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ABN 84 873 116 132

October 23, 2017

ORDINARY MEETING OF THE COUNCIL MEETING

TO BE HELD

WEDNESDAY, OCTOBER 25, 2017

SUPPLEMENTARY AGENDA



RAZIJA NU'MAN
ACTING GENERAL MANAGER

FURTHER BUSINESS

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ORDINARY MEETING OF THE COUNCIL

October 23, 2017

ITEM 1

REPORTS FROM DELEGATES NO. 4/17

SUBJECT: NATIONAL CONFERENCE AND ANNUAL GENERAL MEETING OF
THE MURRAY DARLING ASSOCIATION 11/426

Summary

Council has received a Delegates Report from Deputy Mayor Browne regarding her attendance and the Mayor's attendance at the 73rd National Conference and Annual General Meeting of the Murray Darling Association held in Renmark from 11-13 October 2017.

See attached Delegates Report.

Recommendation

1. That Reports from Delegates No. 4/17 dated October 23, 2017, be received.
2. That Broken Hill City Council liaises more closely with Central Darling Shire Council to pursue opportunities to document both the economic impacts of the implementation of the Basin Plan on Menindee and the surrounding area to explore opportunities to respond positively to these changes.
3. That the regional representative of the Commonwealth Environmental Water Holder based in Mildura be invited to visit Broken Hill.

Attachments

1. [↓](#) Delegates Report by Deputy Mayor Browne

M BROWNE
DEPUTY MAYOR

Delegates' Report: 73rd National Conference & Annual General Meeting of the Murray Darling Association held 11-13 October 2017 in Renmark

The Mayor and I travelled to Renmark to attend this conference which was hosted by the Renmark Paranga Council. Over the past few years the Murray Darling Association has become a much more effective forum and lobby for local government councils across the whole Murray Darling basin and the conference provides an excellent opportunity both to share information about matters of common interest and to better understand issues where there are competing interests in play.

The Four Corners TV report on water theft proved to be a recurrent theme of the conference as was the management of the Menindee Lakes. In his opening comments, South Australia's Minister for Water (and old Broken Hill boy), Ian Hunter, made the point that South Australia is acting strictly in accordance with the water sharing plan even though it depends for 90% of its water needs on river water, as opposed to NSW which can survive for 4 years without additional flows. His state will actively pursue the holding of a Royal Commission into the abuse of the basin plan which was revealed by the television program.

Charlie Litchfield, Environment Manager, Snowy Hydro, gave a brief overview of Snowy 2.0., the new scheme recently announced by the Prime Minister. From the perspective of downstream users, it seems that the new power station and pipeline will not have an impact on the amount of water passing down the Murray.

Neil Andrew, Chair of the MDBA, expressed his anger at the breaches of compliance but spoke very strongly against the holding of a royal commission.

Colin Mues, Chief Economist MDBA, spoke about the extensive evaluation process on progress in implementing the Plan currently taking place which will look at social and economic change in affected communities, the effect on aboriginal communities among other aspects. The aim is to have a very comprehensive report completed and released by December and a supplementary report in March or April. He noted that there are significant constraints on some floodplain projects and that ecological recovery has a long way to go. He also made the point that impacts from Basin Plan implementation are likely to be shown as unevenly distributed with some communities more affected than others.

Paul Morris, First Assistant Secretary Department of Agriculture and Water Resources, spoke about the critical role of farm modernisation in aiding water saving projects and improving economic adjustment for affected communities.

Matt Barwick, Co-ordinator of the National Carp Control Plan, spoke about the potential for bio-control of carp through the release of a virus specific to the species. Much work has already been done to determine the long-term safety of such a program and to develop a strategy for dealing with the immense quantities of dead carp which would result from its implementation as carp comprise 93% of the biomass of some rivers. The result of a program such as this, if successful, would mean that native fish species, 46 of which are currently listed as requiring protection, would be able to breed. Recent work has shown that the Darling River is an incredibly important part of the breeding cycle of many river fish.

This address was followed by an interesting presentation on the Australian almond industry and its successful adjustment to modern farming and marketing methods which have allowed Australia to be the second largest almond producer in the world.

The final session of the first day was a panel discussion about opportunities for structural adjustment to local economies. The main points to come out of this session were that structural adjustment will be the major challenge for the next five years and the consequences of communities not making use of opportunities can be severe. What is important is to understand change drivers and identify who is responsible.

The first session of the second day was led by Robbie Sefton, founder and Managing Director of rural and regional communications specialist company Seftons, who spoke about successful engagement of communities through leadership and proper consultation. This applies to government who should have an obligation to consult communities properly about major projects. She used the mantra: Inform, Consult, Involve, Collaborate and Empower.

The Role of the Barrages in achieving Basin Plan targets and outcomes was the panel session which followed. Acknowledging that the barrages are often seen as being an excuse to bring large quantities of environmental water down to the mouth of the Murray, panel members gave an historical perspective on the need for the barrages and the consequences for river health if they were to be removed from this now highly-managed river system.

Later that day were two presentations about scientific work on planning for the healthy future of the Basin. Melinda Hillery, Senior Project Officer in the NSW Department of Environment and Heritage and a climate change scientist, noted that the best outcomes for communities would be achieved by state and local government working together. She drew the attention of delegates to the AdaptNSW website which contains scenarios for evolving climatic changes for all parts of the state.

Nicole Emara, a business Development manager with CSIRO spoke about national Basin Plan projects being managed by that organisation.

The final substantive presentation of the conference was given by Hilton Taylor on behalf of the Commonwealth Environmental Water Holder on the nature and uses to which environment water are put in a highly managed water system such as the Murray Darling. He noted in passing the importance of the Darling as a fish hatchery and the use last year of environmental water to take fish down the Darling and the Anabranch into the Murray River. He made the important point that environmental water used for occasional floodplain wetting may be counted twice if it re-enters the river system.

On the following day's optional study tour of the Chowilla Regulator and Calperum Station delegates were able to see a number of projects which have the aim of improving the health of that part of the Riverland and to see examples of cooperative action by state, local and commonwealth agencies.

Recommendations

1. That the report be received.
2. That Broken Hill City Council liaises more closely with Central Darling Shire Council to pursue opportunities to document both the economic impacts of the implementation of the Basin Plan on Menindee and the surrounding area and to explore opportunities to respond positively to these changes.
3. That the regional representative of the Commonwealth Environmental Water Holder based in Mildura be invited to visit Broken Hill.

Councillor Marion Browne

ORDINARY MEETING OF THE COUNCIL

October 18, 2017

ITEM 2BROKEN HILL CITY COUNCIL REPORT NO. 202/17

SUBJECT: PUBLIC PRESENTATION OF 2016/2017 FINANCIAL STATEMENTS

13/92**Recommendation**

1. That Broken Hill City Council Report No. 202/17 dated October 18, 2017, be received.
2. That Council adopt the financial statements and authorise the presentation of the financial statements to the public.

Executive Summary:

Council has received the auditor's reports on the financial statements for the year ended 30 June 2017. At the Extra Ordinary Council Meeting held on 16 October 2017, Council authorised for the General Manager to set the date for the Financial Statements and Auditors Reports to be presented to the public. This date has been set for 25 October 2017.

Report:

Council's auditor, The Audit Office of NSW, has completed the audit of Council's financial statements for the year ended 30 June 2017. The draft financial statements were submitted to Council on 16 October, 2017 for Councillors and Management to sign. There were no changes made to the Financial Statements since this date.

