



# Glenorchy City Council

QUARTERLY REPORT

FIRST QUARTER, 2019-20

Quarter  
ending  
30 September  
2019



**GLENORCHY CITY**  
Where ideas happen.

# Contents

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Strategic and Operational Highlights .....	3	Explanatory Notes.....	19
FOGO Kerbside Service .....	3	Adjustments to amounts previously reported .....	20
Community Yarns .....	3	Revenue - Whole of Council \$'000.....	20
CBD Revitalisation Project.....	3	Expenditure - Whole of Council \$'000 .....	20
City Deal.....	4	Key Performance Indicators .....	21
Derwent Entertainment Centre and Wilkinsons Point.....	4	Making Lives Better .....	22
KGV Sports and Community Hub Project .....	5	Number of Engagements .....	22
Ministerial Directions .....	5	Community Participation .....	22
Federally funded community projects .....	5	Making Lives Better .....	23
Potential Land Disposals at Berriedale Peninsula .....	6	Service Delivery – Childcare .....	23
Glenorchy Mountain Bike Park Masterplan.....	6	Capital Works Completed (\$m).....	23
SKM Recycling .....	6	Open for Business .....	24
Organisational Structure Repair Project .....	7	Full Time Equivalent .....	24
Repairs from May 2018 Storm Event .....	7	Labour Turnover – 12 Month Moving Average.....	24
Tolosa Park Dam Remediation.....	7	All Employees – Unplanned Leave (Personal Leave) .....	24
Risk Management .....	7	Open for Business .....	25
Glenorchy Skate Park .....	8	Outstanding Rates Debt Percentage.....	25
Economic Development Strategy .....	8	Work Centre Customer Service Requests .....	25
Strategic and Key Operational Risks.....	9	Valuing our Environment .....	26
Financial Performance.....	12	Waste Received By Council By Quarter (Tonnes) .....	26
Summary .....	12	Leading our Community.....	27
Operational Income.....	12	Outstanding Audit Items - Percentage Complete.....	27
Operational Expenditure .....	14	Media Mentions .....	27
Cash and Investments .....	14	Leading our Community.....	28
Capital Works .....	15	Delivering Services for our Community.....	28
Rates Collections .....	15	Development, Building and Plumbing Applications Assessed on Time.....	28
FTE (full time equivalent) Positions.....	16		
Financial Reports .....	17		
Statement of Comprehensive Income to 30 September 2019 .....	17		
Statement of Financial Position to 30 September 2019.....	18		



# Strategic and Operational Highlights

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I am pleased to present the Quarterly Report for Glenorchy City Council for quarter 1 of the 2019-20 financial year, ending on 30 September 2019.

## FOGO Kerbside Service

Council has made significant progress towards implementing its new green and food waste (FOGO) service, which is due to be rolled out in February 2020.

Council has employed a full-time FOGO project officer to manage the roll-out of the program and has formed a Waste-Wise Advisory Group where members of the community will help advise on FOGO and waste management issues from a community perspective. Negotiations with potential suppliers of collection services for FOGO are advanced and Council has worked closely with Hobart City Council to release a tender for services to dispose of FOGO waste that is collected. While there have been some concerns about the FOGO service, primarily around the additional cost, there has generally been support for the initiative and positive feedback about the environmental benefits and increased waste capacity for residents.

Council has also approved the three service review criteria under which residents will be able to apply to be exempt from the FOGO service or the charges for it. Residents will be able to apply for an exemption from February 2020. FOGO bins will still be delivered in and anyone given an exemption will then have their bin taken back in July (and will still be charged the initial \$35 fee for the service from Feb to July). The exemptions are intended to make sure that the FOGO service remains universal but does not disadvantage those residents who have no need for the service, can't use it or can't afford it

## Community Yarns

At its May 2019 meeting, Council voted to trial a series of 'Community Yarns' over a 24-month period. These will be in the form of public meetings at various locations within the municipality. The intent is to increase access to Council staff and Aldermen for residents throughout the municipality and provide an additional way to engage with the community which complements the methods under the current Community Engagement Framework.

Planning for the Community Yarns was progressed during the quarter and details of the yarns were announced to the community. The first Community Yarn will be held at the Claremont Hall on 4 November 2019 and the second at the Glenorchy Library on 20 November 2019.

## CBD Revitalisation Project

Stage 3A of the CBD Revitalisation Project, the area on Main Road in front of Banjos and the Council Chambers forecourt was completed during the quarter. Stage 3A was completed within budget and only slightly behind schedule (having also started later than expected).



Work on Stage 3B (from Tolosa Street to Regina Street) has now commenced, beginning near the Northgate entrance. Stage 3B will include:

- repaved, wider footpaths
- a new central median strip with new trees
- a new large rain-garden bed and seating with power and USB outlets, and
- raised-table, pedestrian-friendly footpaths and parking bays at the Tolosa St/Main Rd intersection (currently underway).

Council has also commissioned renowned local artist, Matt Calvert, to provide public artworks for the CBD as part of the project. Having conducted extensive community consultation, Matt has now provided concept designs to Council's steering committee for consideration.

## City Deal

The Hobart City Deal is a 10 year agreement between the governments and the councils to deliver a range of initiatives to benefit Greater Hobart. Council signed the deal on 24 February 2019.

The initiatives most relevant to Glenorchy are:

- establishing a reliable, sustainable and cost effective transport system including activation of the former rail corridor
- delivering a diverse range of affordable housing options
- establishing governance to support better strategic planning for the city in the form of a Greater Hobart Act, and
- investing to support Hobart as a smart, liveable and investment ready city.

The Mayor and General Manager have worked closely with representatives from the State and Federal Governments and the other three Greater Hobart Councils on various aspects of the City Deal. The City Deal Implementation Plan was close to being signed at the end of the reporting period.

## Derwent Entertainment Centre and Wilkinsons Point

Having resolved in May to dispose of the land at Wilkinsons Point, Council entered in a 120-day exclusive negotiation period with Larry Kestelman of LK Group, the owner of the National Basketball League (NBL) in July. Mr Kestelman expressed an interest in purchasing the DEC and Wilkinsons Point to establish a sports and entertainment hub and a Tasmanian NBL Team.

Council has conducted the negotiations on the basis that it will retain access to the entire foreshore and Loyd road and will not dispose of the GASP infrastructure.

Negotiations between Council, LK Group and the State Government have been progressing well. In preparation for purchasing the land, LK Group has been working on plans for how it would develop the site and recently



launched a website providing an overview of its concept for the area ([www.wilkinsonspoint.com.au](http://www.wilkinsonspoint.com.au)). At the end of the reporting period, LK Group was preparing to lodge an application to amend the planning scheme for Wilkinsons Point, to facilitate their proposed development.

Officers are likely to seek Council's approval to extend the 120-day exclusive dealing period with LK Group to allow time for the planning scheme amendment application to be assessed.

## KGV Sports and Community Hub Project

Having achieved a Certificate of Completion for the KGV complex during the last quarter, Council has focussed on negotiating with major tenants to agree permanent solutions to issues that remain in dispute and finalise lease agreements.

Negotiations between Council and the Glenorchy District Football Club have progressed significantly, with both sides working cooperatively in pursuit of a resolution. The club has made partial payment of outstanding fees as a sign of goodwill and we are hopeful that all outstanding issues will soon be resolved.

## Ministerial Directions

Council is in the process of working to address a range of Ministerial Directions that were issued by the (then) Minister for Planning and Local Government.

At 30 September 2019, Council had completed 57 of the 58 Ministerial Directions. The adoption of Council's Strategic Asset Management Plan in September satisfied the last of the substantive directions. The 58th direction relates only to the ongoing quarterly reporting of progress to the Minister. Though final sign-off from the Minister's office has yet to be received, this effectively means that Council has complied with all the Minister's directions, which is a significant achievement and puts us at the forefront of governance among Tasmanian Councils.

## Federally funded community projects

Council has secured \$12m in in-principle Federal Government funding to deliver three significant community projects:

- the construction of a junior soccer hub at the North Chigwell soccer grounds
- the construction of 'destination' regional playgrounds on the Montrose Bay foreshore and at Giblins Reserve, and
- the upgrade of the clubhouse and facilities at the Eady Street Cricket Ground in Glenorchy.

