



CITY OF HOBART

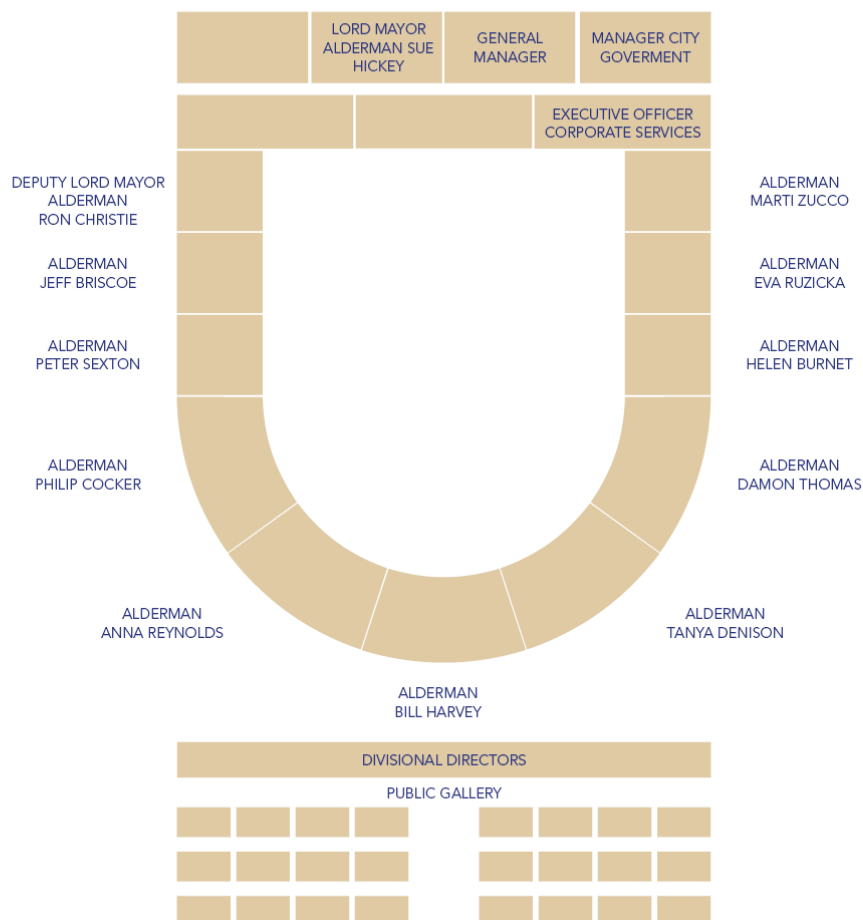
AGENDA

OPEN PORTION OF THE COUNCIL MEETING

MONDAY, 6 FEBRUARY 2017

AT 5.00 PM





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**A MEETING OF THE OPEN PORTION OF THE COUNCIL WILL BE HELD IN THE
COUNCIL CHAMBER, TOWN HALL ON MONDAY, 6 FEBRUARY 2017 AT
5.00 PM.**

**N D Heath
General Manager**

ALDERMEN:

Lord Mayor Hickey
Deputy Lord Mayor Christie
Alderman Zucco
Alderman Briscoe
Alderman Ruzicka
Alderman Sexton
Alderman Burnet
Alderman Cocker
Alderman Thomas
Alderman Reynolds
Alderman Denison
Alderman Harvey

APOLOGIES: Nil

LEAVE OF ABSENCE: Nil

1. CONFIRMATION OF MINUTES

The Chairman reports that she has perused the minutes of the meeting of the Open Portion of the Council meeting held on [Monday, 23 January 2017](#), finds them to be a true record and recommends that they be taken as read and signed as a correct record.

2. 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 Section 15 of the *Local Government (Meeting Procedures) Regulations 2015*?

3. COMMUNICATION FROM THE CHAIRMAN

4. NOTIFICATION OF COUNCIL WORKSHOPS

In accordance with the requirements of the *Local Government (Meeting Procedures) Regulations 2015*, the General Manager reports that no Council workshops have been conducted since the last ordinary meeting of the Council.

5. PUBLIC QUESTION TIME

6. PETITIONS

7. CONSIDERATION OF SUPPLEMENTARY ITEMS

Ref: Part 2, Regulation 8(6) of the *Local Government (Meeting Procedures) Regulations 2015*.

RECOMMENDATION

That the Council 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*.

8. INDICATIONS OF PECUNIARY AND CONFLICTS OF INTEREST

Ref: Part 2, Regulation 8(7) of the *Local Government (Meeting Procedures) Regulations 2015*.

Aldermen are requested to indicate where they may have any pecuniary or conflict of interest in respect to any matter appearing on the agenda, or any supplementary item to the agenda, which the committee has resolved to deal with.

REPORTS OF COMMITTEES

CITY PLANNING COMMITTEE

9. COUNCIL ACTING AS PLANNING AUTHORITY

In accordance with the provisions of Part 2 Regulation 25 of the *Local Government (Meeting Procedures) Regulations 2015*, the intention of the Council to act as a planning authority pursuant to the Land Use Planning and Approvals Act 1993 is to be noted.

In accordance with Regulation 25, the Council will act as a planning authority in respect to those matters appearing under this heading on the agenda, inclusive of any supplementary items.

The Council is reminded that in order to comply with Regulation 25(2), the General Manager is to ensure that the reasons for a decision by a Council or Council Committee acting as a planning authority are recorded in the minutes.

9.1 1 Knopwood Street (also known as 40-44 Montpelier Retreat), Battery Point - Alterations and Extension for New Basement Swimming Pool PLN-16-1241 - File Ref: F17/4580

Ref: Open [CPC 7.2.2](#), 30/1/2017
Application Expiry Date: 27 February 2017
Extension of Time: Not applicable

That pursuant to the *Hobart Interim Planning Scheme 2015*, the Council approve the application for alterations and extension for new basement swimming pool at 1 Knopwood Street (also known as 40-44 Montpelier Retreat), Battery Point for the reasons outlined in the officer's report and a permit containing the following conditions be issued:

GEN

The use and/or development must be substantially in accordance with the documents and drawings that comprise PLN-16-1241

1 Knopwood Street (also known as 40-44 Montpelier Retreat) Battery Point TAS 7004 - Final Planning Documents except where modified below.