Under Section 418 (1) of the *Local Government Act 1993*, Council is required to fix a date for the meeting at which it proposes to present its audited financial statements, including auditor's reports, to the public and give notice of the date of the meeting.

The date set for the public meeting is Wednesday, 25 October 2017, commencing at 6:30pm in the Council Chambers. Notification of this public meeting will be advertised in accordance with the requirements of Section 418 (1)(b) of the *Local Government Act 1993*. The public meeting will also be advertised on Council's website.

Public submissions are invited in relation to the 2016/2017 Annual Financial Statements, with the closing date of Wednesday 1 November. Submissions made to Council will be reported to Council at the next available Council meeting.

The Financial Statements including the Auditors reports were submitted to the Office of Local Government (OLG) on Friday 20 October, 2017.

The full version of the audited Annual Financial Statements including the Auditor's Reports is attached (Attachment 1) and will be available on Council's website from Friday 20 October 2017. Limited numbers of hard copies will be available at the meeting and others will be made available on request.

Strategic Direction:

Key Direction 4: Our Leadership
Objective 4.1: Openness and Transparency in Decision Making
Action 4.1.1.13 Maintain good governance and best practice methods and ensure compliance with various guidelines and legislation.

Relevant Legislation:

Local Government Act (1993)

Financial Implications:

The recommendation has no financial impact.

Attachments

1. [↓](#) Broken Hill City Council - Financial Statements 2016-17

JAY NANKIVELL
FINANCE MANAGER

RAZIJA NU'MAN
ACTING GENERAL MANAGER

Council of the City of Broken Hill

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2017



"... is a vibrant, prosperous and culturally rich Heritage City shared
with visitors from around the world."

Council of the City of Broken Hill

General Purpose Financial Statements for the year ended 30 June 2017

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Overview

- (i) These financial statements are General Purpose Financial Statements and cover the operations for Council of the City of Broken Hill.
- (ii) Council of the City of Broken Hill is a body politic of NSW, Australia – being constituted as a local government area by proclamation and is duly empowered by the *Local Government Act 1993* (LGA).

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note 2(b).

- (iii) All figures presented in these financial statements are presented in Australian currency.
 - (iv) These financial statements were authorised for issue by the Council on 16 October 2017. Council has the power to amend and reissue these financial statements.
-

Council of the City of Broken Hill

General Purpose Financial Statements for the year ended 30 June 2017

Understanding Council's financial statements

Introduction

Each year, individual local governments across New South Wales are required to present a set of audited financial statements to their council and community.

What you will find in the statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2017.

The format of the financial statements is standard across all NSW Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down by the Office of Local Government.

About the Councillor/Management Statement

The financial statements must be certified by senior staff as 'presenting fairly' the Council's financial results for the year and are required to be adopted by Council – ensuring both responsibility for and ownership of the financial statements.

About the primary financial statements

The financial statements incorporate five 'primary' financial statements:

1. The Income Statement

Summarises Council's financial performance for the year, listing all income and expenses.

This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

Primarily records changes in the fair value of Council's Infrastructure, Property, Plant and Equipment.

3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its assets, liabilities and "net wealth".

4. The Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

5. The Statement of Cash Flows

Indicates where Council's cash came from and where it was spent. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the five primary financial statements.

About the Auditor's Reports

Council's annual financial statements are required to be audited by the NSW Audit Office. In NSW the auditor provides 2 audit reports:

1. an opinion on whether the financial statements present fairly the Council's financial performance and position, and
2. their observations on the conduct of the audit, including commentary on the Council's financial performance and financial position.

Who uses the financial statements?

The financial statements are publicly available documents and must be presented at a Council meeting between seven days and five weeks after the date of the Audit Report.

The public can make submissions to Council up to seven days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Office of Local Government.

Financial Statements 2017

Council of the City of Broken Hill

General Purpose Financial Statements
for the year ended 30 June 2017

Statement by Councillors and Management
made pursuant to Section 413(2)(c) of the *Local Government Act 1993 (NSW)* (as amended)

The attached General Purpose Financial Statements have been prepared in accordance with:


- the *Local Government Act 1993 (NSW)* (as amended) and the regulations made thereunder,
- the Australian Accounting Standards and professional pronouncements, and
- the Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these financial statements:

- present fairly the Council's operating result and financial position for the year, and
- accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 16 October 2017.


Darriea Turley
Mayor
Marion Browne
Councillor
Razija Nu'Man
Acting General manager
Jay Nankivell
Responsible accounting officer

Financial Statements 2017

Council of the City of Broken Hill

Income Statement for the year ended 30 June 2017

Budget ¹ 2017	\$ '000	Notes	Actual 2017	Actual 2016
Income from continuing operations				
Revenue:				
16,699	Rates and annual charges	3a	17,498	16,386
3,472	User charges and fees	3b	3,985	3,401
446	Interest and investment revenue	3c	831	899
488	Other revenues	3d	829	2,535
9,667	Grants and contributions provided for operating purposes	3e,f	9,403	10,459
3,572	Grants and contributions provided for capital purposes	3e,f	4,287	3,537
34,344	Total income from continuing operations		36,833	37,217
Expenses from continuing operations				
15,158	Employee benefits and on-costs	4a	14,384	13,776
394	Borrowing costs	4b	493	428
6,529	Materials and contracts	4c	6,138	5,646
6,987	Depreciation and amortisation	4d	6,623	6,767
—	Impairment	4d	887	—
4,453	Other expenses	4e	4,116	3,839
—	Net losses from the disposal of assets	5	10,430	154
33,521	Total expenses from continuing operations		43,071	30,610
823	Operating result from continuing operations		(6,238)	6,607
823	Net operating result for the year		(6,238)	6,607
823	Net operating result attributable to Council		(6,238)	6,607
(2,749)	Net operating result for the year before grants and contributions provided for capital purposes		(10,525)	3,070

¹ Original budget as approved by Council – refer Note 16

Financial Statements 2017

Council of the City of Broken Hill

Statement of Comprehensive Income
for the year ended 30 June 2017

\$ '000	Notes	Actual 2017	Actual 2016
Net operating result for the year (as per Income Statement)		(6,238)	6,607
Other comprehensive income/(loss):			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of I,PP&E	20b (ii)	(11,848)	568
Total items which will not be reclassified subsequently to the operating result		(11,848)	568
Total other comprehensive income/(loss) for the year		(11,848)	568
Total comprehensive income/(loss) for the year		(18,086)	7,175
Total comprehensive income attributable to Council		(18,086)	7,175

This statement should be read in conjunction with the accompanying notes.

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Financial Statements 2017

Council of the City of Broken Hill

Statement of Financial Position as at 30 June 2017

\$ '000	Notes	Actual 2017	Actual 2016
ASSETS			
Current assets			
Cash and cash equivalents	6a	19,800	18,343
Investments	6b	2,000	–
Receivables	7	2,942	2,788
Inventories	8	84	77
Other	8	229	330
Total current assets		25,055	21,538
Non-current assets			
Receivables	7	128	143
Infrastructure, property, plant and equipment	9	216,869	234,070
Total non-current assets		216,997	234,213
TOTAL ASSETS		242,052	255,751
LIABILITIES			
Current liabilities			
Payables	10	2,551	1,637
Income received in advance	10	38	803
Borrowings	10	734	731
Provisions	10	4,928	3,896
Total current liabilities		8,251	7,067
Non-current liabilities			
Borrowings	10	3,576	5,126
Provisions	10	6,557	1,804
Total non-current liabilities		10,133	6,930
TOTAL LIABILITIES		18,384	13,997
Net assets		223,668	241,754
EQUITY			
Retained earnings	20	114,851	121,089
Revaluation reserves	20	108,817	120,665
Council equity interest		223,668	241,754
Total equity		223,668	241,754

This statement should be read in conjunction with the accompanying notes.

