Charges Policy will be reviewed at least every 4 years by 31 August unless a change occurs that requires Council to amend its Rates and Charges Policy under section 86B(4) of the Act.

2. Relationship between Council's Strategic Plan, Budget and Rates

The Rates and Charges Policy has been prepared within the context of Council's strategic planning and reporting framework. In setting its rates Council gives primary consideration to the long-term vision for the city, (developed in conjunction with residents, business, interest groups, key city stakeholders, young people and students from across the city), strategic directions, financial sustainability and the likely impacts on the community.

The Council has worked with the community to establish a 20 year vision for the city and a set of statements that describe what the city will be like if that vision is achieved.

2.1 Council's Vision and Future Directions

In 2025 Hobart will be a city that: -

- Offers opportunities for all ages and a city for life;
- Is recognised for its natural beauty and quality of environment;
- Is well governed at a regional and community level;

- Achieves good quality development and urban management;
- Is highly accessible through efficient transport options;
- Builds strong and healthy communities through diversity, participation and empathy; and
- Is dynamic, vibrant and culturally expressive.

Offers opportunities for all ages and a city for life

In 2025 Hobart will be a city that provides opportunities for education, employment and fulfilling careers. A city that is able to retain its young people and provide a lifestyle that will encourage all ages to see the city as a desirable location and lifelong home.

Is recognised for its natural beauty and quality of environment

In 2025 Hobart will be a city that respects the natural beauty of Mount Wellington, the Derwent River, the bushland surrounds and waterfront locations. It has worked to enhance the community connection through the protection of views, vistas, access and linkages and the physical environment has been conserved in a manner that will ensure a healthy and attractive city.

Is well governed at a regional and community level

In 2025 Hobart will be a city that works effectively to lead an integrated approach to the planning and development of the metropolitan region. It will create partnerships with governments, the private sector and local communities in achieving significant regional, city and community goals.

Achieves good quality development and urban management

In 2025 Hobart will be a city that remains unique in its own right, protecting its built heritage and history while pursuing quality development, the principles of sustainable cities and the reduction of ecological impacts. It will value access to the waterfront, foreshores, public and open spaces and continues to enjoy the benefits of scale and proximity.

Is highly accessible through efficient transport options

In 2025 Hobart will be a city that maintains its convenience and accessibility through the greater use of transport alternatives and an effective road and travel network. Improved public transport options, cycle ways and walking tracks linking open spaces for transport and recreation, the availability of adequate parking for commuters and shoppers, the take up of sustainable transport options, the reduction of through traffic and the management of an efficient road network are the result of an integrated approach to transport planning within the city and across the metropolitan region.

Builds strong and healthy communities through diversity, participation and empathy

Hobart City Council Rates and Charges Policy

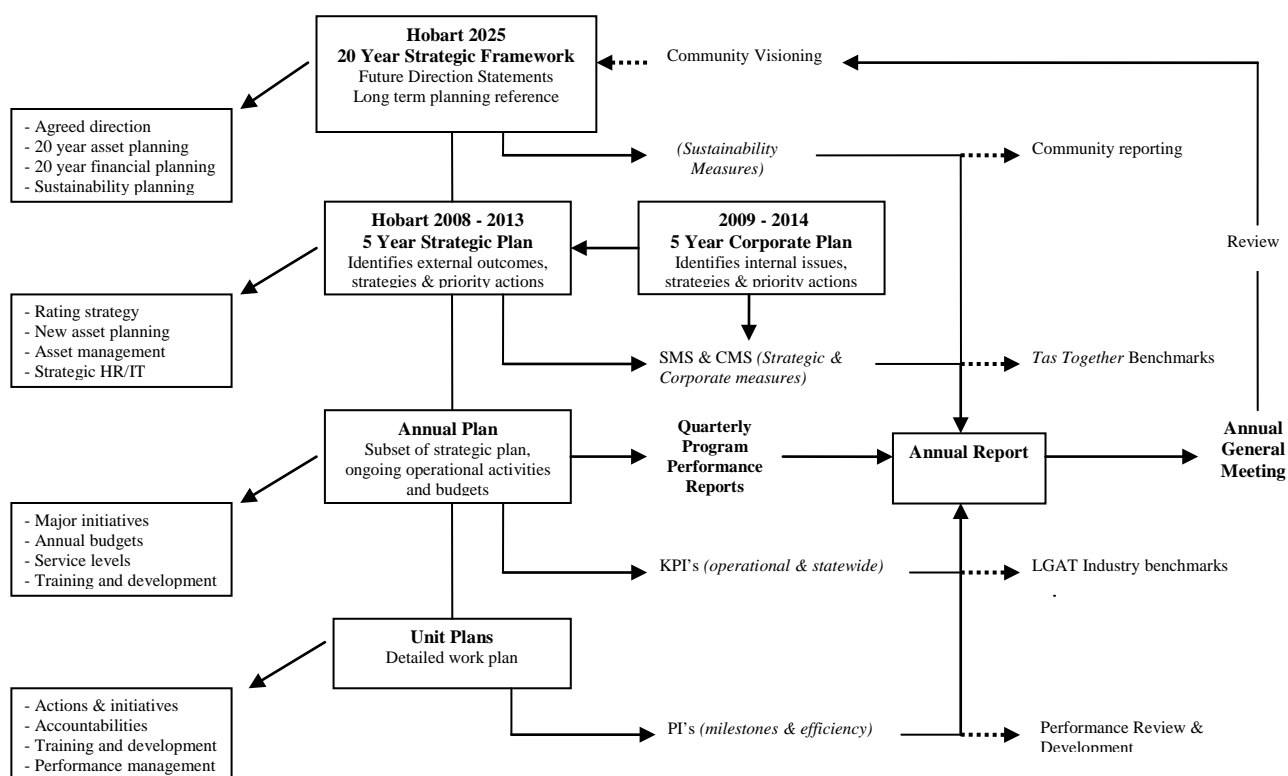
In 2025 Hobart will be a city that reflects a spirit of community and tolerance. By valuing diversity and encouraging participation by all ages in the life of their community, a friendly and compassionate society will underpin a safe and healthy city.