Reason for condition

To clarify the scope of the permit.

TW

The use and/or development must comply with the requirements of TasWater as detailed in the form Submission to Planning Authority Notice, Reference No. TWDA 2016/01859-HCC dated 12/12/2016 as attached to the permit.

Reason for condition

To clarify the scope of the permit.

PLN s1

This permit is subject to and conditional upon substantial commencement of the development approved by planning permit PLN-15-00971-01.

Reason for condition

To clarify the scope of the permit.

ENG 1

The cost of repair of any damage to the Council infrastructure resulting from the implementation of this permit, must be met by the owners within 30 days of the completion of the development or as otherwise determined by the Council.

A photographic record of the Council infrastructure adjacent to the subject site must be provided to the Council prior to any commencement of works.

A photographic record of the Council's infrastructure (e.g. existing property service connection points, roads, buildings, stormwater, footpaths, driveway crossovers and nature strips, including if any, pre-existing damage) will be relied upon to establish the extent of damage caused to the Council's infrastructure during construction. In the event that the owner/developer fails to provide to the Council a photographic record of the Council's infrastructure, then any damage to the Council infrastructure found on completion of works will be deemed to be the responsibility of the owner.

Reason for condition

To ensure that any of the Council infrastructure and/or site-related service connections affected by the proposal will be altered and/or reinstated at the owner's full cost.

ENV 1

Sediment and erosion control measures sufficient to prevent sediment from leaving the site must be installed prior to any disturbance of the site. Sediment controls must be maintained until all areas of disturbance have been stabilized or re vegetated.

Advice: For further guidance in preparing a Soil and Water Management Plan (SWMP) – in accordance with Fact sheet 3 Derwent Estuary Program go to [www.hobartcity.com.au development engineering standards and guidelines](http://www.hobartcity.com.au/development-engineering-standards-and-guidelines).

Reason for condition

To avoid the sedimentation of roads, drains, natural watercourses, Council land that could be caused by erosion and runoff from the development, and to comply with relevant State legislation.

ENVHE 1

The development works must be undertaken in accordance with the report "Construction Environmental Management Plan" by GES Geo-Environmental Solutions dated July 2015.

Reason for condition

To ensure that the risk to workers conducting excavation remains low and acceptable.

ADVICE

The following advice is provided to you to assist in the implementation of the planning permit that has been issued subject to the conditions above. The advice is not exhaustive and you must inform yourself of any other legislation, by-laws, regulations, codes or standards that will apply to your development under which you may need to obtain an approval. Visit www.hobartcity.com.au for further information.

Prior to any commencement of work on the site or commencement of use the following additional permits/approval may be required from the Hobart City Council.

BUILDING PERMIT

Building permit in accordance with the *Building Act 2000*;

<http://www.hobartcity.com.au/Development/Building>

PLUMBING PERMIT

Plumbing permit under the Tasmanian Plumbing Regulations 2014;

<http://www.hobartcity.com.au/Development/Plumbing>

9.2 38 Argyle Street, Hobart - Partial Demolition, Temporary Amenities, Extension and Alterations PLN-16-1273 - File Ref: F17/5883

Ref: Open [CPC 7.2.5](#), 30/1/2017
Application Expiry Date: 10 March 2017
Extension of Time: Not applicable

That pursuant to the *Hobart Interim Planning Scheme 2015*, the Council approve the application for partial demolition, temporary amenities, extension and alterations at 38 Argyle Street, Hobart, for the reasons outlined in the officer's report and a permit containing the following conditions be issued:

GEN

The use and/or development must be substantially in accordance with the documents and drawings that comprise PLN-16-1273 - 38 Argyle Street, Hobart TAS 7000 - Final Planning Documents except where modified below.

Reason for condition

To clarify the scope of the permit.

TW

The use and/or development must comply with the requirements of TasWater as detailed in the form Submission to Planning Authority Notice, Reference No. TWDA 2016-01952-HCC dated 28 December 2016 as attached to the permit.

Reason for condition

To clarify the scope of the permit.

ENG 1

The cost of repair of any damage to the Council infrastructure resulting from the implementation of this permit, must be met by the owners within 30 days of the completion of the development or as otherwise determined by the Council.

A photographic record of the Council infrastructure adjacent to the subject site must be provided to the Council prior to any commencement of works.

A photographic record of the Council's infrastructure (e.g. existing property service connection points, roads, buildings, stormwater, footpaths, driveway crossovers and nature strips, including if any, pre-existing damage) will be relied upon to establish the extent of damage caused to the Council's infrastructure during construction. In the event that the owner/developer fails to provide to the Council a photographic record of the Council's infrastructure, then any damage to the Council infrastructure found on completion of works will be deemed to be the responsibility of the owner.

Reason for condition

To ensure that any of the Council infrastructure and/or site-related service connections affected by the proposal will be altered and/or reinstated at the owner's full cost.

ENV 1

Sediment and erosion control measures sufficient to prevent sediment from leaving the site must be installed prior to any disturbance of the site. Sediment controls must be maintained until all areas of disturbance have been stabilized or re-vegetated.

Advice: For further guidance in preparing a Soil and Water Management Plan – in accordance with Fact sheet 3 Derwent Estuary Program click [here](#).

Reason for condition

To avoid the sedimentation of roads, drains, natural watercourses, Council land that could be caused by erosion and runoff from the development, and to comply with relevant State legislation.