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Council of the City of Broken Hill

Statement of Changes in Equity
for the year ended 30 June 2017

\$ '000	Notes	2017					2016				
		Retained earnings	Asset revaluation reserve (Refer 20b)	Other reserves (Refer 20b)	Council interest	Non-controlling interest	Total equity	Retained earnings	Asset revaluation reserve (Refer 20b)	Other reserves (Refer 20b)	Total equity
Opening balance (as per last year's audited accounts)		121,089	120,665	–	241,754	–	241,754	114,482	120,097	–	234,579
Net operating result for the year		(6,238)	–	–	(6,238)	–	(6,238)	6,607	–	–	6,607
Other comprehensive income/(loss)											
– Revaluations: IPP&E asset revaluation rsve	20b (ii)	–	(11,848)	–	(11,848)	–	(11,848)	–	568	–	568
Other comprehensive income/(loss)		–	(11,848)	–	(11,848)	–	(11,848)	–	568	–	568
Total comprehensive income/(loss)		(6,238)	(11,848)	–	(18,086)	–	(18,086)	6,607	568	–	7,175
Equity – balance at end of the reporting period		114,851	108,817	–	223,668	–	223,668	121,089	120,665	–	241,754

Financial Statements 2017

This statement should be read in conjunction with the accompanying notes.

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Financial Statements 2017

Council of the City of Broken Hill

Statement of Cash Flows
for the year ended 30 June 2017

Budget 2017	\$ '000	Notes	Actual 2017	Actual 2016
Cash flows from operating activities				
Receipts:				
15,864	Rates and annual charges		17,232	16,393
3,368	User charges and fees		3,608	3,495
417	Investment and interest revenue received		571	740
12,841	Grants and contributions		13,690	13,996
—	Bonds, deposits and retention amounts received		24	—
473	Other		2,036	3,536
Payments:				
(14,703)	Employee benefits and on-costs		(14,756)	(14,166)
(6,333)	Materials and contracts		(6,592)	(6,792)
(394)	Borrowing costs		(434)	(362)
—	Bonds, deposits and retention amounts refunded		—	(21)
(4,320)	Other		(3,210)	(4,611)
7,213	Net cash provided by operating activities	11b	12,169	12,208
Cash flows from investing activities				
Receipts:				
—	Sale of investment securities		378	8,500
163	Sale of infrastructure, property, plant and equipment		1,817	138
—	Deferred debtors receipts		—	46
Payments:				
—	Purchase of investment securities		(2,189)	(5,729)
(10,402)	Purchase of infrastructure, property, plant and equipment		(9,166)	(4,275)
—	Deferred debtors and advances made		(5)	—
(10,239)	Net cash used by investing activities		(9,165)	(1,320)
Cash flows from financing activities				
Payments:				
(1,019)	Repayment of borrowings and advances		(1,547)	(698)
(1,019)	Net cash used by financing activities		(1,547)	(698)
(4,045)	Net increase in cash and cash equivalents		1,457	10,190
9,437	Plus: cash and cash equivalents – beginning of year	11a	18,343	8,153
5,392	Cash and cash equivalents – end of the year	11a	19,800	18,343
	plus: Investments on hand – end of year	6b	2,000	—
	Total cash, cash equivalents and investments		21,800	18,343
Please refer to Note 11 for additional cash flow information				

This statement should be read in conjunction with the accompanying notes.

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Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

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n/a – not applicable

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with:

- Australian Accounting Standards and Australian Accounting Interpretations;
- the Local Government Act 1993 (NSW) and Regulations; and
- the Local Government Code of Accounting Practice and Financial Reporting.

Council is a not-for-profit entity for the purpose of preparing these financial statements.

(i) New and amended standards adopted by Council

During the current year, Council adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period.

This included the first time application during the year of AASB 124 Related Party Disclosures. As a result Council has disclosed information about related parties and transactions with those related parties. This information is presented in Note 28.

The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to Council's accounting policies, financial position, financial performance or cash flows.

(ii) Early adoption of standards

Council has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2016.

(iii) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities and certain classes of property, plant and equipment and investment property.

(iv) Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- Estimated fair values of infrastructure, property, plant and equipment,
- Estimated tip remediation provisions.

(b) Revenue recognition

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Council and specific criteria have been met for each of the Council's activities as described below.

Council bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is measured on major income categories as follows:

(i) Rates, annual charges, grants and contributions

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenue when the Council obtains control over the

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

assets comprising these receipts. Developer contributions may only be expended for the purposes for which the contributions were required, but the Council may apply contributions according to the priorities established in work schedules.

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

Control over granted assets/contributed assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were un-discharged at reporting date, the unused grant or contribution is disclosed in Note 3(g). The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at reporting date.

(ii) User charges and fees

User charges and fees (including parking fees and fines) are recognised as revenue when the service has been provided or when the penalty has been applied, whichever first occurs.

(iii) Sale of infrastructure, property, plant and equipment

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

(iv) Interest

Interest income is recognised using the effective interest rate at the date that interest is earned.

(v) Rent

Rental income is accounted for on a straight-line basis over the lease term.

(vi) Dividend income

Revenue is recognised when the Council's right to receive the payment is established, which is generally when shareholders approve the dividend.

(vii) Other income

Other income is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

(c) Principles of consolidation

(i) The Consolidated Fund

In accordance with the provisions of Section 409(1) of the Local Government Act 1993 (NSW), all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

Cash and other assets of the following entities have been included as part of the Consolidated Fund:

- General purpose operations

Due to their immaterial value and nature, the following Committees, Entities & Operations have been excluded from consolidation:

- Alma Oval Management Committee
- Bill Renfrew Sportsground Management Committee
- BIU Band Hall Management Committee
- ET Lamb Oval Management Committee
- Memorial Oval Management Committee
- Norm Fox Sporting Complex Management Committee
- Picton Oval Management Committee

(ii) The Trust Fund

Council holds no money or property in trust.

(iii) County Councils

Council is not a member of any county councils.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

(iv) Interests in other entities

Subsidiaries

Council has no interest in any subsidiaries.

Joint arrangements

Council has no interest in any joint arrangements.

Joint operations

Council has no interest in any joint operations.

Joint ventures/associates

Council has no interest in any joint ventures/associates.

(d) Leases

Leases of property, plant and equipment where Council, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases.

Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that Council will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to Council as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Lease income from operating leases where Council is a lessor is recognised as income on a straight-line basis over the lease term.

(e) Impairment of assets

Intangible assets that have an indefinite useful life or are not yet available for use are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(f) Cash and cash equivalents

For Statement of Cash Flow presentation purposes, cash and cash equivalents includes:

- cash on hand;
- deposits held at call with financial institutions;
- other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and
- bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

(g) Inventories

(i) Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value.