Is dynamic, vibrant and culturally expressive

In 2025 Hobart will be a city that is a destination of choice and a place for business. Clever thinking and support for creativity will help build a strong economic foundation, and entertainment, arts and cultural activities promote the distinctive character of the city. Lifestyle opportunities and strong communities will ensure a vibrancy and way of life that is Hobart.

The future directions statements and key strategies underpin the vision and provide the basis for five year strategic plans to be implemented through Council's Annual Plan. Performance is continually monitored and result documented in an annual report to the community. The framework is outlined in the diagram below:

Council's Planning & Reporting Framework



2.2 Long-term Financial Management Plan

Council's Long-term Financial Management Plan (LTFMP) provides a plan to resource Council's future directions outlined above and ensure Council's financial sustainability in the long-term. Council defines financial sustainability as follows:

“A Council’s long-term financial performance and position is sustainable where planned long-term service and infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services.”

Financial sustainability is particularly important for local government because councils hold assets worth in the billions of dollars (large relative to their revenue bases), that have lives of in some cases well over 100 years.

Council has \$1.06 billion in physical assets, managed through Asset Management Plans, including buildings, parks infrastructure, plant, vehicles and equipment, playground equipment, road infrastructure, stormwater infrastructure and The Hobart Aquatic Centre. The expected life of Council’s infrastructure assets varies from 10 years for plant and vehicles to 160 years for buildings. It is important for Council to adequately fund asset management to ensure its assets achieve their full expected service life but can also be renewed without incurring large rates increases in the future.

Council’s LTFMP is used in the preparation of its annual budget and Council’s rates and charges policy is prepared within its context. Information on how rates and charges are calculated is included in section 5 and 6.

3. Goal

Council’s goal in raising rates and charges is to ensure a sufficient revenue base for Council to:

- Continue to provide existing activities, programs and services to the community.
- Provide new or expanded services to the community.
- Ensure a balanced budget and provide a strong financial basis for effective management of expenditure programs to provide for both current and future community requirements.
- Encourage a strong, growing and sustainable local economy with appropriate levels of infrastructure assets and facilities.
- Provide certainty of funding for the provision of infrastructure identified by Council in its Long-term Financial Management Plan and Asset Management Plans.

4. Policy Principles

In adopting its Rates and Charges Policy and making decisions concerning the making of rates, Council has taken into account the following pursuant to section 86A(1) of the Act:

- (a) rates constitute taxation for the purposes of local government, rather than a fee for a service; and
- (b) the value of rateable land is an indicator of the capacity of the ratepayer in respect of that land to pay rates.

Council currently raises revenue for the vast majority of its services through the Assessed Annual Value (AAV) rating system and not through a user pays pricing system. Council’s

rating system does not separate those aspects of a particular service that may have a public benefit from those that have a more private benefit such as a kerbside waste collection. Council rates are based on property values and are therefore a property tax. Generally the Act expects that the higher the value of the property the higher the rates to be paid.

Council determines rates and charges after due consideration of the following:

- The principles of taxation outlined in section 86A(1) of the Act, outlined above.
- The objectives, strategies and actions outlined in the Council's Strategic Plan, Annual Plan and Long-term Financial Management Plan.
- Council's legislative obligations.
- The needs and expectations of the general community.
- The level of the cost of maintaining existing facilities and necessary services.
- The need for additional services and facilities.

In setting its policy on rates and charges, Council has applied the following principles of taxation:

- Equity –by taking into account the different levels of capacity to pay within the local community;
- Benefit – by recognising that Council services benefit the community as a whole.
- Simplicity – by using a rating system that is simple and cost effective to administer.
- Sustainability – by making revenue decisions that support the financial strategies for the delivery of infrastructure and services identified in Council's Long-term Financial Management Plan and Asset Management Plans.
- Effectiveness / efficiency – by meeting the financial, social, economic and environmental, and other strategic objectives outlined in Council's Strategic Plan.
- Transparency – by being open in the processes involved in the making of rates and charges.
- Timeliness – by ensuring all ratepayers are given adequate notice of their liability to pay rates and charges.
- Flexibility – by responding where possible to unforeseen changes in the economy.
- Compliance – by complying with the requirements and intent of relevant legislation.

5. Property Valuation Base

Under section 89A of the Act Council has the choice of three bases of value of land:

- Land Value – the value of the property excluding all visible improvements such as buildings, structure, fixtures, roads, etc.
- Capital Value - the total value of the property, excluding plant and machinery and includes the land value; or
- Assessed Annual Value (AAV) - the estimated yearly rental value of the property, excluding GST, council rates and land tax, but is not to be less than 4% of the capital value of the property.

Hobart City Council uses the AAV of a property as a basis for valuing land in the municipality. AAV is the most widely used property valuation base in Tasmania and has been used by

Council since the 1850s. The AAV method of valuing land reflects the property usage and notional income earning capacity of the property and therefore addresses the equity principle of taxation by determining ratepayers of similar wealth and calculating similar rates and determining that ratepayers of greater wealth pay more rates than ratepayers of lesser wealth. Although expressed in terms of a notional rental value, the AAV has the same effect as an implied return on investment for the property with a minimum level of 4 percent.

Adoption of Valuations

Setting rates based on property values, whether on land value, capital value or the assessed annual value (AAV) as determined by the Valuer-General, is a requirement of the *Local Government Act 1993*.

Under the *Valuation of Land Act 2001* the Valuer-General must determine the land value, capital value and assessed annual value of each property in the Hobart municipality and provide this information to Council. Council has no role in the process of determining the valuations ascribed to individual properties.

Council adopts the valuations made by the Valuer-General as provided to the Council and uses the valuation of each property as the basis for calculating the rates on that property.

All land within the Hobart municipality is rateable except for land specifically exempt under section 87 of the Act.

Ratepayers are encouraged to contact the Office of the Valuer General if they have any objections in relation to their property valuation.

6. Rates and Charges

Rates and charges are calculated each year during Council's budget process. The budget process involves Council setting its priorities and expenditure levels to enable the key strategic objectives outlined in Council's Annual Plan to be implemented.

Through the budget process Council also specifies its capital requirements to renew infrastructure assets, plant and equipment and create new essential infrastructure for the City; as well as the community programs and services it will provide in the next financial year; and how much these will cost.