HER 6

All onsite excavation and disturbance within the area of medium archaeological potential as defined in the Praxis Environment Report p.52-53 must be monitored. Should any features or deposits of an archaeological nature be discovered on the site during excavation or disturbance:

1. All excavation and/or disturbance must stop immediately; and
2. A qualified archaeologist must be engaged to provide advice and assessment of the features and/or deposits discovered and make recommendations on further excavation and/or disturbance; and
3. All and any recommendations made by the archaeologist engaged in accordance with (2) above must be complied with in full; and
4. All features and/or deposits discovered must be reported to the Council with 1 day of the discovery; and
5. A copy of the archaeologist's advice, assessment and recommendations obtained in accordance with paragraph (2) above must be provided to Council within six (6) months of receipt of the advice, assessment and recommendations.

Excavation and/or disturbance must not recommence unless and until approval is granted from the Council.

Reason for condition

To ensure that building, works and demolition at a place of archaeological potential is planned and implemented in a manner that seeks to understand, retain, protect and manage significant archaeological evidence.

ADVICE

The following advice is provided to you to assist in the implementation of the planning permit that has been issued subject to the conditions above. The advice is not exhaustive and you must inform yourself of any other legislation, by-laws, regulations, codes or standards that will apply to your development under which you may need to obtain an approval. Visit the Council's [website](#) for further information.

Prior to any commencement of work on the site or commencement of use the following additional permits/approval may be required from the Hobart City Council.

BUILDING PERMIT

Building permit in accordance with the *Building Act 2016*. Click [here](#) for more information.

PLUMBING PERMIT

Plumbing permit in accordance with the *Tasmanian Plumbing Regulations 2014*.

Click [here](#) for more information.

9.3 Hobart Interim Planning Scheme 2015 - Planning Scheme Amendment 6/2016 and S43A Permit Application - 191 & 199 New Town Road, New Town - Consideration of Representations File Ref: F16/140711

Ref: Special Open [CPC 2.1.1](#), 6/2/2017

A recommendation will be submitted to the meeting.

10. Annual Fees & Charges - Proposed New Fee
File Ref: F17/4983

Ref: Open [CPC 8.1](#), 30/1/2017

That the Council approve a new fee of \$50.00 (GST exempt) for public health risk temporary operating licences, for immediate application.

11. Electronic Cigarettes - Sale and Use - Regulatory Impact Statement
File Ref: F17/6194

Ref: Open [CPC 8.2](#), 30/1/2017

That the Council endorse the General Manager's formal submission to the Local Government Association of Tasmania, marked as Attachment B to item 8.2 of the Open City Planning Committee agenda of 30 January 2017, in relation to the Regulatory Impact Statement for the sale and use of electronic cigarettes in Tasmania.

CITY INFRASTRUCTURE COMMITTEE

12. ICAP AP14 - Salamanca Place between Montpelier Retreat and Gladstone Street - Pedestrian and Outdoor Dining Furniture
File Ref: F17/3967; R0817

Ref: Open [CIC 6.1](#), 25/1/2017

- That:
1. The alignment of pedestrian zones and areas for outdoor dining on footpaths reconstructed and widened as part of the Salamanca Pedestrian Works Project, be implemented generally as shown on the plan titled *Salamanca Place Footpath Widening Concept Plan*, marked as Attachment E to item 6.1 of the Open City Infrastructure Committee agenda of 25 January 2017, with a pedestrian path adjacent to the building line, to the satisfaction of the General Manager.
 2. Stakeholders who have provided comment on the proposed usage of the widened footpath be advised of the Council's decision.
 3. A further report be provided on options for the future treatment of the section of footpath on the southern side of Salamanca Place, between Kennedy Lane and Wooby's Lane, including the option of locating the pedestrian path along the building line.

13. Site Visit Tour of Melbourne - 17 February 2017
File Ref: F17/3132

Ref: Open [CIC 6.2](#), 25/1/2017

- That:
1. The Council endorse the participation of Alderman Burnet and any other interested Aldermen, appropriate Council staff and a representative of the Hobart Bicycle Advisory Committee, to attend a tour of Melbourne to inspect pedestrian facilities in the Cities of Port Philip, Stonnington and Yarra on Friday 17 February 2017.
 2. The costs associated with Aldermanic participation in the site tour, estimated at approximately \$500 per person, be funded from the Aldermanic Training and Development allocation in the City Government Function of the 2016/2017 Annual Plan.
 3. The costs associated with officer representation and the representative of the Hobart Bicycle Advisory Committee, estimated at approximately \$500 per person, be funded from the Traffic Engineering Function of the 2016/2017 Annual Plan.
 4. Aldermanic representatives participating in the tour undertake a presentation of the outcomes of the site visit upon their return, for the benefit of Council officers and the public.

14. Local Government (Highways) Act 1982 - Officer Delegations
File Ref: F17/204; 10-4-1

Ref: Open [CIC 6.3](#), 25/1/2017

That pursuant to Section 124 of the *Local Government (Highways) Act 1982*, the delegation of powers to Council officers, marked as Attachment B to item 6.3 of the Open City Infrastructure Committee agenda of 25 January 2017, be endorsed.

GOVERNANCE COMMITTEE

15. Annual Aldermanic Representation on External Bodies & Membership of the Tasmanian Polar Network
File Ref: F16/124856

Ref: Open [GC 6.1](#), 31/1/2017

- That:
1. The verbal reports provided by Aldermen at the Governance Committee meeting of 31 January 2017 with respect to their annual representation on external bodies, be received and noted.
 2. The Council continue its annual membership of the Tasmanian Polar Network, to be funded from the Economic Development Function of the 2016/2017 Annual Plan.