Cost comprises direct materials, direct labour, and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(ii) Inventory held for distribution

Inventory held for distribution is held at cost, adjusted where applicable for any loss of service potential.

(iii) Land held for resale/capitalisation of borrowing costs

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development. When development is completed borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

(h) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets; assets arising from employee benefits; financial assets; and investment properties that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

(i) Investments and other financial assets

Classification

Council classifies its financial assets in the following categories: financial assets at fair value through profit or loss; loans and receivables; held-to-maturity investments; and available-for-sale financial assets.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Assets in this category are classified as current assets.

management intends to dispose of the investment within 12 months of the reporting date.

Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Recognition and de-recognition

Regular purchases and sales of financial assets are recognised on trade-date: the date on which Council commits to purchase or sell the asset.

Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Council has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Impairment

Council assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which that are classified as non-current assets.

Loans and receivables are included in other receivables (note 8) and receivables (note 7) in the Statement of Financial Position.

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that Council's management has the positive intention and ability to hold to maturity. If Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale.

Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, that are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

(i) Assets carried at amortised cost

For loans and receivables the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate.

The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Council may measure impairment on the basis of an instrument's fair value using an observable market price.

Collectability of receivables is reviewed on an on-going basis. Debts that are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of receivables) is used when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of the receivables.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The amount of the impairment loss is recognised in the income statement within other expenses. When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period it is written off against the allowance account. Subsequent recoveries of

amounts previously written off are credited against other expenses in the income statement.

Investment Policy

Council has an approved investment policy complying with Section 625 of the Local Government Act 1993 (NSW) and Clause 212 of the Local Government (General) Regulation 2005 (NSW).

Investments are placed and managed in accordance with that policy and having particular regard to authorised investments prescribed under the Ministerial Local Government Investment Order. Council maintains an investment policy that complies with the Act and ensures that it, or its representatives, exercise the care, diligence and skill that a prudent person would exercise in investing Council funds.

Council amended its policy following revisions to the Ministerial Local Government Investment Order (the Order) arising from the Cole Inquiry recommendations. Certain investments the Council holds are no longer prescribed; however, they have been retained under grandfathering provisions of the Order. These will be disposed of when most financially advantageous to Council.

(j) Fair value estimation – financial instruments

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

(k) Infrastructure, property, plant and equipment (IPPE)

Council's assets have been progressively revalued to fair value in accordance with a staged implementation advised by the Office of Local Government. At reporting date, the following classes of IPPE were stated at their fair value:

Externally valued:

- Operational land (Australian Valuation Solutions effective 30 June 2017)
- Community land (Valuer General effective July 2016)
- Buildings – specialised/non-specialised (Australian Valuation Solution effective 30 June 2017)
- Roads assets including roads, bridges and footpaths (Australian Valuation Solution effective 30 June 2017)
- Stormwater drainage assets (Australian Valuation Solution effective 30 June 2017)
- Land improvements (Australian Valuation Solution effective 30 June 2017)
- Other structures (Australian Valuation Solution effective 30 June 2017)

Internally valued:

Nil

As approximated by depreciated historical cost:

- Plant and equipment (Impaired accordingly, in accordance with Council's internal condition report)
- Other assets

Non-specialised assets with short useful lives are measured at depreciated historical cost as an approximation of fair value. Council has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

For all other asset classes, Council assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date. If any such indication exists, Council determines the asset's fair value and revalue the asset to that

amount. Full revaluations are undertaken for all assets on a five-year cycle.

Increases in the carrying amounts arising on revaluation are credited to the asset revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss.

Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

Land is not depreciated.

Depreciation on other assets is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Plant and Equipment

- Earthmoving and Other Major Plant	5 – 20 years
- Motor Vehicles	5 – 10 years
- Minor Plant	2 – 20 years
- Furniture and Fittings	2 – 20 years

Parks and Recreation

- Grassed and Landscaped Area	5 years
- Playground Units	5 – 10 years

Buildings

- Building	50 – 150 years
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Segmentation of Buildings

- Roof	20 – 60 years
- Fire Services	20 – 40 years
- Transportation Services	20 – 40 years
- Mechanical Services	20 – 40 years
- Floor Coverings	20 – 40 years

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

- Structural Shell	50 – 150 years
- Other Structures	10 – 100 years

Transportation Assets

- Sealed Surfaces	15 – 25 years
- Sealed Pavements	40 – 80 years
- Road and Reserve Furniture	5 – 50 years
- Landscaping in Road Reserves	5 years

Footpath Assets

- Paved Surfaces	20 – 50 years
- Unsealed Surfaces	7 – 10 years

Kerb and Gutter Assets

- Kerb and Gutter	40 – 80 years
- Dish Crossing	80 years

Carpark Assets

- Sealed Surfaces	15 – 25 years
- Sealed Pavements	40 – 80 years
- Unsealed Pavements	7 – 10 years

Drainage Assets

- Pipe Length	80 – 100 years
- Pit/Access Point	30 years
- Drainage Structure	50 years
- Lined and Unlined Open Drains	80 years
- Dams/Retention Basins	80 – 120 years
- Pumps/Bores	20 – 40 years
- Pipelines	80 – 100 years
- Facilities and Other Structures	10 years

Other Assets

- Irrigation and Bore Assets	10 – 30 years
- Fence	20 – 30 years
- Other Assets	to be determined

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

(l) Investment property

Investment property, principally comprising freehold office buildings, is held for long-term rental yields and is not occupied by the Council.

Investment property is carried at fair value, which is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, Council uses alternative valuation methods such as recent prices in less active markets, or discounted cash flow projections. Changes in fair values are recorded in the income statement as part of other income.

Properties that are under construction for future use as investment properties are regarded as investment properties. These are also carried at fair value unless the fair value cannot yet be reliably determined. Where that is the case, the property will be accounted for at cost until either the fair value becomes reliably determinable or construction is complete.

(m) Payables

These amounts represent liabilities for goods and services provided to the Council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(n) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

assumed, is recognised in other income or finance cost.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(o) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

(p) Provisions

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(q) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the

employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(ii) Other long-term employee benefit obligations

The liability for long service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the Statement of Financial Position if the Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

(iii) Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Defined Benefit Plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the Statement of Financial Position, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

The present value of the defined benefit obligation is based on expected future payments that arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. However, when this information is not reliably available, Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable.

Defined Contribution Plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(r) Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051 Land Under Roads.

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 Property, Plant and Equipment.

(s) Self-insurance

Council does not self-insure.

(t) Intangible assets

Council has not classified any assets as intangible.

(u) Crown reserves

Crown Reserves under Council's care and control are recognised as assets of the Council. While ownership of the reserves remains with the Crown,

Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Improvements on Crown Reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

(v) Rural fire service assets

There are no Rural Fire Service assets within the Broken Hill Local Government Area.

(w) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which that are recoverable from, or payable to the taxation authority are presented as operating cash flows.

(x) New accounting standards and interpretations issued not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting period and which have not been applied.