A Council budget also estimates the revenue to be collected from other sources such as parking fines, Commonwealth and State grants, distributions from Council's ownership interest in Southern Water, rents, interest income and parking and other fees and charges. Using these estimates Council determines the amount of revenue it needs to collect in rates revenue to meet its financial responsibilities for the coming year.

Council uses property values as the basis for calculating how much each property owner pays in rates. Property values are not calculated by Council; they are provided to Council by the Office of the Valuer-General.

After identifying how much it needs to collect in rates and charges, Council calculates the total amount required to fund waste management services, stormwater services, the State Government fire levy and landfill rehabilitation services leaving the balance required from General Rates.

Generally, the rate in the dollar is calculated by dividing the amount of money Council needs to raise to provide programs and services by the total \$AAV of all rateable properties in the Hobart municipality.

The rate in the dollar is then multiplied by the value of a property, using the Assessed Annual Value, to establish the amount to be paid by each property owner.

Example:

The total AAV of rateable properties within the municipality is \$600,000,000 and Council needs to collect \$44,000,000 in rates. The rate in the dollar is 7.33 cents ($44,000,000 \div 600,000,000$). The annual rates payable on a property with an AAV of 18,800 would be \$1,378.04.

Council sets its budget annually to ensure it raises the budgeted amount required. Valuations do not determine the rates income of a Council, and as a result, Councils do not gain windfalls from valuation increases and an increase in property values does not cause a rate rise.

Council has two broad categories of land use being residential and non-residential (commercial). Council has adopted a simple rating structure by having one rate in the dollar for all properties. Council raises its rates and charges through the following:

6.1 General Rate

Pursuant to section 90 of the Act, the General Rate is levied on all rateable properties within the Hobart municipality and provides revenue to fund over 300 Council programs and services, except those related to Council's stormwater removal services, waste management services, landfill rehabilitation services and the State Government fire levy. More information on the programs and services funded through General Rates is provided in section 7 below.

6.2 Stormwater Removal Service Rate

Pursuant to section 93 of the Act, the Stormwater Removal Service Rate is levied on all rateable properties within the Hobart municipality. It provides revenue that covers the operation and maintenance of the piped and non-piped stormwater systems and the waterways, which includes major rivulets and a host of minor watercourses.

In addition this revenue funds Council's flood management activities and provides for the replacement of elements of the stormwater and waterways asset base. As such these services have a public and community-wide benefit.

The Stormwater Removal Service Rate also contributes towards stormwater works in all roads, which allows residents to travel along those roads safely during rainfall.

Council also has in place litter traps within stormwater systems and waterways to limit the amount of pollution entering the River Derwent.

6.3 Fire Service Rate

Pursuant to the *Fire Services Act 1979*, local government acts as a collection agent for this State Government tax, which is paid directly to the State Fire Commission.

Council has no control over the level of the Fire Service Rate. It is required to collect this revenue on behalf of the State Government which is then passed onto the Tasmanian Fire Service.

The State Fire Commission identifies 3 districts for the Hobart municipality, being:

- Fern Tree Volunteer Brigade Rating District;
- Permanent Brigade Rating District; and
- General Land.

There is a different fire service rate for each district, which is achieved through rates remissions.

6.4 Waste Management Service Charge

Pursuant to section 94 of the Act, the Waste Management Service Charge is levied on all rateable properties within the Hobart City municipality.

In addition to the standard kerbside waste and recycling collections, the waste management service charge provides revenue that covers a number of activities with a more general benefit such as solid waste minimisation initiatives and contributions to a range of recycling initiatives, which have a public and community-wide benefit.

In 2010/11 Council introduced a waste management service charge following its decision to move away from AAV based rates for waste management and introduce a flat charge that all properties would pay. Council felt that this would make the waste management service fairer and more equitable across the community.

Non-residential properties pay double the waste management service charge of residential properties reflecting that a standard garbage collection service means:

- In the case of a residential property, 120 litres of solid waste per week; or
- In the case of a non-residential property, 240 litres of solid waste per week.

6.5 Landfill Rehabilitation Service Charge

From 1 July 2011 Council introduced a temporary ratepayer levy to fund the rehabilitation of the McRobies Gully Waste Management Centre. The levy appears on the annual rates notice as a Landfill Rehabilitation Service Charge.

Non-residential properties pay double the landfill rehabilitation service charge of residential properties reflecting the different waste collection volumes, being:

- In the case of a residential property, 120 litres of solid waste per week; or
- In the case of a non-residential property, 240 litres of solid waste per week.

The temporary landfill rehabilitation service charge was introduced because the McRobies Gully Waste Management Centre is nearing the end of its life as an active landfill, with land-filling expected to cease around 2017 when the site reaches finished surface levels. Under its operating permit issued by the Environment Protection Authority, the Council is required to rehabilitate the remaining landfill over the next seven years.

Present estimates put the total cost of landfill rehabilitation at around \$6.5M, which is far beyond Council's normal resources. To assist with the financial burden, the Council introduced the temporary levy.

Rehabilitation of the landfill involves installing a clay capping over the landfill and landscaping. These works are required so as to prevent methane and other greenhouse gasses entering into the atmosphere. The works also prevent rainwater entering the landfill.

The levy will apply for seven years, until 2018. The revenue received from the levy will be spent solely to rehabilitate the landfill. The project will be undertaken progressively from 2011, with the majority of work being undertaken in 2017.