16. Aldermanic Representation on Internal and External Bodies - Vacancies
File Ref: F17/6764

Ref: Open [GC 6.2](#), 31/1/2017

- That:
1. The Council receive and note the resignation of Alderman Zucco from the following internal committees:
 - Glebe Residents' Traffic Committee;
 - Lenah Valley Residents' Traffic Committee;
 - Mount Stuart Residents' Traffic Committee;
 - Sandy Bay Residents' and Traders' Traffic Committee;
 - South Hobart Residents' Traffic Committee; and the
 - West Hobart Residents' Traffic Committee.
 2. In the event that any Aldermen wish to represent the Council on any of the committees listed, they so nominate.
 3. The Council receive and note the resignation of Alderman Denison from the Greater Hobart Reference Group Committee – Destination Southern Tasmania, and further note that this Committee is no longer in operation.

17. UniverCities Conference and Study Tour
File Ref: F16/141325

Ref: Open [GC 6.3](#), 31/1/2017

- That:
1. The Council participate in regular meetings with the University Council and pursue an amendment to the existing memorandum of understanding with the University of Tasmania that seeks to strengthen the strategic relationship between the parties and focus on:
 - (i) Joint research initiatives, including the socio-economic impacts of the University's move into the City and the movement of people in and around the City;
 - (ii) Public realm improvements, and;
 - (iii) City activation.
 2. The development of the new vision for the City of Hobart involve extensive consultation with the University of Tasmania as well as other key stakeholders and acknowledge the importance of higher education in the City.
 3. When contemplating a possible City Deal for the Greater Hobart region, the following be taken into consideration:
 - (i) The City Deal be well thought through and recognise what it is hoping to achieve; identify the issues it is seeking to address; is well resourced with appropriate, qualified staff; has a strong leadership structure and appropriate communication and PR support, and involve regional cooperation as well as commitment from the State and Australian Governments.
 4. The Council pursue a submission to the Smart Cities and Suburbs Program to gather data to assist the community with travel to work information, address congestion and improve the wider movement of people in the City.
 5. An invitation be extended to Gehl Architects to visit the City for the purposes of reviewing the urban transformation work the City has done to date and to provide a public lecture.
 6. On receipt of the details of European Union's 'Twin Cities Urban Sustainability' project that a further report be prepared for the Council that considers the cost benefit of the project and identifies potential partner cities, including Freiburg, with whom the Council may partner.
 7. A visual presentation of the city design learnings from Bristol and Freiburg be provided to the Council, in conjunction with the University of Tasmania.
 - (i) The Governor of Tasmania, or her delegate, be invited to

attend the presentation.

8. The General Manager be delegated the authority to reimburse appropriate officer travel expenses incurred in attending the UniverCities Conference and Study Tour.

18. 2016–2017 Annual Plan Progress Report - Period Ended 31 October 2016
File Ref: F17/2297; 21-1-1

Ref: Open [GC 6.4](#), 31/1/2017

That the Council endorse the 2016/2017 Annual Plan Progress Report, marked as Attachment A to item 6.4 of the Open Governance Committee agenda of 31 January 2017, for the period ended 31 October 2016.

19. City Planning Committee Membership - Maintaining a Quorum
File Ref: F17/1753

Ref: Open [GC Supp. 11](#), 31/1/2017

That the Council's policy titled *Meetings: Procedures and Guidelines* be amended to enable any Alderman who is not an appointed member of the committee who is in attendance at a City Planning Committee meeting, to be considered an ex-officio member, for the purposes of establishing and maintaining a quorum.

20. Conduct of Council Workshops
File Ref: F17/6468

Ref: Open [GC Supp. 12](#), 31/1/2017

That the City of Hobart utilise the council workshop forum as allowed under the *Local Government (Meeting Procedures) Regulations 2015* as a mechanism to receive information in relation to specific matters, and adopt the following rules in relation to the conduct of workshops:

- (i) Aldermen may utilise and participate in council workshops to receive information on specific matters, so that they may gain maximum understanding and appreciation of the subject matter.
- (ii) As informal meetings conducted for the purpose of providing Aldermen with information, attendance is optional.
- (iii) Decisions may not be taken on any matter at Council workshops as qualified advice is required in accordance with section 65 of the *Local*

Government Act 1993 before any decisions can be made.

- (iv) Council workshops will not be used with the intent to gain consensus on matters, but it is reasonable that Aldermen will discuss issues and exchange views.
- (v) Where the General Manager deems appropriate, external parties may be used to facilitate or assist with the conduct of Council workshops.
- (vi) These rules will be published on the cover page of documentation provided for all workshops.

RISK AND AUDIT PANEL

21. Annual Report on the Risk and Audit Panel Activities 2016

File Ref: F16/130519; 20-14-7

Ref: Open [RAP 7.1](#), 8/12/2016

1. The Council endorse the Risk and Audit Panel's 2017 draft Work Plan, marked as Attachment B to the agenda.
2. The Council note that the Risk and Audit Panel has reviewed its Terms of Reference and considers that they are appropriate and relevant and do not require amendment at this time.
3. The Council endorse the Risk and Audit Panel's recommendation that the Governance Committee review Section H of the Council policy titled *Aldermanic Development and Support*, in order to provide for the referral of disputed claims for reimbursement of expenses, to a body other than the Risk and Audit Panel.

Attachment A: Chairmans Report - Risk and Audit Panel Activities 2016
Attachment B: Risk and Audit Panel Workplan and Meeting Schedule
2017

**REPORT TITLE: ANNUAL REPORT ON THE RISK AND AUDIT PANEL
ACTIVITIES 2016**

REPORT PROVIDED BY: Chairman, Risk and Audit Panel

1. Report Purpose and Community Benefit

- 1.1. The purpose of this report is to provide the Council with an overview of the Risk and Audit Panel's activities during the 2016 year as required under the Panel's Terms of Reference.