As at the date of authorisation of the financial statements, the standards and interpretations listed below were in issue but not yet effective.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

Effective for annual reporting periods beginning on or after 1 January 2017

AASB 2014-5 *Amendments to Australian Accounting Standards arising from AASB 15*

AASB 2015-8 *Amendments to Australian Accounting Standards - Effective Date of AASB 15*

AASB 2016-2 *Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 107*

AASB 2016-4 *Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities*

AASB 2016-7 *Amendments to Australian Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities*

Effective for annual reporting periods beginning on or after 13 February 2017

AASB 2017-2 *Amendments to Australian Accounting Standards - Further Annual Improvements 2014- 16 Cycle*

Effective for annual reporting periods beginning on or after 13 December 2017

Annual Improvements 2014-2016 Cycle and Other Amendments

Effective for annual reporting periods beginning on or after 1 January 2018

AASB 9 *Financial Instruments (December 2009)*

AASB 15 *Revenue from Contracts with Customers*

AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)*

AASB 2014-1 *Amendments to Australian Accounting Standards (Part E)*

AASB 2014-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)*
AASB 1057 *Application of Australian Accounting Standards*

AASB 2016-3 *Amendments to Australian Accounting Standards - Clarifications to AASB 15*

AASB 2016-6 *Amendments to Australian Accounting Standards - Applying AASB 9 Financial Instruments with AASB 4 Insurance Contracts*

Effective for annual reporting periods beginning on or after 1 January 2019

AASB 16 *Leases*

AASB 16 *Leases (Appendix D)*

AASB 2016-8 *Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities*

AASB 1058 *Income of Not-for-Profit Entities*

AASB 2016-8 *Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities*

The full impact of these standards has yet to be ascertained or quantified but will range from additional and/or revised disclosures to changes in how certain transactions and balances are accounted for.

(y) Rounding of amounts

Unless otherwise indicated, amounts in the financial statements have been rounded off to the nearest thousand dollars.

(z) Comparative figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

(aa) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 2(a). Council functions/activities – financial information

Functions/activities	Income, expenses and assets have been directly attributed to the following functions/activities. Details of these functions/activities are provided in Note 2(b).												
	Income from continuing operations			Expenses from continuing operations			Operating result from continuing operations			Grants included in income from continuing operations		Total assets held (current and non-current)	
	Original budget	Actual	Actual	Original budget	Actual	Actual	Original budget	Actual	Actual	Actual	Actual	Actual	Actual
	2017	2017	2016	2017	2017	2016	2017	2017	2016	2017	2016	2017	2016
Governance	–	12	–	992	1,164	1,012	(992)	(1,152)	(1,012)	–	–	11,772	4,967
Administration	248	220	554	5,588	6,059	5,374	(5,340)	(5,839)	(4,820)	–	–	10,168	11,073
Public order and safety	13	60	73	1,132	863	898	(1,119)	(803)	(825)	10	471	711	775
Health	55	22	23	496	155	131	(441)	(133)	(108)	–	–	477	520
Environment	3,230	3,287	3,366	3,219	2,962	3,069	11	325	297	(5)	1,360	84	91
Community services and education	609	1,177	5,562	2,553	6,562	4,384	(1,944)	(5,385)	1,178	931	3,537	13,590	14,800
Housing and community amenities	476	508	575	1,697	1,147	1,062	(1,221)	(639)	(487)	–	103	4,354	4,742
Recreation and culture	3,208	1,163	957	6,946	7,771	5,755	(3,738)	(6,608)	(4,798)	922	711	57,303	62,405
Transport and communication	2,028	3,339	2,327	6,484	6,259	5,583	(4,456)	(2,920)	(3,256)	1,446	1,010	140,466	152,973
Economic affairs	6,131	4,594	4,312	4,414	10,129	3,342	1,717	(5,535)	970	3,435	1,734	3,126	3,405
Total functions and activities	15,998	14,382	17,749	33,521	43,071	30,610	(17,523)	(28,689)	(12,861)	6,739	8,926	242,052	255,751
General purpose income ¹	18,346	22,451	19,468	–	–	–	18,346	22,451	19,468	6,721	4,722	–	–
Operating result from continuing operations	34,344	36,833	37,217	33,521	43,071	30,610	823	(6,238)	6,607	13,460	13,648	242,052	255,751

1. Includes: rates and annual charges (incl. ex-gratia), untied general purpose grants and unrestricted interest and investment income.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 2(b). Council functions/activities – component descriptions

Details relating to the Council's functions/activities as reported in Note 2(a) are as follows:

GOVERNANCE

Includes costs relating to Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of Council and policy-making committees, public disclosure (e.g. GIPA), and legislative compliance.

ADMINISTRATION

Includes corporate support and other support services, engineering works, and any Council policy compliance.

PUBLIC ORDER AND SAFETY

Includes Council's fire and emergency services levy, fire protection, emergency services, beach control, enforcement of regulations and animal control.

HEALTH

Includes immunisation, food control, health centres etc.

ENVIRONMENT

Includes noxious plants and insect/vermin control; other environmental protection; solid waste management, including domestic waste; other waste management; other sanitation; and garbage, street cleaning, drainage and stormwater management.

COMMUNITY SERVICES AND EDUCATION

Includes administration and education; social protection (welfare); migrant, Aboriginal and other community services and administration (excluding accommodation – as it is covered under 'housing and community amenities'); youth services; aged and disabled persons services; children's services, including family day care; child care; and other family and children services.

HOUSING AND COMMUNITY AMENITIES

Includes public cemeteries; public conveniences; street lighting; town planning; other community amenities, including housing development and accommodation for families and children, aged persons, disabled persons, migrants and Indigenous persons.

RECREATION AND CULTURE

Includes public libraries; museums; art galleries; community centres and halls, including public halls and performing arts venues; sporting grounds and venues; swimming pools; parks; gardens; lakes; and other sporting, recreational and cultural services.

TRANSPORT AND COMMUNICATION

Urban local, urban regional, includes sealed and unsealed roads, bridges, footpaths, parking areas, and aerodromes.

ECONOMIC AFFAIRS

Includes camping areas and caravan parks; tourism and area promotion; industrial development promotion; sale yards and markets; real estate development; commercial nurseries; and other business undertakings.

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 3. Income from continuing operations

\$ '000	Notes	Actual 2017	Actual 2016
(a) Rates and annual charges			
Ordinary rates			
Residential		9,250	8,154
Farmland		21	20
Mining		2,352	2,455
Business		3,364	3,320
Less: rates levied on council properties		(81)	(93)
Total ordinary rates		14,906	13,856
Annual charges (pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Domestic waste management services		2,592	2,530
Total annual charges		2,592	2,530
TOTAL RATES AND ANNUAL CHARGES		17,498	16,386

Council has used 2016 year valuations provided by the NSW Valuer General in calculating its rates.