Negotiations with stakeholders to finalise concept plans for the projects were finalised during the quarter and the paperwork required for final approval by the Australian Government submitted. The final proposal for the North Chigwell site now also involves upgrading football (soccer) facilities at the KGV soccer ground.

Council expects to finalise grant deeds next quarter after which work on the projects will commence.



## Potential Land Disposals at Berriedale Peninsula

Council voted to begin an investigation and review into the potential disposal (sale) of part of the Berriedale Foreshore Reserve which is currently being used as a BMX Track and MONA's overflow car park.

Council will begin the review by conducting a community consultation process to determine whether to proceed further with any disposal process. All stakeholders will be consulted, including the Southern City BMX Club.

The investigation is the first step towards working out a long-term land use strategy for the peninsula, and how Council-owned land can be used in conjunction with MONA and the other activities in the area to maximise benefits for the community.

## Glenorchy Mountain Bike Park Masterplan

Council has received a grant for the development of a masterplan for the Glenorchy Mountain Bike Park at Tolosa Park. Council gave its approval to start work on the masterplan at its September meeting.

A masterplan for the Mountain Bike Park is seen as crucial as it will provide Council with a detailed assessment of what is required to ensure the Park remains relevant for mountain bike riders and the broader Glenorchy community in years to come. It will also define a strong vision (brand) for the facility, which is an approach that other bike parks across Tasmania (e.g. Maydena, Derby) have been successfully embarking on in recent years.

Preparation of the draft masterplan will now commence and will include extensive consultation with stakeholders. One key element of community engagement is the establishment of a Project Expert Panel (PEP) to provide expertise and insights into the technical and cultural aspects of mountain bike riding. A draft masterplan is targeted for early 2020, with adoption by June 2020.

## SKM Recycling

In August 2019, Council's Recycling Services contractor, SKM Recycling went into receivership following a period of uncertainty. Council worked with the other Greater Hobart Councils and SKM's receivers to ensure the continuity of recycling services for Southern Tasmania and keep SKM's Derwent Park sorting facility open.

At the time of this report, the four Councils had struck a deal with SKM's liquidators to each contribute approximately \$40,000 to fund an extra Saturday shift at the Derwent Park Plant for the next 2 years to clear the backlog of recyclable material.

The management of this issue by the four Councils (led by former Clarence General Manager, Andrew Paul) was done cooperatively and efficiently and averted what had the potential to compromise the recycling program in Southern Tasmania.



## Organisational Structure Repair Project

The Organisational Structure Repair Project is complete.

All Director positions have been finalised and the final member of the Management team (the Manager Property Environment and Waste) was appointed in late September. The completion of this project means that Council has a full management team with no one in acting positions a situation it has not been in since approximately 2014.

It also brings a tumultuous period for Council that began with a controversial restructure under the former administration in 2015 to a close. It is acknowledged, however, that there are still ongoing concerns from some staff resulting from the ongoing uncertainty and pace of change.

## Repairs from May 2018 Storm Event

Infrastructure in Glenorchy was significantly affected by the 100-year storm event that took place in May 2018.

Works on the upgrade of the bridge at Moss Park Drive are nearing completion, after which flood remediation works will be finished.

## Tolosa Park Dam Remediation

Council continues to work with TasWater on the decommissioning of Tolosa Dam. Council is exploring the future options for remediation of site, which centre around the method of decommissioning the dam and the extent to which fill could be used to restore the contours of the site. The options for decommissioning the dam range from demolition of the dam wall to putting a notch in it. The fill options range from no fill to some fill to complete restoration. The options present different opportunities, risks and time frames for the project.

Council's aim in the negotiations is to achieve an outcome that provides usable and valuable open space that meets the expectations of the community and enhances the existing infrastructure at Tolosa Park. Negotiations are complex and involve many stakeholders. While we acknowledge that it has taken considerable time and may still take further time to progress, we are committed to achieving the best result for the community rather than rushing through a sub-standard solution. Negotiations are being actively progressed and we hope to provide an update to the community early in 2020.

## Risk Management

Council recently updated its Strategic Risk Register and also adopted a Risk Appetite and Tolerance Statement.

The Risk Register and Appetite and Tolerance Statement are critical governance documents which help guide Council's decision making by driving considered risk taking that aligns with Council's strategic directions. They were developed with Aldermen over a series of workshops and will play a key role in strategic decision making for the foreseeable future, by ensuring that Council has a proper understanding of the risks that it faces and how much risk it is prepared to accept on key projects and programs.



## Glenorchy Skate Park

Council has approved a proposed plan for community consultation on a proposed skate park using a \$250k grant provided by the Department of Health and Human Services.

Three potential sites for the new skate park have been identified and Council has engaged Enlocus, a specialist firm with expertise in community consultation and design around skate parks, to assist with consultation and engagement.

This will begin with a community survey (which will ask for preferred locations) and will include three community workshops with young people from schools, skate stakeholders and the general community. Council hopes to begin construction of the skate park early in 2020.

## Economic Development Strategy

Council is currently in the early stages of preparing an Economic Development Strategy for Glenorchy, which will help guide employment and economic growth in the City. At its September meeting, Council received a report on how business and the community will be engaged to help develop the strategy, and also on the process for developing the Strategy. Engagement activities include the formation of the Economic Participation and Implementation Collaborator (EPIC) Group, which will be comprised of representatives from across public, private and not for profit sectors and will serve as an advisory group for the development of the strategy.

Business and Community engagement for the development of the Economic Development Strategy will now commence in accordance with the plan approved by Council. The Economic Development Strategy is being targeted for completion in February 2020.

# Strategic and Key Operational Risks

Council endorsed a Strategic and Key Operational Risk Register at its meeting on 26 February 2018.

The register was updated in late September 2019, however given that the previous version was in place for the entirety of the reporting period, the risks in that version are addressed this report (next quarter's report will address the updated strategic and key operational risks).

The following table shows quarterly progress in the top 10 strategic and key operational risks:

Rank	Risk Category	Risk Type	Comment as at 30 September 2019
1	Work health and safety	Key Operational	<p>Council is implementing new WHS software (Skytrust) to for reporting of incidents / hazard and tracking of key safety data. This will result in a significant improvement in our ability to retain and analyse data. A project is underway to roll out the software and integrate it into our business as usual processes.</p> <p>Two WHS Advisors have been recruited, and work with a WHS Technical Advisor to deliver WHS advice and services to the organisation.</p>
2	Organisational Structure	Strategic	<p>The organisational structure repair project is complete, with all Directors and Managers now appointed.</p> <p>The repaired organisational structure ensures that key areas are adequately resourced and staff are able to focus on delivering key programs and special projects, led by a qualified and experienced management team.</p>
3	Brand and reputation	Strategic	<p>Council is actively working to improve its external communications, and will implement a new Communications Strategy by the end of the year to assist in promoting Council's achievements and key messages.</p> <p>The recent appointment of an experienced Senior Communications Advisor has strengthened Council's abilities in this area, with numerous initiatives and process improvements already in place.</p> <p>Council has now completed 57 of the 58 Ministerial Directions. Overall organisational governance has improved considerably and will continue to under the new management team.</p>

Rank	Risk Category	Risk Type	Comment as at 30 September 2019
4	Resource Management	Key Operational	<p>Council has addressed almost all of the legacy issues that the current administration inherited, including the Derwent Park Stormwater Harvesting and Reuse Scheme and issues with resourcing and the organisational structure (discussed above). Council continues to focus on addressing issues relating to the KGV Sports and Community Hub, with substantial progress being made.</p> <p>A virtual Project Management office has been established and a project-based approach to the management of all projects and programs has been implemented.</p>
5	Culture	Strategic	<p>Alderman have now been operating for over 18 months with clear and cohesive strategic direction provided to the organisation.</p> <p>The recent Staff Engagement Survey highlighted a number of issues around the organisation culture which management will work to address in consultation with all staff.</p> <p>Council management participated in two full-day workshops to identify strategies to address the issues that were raised, with actions to begin being implemented over coming months.</p>
6	Process control	Key Operational	<p>Work continues to address the outstanding items identified through internal and external audit processes. 11 overdue and shortly due audit items have been completed in the last quarter. This has resulted in a reduction of 33% from 33 outstanding items to 22 items. The Audit Panel has expressed satisfaction with the progress that Council is making.</p> <p>Regulatory compliance items are regularly reviewed by due dates with adjustments made as identified.</p>
7	Contractor management	Key Operational	<p>Contractor inductions continue to be held on a regular basis.</p> <p>The People and Culture Department monitors the qualifications and insurances of contractors working for Council.</p> <p>WHS staff undertake regular site visits to work areas to monitor contractors and documentation.</p>
8	Contract management	Key Operational	<p>This risk addresses issues around accountability for management of contracts for projects. The major response is to elevate the organisation's contract and project management capability.</p> <p>One of the major exposures is around ensuring the currency of contract insurances. WHS retains information that is reviewed monthly to ensure insurances remain current. Contractors cannot work on the site without current insurances.</p>