2. Report Summary

- 2.1. The Risk and Audit Panel was established by the Council at its meeting held on 15 December 2014, pursuant to Section 85 of the *Local Government Act 1993*.
- 2.2. In accordance with the Terms of Reference the Panel provides a report annually to the Council providing an overview of activities for the year, the following years proposed Work Plan and if appropriate the reviewed Terms of Reference for endorsement.
- 2.3. The Panel had eight meetings in 2016 and in addition to oversight of Risk Management, Internal and External Audit and the review and endorsement of the annual budget and financial statements undertook a number of other projects.
- 2.4. The projects included a review of the City's Long Term Strategic Asset Management Plan, input into amendments to the Aldermanic Development and Support Policy, corporate credit card usage and the formalisation of a policy and procedure for referral of matters to the Panel by Aldermen.

3. Recommendation

That:

1. *The Council endorse the Risk and Audit Panel's 2017 draft Work Plan.*
2. *The Council note that the Risk and Audit Panel has reviewed the Terms of Reference and considers they are appropriate and relevant and do not require amendment at this time.*
3. *The Council endorse the Risk and Audit Panel's recommendation that the Governance Committee review Section H of the Aldermanic Development and Support Policy to provide for the referral of disputed claims for reimbursement of expenses to a body other than the Risk and Audit Panel.*

4. Background

- 4.1. The Panel was established by the Council at its meeting held on 15 December 2014, pursuant to Section 85 of the *Local Government Act 1993*.
- 4.2. The Panel is responsible for the effective application of its responsibilities in accordance with 85, 85A and 85B of the *Local Government Act 1993* and the *Local Government (Audit Panels) Order 2014* (S.R. 2014, No.34), the application of its Terms of Reference and the *Local Government Act 1993* generally.
- 4.3. *The Local Government (Audit Panels) Order 2014* (S.R. 2014, No.34) sets out the compliance requirements for the operations of the Audit Panel.
- 4.4. In accordance with Section 85A of the *Local Government Act 1993*, the Panel is to undertake reviews of performance in relation to:
 - 4.4.1. The Council's financial system, financial governance arrangements and financial management arrangements;
 - 4.4.2. All plans of the Council under Part 7 of the *Local Government Act 1993* (the strategic plan, long-term financial management plan, financial management strategies, long-term asset management plans, asset management policies and strategies, annual plan, annual report);
 - 4.4.3. The policies, systems and controls the Council has in place to safeguard its long-term future; and
 - 4.4.4. Any other matters specified in an order under Section 85B of the *Local Government Act 1993* (*Local Government (Audit Panels) Order 2014*).
- 4.5. The Terms of Reference (Attachment A) set out the Panel's objectives, authority, composition and tenure, roles and responsibilities, reporting and administrative arrangements.
- 4.6. The Panel consists of an independent Chairman, two independent members and two Aldermanic members:
 - Mr David Hudson (Independent Chairman)
 - Alderman Jeff Briscoe
 - Alderman Philip Cocker (until 11 July 2016)
 - Alderman Damon Thomas (from 11 July 2016)
 - Ms Alison Flakemore (Independent Member)
 - Mr Joss Fenton (Independent Member)

- 4.7. From its Terms of Reference, the following are specified as matters the Panel must consider in a review of the Council's performance:
- 4.7.1. Whether the annual financial statements of the Council accurately represent the state of affairs of the Council;
 - 4.7.2. Whether and how the Part 7 Plans (the strategic plan, long-term financial management plan, financial management strategies, long-term asset management plans, asset management policies and strategies, annual plan, annual report) are integrated and the processes and assumptions undertaken to prepare the plans;
 - 4.7.3. The accounting, internal control, anti-fraud, anti-corruption and risk management policies, systems and controls that the Council has in relation to safeguarding its long-term financial position;
 - 4.7.4. Whether the Council is complying with the provisions of the Local Government Act 1993 and any other relevant legislation; and
 - 4.7.5. Whether the Council has taken any action in relation to previous recommendations provided by the Panel to the Council and, if it has taken action, what that action was and its effectiveness.
- 4.8. During 2016 eight meetings of the Panel were held.
- 4.9. The Panel's Work Plan for 2016 is provided at Attachment B.

5. Summary of Work Performed and Achievements

- 5.1. Risk Management
- 5.1.1. As is best practice, the Panel has oversight of the continual review of the Council's Strategic Risk Register, which contains 22 key risks which have the potential to impact on the City's strategic objectives, or are high level operational risks. The Executive Leadership Team is shortly to undertake a review of the Register and the Panel will continue to ensure that the risks identified are provided the appropriate level of consideration by the Team.
 - 5.1.2. The Panel monitors the regular risk review process and progress with treatment plans where risks are identified as "extreme" and "high".

5.2. Financial Management

- 5.2.1. The Panel examined the City's Budget Estimates for the 2016/17 financial year with specific focus on consistency with achieving the objectives of the Long Term Financial Management Plan (LTFMP). The Panel's advice was that the Estimates had the effect of significantly altering the LTFMP outlook. In particular, cash reserves were significantly reduced and debt levels were increased. The Panel expressed its concern that this increased the financial risk to the City if there was a major call on funds or reduction in revenues in future years. The Panels' advice was considered by the Finance Committee and the Council in setting the Budget for the current year.
- 5.2.2. The Panel reviewed the City's Financial Statements and the Management Representation Letter for the year ended 30 June 2016. A significant issue discussed was the possible inclusion of the Value of all Land under Roads in Balance Sheet 5 as recommended by the Auditor-General. To provide consistency with local government best practise accounting standards, the Panel requested that the Balance Sheet be amended in that regard.
- 5.2.3. It is noted that, due to the significant variations in valuations provided by the Valuer-General for land under roads, the inclusion of this information could provide inconsistent assessments of relative financial performance of Tasmanian councils. There are also other issues which may have similar consequences. This matter has been raised with the Auditor-General for consideration.
- 5.2.4. The Panel monitored the Tasmanian Audit Office audit of the Financial Statements. The Auditor-General concluded that there were no significant issues identified or outstanding and issued an unqualified audit opinion.
- 5.2.5. The Panel was also responsible for endorsing the City's Annual Report as correctly representing the 2015/16 audited Financial Statements.