7. What Programs and Services does Council provide?

Rates and charges revenue funds more than 300 services for the benefit of the Hobart community. Many of Council's services, such as stormwater drainage, are largely invisible, but they may prevent flooding in Hobart streets each year. Services include:

Roads <ul style="list-style-type: none"> ✦ Maintenance of roads, footpaths, walkways and cycleways ✦ Street lighting ✦ Traffic Policy & Management - road safety, arterial route traffic management & local area traffic management ✦ Special event traffic and pedestrian management 	Parking <ul style="list-style-type: none"> ✦ Operation and maintenance of off-street parking ✦ On-street parking
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Planning <ul style="list-style-type: none"> ✦ Planning approval process for domestic construction or renovations 	Community Initiatives <ul style="list-style-type: none"> ✦ The Taste Festival ✦ City of Hobart floral shows ✦ Salamanca Market (Incl Busking) ✦ Hobart Christmas Pageant ✦ Carols by the Bay ✦ Sister City program ✦ Public Art Program ✦ Carnegie Gallery ✦ City of Hobart Art Prize ✦ 50 & Better Centre ✦ Youth Arts and Recreation Centre ✦ Civic Duties - Citizenship Day etc. ✦ Bush Adventures Activities ✦ Cultural and community events grants program ✦ Energy Audit Kits ✦ Climate Change actions
Public Health <ul style="list-style-type: none"> ✦ School Immunisation Program ✦ Council Immunisation Clinic ✦ Availability and maintenance of public toilets and parenting rooms ✦ Dog registration and livestock permits ✦ Dealing with complaints about animals, including roaming, barking or dangerous dogs ✦ Dogs on the Domain Program ✦ Registration of food businesses and licensing of temporary food stalls ✦ Food surveillance ✦ Food handler training ✦ Immunisation Clinics: Free clinics ✦ Water treatment ✦ Air quality ✦ Noise 	Waste Management <ul style="list-style-type: none"> ✦ Operation of the McRobies Gully Tip and the Recycling Centre ✦ Availability and emptying of public rubbish and recycling bins ✦ Household waste and recycling collection ✦ Roads & footpaths street cleaning, kerb & gutter crossovers and driveway care ✦ Graffiti removal ✦ Compost bins and compost ✦ Worm farms ✦ Green waste collection
Parks, Gardens & Bushland Reserves <ul style="list-style-type: none"> ✦ Maintenance of parks, reserves and playgrounds ✦ Removal of trees and clearance of vegetation ✦ Street tree planting ✦ Streetscape maintenance ✦ Fire management ✦ Weedbuster program 	Sports and Recreation Facilities <ul style="list-style-type: none"> ✦ Operation and maintenance of the Hobart Aquatic Centre ✦ Learn to swim program ✦ The Tasmanian Travel and Information Centre ✦ Maintenance of sports and recreational facilities and sports grounds ✦ Hire of venues

<ul style="list-style-type: none"> ✦ Bushcare program ✦ Maintenance of bushland reserves and parks i.e. New Town Rivulet Linear Park, Knocklofty Reserve, Bicentennial Park, The Queens Domain, Waterworks and Ridgeway Reserves, Wellington Park 	
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8. Rebate of Rates

Under section 87 of the Act Council is required to grant a rebate of the General Rate to specific properties that are owned for specific purposes outlined in the Act.

Applications for the rebate of rates under section 87 of the Act must be made in writing and include appropriate documentation to support the application.

For more information contact Council's Rates Office on tel: 03 – 6238 2787 or email: rates@hobartcity.com.au.

9. Rates Remissions

9.1 Pensioner Remissions

Pensioners eligible for assistance under the *Local Government (Rates and Charges Remission) Act 1991* may receive a rebate as follows, noting that limits apply:

- State Government - 30% (maximum limits apply)
- State Fire Commission - 20% (of the Fire Service Rate)
- Hobart City Council - \$10

Pensioners are eligible for a remission if they hold the following cards:

- Centrelink or Department of Veterans' Affairs Pensioner Concession Card
- Centrelink Health Care Card
- Department of Veterans' Affairs 'Gold Card' endorsed with TPI or War Widow

The card holder must be legally responsible for the rates on the property and be their principal place of residence. In the case of joint ownership, at least one of the owners must meet the eligibility criteria. There is a limit of one remission per year per pensioner household.

Pensioners who received a remission last year should receive a remission automatically. Any pensioner who has not previously received a remission must complete an application form and possess a current Pensioner Concession Card (PCC) with a date of grant on or before 1st July of the current financial year.

An application form is available from the Customer Service Centre, 16 Elizabeth Street, Hobart. It is necessary that current concession cards be presented to Customer Service when submitting an application form.

Eligibility of a pensioner remission is determined by the State Government - Department of Treasury and Finance and not by Council.

Pensioners in receipt of a Commonwealth Seniors card or who are members of the Independent Retirees (that are not already receiving the State Government pensioner remission) are eligible for the \$10.00 remission from Council.

9.2 Rate Remissions – Service Rates / Charges

Pursuant to section 129 of the Act, a ratepayer may apply to the Council for remission of all or part of any rates paid or payable or any penalty imposed or interest charged under section 128 of the Act.

Applications for rates remissions should be made in writing and addressed to the General Manager.

The General Manager is authorised to grant a rates remission up to the value of \$2000. Where the value of the rates remission exceeds \$2000 the authority of the Council is required, by absolute majority.

Generally, a property will only receive a remission of the stormwater service rate and / or the waste management service charge in the event that:

- The property does not receive and is not capable of receiving a standard garbage collection service or stormwater service from the Council whatsoever; and
- Even if the property were capable of receiving such a service, a request to Council for such a service would be denied.

The term 'standard garbage collection service' means:

- In the case of a residential property, 120 litres of solid waste per week; or
- In the case of a non-residential property, 240 litres of solid waste per week.

This does not affect any remissions the Council may grant as part of setting the General Rate and Service Rates and Charges in any given year.

10. Payment of Rates

Council levies the rates once a year and issues an annual rates notice to all ratepayers. Rates are due for payment on the following dates each year:

- 15 August
- 15 November
- 15 February
- 15 April

Rates can be paid in full by the first instalment due date, by two equal amounts on the first and third instalment due date or paid in four equal amounts on the instalment due dates shown above.

Council does not offer a discount for the early payment of rates or for paying rates in full by the first instalment due date.

Council offers a range of convenient and flexible payment options for the payment of rates, as follows:

Payment in Person

The rates notice should be presented intact when making a payment at the Customer Service Centre, 16 Elizabeth Street, Hobart between 8.15am and 5.00pm, Monday to Friday.

Telephone*

Telephone payments can be accepted for holders of Visa or MasterCard by calling the payments hotline on 1300 886 745, 24 hours a day, every day.

Internet*

Internet payments can be made by Visa or Mastercard at Council's [Payments page](#). Call your bank, credit union or building society to arrange payment from your cheque or savings account.

BPay

Bpay payments can be made from a cheque or savings account only. Please refer to your rates notice for your BPay reference number.