Rank	Risk Category	Risk Type	Comment as at 30 September 2019
9	Emergency management	Key Operational	<p>Council's Municipal Emergency Management plan has been reviewed (2018) pending formal adoption.</p> <p>A new Municipal Emergency Management Coordinator, and two deputy coordinators have been appointed and an internal Emergency Management Committee has been established and convened. A mock emergency management training exercise will be held later in the year to test our response systems.</p>
10	Financial sustainability	Strategic	<p>Council's 2019/20 budget, adopted in June 2019, forecasts an improving cash balance and a modest cash surplus of \$191k. Modest surpluses and an improving cash balance are forecast for the term of Council's Long Term Financial Management Plan.</p> <p>Council has begun implementing a 'zero-based budgeting' process for next year's budget, which is designed to identify and eliminate unnecessary expenditure and ensure that resources can be used to deliver key services and projects and improve community outcomes.</p>

# Financial Performance

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## Summary

Council's net operating position for the quarter ending 30 September 2019 is currently showing a positive result of \$812,000 against budget, comprising \$31,000 more in income and \$781,000 less in expenditure.

Key contributors to the quarterly result are as follows [(Favourable) / Unfavourable variances from budgeted amounts]:

### Income

(\$217,000) Capital grants

(\$102,000) Grants

(\$75,000) Net gain/(loss) on disposal of assets

(\$50,000) Other income

\$12,000 Contributions - cash

\$24,000 Interest

\$38,000 User charges and licences

\$339,000 Rates

### Expenses

(\$483,000) Employee costs

(\$306,000) Materials & Services

(\$3,000) Other expenses

\$12,000 Depreciation

## Operational Income

Total actual income is \$49.333 million compared to budgeted income of \$49.302 million. This represents a favourable result of \$31,000 ahead of budget.

For capital grants, Roads to Recovery has been part paid in advance (\$150,000) and Council has also received Blackspot funding for the Kalang Ave Guard Rail (\$33,000) and Albert Rd Pedestrian Refuge (\$27,000). For operational grants, childcare subsidies are tracking ahead of budget (\$64,000).

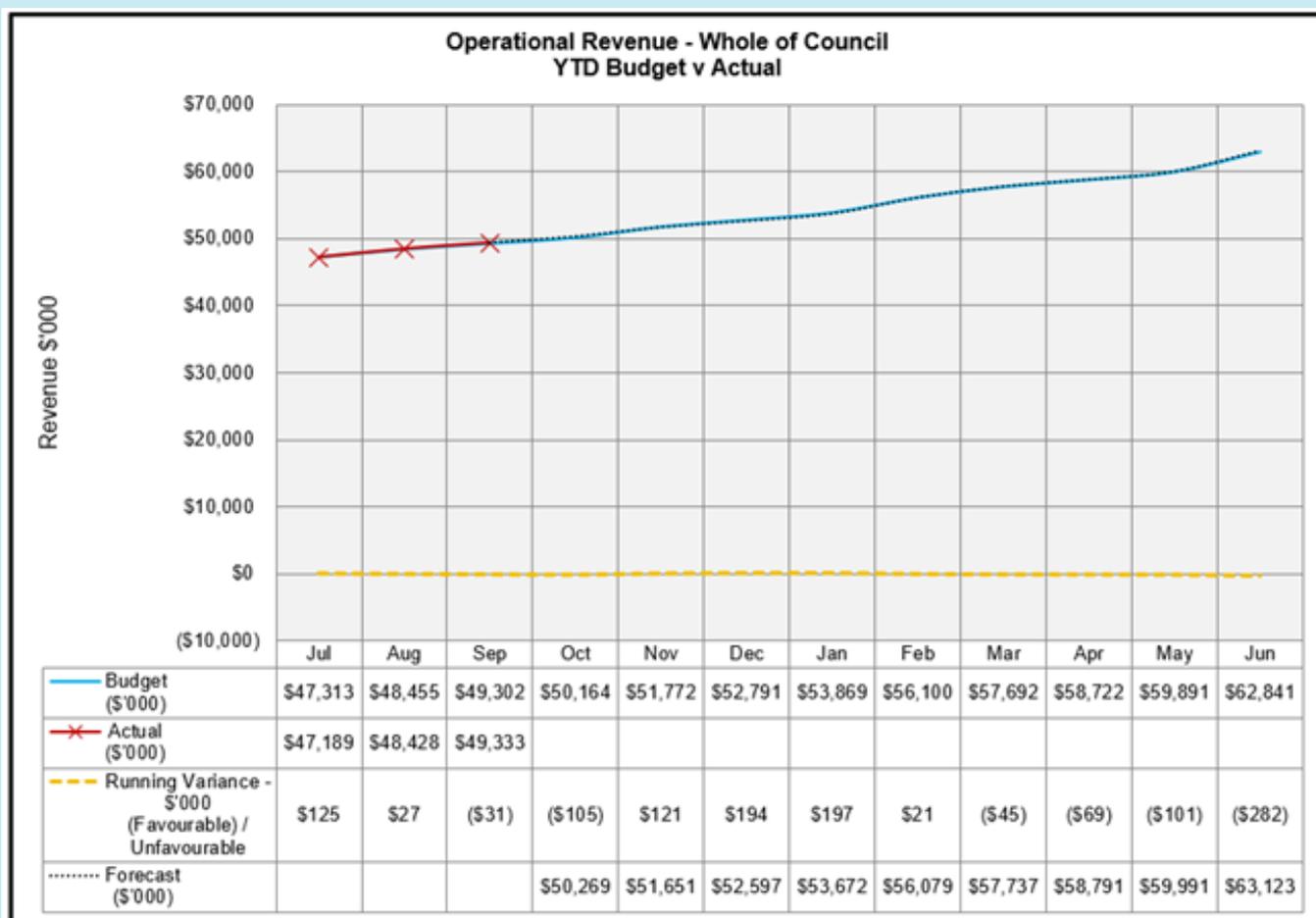
Recent interest rate cuts by the Reserve Bank since the budget was prepared has resulted in reduced interest on investments (\$24,000). In addition, the change to four rate instalments has resulted in less funds available for investment compared to the same time last year.

Other Income records an above budget result (\$50,000) primarily due to advance payment of the Heavy Vehicle Fuel Tax Rebate (\$27,000).

Rate income is currently under budget (\$339,000) which will improve during the year when the Valuer-General provides supplementary valuations generated by property development. The mid-year review will provide a clearer indication of the forecasted year end result.

User charges are within 1% of budget (\$38,000) with notable variations being shortfalls in landfill (\$125,000) and parking / general infringements (\$21,000). On the positive side, there is increased income from waste kerbside collection (\$67,000) and property management leases (\$41,000).

Disposal of assets (vehicles, plant & equipment and computers) records a positive net result against budget (\$75,000).