5.3. Internal Audit

- 5.3.1. The Panel oversees the work of the City's Internal Auditors, Wise Lord and Ferguson.
- 5.3.2. Based on the Strategic Risk Register and contemporary issues raised with the Panel, the Panel endorses an Internal Audit Plan covering the essential examination of critical policies and processes, together with specific reviews of designated areas of perceived risk.

5.3.3. During the year, the Panel considered reports from the Internal Auditors in relation to:

- Purchasing and Procurement.
- Taste of Tasmania Sales System 2015/16.
- Aldermanic Development and Support Policy review.
- Doone Kennedy Hobart Aquatic Centre.
- Work Health and Safety.
- Financial Controls.
- Revenue and Receipting.
- Volunteer Management System.
- Salamanca Market.

5.3.4. During the year, the Panel conducted a review of the service provided by the City's Internal Audit contractor. Following an appropriate process the Panel endorsed the reappointment of Wise Lord and Ferguson for a further term of three years.

5.4. Other Projects undertaken by the Panel include:

- 5.4.1. Review of the City's Long Term Strategic Asset Management Plan and provided input into its Asset Policy review.
- 5.4.2. Input into the Council's Aldermanic Development and Support Policy in relation to the adequacy of the policy provisions in circumstances when an Alderman resigns from Council before the expiry of their term of office, having accessed professional development funding during the year in which they resign.
- 5.4.3. Review of the City's corporate credit card usage.
- 5.4.4. Formalisation of a policy and procedure for referral of matters to the Panel by Aldermen.
- 5.4.5. A self-assessment has been undertaken by the Panel of its activities over the past year which showed a high level of satisfaction in relation to the Panel's coverage of and capabilities to undertake its responsibilities and functions. A number of areas of concern were noted – the extent of the Panel's work plan; the assurance of legislative compliance; the integration of planning activities; the desirable skill set of the members of the Panel; and the volume and content of advice provided to the Panel, and potentially other Council bodies. These issues will be considered by the Panel in the upcoming year.

- 5.5. The Panel also reviewed its Terms of Reference and is of the opinion that the Terms of Reference are currently appropriate and do not require amendment at this time.
- 5.5.1. Following the State Government's review of the Local Government Act, and given a further year of experience, the Terms of Reference may require further changes in 12 months time.
- 5.5.2. Further, the Chairman has been involved in discussions with the Local Government Division, LGAT and the Auditor-General's Office concerning issues raised by panels around the State about their roles, functions and responsibilities. This may well result in a review of the legislative provisions relating to Panels and a review of the *Local Government Audit Panels – A Practice Guide* as issued by the Local Government Division.
- 5.6. Consideration of Issues referred to the Panel.
- 5.6.1. In accordance with the Panel's policy for Referral of Matters to the Panel by individual Aldermen, the Panel considered one issue at its meeting on 2 November 2016.
- 5.6.2. In accordance with Council's Aldermanic Development and Support Policy (Section H), a disputed claim for reimbursement for expenses incurred by an Alderman was referred to the Panel. This matter was also considered at the Panel's meeting on 2 November 2016.
- 5.6.3. In relation to 5.6.2, it was the Panel's opinion it was inappropriate that matters such as this be referred the Panel for determination. This view is based on the fact that the role of the Panel is to review and ensure compliance with legislation, policy and best practise. Its role is not to "create policy or precedence". By making decisions on such issues the Panel would become a "policy maker" which should be the role of the Council and its statutory committees.
- 5.6.4. For the above reasons, the Panel recommends that the Council through its Governance Committee review this aspect of the Aldermanic Development and Support Policy to nominate another body for referral of matters where eligibility is in dispute.
- 5.7. Communication
- 5.7.1. The Panel has regular discussions with management of the Council, both at its meetings and at other times as required.
- 5.7.2. The Chairman has provided quarterly confidential briefings to Aldermen. Any feedback from Aldermen about the Panel's planned activities, or any other areas of concern, is welcomed.

6. Priorities for 2017

- 6.1. At its meeting on 2 November 2016, the Panel endorsed a draft Work Plan for 2017 which is provided at Attachment C.
- 6.2. The Panel will be reviewing integrated planning processes across the Council's key strategic documents (including the Strategic Plan, Long Term Financial Management Plan, Asset Management Plan and Annual Plan) in 2017. It is understood that the Council and Executive Leadership Team is looking to develop a 4 year Plan to link its 10 year Strategic Plan to Annual Planning over the next year. The Panel will be ensuring that the legislative and best practise requirements for such processes are implemented.
- 6.3. As part of this review, three specific issues will be addressed – the purpose and use of the Long Term Financial Management Plan as a “budget” or “forecast” document; the timeliness of the approval of documentation; and the benefits of the Council implementing a four year planning document (between the longer term 10 year and annual plans) to coincide with a Council's four year term of office.
- 6.4. Special projects where the Panel expects to add value to the work of the Council are proposed to include:
 - Review of the staff gifts policy.
 - Business Systems Transformation project.
 - Review of the rating methodology.
 - Local government reform modelling process.
 - Capital Works Project Review – Elizabeth Street Bus Mall improvements or Aquatic Centre additions.
 - Planning and Building Compliance.

7. Strategic Planning and Policy Considerations

- 7.1. Strategic objective 5.1 from the Capital City Strategic Plan is relevant to this report:

“The organisation is relevant to the community and provides good governance and transparent decision-making

5.1.5 Integrate the role of the Audit Panel into the Council's governance framework”.

8. Appreciation

- 8.1. I wish to thank my colleagues on the Panel for their support, input and forbearance as the Panel considers the issues brought before it and the most effective manner for the Panel to undertake its Work Plan.

- 8.2. Also, thanks go to the Council management for their provision of advice, information and resources to enable the Panel to undertake its roles and responsibilities.