Mail

Cheques or money orders should be made payable to Hobart City Council and posted to 'The General Manager, Hobart City Council, GPO Box 503, Hobart 7001'. Receipts for cheques are subject to due collection of money. Council will not accept post dated cheques.

Australia Post

Payment is accepted at all Australia Post offices in the state. Payment must be made by the due date and the notice presented intact at time of payment.

Direct Debit

Payment can be made by direct debit. For further information please contact the Rates Office on 6238 2787, email rates@hobartcity.com.au or complete the [Direct Debit Request form](#) and return it to Council.

*** Note:** A 1% surcharge applies to credit card payments made via the internet, telephone and in person at the Customer Service Centre.

11. Late Payments

Council will exercise its rate recovery powers under the Act in order to reduce the overall rate burden on ratepayers and to better manage the scarce financial resources of Council. It will be guided by the principles of:

- Responsibility – making clear the obligations of ratepayers to pay rates.
- Transparency – making clear the consequences of failing to pay rates.
- Accountability – ensuring due legal processes are applied to all ratepayers in the recovery process.
- Capacity to pay – negotiating arrangements for payment where appropriate.
- Equity – applying the same treatment for ratepayers with the same circumstances.

Rates are due for payment on the instalment due dates outlined in section 10. Council does not send final reminder notices to those property owners that do not pay their rates by the instalment due date.

Where rates remain unpaid after the instalment due date Council will charge a penalty on unpaid instalments in accordance with section 128(1)(c) of the Act, and thereafter interest will be charged monthly.

The purpose of penalty and interest is to act as a deterrent to ratepayers who might otherwise fail to pay their rates on time, to allow Council to recover the administrative cost of following up unpaid rates and to cover any interest cost the council may meet because it has not received the rates on time.

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard instalments and due dates can contact Council to discuss alternative payment arrangements. Requests should be made in writing. It should be noted that penalty and interest will still be levied in accordance with section 128(1)(c) of the Act under any payment arrangement.

Rates and charges are payable within the period as stated on the rate notice. Should a ratepayer fail to pay within the stipulated period or not enter into an approved arrangement to pay Council may institute the following procedure.

- If rates are not paid, a letter will be sent advising the ratepayer that any arrears will be summonsed unless arrears are paid or a satisfactory arrangement entered into. Council will make every effort to contact ratepayers to collect outstanding rates prior to taking further action.
- In response to approaches by ratepayers who have difficulty in meeting scheduled payments, suitable arrangements for payments will be considered and may be entered into.
- Where rates remain unpaid, a summons for arrears is issued.
- However, if a ratepayer has made satisfactory arrangements with Council to clear rates arrears and has adhered to those arrangements, summons will not be required.

Section 131 of the Act provides that when the Council receives a payment in respect of the rates, the Council applies the money received as follows:

- First – to satisfy any costs awarded in connection with court proceedings
- Second – to satisfy any interest imposed
- Third – to satisfy any penalty imposed
- Fourth – in payment of rates, in chronological order (starting with oldest amount first).

11.1 Sale of Land for Non-Payment of Rates

Section 137 of the Act provides that a Council may sell any property where the rates have been in arrears for three years or more. Council is required to notify the owner of the land of its intention to sell the land, provide the owner with details of the outstanding amounts, and advise the owner of its intention to sell the land if payment of the outstanding amount is not received within one month.

12. Objection Rights

Pursuant to section 123 of the Act a person may object to a rates notice on the following grounds:

- The land specified in the rates notice is exempt from the payment of the rates.
- The amount of the rates is not correctly calculated.
- The basis on which the rates have been calculated does not apply.
- He or she is not liable for payment of the rates specified in the rates notice.
- He or she is not liable to pay the rates for the period specified in the rates notice.

An objection is to be made in writing within 28 days after receipt of the rates notice and lodged with the General Manager.

If a ratepayer has enquiries related to their property valuation or is dissatisfied with a property valuation then an objection may be made to the Office of the Valuer-General (OVG) by contacting.

OVG Enquiries
Level 8, 134 Macquarie Street
Hobart TAS 7000
Phone: 03 6233 3715 or 1300 368 550 (local call)
Fax: 03 6233 5694
Email: ovg.enquiries@dpipwe.tas.gov.au

13. More Information

For more information on Council rates and charges please contact Council's Rates Unit on:

Tel: 6238 2787

Tel: 6238 2183

Tel: 6238 2833

Email: rates@hobartcity.com.au

Or visit Council's website at: <http://www.hobartcity.com.au/Council/Rates>

7. RESPONSES TO QUESTIONS RAISED AT THE 2015 ANNUAL GENERAL MEETING – FILE REF: 13-1-14

4x's

Memoranda of the Deputy General Manager of 30 March 2016 and the Director Financial Services of 30 March 2016 and attachments.

DELEGATION: Committee

Recommendation:

That the information be received and noted.



13-1-14
(AGM 23112015 - Question)

30 March 2016

MEMORANDUM: FINANCE COMMITTEE

**RESPONSE TO QUESTION TABLED AT THE
ANNUAL GENERAL MEETING**

At the Annual General Meeting conducted on 23 November 2015 the following question was asked by the Council of Hobart Progress Association (CHPA) through a formal submission lodged in relation to the Annual Report.

At the meeting the question was taken on notice. A response is subsequently provided below and has been conveyed to the Council of Hobart Progress Association.

Question: Reduced Rentals

“On pages 61-63, estimated values of grants have not been provided in most instances. Can Council clarify why these have not been provided?”

Response:

The Council owns and manages a number of properties/assets for the purposes of promoting community participation in a range of accessible and affordable activities at the local level. To assist Council in this endeavour many of the properties and activities that occur within them are managed by Not For Profit Organisations.

In order to recognise the contribution that the Council makes, organisations receiving subsidised rental are listed in the Council's Annual Report.

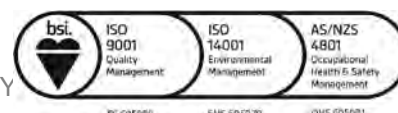
Reduced rentals for Not For Profit Organisation are not considered grants under Council's Grants and Benefits Disclosure Policy as the lessee may also provide capital improvements, maintenance and day-to-day management of the facility, public access to the facility and other contributions back to the community.