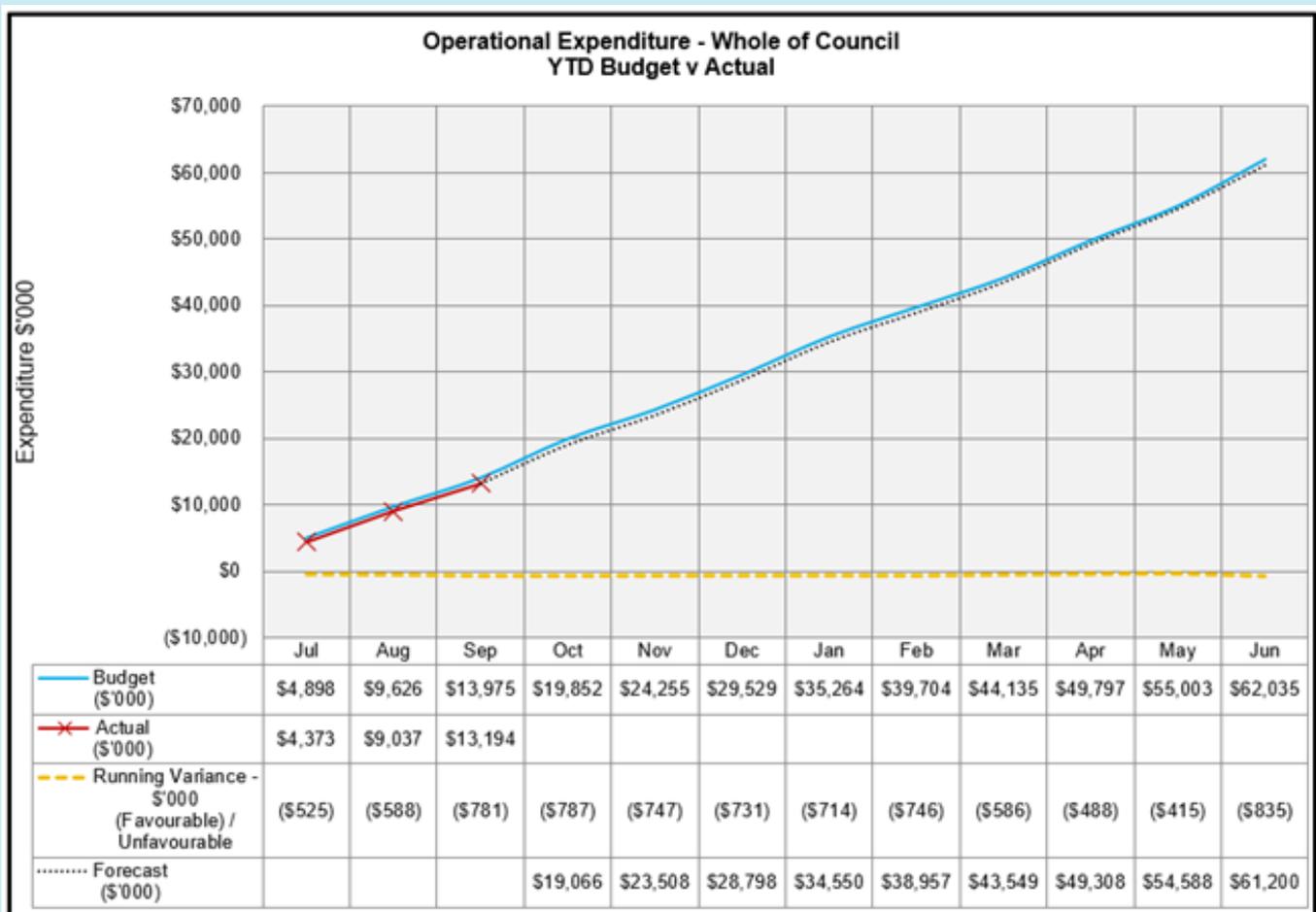
## Operational Expenditure

Total actual expenditure is \$13.194 million compared to budgeted expenditure of \$13.975 million. This represents a favourable result of \$781,000 compared to budget.

Materials and services recorded an underspend of 6% (\$306,000) consisting of reduced waste management (\$330,000) and landfill operations (\$157,000) offset by additional contract labour hire (\$139,000).

Employment costs are under budget by 8% (\$483,000) primarily the result of 23 vacancies at quarter end generating savings on wages and on-costs for payroll tax, workers compensation premiums, superannuation and leave provisions.

Minor favourable variations exist for Depreciation (\$12,000) and Other Expenses (\$3,000).



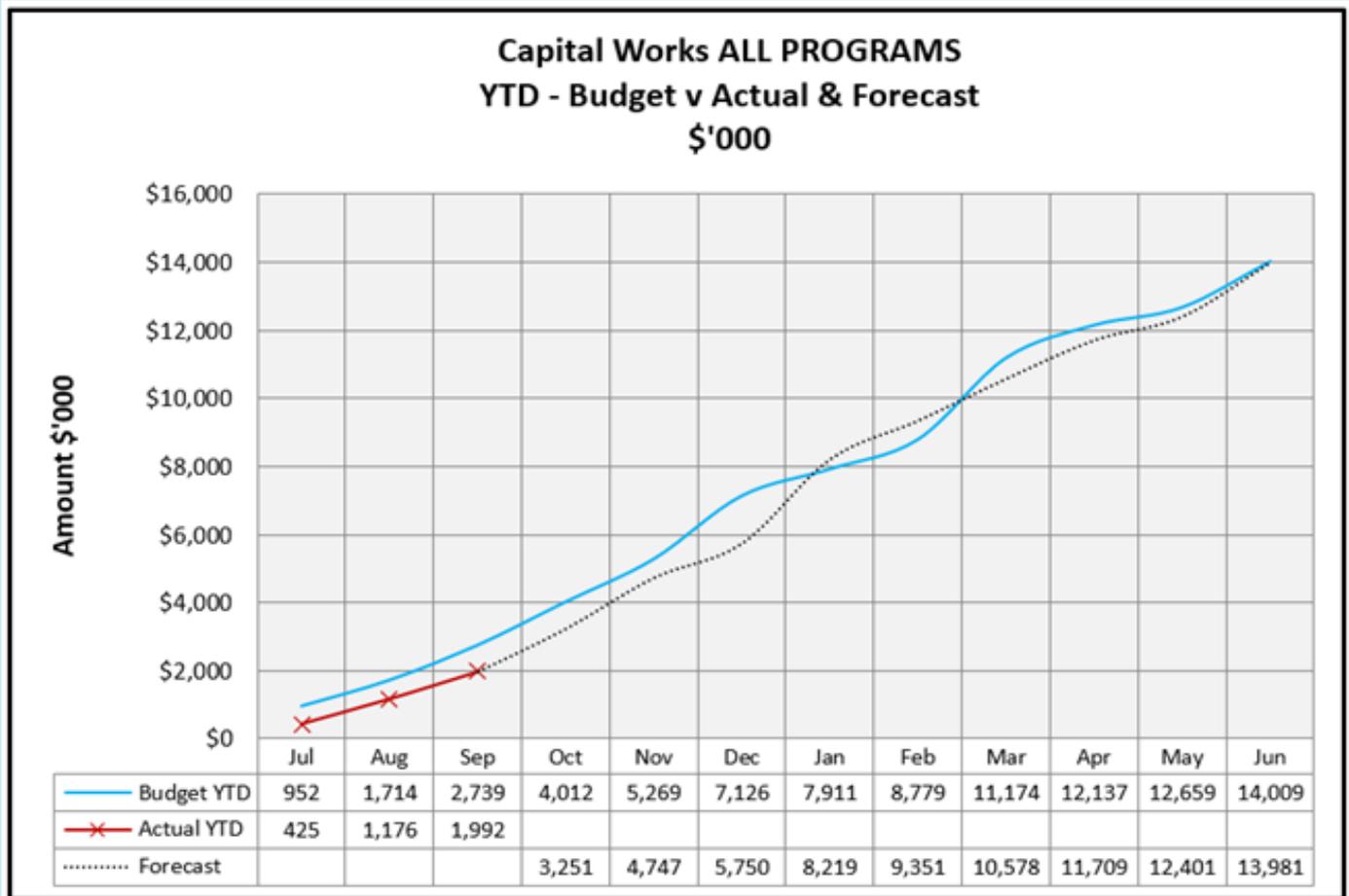
## Cash and Investments

At 30 September 2019, actual funds available in cash and investments totalled \$26.277 million. Of particular note this represents a reduction of \$1.283 million than at the same time last year due to the introduction of four rate instalments. Whereas 50% of rates under the previous two instalments would have been expected in August (via instalment 1 of 2), the 50% target will now not occur until October (via instalments 2 of 4).

## Capital Works

The capital works program at 30 September 2019 shows actual expenditure of \$1.992 million against a budget of \$14.009 million, delivering approximately 15% of the program to date.

Program managers are actively monitoring each project and where necessary, reporting to the Infrastructure Management Group with recommendations for reallocation of budgets, changes to scope and bringing forward / moving back particular projects.