9. Delegation

- 9.1. This is a matter for the Council.

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 Hudson
CHAIRMAN, RISK AND AUDIT PANEL

Date: 1 February 2017
File F16/130519; 20-14-7
Reference:



Risk and Audit Panel

2017 Work Plan and Meeting Schedule

Audit Panel Meeting Arrangements

- Venue:** Dame Mabel Miller Room
- Meeting time:** 4pm to 6pm – Panel to convene 15 minutes prior to meeting
- Distribution of Meeting Papers:** Agenda – PDF electronically (Citrix folder)
Minutes – following meeting and then again with the Agenda – PDF electronically (Citrix folder)

Audit Panel Functions

The Panel will contribute to the good governance of the City.

The following are matters that the Panel will consider in its review of the Council's performance incorporating all requirements of the *Local Government Act 1993 (Local Government (Audit Panels) Order 2014)*:

- (a) The oversight of management of risk associated with the Council and its activities and services, including the identification, assessment, management and review of those risks.
- (b) Whether and how the Part 7 Plans (the strategic plan, long-term financial management plan, financial management strategies, long-term asset management plans, asset management policies and strategies, annual plan, annual report) are integrated and the processes and assumptions undertaken to prepare the plans;
- (c) The accounting, internal control, anti-fraud, anti-corruption and risk management policies, systems and controls that the Council has in relation to safeguarding its long-term financial position;
- (d) Whether the annual financial statements of the Council accurately represent the state of affairs of the Council;
- (e) Whether the Council is complying with the provisions of the *Local Government Act 1993* and all other relevant legislation;
- (f) Whether the Council has taken any action in relation to previous recommendations provided by the Panel to the Council and, if it has taken action, what that action was and its effectiveness; and

Any other activities within the Panel's remit which are requested by the Council or as determined by the Panel.

TERMS OF REFERENCE ROLES AND RESPONSIBILITIES	TASK & FREQUENCY	SCHEDULED 2017 MEETING DATES					
		2 MARCH 2017	3 MAY 2017	6 JUNE 2017	8 AUGUST 2017	3 OCTOBER 2017	5 DECEMBER 2017
1. Panel							
1.1 Review the Panel's operations and activities: - self-assessment; - summary of work performed; - review of terms of reference; - review of internal and external audit services; and - assessment against the requirements of the LGA.	Annually					✓ Annual workshop	Panel Annual Report to Council Dec 2017
1.2 Preparation and adoption of work plan	Annually					✓ Annual workshop	Present to Panel & Council Dec 2017
1.3 Communication: - Report to Council - Panel Annual Report	Quarterly Annually	✓	✓		✓	✓	Panel Annual Report to Council Dec 2017
1.4 Membership: – Appointments and reappointments - Panel Induction of new members	Annually (if required) As required						Recommendations to Council
2. Risk Management							
2.1 Review and provide any comment on the Strategic Risk Register.	Annually				✓		

Note: Bold items for discussion at each meeting.

Approved by the Council –

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TERMS OF REFERENCE ROLES AND RESPONSIBILITIES	TASK & FREQUENCY	SCHEDULED 2017 MEETING DATES					
		2 MARCH 2017	3 MAY 2017	6 JUNE 2017	8 AUGUST 2017	3 OCTOBER 2017	5 DECEMBER 2017
2.2 Monitor strategic risks with a residual rating of “Extreme and High” and the progress of the implementation of respective risk treatment plans.	Quarterly Report on extreme/high risks	✓	✓		✓		✓
2.3 Actively review the Council's risk management processes and their effectiveness in identifying and managing the Council's financial and business risks. Request Council to undertake special reviews or projects on issues of concern: - New Planning Legislation - Risk advice to Council - Business Systems Transformation - Project - Capital Works (Bus Mall or Aquatic Centre tbd)	As required - ongoing Special Projects						
	GM		✓				
	Quarterly	✓	✓		✓		✓
	Quarterly		✓		✓		✓
2.4 Receive briefings and reports from the General Manager in relation to new and emerging risks that will/may have an impact on the sustainability of the Council: Eg. Amalgamations, Electoral cycle, Legislative reform, Natural disaster.	Each meeting	✓	✓	✓	✓	✓	✓
2.5 To receive advice from the General Manager or the internal	As required						

Note: Bold items for discussion at each meeting.

Approved by the Council –

TERMS OF REFERENCE ROLES AND RESPONSIBILITIES	TASK & FREQUENCY	SCHEDULED 2017 MEETING DATES					
		2 MARCH 2017	3 MAY 2017	6 JUNE 2017	8 AUGUST 2017	3 OCTOBER 2017	5 DECEMBER 2017
and external auditors on special projects and investigations being planned or undertaken: - Employees' Gift Policy - Rating methodology - Building Permit Compliance - Insurance Decisions and Management	GM, IA or EA To be considered as part of IA Work Program	✓ To be discussed					
3. Internal Governance Audit (Oversee the coordination of the Council's governance audit program)							
3.1 Review and approve the three-year strategic internal audit plan for Council consideration.	Every 3 years (next due 1/7/2019)			✓			
3.2 Review and approve the annual internal audit work plan, in accordance with the Council approved three-year strategic internal audit plan.	Annually IA				✓		
3.3 Review reports provided by Internal Auditors on issues in work plan.	Update provided quarterly IA	✓	✓		✓		✓
3.4 Receive reports from Internal Auditors and/or the General Manager on audit findings that have an "Extreme" or "High" risk rating and monitor management's progress on the implementation of these agreed management actions.	Quarterly As per the Internal Audit Work Plan, findings and implementation.	✓	✓		✓		✓

Note: Bold items for discussion at each meeting.