A handwritten signature in black ink, appearing to read 'H. Salisbury'.

(Heather Salisbury)

DEPUTY GENERAL MANAGER

MISSION ~ TO ENSURE GOOD GOVERNANCE OF OUR CAPITAL CITY



Attachment B

13-1-14
(AGM 23112015 - Question)

30 March 2016

MEMORANDUM: FINANCE COMMITTEE

**RESPONSE TO QUESTIONS TABLED AT THE
ANNUAL GENERAL MEETING**

At the Annual General Meeting conducted on 23 November 2015 the following questions were asked by the Council of Hobart Progress Association (CHPA) through a formal submission lodged in relation to the Annual Report.

At the meeting the questions were taken on notice. Responses are subsequently provided below and have been conveyed to the Council of Hobart Progress Association.

Question 1: Contracts for the supply of goods and services

“On pages 64-65, some contract sums are unable to be estimated. Can Council advise why this is the case? If the contracts are based on unit prices, surely there must be some sort of estimate of unit requirements?”

Response:

Due to some of the contracts being either new contracts recently entered into or for a panel of multiple providers the actual contract values could not be reasonably estimated at the time of preparing Council’s annual report.

Question 2: TasWater Investment

“Using information from pages 73 and 89, we have calculated the return on the TasWater investment is in the order of 2.15% per annum. Does Council think this is a reasonable return on investment? Is Council protecting the interests of the ratepayers of Hobart who have already paid once for their water and sewerage infrastructure?”

Response:

The profit performance of Taswater improved in the 2014/15 year. However, the

Tasmanian Auditor-General concluded that its return on assets and return on equity were considered low. Returns are expected to improve in accordance with its Corporate Plan; however distributions to owners are forecast to not change. Council, through the appropriate governance mechanisms, continues to represent the interests of Hobart ratepayers.

Question 3: Receivables

- i. *“On page 98 we are unable to reconcile the allowance for impairment of \$4.814 million with the impaired amounts in the ageing analysis of the receivables, which according to our calculations total \$4,568 million. What does the discrepancy of \$246,000 relate to?”*
- ii. *What is the reason for the substantial increase in Other Debtors from \$257,000 last year to \$1.802 million this year?*
- iii. *Of the amount of \$4.985 million considered impaired as at the 30 June 2014, how much was recovered and how much was written off in the 2014/2015 financial year?*
- iv. *What is Council’s policy on writing off impaired amounts? The amount written off this financial year was \$164,000 which appears small in comparison to the Allowance for Impairment of \$4.814 million?”*

Response:

- i. The balance is represented by unpaid animal registrations and by-law infringements.
- ii. The increase is attributable to:
 - Recognition of the settlement with the developer of the buyback clause in relation to a development site at Montpelier Retreat;
 - Accrual of a TasWater distribution received in July 2015 but relating to 2014/2015;
 - Accrual of interest earned on invested funds to 30 June 2015.
- iii. These debts are being pursued through a number of avenues. For debts prior to 2008 that were lodged with the Magistrates Court, Council is awaiting advice as to the likely recoverability of the debts.

All other debts unable to be recovered have been lodged with the Monetary Penalty Enforcement Service (MPES) which is pursuing the debt on behalf of Council. When MPES advise debt to be irrecoverable, the Council will write it off.

As debts age and progress through the debt recovery stages additional fees are incurred. These fees are added to the original amount of the debt (and therefore the amount impaired).

\$128,000 of impaired debts were recovered (through MPES) during 2014/15.
\$330,000 of impaired debts was written off during the same period.

- iv. The Council's policy for writing off impaired amounts is pursued through the avenues described above. The quantum of the amount written off is dependent on the success of MPES recovery efforts.



(David Spinks)

DIRECTOR FINANCIAL SERVICES

8. FINANCE COMMITTEE – STATUS REPORT

7x's

A report indicating the status of current decisions is attached for the information of Aldermen.

DELEGATION: Committee

Recommendation:

That the information be received and noted.

FINANCE COMMITTEE - STATUS REPORT

OPEN PORTION OF THE MEETING

November 2014 to March 2016

Ref.	Title	Report / Action	Action Officer	Comments
1	SANDY BAY BATHING PAVILION – PROPOSED EXPRESSION OF INTEREST PROCESS FCSC, 19/11/2013, Open Item 13 FCSC, 19/8/2014, Open Item 8 Council, 24/8/2015, Item 22 Council, 21/12/2015, Item 13	1. The Council authorise the General Manager to progress an expansion of use of the Sandy Bay Bathing Pavilion by developing and submitting a development application for a generic restaurant facility, on a second floor, at an estimated cost of up to \$20,000. 2. Subject to the development approval, a further report be provided detailing the proposed tender process for the Sandy Bay Bathing Pavilion facility use.	General Manager	Advice has been received from the private sector as to suitable commercial models for potential development. Officers are currently progressing the submission of a development application for a generic restaurant facility.
2	MUNICIPAL RATING STRATEGY – DIFFERENTIAL RATING VACANT LAND Council, 19/5/2015, Item 21 Council, 21/03/2016 Item 21	1. The City of Hobart continue with its current rating and valuation strategy. 2. The City of Hobart continue to utilise the Assessed Annual Value valuation base.	Director Financial Services	This matter is now complete.