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 3. Income from continuing operations (continued)

\$ '000	Notes	Actual 2017	Actual 2016
(b) User charges and fees			
Specific user charges (per s.502 – specific 'actual use' charges)			
Waste management services (non-domestic)		701	709
Total user charges		701	709
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s.608)			
Animal control		32	50
Inspection services		58	54
Private works – section 67		832	349
Regulatory/ statutory fees		127	145
Section 149 certificates (EPA Act)		73	82
Section 603 certificates		30	29
Other		18	153
Total fees and charges – statutory/regulatory		1,170	862
(ii) Fees and charges – other (incl. general user charges (per s.608))			
Waste disposal tipping fees		165	101
Royalties		82	58
Burial fees		189	196
Art gallery		76	48
Airport		722	646
Film studio		–	3
Community services and aged care fees		234	149
Museum		44	36
Living desert fees		165	149
Public halls		103	69
Swimming centre / pool		14	89
Tourism and area promotion		226	197
Land development		67	65
Other		27	24
Total fees and charges – other		2,114	1,830
TOTAL USER CHARGES AND FEES		3,985	3,401

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 3. Income from continuing operations (continued)

\$ '000	Notes	Actual 2017	Actual 2016
(c) Interest and investment revenue (including losses)			
Interest			
– Interest on overdue rates and annual charges (incl. special purpose rates)		149	173
– Interest earned on investments (interest and coupon payment income)		493	455
Fair value adjustments			
– Fair valuation movements in investments (at fair value or held for trading)		189	271
TOTAL INTEREST AND INVESTMENT REVENUE		831	899
Interest revenue is attributable to:			
Unrestricted investments/financial assets:			
Overdue rates and annual charges (general fund)		149	173
General Council cash and investments		675	726
Restricted investments/funds – external:			
Development contributions			
– Section 94		7	–
Total interest and investment revenue recognised		831	899
(d) Other revenues			
Legal fees recovery – rates and charges (extra charges)		160	118
Commissions and agency fees		61	54
Diesel rebate		20	20
Insurance claim recoveries		61	35
Sales – general		148	81
Sale – shorty o'neil bed licences		–	1,780
Sundry income		379	447
TOTAL OTHER REVENUE		829	2,535

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 3. Income from continuing operations (continued)

\$ '000	2017 Operating	2016 Operating	2017 Capital	2016 Capital
(e) Grants				
General purpose (untied)				
Financial assistance – general component	5,657	3,890	–	–
Financial assistance – local roads component	722	481	–	–
Pensioners' rates subsidies – general component	342	351	–	–
Total general purpose	6,721	4,722	–	–
Specific purpose				
Pensioners' rates subsidies:				
– Domestic waste management	–	1	–	–
Aged care	931	3,537	–	–
Animal control	10	–	–	–
Art gallery	103	112	–	–
Economic development	5	20	3,430	2,183
Environmental protection	–	–	–	1,159
Heritage and cultural	20	23	–	–
Library	170	171	200	–
Living desert	–	–	–	2
Noxious weeds	6	7	–	–
Parks and reserves and horticulture	–	405	410	–
Recreation and culture	8	–	–	–
Street lighting	105	103	–	–
Transport (roads to recovery)	875	655	–	–
Transport (other roads and bridges funding)	219	355	247	–
Waste site	–	–	–	193
Total specific purpose	2,452	5,389	4,287	3,537
Total grants	9,173	10,111	4,287	3,537
Grant revenue is attributable to:				
– Commonwealth funding	6,379	–	3,430	–
– State funding	2,771	–	857	–
– Other funding	23	10,111	–	3,537
	9,173	10,111	4,287	3,537

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 3. Income from continuing operations (continued)

\$ '000	2017 Operating	2016 Operating	2017 Capital	2016 Capital
(f) Contributions				
Developer contributions:				
(s93 & s94 – EP&A Act, s64 of the LGA):				
S 94A – fixed development consent levies	–	38	–	–
Total developer contributions	17	38	–	–
Other contributions:				
Heritage/cultural	1	1	–	–
Recreation and culture	29	32	–	–
RMS contributions (regional roads, block grant)	101	153	–	–
Tourism	12	34	–	–
Aged and disabled services	13	82	–	–
Other	74	8	–	–
Total other contributions	230	310	–	–
Total contributions	230	348	–	–
TOTAL GRANTS AND CONTRIBUTIONS	9,403	10,459	4,287	3,537

\$ '000	Actual 2017	Actual 2016
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(g) Unspent grants and contributions

Certain grants and contributions are obtained by Council on condition that they be spent in a specified manner:

Unexpended at the close of the previous reporting period	4,505	1,000
Add: grants and contributions recognised in the current period but not yet spent:	3,683	3,879
Less: grants and contributions recognised in a previous reporting period now spent:	(1,093)	(374)
Net increase (decrease) in restricted assets during the period	2,590	3,505
Unexpended and held as restricted assets	7,095	4,505
Comprising:		
– Specific purpose unexpended grants	6,648	4,030
– Developer contributions	447	475
	7,095	4,505

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Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 4. Expenses from continuing operations

\$ '000	Notes	Actual 2017	Actual 2016
(a) Employee benefits and on-costs			
Salaries and wages		9,286	9,521
Employee termination costs (where material – other than vested leave paid)		997	–
Travel expenses		165	135
Employee leave entitlements (ELE)		2,354	2,521
Superannuation		1,213	1,406
Workers' compensation insurance		342	272
Fringe benefit tax (FBT)		17	(18)
Training costs (other than salaries and wages)		209	195
Other		65	59
Total employee costs		14,648	14,091
Less: capitalised costs		(264)	(315)
TOTAL EMPLOYEE COSTS EXPENSED		14,384	13,776
Number of 'full-time equivalent' employees (FTE) at year end		149	160
(b) Borrowing costs			
(i) Interest bearing liability costs			
Interest on loans		422	362
Total interest bearing liability costs expensed		422	362
(ii) Other borrowing costs			
Discount adjustments relating to movements in provisions (other than ELE)			
– Remediation liabilities	26	71	66
Total other borrowing costs		71	66
TOTAL BORROWING COSTS EXPENSED		493	428
(c) Materials and contracts			
Raw materials and consumables		2,177	1,926
Contractor and consultancy costs		3,645	3,330
Auditors remuneration ⁽¹⁾		53	74
Legal expenses:			
– Legal expenses: debt recovery		121	207
– Legal expenses: other		109	78
Operating leases:			
– Operating lease rentals: minimum lease payments ⁽²⁾		33	31
TOTAL MATERIALS AND CONTRACTS		6,138	5,646

(continued on the next page...)

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Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 4. Expenses from continuing operations (continued)

\$ '000	Notes	Actual 2017	Actual 2016
(c) Materials and contracts (continued)			
1. Auditor remuneration			
a. During the year, the following fees were incurred for services provided by the Auditor-General:			
(i) Audit and other assurance services			
– Audit and review of financial statements: Auditor-General		53	–
Remuneration for audit and other assurance services		53	–
Total Auditor-General remuneration		53	–
b. During the year, the following fees were incurred for services provided by the other Council's Auditors:			
(i) Audit and other assurance services			
– Audit and review of financial statements: Council's Auditor		–	53
– Other audit and assurance services		–	21
Remuneration for audit and other assurance services		–	74
Total remuneration of other Council's Auditors		–	74
Total Auditor remuneration		53	74
2. Operating lease payments are attributable to:			
Other		33	31
		33	31
(d) Depreciation, amortisation & impairment			
Depreciation and amortisation			
Plant and equipment		468	457
Office equipment		21	45
Furniture and fittings		82	87
Land improvements (depreciable)		–	(38)
Infrastructure:			
– Buildings – non-specialised		2,263	2,472
– Buildings – specialised		101	120
– Other structures		55	55
– Roads		2,903	2,801
– Footpaths		301	301
– Stormwater drainage		169	167
– Swimming pools		107	108
– Other open space/recreational assets		122	151
Other assets			
– Library books		–	7
– Other		2	5
Tip Remediation	9 & 26	29	29
Total depreciation, amortisation & impairment costs		6,623	6,767
Impairment			
Operational Land		47	–
Infrastructure:			
– Buildings – non-specialised		840	–
Total gross impairment costs		887	–
TOTAL DEPRECIATION AND AMORTISATION COSTS EXPENSED		7,510	6,767