Approved by the Council –

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TERMS OF REFERENCE ROLES AND RESPONSIBILITIES	TASK & FREQUENCY	SCHEDULED 2017 MEETING DATES					
		2 MARCH 2017	3 MAY 2017	6 JUNE 2017	8 AUGUST 2017	3 OCTOBER 2017	5 DECEMBER 2017
3.5 Annually review the performance of the contracted internal audit service providers, briefing the Council on the outcome of the review.	Annually GM and Panel						Audit Panel Annual Report to Council Dec 2017.
4. External Audit (oversee the external audit programs)							
4.1 Receive the annual Tasmanian Audit Office Client Strategy.	Annually Prior to new financial year A-G	✓					
4.2 Provide feedback to the Council on the external audit advice provided: - Annual financial statements - Special Reports	Annually Following completion of financial year As required					✓	Risk and Audit Panel Annual Report to Council Dec 2017
4.3 Receive and consider reports and monitor management's implementation of external audit recommendations. (High and Extreme risks).	Quarterly	✓	✓		✓		✓
5. Financial Management							
5.1 Review information on the following: - Estimates and judgements including assumptions from a	Bi-Annually		✓		✓		

Note: Bold items for discussion at each meeting.

Approved by the Council –

TERMS OF REFERENCE ROLES AND RESPONSIBILITIES	TASK & FREQUENCY	SCHEDULED 2017 MEETING DATES					
		2 MARCH 2017	3 MAY 2017	6 JUNE 2017	8 AUGUST 2017	3 OCTOBER 2017	5 DECEMBER 2017
financial statement perspective - Estimates and judgements from a forecast and budget perspective - Accounting Policy choices that will impact the financials - New Accounting Standards that will impact the financials							
5.2 Review the Management Representation letter	Annually				✓		
5.3 To review and endorse the financial statements and be satisfied that they are supported by the Management Representation Letter prior to submission to the Tasmanian Audit Office.	Annually				✓		
5.4 To provide advice to the Council on the adoption of the audited financial statements taking into account Tasmanian Audit Office recommendations and adjustments.	Annually					✓	
5.5 To provide advice to the Council that the audited financial statements are correctly reflected in the Annual Report.	Annually					✓	

Note: Bold items for discussion at each meeting.

Approved by the Council –

TERMS OF REFERENCE ROLES AND RESPONSIBILITIES	TASK & FREQUENCY	SCHEDULED 2017 MEETING DATES					
		2 MARCH 2017	3 MAY 2017	6 JUNE 2017	8 AUGUST 2017	3 OCTOBER 2017	5 DECEMBER 2017
5.6 To review the Tasmanian Audit Office report to Parliament on local government performance.	As required					✓ Part of the Audit findings report and Audit Report from TAO	
6. Integrated Planning Process							
6.1 Consideration of the Council's integrated planning process – how the: – Strategic Plan; – Long Term Financial Management Plan; – Long Term Asset Management Plan; – Annual Plan; and – Annual Report are integrated, the assumptions underpinning and processes undertaken to prepare those plans.	Annually / ongoing GM					✓ Annual Workshop	
6.2 Long Term Financial Sustainability:							
(a) Review annually the Long Term Financial Management Plan.	Annually Part of the budget review process			✓			

Note: Bold items for discussion at each meeting.

Approved by the Council –

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TERMS OF REFERENCE ROLES AND RESPONSIBILITIES	TASK & FREQUENCY	SCHEDULED 2017 MEETING DATES					
		2 MARCH 2017	3 MAY 2017	6 JUNE 2017	8 AUGUST 2017	3 OCTOBER 2017	5 DECEMBER 2017
(b) To provide advice to the Council in the preparation of the annual budget and proposed rate setting in relation to achieving the objectives of the Long Term Financial Management Plan.	Annually Part of the budget review process			✓			
(c) Monitor Council compliance with the Long Term Financial Management Plan.	Ongoing Include in Annual Report			✓			
6.3 Asset Management:							
Review annually the Long Term Strategic Asset Management Plan for major asset classes and whether it is consistent with the 10 year Strategic Plan and the Long Term Financial Management Plan.	Annually	✓					

Note: Bold items for discussion at each meeting.

Approved by the Council –

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SPECIAL REPORT – GENERAL MANAGER

- 22. Alderman Sexton - Resignation as Chairman of the Community, Culture and Events Committee**
File Ref: F17/8946
-

Report of the General Manager of 1 February 2017.

City of **HOBART****MEMORANDUM: COUNCIL****Alderman Sexton - Resignation as Chairman of the
Community, Culture and Events Committee**

Alderman Sexton has advised of his resignation from the Chairman of the Community, Culture and Events Committee.

In accordance with Section 22 of the *Local Government Act 1993*, the Council is responsible for the appointment of members to its committees. The Council's policy titled *Meetings: Procedures and Guidelines* provides that the determination of the Chairman of Council and Special committees is reserved to the Council.

Nominations will be sought at the Council meeting, from committee members, to fill the vacancy.

The *Local Government (Meeting Procedures) Regulations 2015*, Regulation 27(4) provides that voting at a meeting may be conducted by secret ballot if the purpose is to select a person to represent the Council on a committee or other body.

RECOMMENDATION***That:***

- 1. *The Council receive and note the resignation of Alderman Sexton as the Chairman of the Community, Culture and Events Committee.***
- 2. *Nominations be called from Committee members to fill the role of Chairman.***

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.

N.D Heath
GENERAL MANAGER

Date: 1 February 2017
File Reference: F17/8946

23. CLOSED PORTION OF THE MEETING

The following items were discussed:-

- | | |
|------------|--|
| Item No. 1 | Minutes of the last meeting of the Closed Portion of the Council Meeting |
| Item No. 2 | Communication from the Chairman |
| Item No. 3 | Leave of Absence |
| Item No. 4 | Consideration of supplementary Items to the agenda |
| Item No. 5 | Indications of pecuniary and conflicts of interest |
| Item No. 6 | Sandy Bay Road, Hobart and Adjacent Road Reserve
LG(MP)R 15(2)(i) |