Ref.	Title	Report / Action	Action Officer	Comments
3	CITY PARKING REQUIREMENTS Council, 22/9/2014, Item 20	<ol style="list-style-type: none"> 1. An economic impact study be carried out to determine the feasibility of creating a park and ride service in an appropriate location such as the Kingborough municipality. 2. Investigations be undertaken on the use of sensors for on-street parking, with a report to be provided to the Council. 	Director Financial Services	<p>Consultation in relation to Clause 1 is taking place with the Department of State Growth Traffic Congestion team. A report will be provided in mid 2016.</p> <p>A report on clause 2 was presented to Council on 22 February 2016. This action is complete.</p>
4	BATTERY POINT PARKING METER INSTALLATION Council, 24/11/2014, Item 15	Consultation with traders and residents on Hampden Road occur with a view to increasing availability of short term parking.	Director City Infrastructure	<p>Consideration will be given to this issue during development of the Battery Point Local Retail Precinct Plan.</p> <p>Officers are not aware of any demand from the community for immediate changes to parking.</p>
5	SALAMANCA SQUARE TOILET REFURBISHMENT – USE OF PROPOSED MULTI PURPOSE DECK – LANDLORD APPROVAL Council, 24/11/2014, Item 22	That the Council provide landlord approval for the use of the proposed multipurpose deck on the roof of the upgraded public toilet facility.	Director Community Development	<p>The Salamanca Square toilets were opened to the general public on 23 December 2015.</p> <p>The adult change facility hoist will be fully operational in April once installation is complete and testing and procedure development has been undertaken with relevant stakeholders.</p>
6	FUTURE OF GIBLIN STREET QUARRY Council, 15/12/2014, Item 22	A detailed report be prepared seeking innovative engineering and architectural solutions to enable the sale of portions of the Quarry site near Giblin Street for residential development along with impacts on potential future uses of the balance of the site.	Director City Infrastructure	<p>A geotechnical engineer has provided a technical report. The rezoning of a section of land to residential use has been proposed as part of the Tasmanian Planning Commission's consideration of the Hobart Interim Planning Scheme.</p> <p>A report will be provided to the Committee when the Planning Commission's decision is known.</p>

Ref.	Title	Report / Action	Action Officer	Comments
7	<p>CITY HALL – DEVELOPMENT OPPORTUNITIES – VENUES Council, 23/2/15, Item 12</p> <p>CITY HALL RESTORATION Council, 22/02/2016 Item 19</p>	<p>That:</p> <ol style="list-style-type: none"> 1. Funding of \$400,000 in 2016/2017 and \$200,000 in 2017/2018 be listed for consideration in the City's draft 5 Year Capital Works Program to undertake a short term works package for City Hall. 2. A consultant be engaged to develop a business plan for the City Hall, as a matter of urgency to inform long term infrastructure investment, the future management and operational model for the facility, at an approximate cost of \$100,000 to be funded from 2015/2016 operational savings. 3. A brief report be provided that details the model used for the 2010-2013 Brisbane City Hall restoration works. <p>A further report also be prepared that provides details of all Council physical building assets and their current uses including options for maximising community usage for buildings that are underutilised.</p>	Director Community Development	<p>Funding for short-term works has been listed in the draft Capital Works Program.</p> <p>A brief has been prepared for the business case.</p>
8	<p>INVESTMENT OF COUNCIL FUNDS – AMENDMENT TO COUNCIL POLICY Council, 27/4/2015, Item 18</p> <p>FC, 15/12/2015 Item 5</p>	<p>A further report be prepared detailing external professional advice and research in relation to the possible risks, benefits, and governance arrangements of the Council moving into direct property and other investment opportunities</p>	Director Financial Services	<p>A further report will be provided in due course.</p>

Ref.	Title	Report / Action	Action Officer	Comments
9	ACOUSTICS FOR THE HOBART TOWN HALL BALLROOM Council, 22/6/2015, Item 13	That a report be prepared documenting the quality of acoustics for the Hobart Town Hall Ballroom and addressing the costs associated with the recommendations made in respect to suggested improvements.	Deputy General Manager	A specialist contractor has undertaken the acoustic testing. Officers are waiting on the assessment report.
10	MAJOR WORKS PROJECTS Council, 22/6/2015, Item 20	<ol style="list-style-type: none"> 1. The Council endorse the draft Capital Works Program as a guide for officers in prioritising project development work for the next four financial years. 2. Officers report back to Council on opportunities for external funding from both public and private sources. 3. The Council approve the development of a feasibility study into possible options to link the CBD to the waterfront, and resolving pedestrian issues with crossing Macquarie and Davey Streets, in the 2015/2016 financial year. 	Director City Planning	<ol style="list-style-type: none"> 1. ELT determined that all major works programs identified would be placed into a prioritised program of projects that will be be subject of a Council workshop to be held on 16 March 2015 2. The report on external funding opportunities will be prepared once the capital works program has been agreed to. 3. The brief for the City to Cove pedestrian link feasibility study has been prepared and circulated to all Aldermen. Expressions of interest for a consultant to undertake the feasibility study will be called in April 2016.
11	MARKETING STRATEGY FOR HOBART CITY CENTRE Council, 24/8/2015, Item 23	<p>A new marketing strategy be adopted for the city centre including development of a social media strategy, a rebranding of the One City Centre Shop Hobart campaign and promotion of entertainment in the City Centre.</p> <p>Further research and concept design work be undertaken on increasing the functionality of the Elizabeth Mall Information Booth, and this be the subject of a further report to the Council.</p>	Director Community Development	The new Marketing Strategy for the City Centre is being progressed.

Ref.	Title	Report / Action	Action Officer	Comments
12	TOWN HALL UNDERGROUND REFURBISHMENT Council, 24/8/2015, Item 21	<ol style="list-style-type: none"> 1. The Council approve the following works being undertaken in the Town Hall Underground, to the value of between \$37,000 and \$41,000. 2. An appropriate fee structure for the hiring of the Town Hall Underground be determined The Town Hall Underground be actively marketed as a venue for hire 3. Council officers undertake further investigation with a view to providing further clarification in respect to appropriate nomenclature for the site. 	Deputy General Manager	The works associated with Clause 1 are progressing. The other items contained in the resolution are being considered and will be addressed prior to the works being completed.
13	TOWN HALL ANNIVERSARY COMMITTEE – FUNDING Council, 24/08/2015, Item 25 TOWN HALL ANNIVERSARY COMMITTEE - PROGRESS REPORT AND PROPOSED FUNDING ALLOCATION Council, 22/02/2016 Item 18	That the Council approve a budget allocation of an estimated \$150,000 for the Town Hall Anniversary Committee, subject to a report back on proposed events, to be funded from General Reserves within the 2015/2016 and 2016/2017 financial years.	General Manager	Council resolved at its meeting 22 February 2016 <i>That the Council approve the implementation of the specified events and activities listed in the “Sesquicentenary Celebration Events and Activities Draft Budget Allocation” in accordance with the approved budget allocation of \$150,000 which is to be funded from General Reserves within the 2015/2016 and 2016/2017 financial years.</i>
14	ANTARCTIC CITIES PROJECT – UTAS FUNDING REQUEST Council, 21/9/2015, Item 23	That \$40,000 total cash and in-kind funding per annum be provided to the Antarctic Cities project for the financial years 2016/2017, 2017/2018 and 2018/2019, subject to the successful funding bid by the Antarctic Cities project to the Antarctic Research Council.	General Manager	News of the funding application to the Antarctic Research Council is expected in June / July 2016. If the funding bid is successful then the \$40,000 contribution will be actioned.
15	SUPERANNUATION ENTITLEMENTS FOR ALDERMEN Council, 26/10/2015, Item 20	The matter be deferred until it has been considered by the Local Government Association of Tasmania.	General Manager	Matter deferred.