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Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 4. Expenses from continuing operations (continued)

\$ '000	Notes	Actual 2017	Actual 2016
(e) Other expenses			
Advertising		128	172
Bad and doubtful debts		110	18
Bank charges		66	56
Contributions/levies to other levels of government		495	483
Councillor expenses – mayoral fee		32	39
Councillor expenses – councillors' fees		152	180
Donations, contributions and assistance to other organisations (Section 356)		225	137
Electricity and heating		441	478
Insurance		858	799
Postage		80	78
Printing and stationery		100	51
Street lighting		380	296
Subscriptions and publications		161	145
Telephone and communications		117	138
Investment fees		5	5
Internet access		39	15
Promotion		56	45
Water charges and consumption		649	526
Other		22	178
<u>TOTAL OTHER EXPENSES</u>		<u>4,116</u>	<u>3,839</u>

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 5. Gains or losses from the disposal of assets

\$ '000	Notes	Actual 2017	Actual 2016
Property (excl. investment property)			
Proceeds from disposal – property		1,773	–
Less: carrying amount of property assets sold/written off		(11,997)	–
Net loss on disposal		(10,224)	–
Plant and equipment			
Proceeds from disposal – plant and equipment		44	137
Less: carrying amount of plant and equipment assets sold/written off		(213)	(120)
Net loss on disposal		(169)	17
Infrastructure			
Proceeds from disposal – infrastructure		–	1
Less: carrying amount of infrastructure assets sold/written off		(38)	(172)
Net loss on disposal		(38)	(171)
Financial assets			
Proceeds from disposal/redemptions/maturities – financial assets		189	8,500
Less: carrying amount of financial assets sold/redeemed/matured		(189)	(8,500)
Net loss on disposal		–	–
NET LOSS ON DISPOSAL OF ASSETS		(10,430)	(154)

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 6a. – Cash assets and Note 6b. – investments

\$ '000	Notes	2017	2017	2016	2016
		Actual Current	Actual Non-current	Actual Current	Actual Non-current
Cash and cash equivalents (Note 6a)					
Cash on hand and at bank		330	–	1,843	–
Cash-equivalent assets ¹					
– Short-term deposits		19,470	–	16,500	–
Total cash and cash equivalents		19,800	–	18,343	–
Investments (Note 6b)					
– Long term deposits		2,000	–	–	–
Total investments		2,000	–	–	–
TOTAL CASH ASSETS, CASH EQUIVALENTS AND INVESTMENTS		21,800	–	18,343	–

¹ Those investments where time to maturity (from date of purchase) is < 3 mths.

**Cash, cash equivalents and investments were
classified at year end in accordance with
AASB 139 as follows:**

Cash and cash equivalents

a. 'At fair value through the profit and loss'		19,800	–	18,343	–
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Investments

a. 'Held to maturity'	6(b-ii)	2,000	–	–	–
Investments		2,000	–	–	–

Refer to Note 27. Fair value measurement for information regarding the fair value of investments held.

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 6c. Restricted cash, cash equivalents and investments – details

	2017 Actual Current	2017 Actual Non-current	2016 Actual Current	2016 Actual Non-current
\$ '000				
Total cash, cash equivalents and investments	21,800	–	18,343	–
attributable to:				
External restrictions (refer below)	11,338	–	8,037	–
Internal restrictions (refer below)	7,211	–	5,046	–
Unrestricted	3,251	–	5,260	–
	21,800	–	18,343	–

2017 \$ '000	Opening balance	Transfers to restrictions	Transfers from restrictions	Closing balance
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Details of restrictions

External restrictions – included in liabilities

Bonds reserve	45	–	–	45
External restrictions – included in liabilities	45	–	–	45

External restrictions – other

Developer contributions – general (D)	475	7	(35)	447
Specific purpose unexpended grants (F)	4,030	13,636	(11,018)	6,648
Domestic waste management (G)	3,098	2,749	(2,093)	3,754
Royalties	389	82	(27)	444
External restrictions – other	7,992	16,474	(13,173)	11,293
Total external restrictions	8,037	16,474	(13,173)	11,338

Internal restrictions

Infrastructure replacement	21	–	–	21
Employees leave entitlement	922	–	(65)	857
Security bonds, deposits and retentions	39	33	–	72
Plant purchase reserve	893	299	(250)	942
Other (innovation reserve)	700	300	–	1,000
Other (infrastructure replacement)	2,000	1,720	–	3,720
Other (regional aquatic centre reserve)	89	14	–	103
Other	382	831	(717)	496
Total internal restrictions	5,046	3,197	(1,032)	7,211
TOTAL RESTRICTIONS	13,083	19,671	(14,205)	18,549

D Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans (refer Note 17).

F Grants which are not yet expended for the purposes for which the grants were obtained. (refer Note 1 (b))

G Water, sewerage, domestic waste management (DWM) and other special rates/levies/charges are externally restricted assets and must be applied for the purposes for which they were raised.

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Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 7. Receivables

\$ '000	Notes	2017		2016	
		Current	Non-current	Current	Non-current
Purpose					
Rates and annual charges		1,994	—	1,704	—
Interest and extra charges		475	—	385	—
User charges and fees		308	—	710	—
GST Receivable		224	—	—	—
Accrued revenues					
– Interest on investments		47	—	66	—
– Other income accruals		121	—	177	—
Deferred debtors		63	128	43	143
Total		3,232	128	3,085	143
Less: provision for impairment					
Rates and annual charges		(161)	—	(137)	—
User charges and fees		(129)	—	(160)	—
Total provision for impairment – receivables		(290)	—	(297)	—
<u>TOTAL NET RECEIVABLES</u>		<u>2,942</u>	<u>128</u>	<u>2,788</u>	<u>143</u>
Externally restricted receivables					
Nil					
Internally restricted receivables					
Nil					
Unrestricted receivables		2,942	128	2,788	143
TOTAL NET RECEIVABLES		2,942	128	2,788	143

Notes on debtors above:

- (i) Rates and annual charges outstanding are secured against the property.
- (ii) Doubtful rates debtors are provided for where the value of the property is less than the debt outstanding.
An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- (iii) Interest was charged on overdue rates and charges at 8.50% (2016 8.50%).
Generally all other receivables are non-interest bearing.
- (iv) Please refer to Note 15 for issues concerning credit risk and fair value disclosures.

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 8. Inventories and other assets

\$ '000	Notes	2017		2016	
		Current	Non-current	Current	Non-current
(a) Inventories					
(i) Inventories at cost					
Trading stock		84	–	77	–
Total inventories at cost		84	–	77	–
(ii) Inventories at net realisable value (NRV)					
Nil					
TOTAL INVENTORIES		84	–	77	–
(b) Other assets					
Prepayments		229	–	330	–
TOTAL OTHER ASSETS		229	–	330	–

Externally restricted assets

There are no restrictions applicable to the above assets.

Other disclosures

Inventory write downs

There were no amounts recognised as an expense relating to the write down of inventory balances held during the year.

Refer to Note 27. Fair value measurement for information regarding the fair value of other assets held.