## Rates Collections

At 30 September 2019, the total rates collected under the new four instalment method was 38.9% against a target of 37.5%. In comparison, a total of 55.3% was collected this time last year under the former two instalment method. As the actual collection rate has bettered the target, it is considered the move to four instalments has been readily accepted by ratepayers as a positive change.



## FTE (full time equivalent) Positions

Although the figures indicate a reasonably stable consistency, there were 23 position vacancies at various stages of advertising, interviewing or negotiation at the end of September.

Employment Class	FTEs at 30 Sept 2019	FTEs at 30 June 2019
Full Time	195.54	193.42
Part Time	52.18	53.80

# Financial Reports

## Statement of Comprehensive Income to 30 September 2019

Year-to-Date (YTD)	Notes	2020 Budget \$'000	2020 Actual \$'000	2019 Actual \$'000	2020 Variance Actual to Budget
<b>Income</b>					
<b>Recurrent Income</b>					
Rates	1	41,092	40,753	39,646	↓ 0.8%
User charges and licences		6,888	6,850	6,570	↓ 0.5%
Interest	2	116	91	115	↓ 21.0%
Grants	3	1,130	1,233	624	↑ 9.1%
Contributions - cash		96	83	13	↓ 12.9%
Investment income from TasWater		-	-	280	↔ 0.0%
Other income		18	68	432	↑ >100%
		<b>49,340</b>	<b>49,079</b>	<b>47,680</b>	↓ 0.5%
<b>Capital Income</b>					
Contributions – non-monetary assets		-	-	-	↔ 0.0%
Net gain/(loss) on disposal of property, infrastructure, plant and equipment		(38)	37	(3)	↑ >100%
Capital grants received specifically for new or upgraded assets		-	217	252	↑ >100%
Fair value recognition of land under roads		-	-	-	0.0%
		<b>(38)</b>	<b>254</b>	<b>249</b>	↑ >100%
<b>Total Income</b>		<b>49,302</b>	<b>49,333</b>	<b>47,929</b>	↑ 0.1%
<b>Expenses</b>					
Employment costs	4	5,856	5,373	5,292	↓ 8.2%
Materials and services	5	4,651	4,345	4,528	↓ 6.6%
Depreciation and amortisation		3,431	3,443	3,422	↑ 0.3%
State Fire Commission contribution		-	-	1,410	↔ 0.0%
Finance costs		-	-	50	↔ 0.0%
Assets written off		-	-	-	↔ 0.0%
Bad and doubtful debts		1	-	-	↔ 0.0%
Other expenses		36	33	39	↓ 8.8%
<b>Total expenses</b>		<b>13,975</b>	<b>13,194</b>	<b>14,741</b>	↓ 5.6%
<b>Surplus/(deficit)</b>		<b>35,327</b>	<b>36,139</b>	<b>33,188</b>	↑ 2.3%
<b>Other Comprehensive income</b>					
<b>Items that will not be reclassified to surplus or deficit</b>					
Net gain/(loss) on revaluation of property, plant and equipment		-	-	-	
<b>Items that may be reclassified subsequently to surplus or deficit</b>					
Financial assets available for sale reserve		-	-	-	
-Fair value adjustment on available for sale assets		-	-	-	
<b>Total other comprehensive income</b>		<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total comprehensive result</b>		<b>35,327</b>	<b>36,139</b>	<b>33,188</b>	↑ 2.3%

## Statement of Financial Position to 30 September 2019

	2020 YTD \$'000	2019 YTD \$'000
<b>Asset</b>		
<b>Current assets</b>		
Cash and cash equivalents	26,277	27,560
Trade and other receivables	26,766	21,315
Inventories	112	124
Non-current assets classified as held for sale	-	-
Other current assets	57	171
<b>Total current assets</b>	<b>53,211</b>	<b>49,171</b>
<b>Non-current assets</b>		
Investment in TasWater	191,317	167,145
Property, infrastructure, plant and equipment	697,522	670,110
Investment properties	-	-
Other non-current assets	6,985	18,629
<b>Total non-current assets</b>	<b>895,824</b>	<b>855,883</b>
<b>Total assets</b>	<b>949,035</b>	<b>905,054</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade and other payables	1,173	2,923
Provisions	4,514	5,193
Borrowings	963	952
Other current liabilities	1,934	2,010
<b>Total current liabilities</b>	<b>8,584</b>	<b>11,078</b>
<b>Non-current liabilities</b>		
Provisions	3,952	4,888
Borrowings	2,159	3,307
<b>Total non-current liabilities</b>	<b>6,111</b>	<b>8,195</b>
<b>Total Liabilities</b>	<b>14,695</b>	<b>19,273</b>
<b>Net assets</b>	<b>934,341</b>	<b>885,781</b>

## Explanatory Notes

These notes are provided where a single or collective variance within the Statement of Comprehensive Income requires explanation because: (a) it has materially affected the financial position across multiple prior reporting periods; (b) it will continue to materially affect the financial position in future reporting periods; or (c) is of particular relevance to require further explanation.

	Revenue / Expenditure Item			
1	<b>Rates:</b>			
			<b>Variance \$'000</b>	<b>Variance %</b>
	General Rates	↓	339	<1%
	The variance has reduced from last month's figure of \$367k.			
2	<b>Interest:</b>			
			<b>Variance \$'000</b>	<b>Variance %</b>
	Interest on Investments	↓	24	21%
	Moving to four rate instalments has resulted in less cash flow to 30 September and when combined with consecutive interest rate reductions by the RBA, there is reduced returns for money invested.			
3	<b>Grants:</b>			
			<b>Variance \$'000</b>	<b>Variance %</b>
	Roads to Recovery - Prepayment	↑	150	100%
	Blackspot – Kalang Ave Guard Rail	↑	33	100%
	Blackspot – Albert Rd Pedestrian Refuge	↑	27	>100%
	Unbudgeted capital grants have been received.			
4	<b>Employee costs:</b>			
			<b>Variance \$'000</b>	<b>Variance %</b>
	Salaries and On-costs	↓	483	8%
	Position vacancies and timing differences between pay-end date and month-end date will result in variances at the end of each reporting period. While savings are evident in employee costs, additional expenditure has been incurred in contract labour hire within the materials and services category.			
5	<b>Materials and Services:</b>			
			<b>Variance \$'000</b>	<b>Variance %</b>
	Various	↓	306	6%
	The primary contributors are in the topical areas of waste management and landfill where savings have been experienced to date.			

## Adjustments to amounts previously reported

There are instances where ledger adjustments are required in respect of amounts reported in prior periods. Any adjustments will be visible when comparing current versus previous "Whole of Council Revenue and Expenditure" reports. Changes to the bottom-line variances reported in last month's Financial Performance Report compared those reported this month are:

### Revenue - Whole of Council \$'000

Variance	July	August
Last Month	125	27
This Month	125	27
Change	0	0

### Expenditure - Whole of Council \$'000

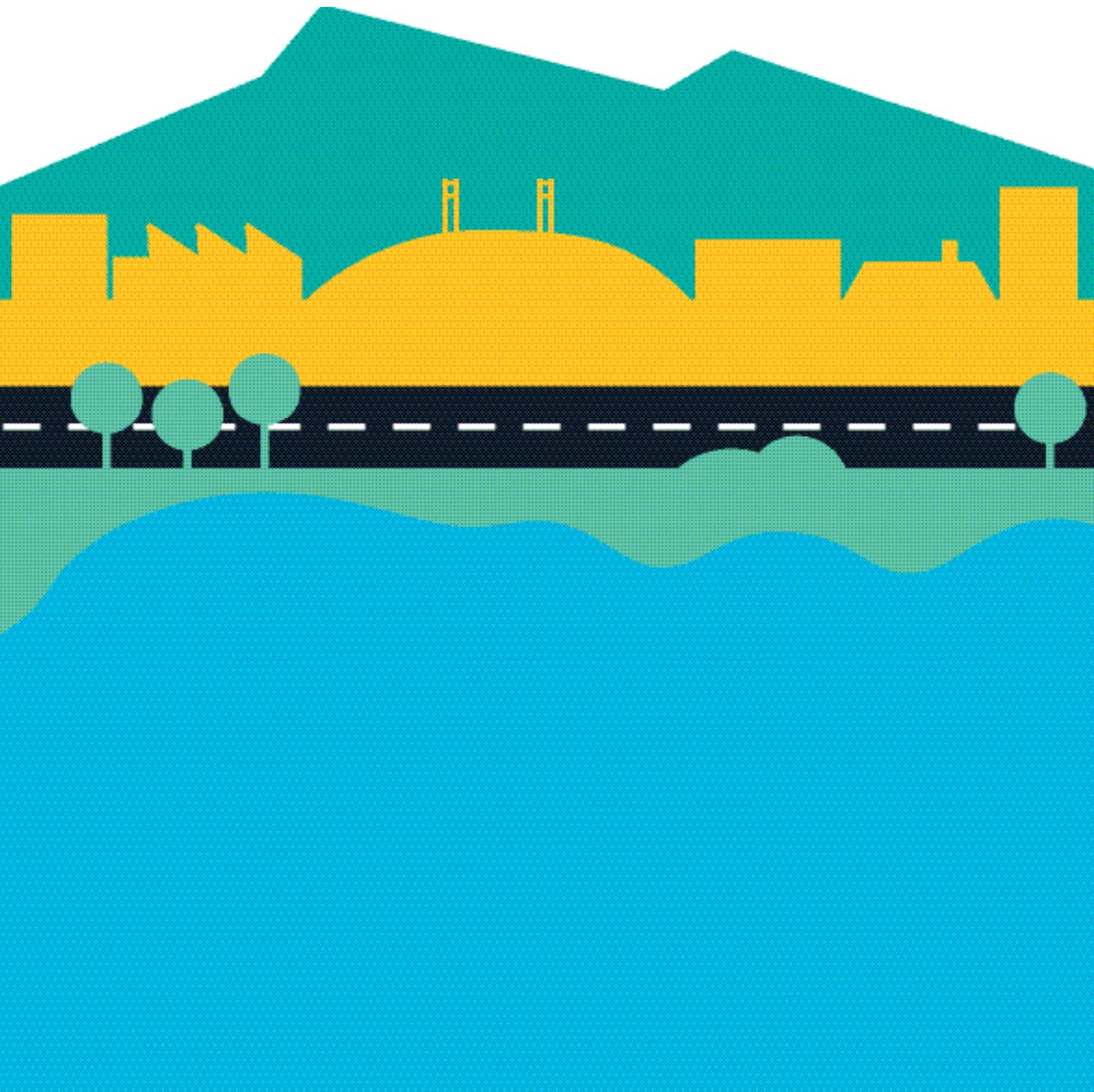
Variance	July	August
Last Month	(510)	(560)
This Month	(525)	(588)
Change	(15)	(28)

The following adjustments have contributed to the above changes:

Affected Months	Comment	Amount	Reason
July	A reallocation of expenditure from Operational to Capital	\$15,000	reclassification of amounts between operational and capital
August	A reallocation of expenditure from Operational to Capital	\$28,000	reclassification of amounts between operational and capital

# Key Performance Indicators

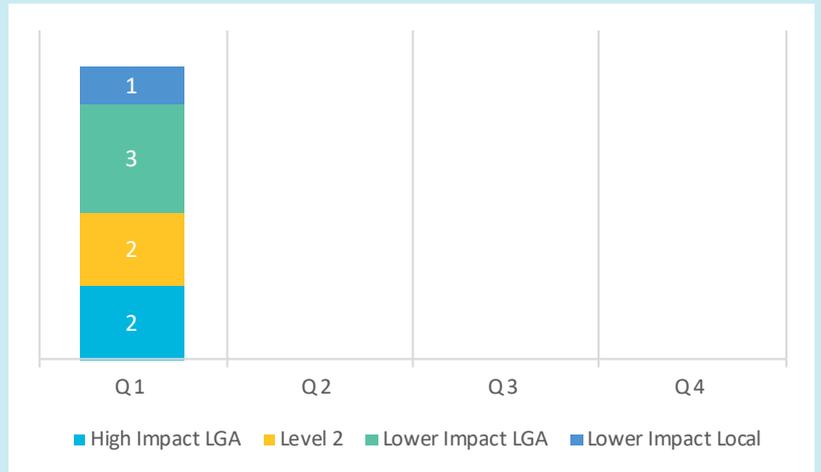
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# Making Lives Better

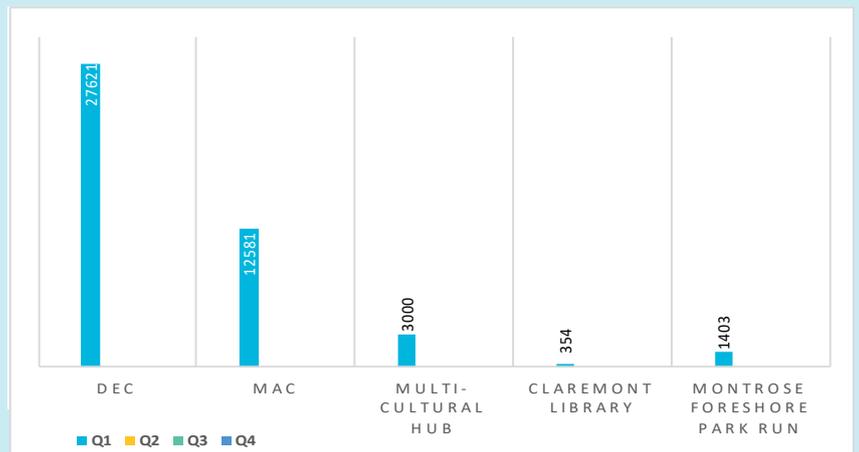
## Number of Engagements

There were 8 community engagements during the first quarter. 6 of these were at the 'consult' level of engagement and 2 at the 'involve' level. In-terms of impact, there were 2 level 1 engagements (high impact LGA), 2 level 2 (high impact local), 3 level 3 engagements (lower impact LGA) and 1 level 4 (lower impact local).



## Community Participation

During the quarter there were 354 borrowers at the Claremont Community Library and 80 social visitors. 13 Parkrun events were held at the Montrose foreshore, with 1,403 participants. 12,581 people visited the Moonah Arts Centre during this quarter, participating or attending arts and cultural events and activities. Q1 saw the Dancing Eisteddfods at the DEC, with an increase in attendance numbers to 16851 plus over 2000 competitors, breaking the previous record.

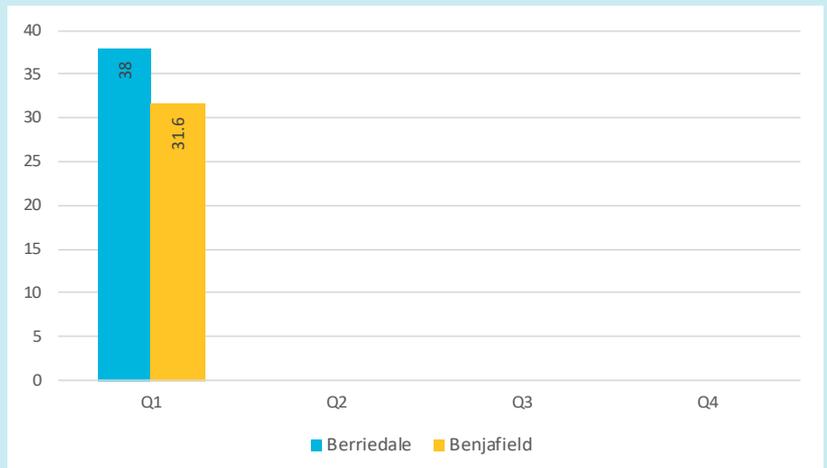


The DEC conference market also increased with 26 conference/meetings held between the Ashley Room and the Seminar Suites.

# Making Lives Better

## Service Delivery – Childcare

Benjafield and Berriedale Child Care Centres continue to receive a medium to high volume of ongoing enquiries for care and the services have re-established a waitlist for care. Benjafield’s utilisation Equivalent Full Time (EFT) places is 31.6 and Berriedale’s is 38. Both Services EFT’s have continued to increase during the quarter. Both services continue to maintain a ‘Meeting’ rating in accordance with the National Quality



## Capital Works Completed (\$m)

The Glenorchy CBD Revitalisation project continues along Main Road between Tolosa Street and Regina Street.