Ref.	Title	Report / Action	Action Officer	Comments
16	MYER REDEVELOPMENT – STAGE ONE PAYMENT Council, 21/12/2015, Item 12	<ol style="list-style-type: none"> 1. The value of the financial assistance as part of the Development Assistance Deed be recorded as a grant in the Annual Report. 2. The General Manager be authorised to approve future payments in relation to the Development Assistance Deed with a subsequent report to be provided to the Finance Committee and Council for noting. 3. A media release, be issued by the Lord Mayor at an appropriate time, to include the fundamental basis on which the Council provided the Myer development with financial support, including but not limited to the SGC Economics report data. 	<p>Director Financial Services</p> <p>Deputy General Manager</p>	The value of the financial assistance as part of the Development Assistance Deed has been listed for inclusion in the 2015/16 City of Hobart Annual Report.
17	NOTICE OF MOTION - ELECTRIC CAR CHARGING STATION Council, 21/03/2016 Item 13	A report be prepared on the opportunities and cost of an expansion of charging stations for electric cars in prominent locations around the City.	Director City Infrastructure	The matter is being progressed.
18	NOTICE OF MOTION - BICYCLE HIRE AND LOAN SCHEMES Council, 21/03/2016 Item 14	A report be prepared on the feasibility to implement a rental bike service for locals and visitors and the opportunities that exist for Council to partner in delivering this service.	Group Manager Executive and Economic Development	The matter is being progressed.

Ref.	Title	Report / Action	Action Officer	Comments
19	TASMANIAN HEADSTONE PROJECT – GRANT Council, 21/03/2016 Item 20	That: <ol style="list-style-type: none"> 1. The Council agree to provide a grant of \$10,000 per annum for three years to the Tasmanian Headstone Project for the purposes of erecting memorial headstones and plaques at the Cornelian Bay Cemetery. 2. The value of the grant be disclosed in the City of Hobart's Annual Report and be attributed in each of the three years to the promotion, educational and interpretation allocation within the Heritage and Conservation Function of the Annual Plan. 3. The grant be conditional upon the execution of a formal agreement between the Council and the Tasmanian Headstone Project, as the recipient, and the Families and Friends of the First A.I.F. Inc, as the auspicing organisation. 4. The General Manager be authorised to undertake discussions with the Tasmanian Headstone Project for the purposes of the Council providing additional in-kind support as appropriate. 	Director City Planning	This matter is being progressed.
20	REVIEW OF COUNCIL POLICY - RATES EXEMPTION FOR CHARITABLE PURPOSES Council, 21/03/2016 Item 22	The Council remove the General Rate exemption from those properties in receipt of the General Rate exemption, pursuant to section 87(1)(d) of the <i>Local Government Act 1993</i> , which are not eligible, from 1 July 2016.	Director Financial Services	Council's resolution will be implemented from 1 July 2016 for the 2016/17 rates. Complete

9. QUESTIONS WITHOUT NOTICE – FILE REF: 13-1-10

Pursuant to Section 29 of the Local Government (Meeting Procedures) Regulations 2015, an Alderman may ask a question without notice of the Chairman, another Alderman or the General Manager or the General Manager's representative in accordance with the following procedures endorsed by the Council on 10 December 2012:

1. The chairman will refuse to accept a question without notice if it does not relate to the Terms of Reference of the Council committee at which it is asked.
2. In putting a question without notice, an Alderman must not:
 - (i) offer an argument or opinion; or
 - (ii) draw any inferences or make any imputations – except so far as may be necessary to explain the question.
3. The chairman must not permit any debate of a question without notice or its answer.
4. The chairman, Aldermen, General Manager or General Manager's representative who is asked a question without notice may decline to answer the question, if in the opinion of the intended respondent it is considered inappropriate due to its being unclear, insulting or improper.
5. The chairman may require an Alderman to put a question without notice, to be put in writing.
6. Where a question without notice is asked at a meeting, both the question and the response will be recorded in the minutes of the meeting.
7. Where a response is not able to be provided at the meeting in relation to a question without notice, the question will be taken on notice and
 - (i) the minutes of the meeting at which the question is put will record the question and the fact that it has been taken on notice.
 - (ii) a written response will be provided to all Aldermen, at the appropriate time.
 - (iii) upon the answer to the question being circulated to Aldermen, both the Question and the Answer will be listed on the agenda for the next available ordinary meeting of the committee at which it was asked, whereat it be listed for noting purposes only, with no debate or further questions permitted, as prescribed in Section 29(3) of the Local Government (Meeting Procedures) Regulations 2015.

10. CLOSED PORTION OF THE FINANCE COMMITTEE MEETING

The following items were discussed:-

- Item No. 1. Minutes of the Closed Portion of the Finance Committee Meeting held on Wednesday, 16 March 2016
- Item No. 2. Consideration of Supplementary Items to the Agenda
- Item No. 3. Indications of Pecuniary and Conflicts of Interest
- Item No. 4. Goulburn Street Car Park - File Ref: 35-7-24
LG(MP)R 15(2)(f)
- Item No. 5. Cessation of Sales of Land for Unpaid Rates - File Ref: 22-1-13
LG(MP)R 15(2)(j)
- Item No. 6. 121 Cascade Road South Hobart - File Ref: D039.04
LG(MP)R 15(2)(f)
- Item No. 7. Request to Extend Lease - File Ref: 44-11-1
LG(MP)R 15(2)(f)
- Item No. 8. Finance Committee – Status Report
- Item No. 9. Questions Without Notice – File Ref: 13-1-10