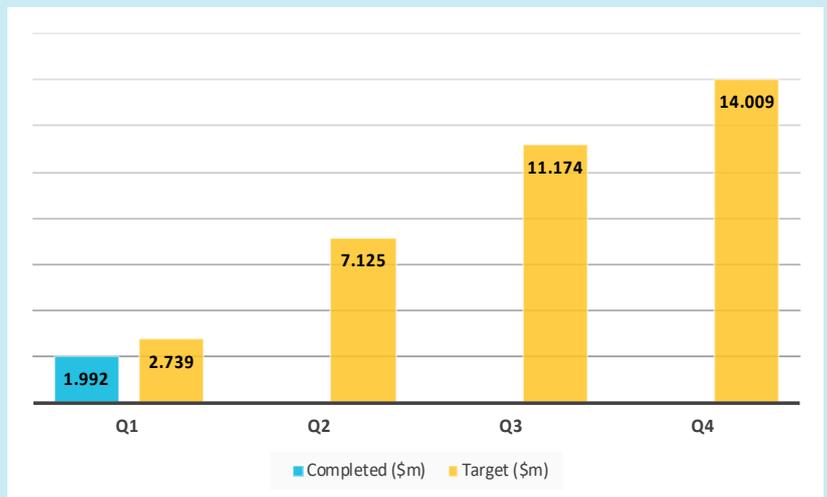
Works on Moss Park Drive Bridge are underway.

The Safer Footpath Project has commenced with various upgrades and survey works now completed.

The Prince of Wales sports ground extension has been completed

A number of large projects including the FOGO kerbside service roll out and playground and sports ground upgrades have commenced.

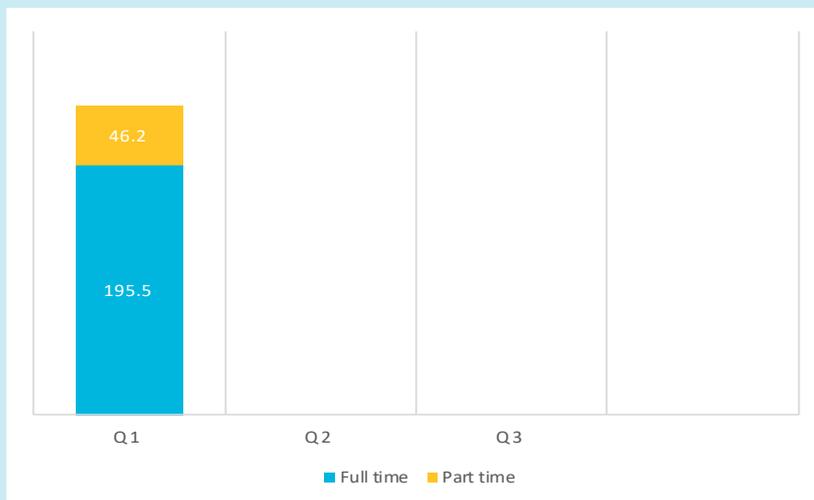
Expenditure is currently behind the budgeted target, which is partially attributable to Q1 being during winter where weather can impact progress.



# Open for Business

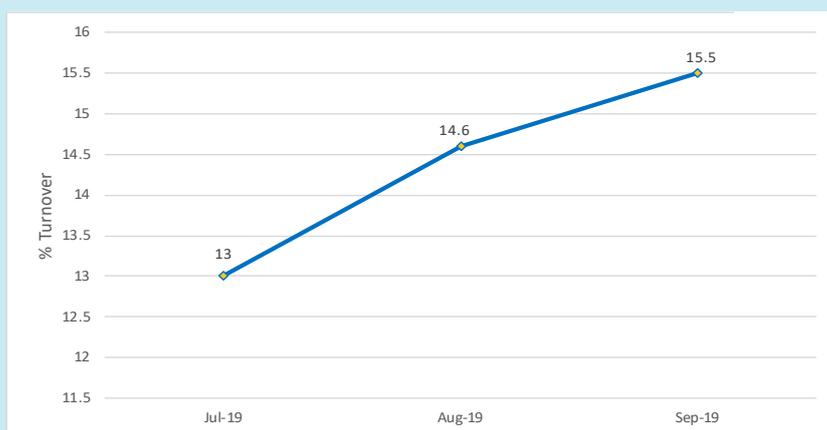
## Full Time Equivalent

Some minor anomalies have been found in the data used to calculate the FTE numbers for Council. This data will be reviewed and updated for the next quarter's report.



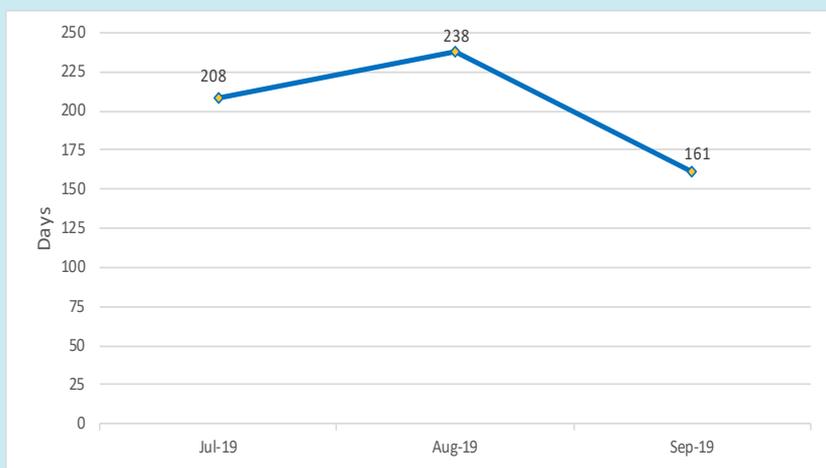
## Labour Turnover – 12 Month Moving Average

Council's employee turnover figure remains quite high with employees continuing to leave. The Workforce Plan, outcomes of the Voice Climate survey and the HR Strategy are all dealing with issues that cause employee dissatisfaction. An updated exit interview process is about to be introduced to try and find out the reasons for employees leaving Council.



## All Employees – Unplanned Leave (Personal Leave)

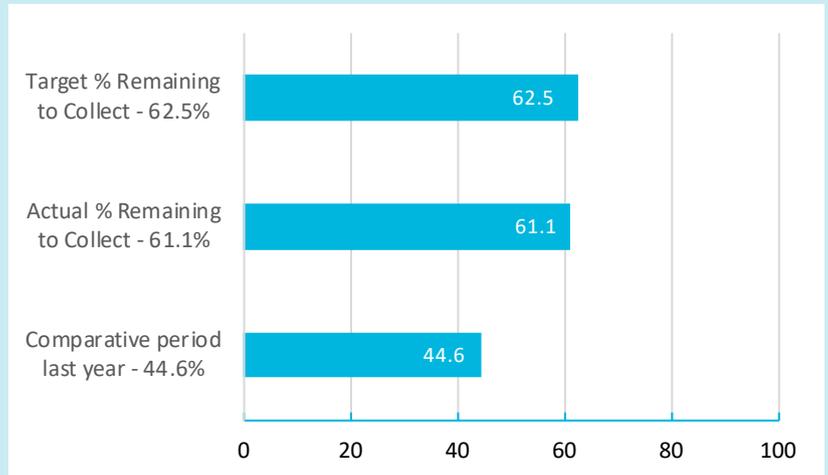
There is considerable fluctuation in the unplanned leave levels. It is hoped that this will improve as we move into the warmer months.



# Open for Business

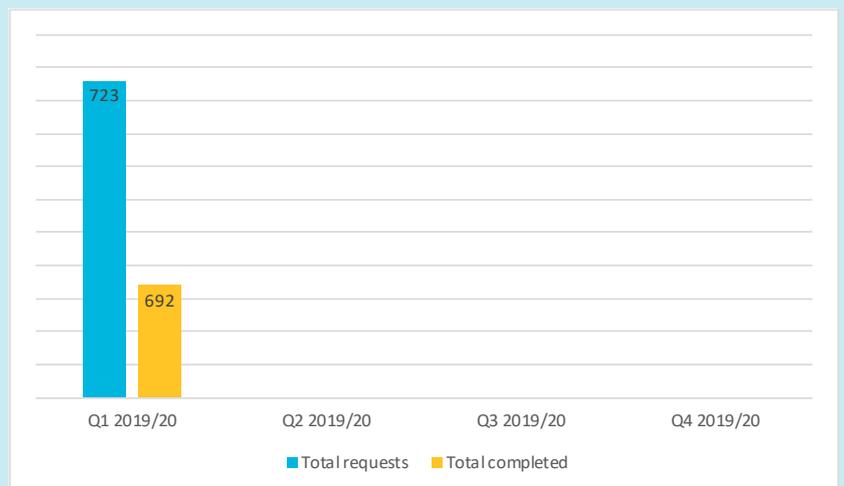
## Outstanding Rates Debt Percentage

At 30 September 2019, the total rates collected under the new four instalment method was 38.9% against a target of 37.5%. In comparison, a total of 55.3% was collected this time last year under the former two instalment method. Generally speaking, 50% of rates under the previous two instalments would have



## Work Centre Customer Service Requests

The Work Centre is keeping on top of customer service requests while moving towards more proactive maintenance systems.

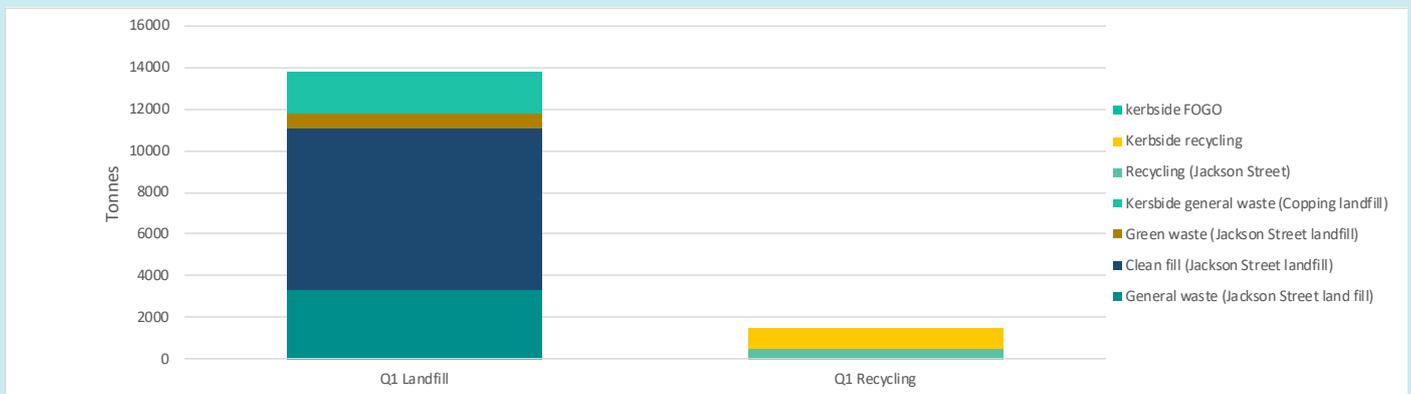


# Valuing our Environment

## Waste Received By Council By Quarter (Tonnes)

Over the last 12 months Council has halved the tonnage of material sent to its landfill from 30,000 to under 15,000 per quarter.

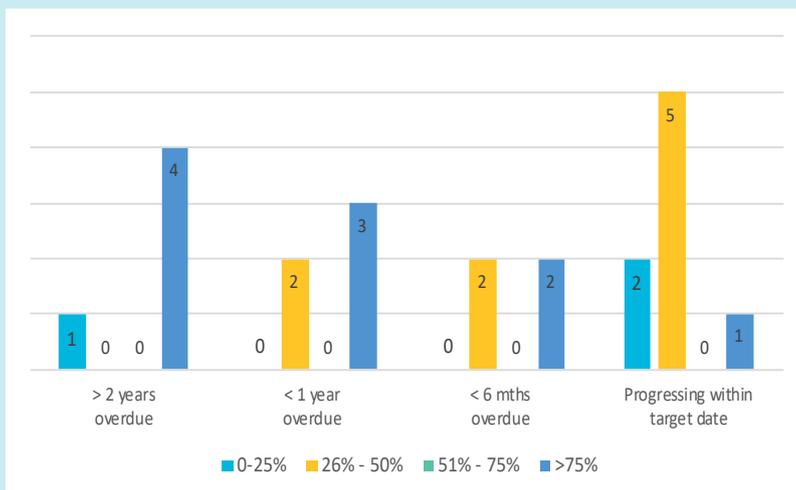
The current diversion of material away from landfill through recycling and recovery of resources is 10%. Council is looking to increase this to over 20% through the implementation of FOGO and improving the efficiency of landfill operations.



# Leading our Community

## Outstanding Audit Items - Percentage Complete

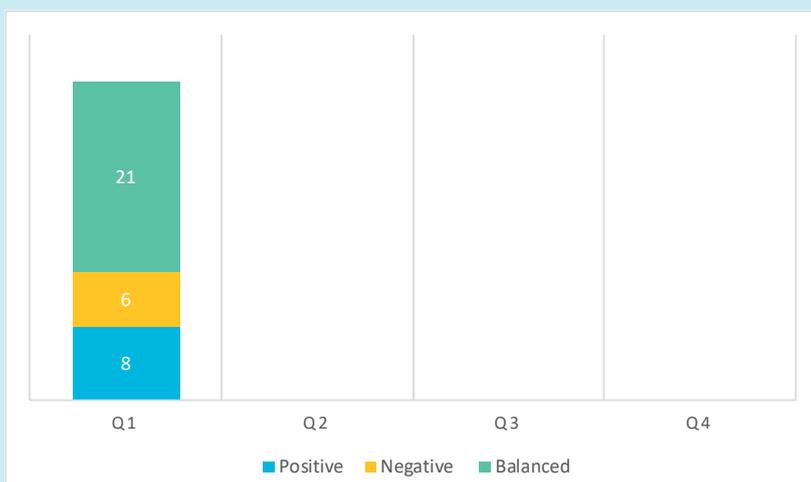
A significant number (11 in total) of overdue and coming due audit items have been completed in the last quarter. This has resulted in a reduction of 33% from 33 outstanding items to 22 items.



## Media Mentions

Council received positive coverage about the ongoing process to sell the DEC, particularly in relation to the NBL Blitz competition and the potential for a Tasmanian NBL Team. Negative mentions were primarily from Letters to the Editor in The Mercury related to FOGO.

There was balanced coverage on a range of issues, including the City Deal, impact of the DEC sale on the Southern Dance Eistedfodd, former Aldermens' court case and the climate emergency motion at the September Council meeting.



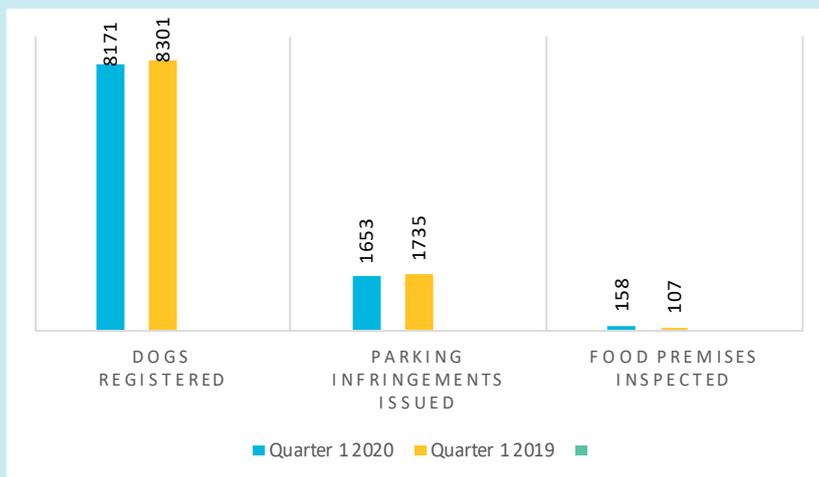
# Leading our Community

## Delivering Services for our Community

The number of dogs registered is currently at 8,171, which is 89% of last year's total, showing a positive level of dog owner responsibility. There has also been a reduction in dog infringements for this quarter, in comparison to the previous two years.

Parking infringements are at a comparable level to the previous year.

The number of food premises inspected has increased over last year, attributable to increased staffing levels within the environmental health team.



## Development, Building and Plumbing Applications Assessed on Time

Glenorchy is open for Business. To help grow our City, Council's Development Department works hard to assess applications for development, building and plumbing works in a timely and efficient manner. This quarter, 100% of planning, building and plumbing applications were assessed within statutory timeframes.





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Where ideas happen.