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 9a. Infrastructure, property, plant and equipment

Asset class	as at 30/6/2016			Asset movements during the reporting period								as at 30/6/2017		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals	Additions new assets	Carrying value of disposals	Depreciation expense	Impairment loss (recognised in P/L)	Adjustments and transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000														
Capital work in progress	745	–	745	5,802	324	–	–	–	–	–	–	6,871	–	6,871
Plant and equipment	10,873	7,211	3,662	686	369	(247)	(468)	–	–	–	–	11,189	7,187	4,002
Office equipment	1,326	1,269	57	–	–	(12)	(21)	–	–	–	–	1,286	1,262	24
Furniture and fittings	1,472	1,088	384	–	–	(26)	(82)	–	–	–	–	1,387	1,111	276
Land:														
– Operational land	5,986	–	5,986	–	–	(321)	–	(47)	(1,063)	(1,119)	–	3,436	–	3,436
– Community land	3,999	–	3,999	–	–	(3)	–	–	1,063	(1,561)	–	3,499	–	3,499
Infrastructure:														
– Buildings – non-specialised	134,814	76,485	58,329	46	6	(11,638)	(2,263)	(840)	–	(3,893)	–	97,958	58,211	39,747
– Buildings – specialised	3,778	1,782	1,996	–	19	–	(101)	–	–	–	802	7,901	5,184	2,717
– Other structures	6,630	697	5,933	–	160	–	(55)	–	–	(1,724)	–	14,005	9,690	4,315
– Roads	164,001	47,656	116,345	1,196	449	–	(2,903)	–	–	(9,225)	–	192,228	86,365	105,863
– Footpaths	11,754	4,371	7,383	–	–	–	(301)	–	–	(69)	–	12,817	5,804	7,013
– Stormwater drainage	12,397	3,705	8,692	–	–	–	(169)	–	–	(118)	–	13,510	5,104	8,406
– Swimming pools	10,472	1,672	8,800	16	45	–	(107)	–	–	–	5,398	17,759	3,606	14,153
– Other open space/recreational assets	2,424	946	1,478	13	32	–	(122)	–	–	(339)	–	2,759	1,699	1,060
Other assets:														
– Library books	352	352	–	–	–	–	–	–	–	–	–	352	352	–
– Art	9,756	48	9,708	–	–	–	–	–	–	–	–	9,756	49	9,707
– Other	277	222	55	–	–	–	(2)	–	–	–	–	278	225	53
Reinstatement, rehabilitation and restoration assets (refer Note 26):														
– Tip assets	959	441	518	–	–	–	(29)	–	5,238	–	–	10,022	4,295	5,727
TOTAL INFRASTRUCTURE, PROPERTY, PLANT AND EQUIP.	382,015	147,945	234,070	7,759	1,405	(12,247)	(6,623)	(887)	5,238	(18,048)	6,200	407,012	190,144	216,869

Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

Refer to Note 27. Fair value measurement for information regarding the fair value of other infrastructure, property, plant and equipment.

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 9b. Externally restricted infrastructure, property, plant and equipment

\$ '000 Class of asset	Actual 2017			Actual 2016		
	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount
Domestic waste management						
Plant and equipment	2,960	2,146	814	2,962	2,040	922
Land						
– Operational land	150	–	150	228	–	228
Buildings	1,701	521	1,180	2,161	508	1,653
Other assets	987	497	490	987	465	522
Total water supply	5,798	3,164	2,634	6,338	3,013	3,325
TOTAL RESTRICTED I,PP&E	5,798	3,164	2,634	6,338	3,013	3,325

Note 9c. Infrastructure, property, plant and equipment – current year impairments

\$ '000	Notes	2017	2016
(i) Impairment losses recognised in the Income Statement:			
– 12 remaining Shorty O'Neil Village Units gifted to a third party. Agreement entered into with party, June 2017, with transfer to occur in 2017/18.		(887)	–
Total impairment losses		(887)	–

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 10a. Payables, borrowings and provisions

\$ '000	Notes	2017		2016	
		Current	Non-current	Current	Non-current
Payables					
Goods and services – operating expenditure		1,685	–	1,278	–
Accrued expenses:					
– Borrowings		4	–	16	–
– Salaries and wages		217	–	146	–
– Other expenditure accruals		528	–	104	–
Security bonds, deposits and retentions		72	–	48	–
Bonds		45	–	45	–
Total payables		2,551	–	1,637	–
Income received in advance					
Payments received in advance		38	–	803	–
Total income received in advance		38	–	803	–
Borrowings					
Loans – secured ¹		734	3,576	731	5,126
Total borrowings		734	3,576	731	5,126
Provisions					
Employee benefits:					
Annual leave		1,370	–	1,462	–
Sick leave		98	–	109	–
Long service leave		2,598	161	2,286	717
Time in lieu		55	–	39	–
Asset remediation/restoration (future works)	26	–	6,396	–	1,087
Project Refurbishment Litigation (c)		807	–	–	–
Total provisions		4,928	6,557	3,896	1,804
TOTAL PAYABLES, BORROWINGS AND PROVISIONS					
		8,251	10,133	7,067	6,930
(i) Liabilities relating to restricted assets					
		2017		2016	
		Current	Non-current	Current	Non-current
Externally restricted assets					
Bonds		45	–	45	–
Liabilities relating to externally restricted assets		45	–	45	–
Internally restricted assets					
Nil					
Total liabilities relating to restricted assets		45	–	45	–
Total liabilities relating to unrestricted assets		8,206	10,133	7,022	6,930
TOTAL PAYABLES, BORROWINGS AND PROVISIONS					
		8,251	10,133	7,067	6,930

¹ Loans are secured over the general rating income of Council

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note 15.

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 10a. Payables, borrowings and provisions (continued)

	Actual 2017	Actual 2016
\$ '000		

(ii) Current liabilities not anticipated to be settled within the next twelve months

The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.

Provisions – employees benefits	575	963
	575	963

Note 10b. Description of and movements in provisions

Class of provision	2016	2017				Closing balance as at 30/6/17
	Opening balance as at 1/7/16	Additional provisions	Decrease due to payments	Remeasurement effects due to discounting	Unused amounts reversed	
Annual leave	1,462	1,105	(1,191)	(6)	–	1,370
Sick leave	109	(11)	–	–	–	98
Long service leave	3,003	345	(580)	(9)	–	2,759
Other leave	39	68	(52)	–	–	55
Asset remediation	1,087	5,309	–	–	–	6,396
Project Refurbishment Litigation (c)	–	807	–	–	–	807
TOTAL	5,700	7,623	(1,823)	(15)	–	11,485

- a. Employees leave entitlements and on-costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.
- b. Asset remediation, reinstatement and restoration provisions represent the present value estimate of future costs Council will incur in order to remove, restore and remediate assets and/or activities as a result of past operations.
- c. Project Refurbishment Litigation represents a payment dispute that occurred after the reporting date. It is probable that an interim economic outflow will occur of \$807K. A partial amount is expected to be recouped, however this cannot be reliably measured as at the date of authorising these Financial Statements.

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 11. Statement of cash flows – additional information

\$ '000	Notes	Actual 2017	Actual 2016
(a) Reconciliation of cash assets			
Total cash and cash equivalent assets	6a	19,800	18,343
Balance as per the Statement of Cash Flows		19,800	18,343
(b) Reconciliation of net operating result to cash provided from operating activities			
Net operating result from Income Statement		(6,238)	6,607
Adjust for non-cash items:			
Depreciation and amortisation		6,623	6,767
Net losses on disposal of assets		10,430	154
Impairment losses recognition – I,PP&E		887	–
– Investments classified as 'at fair value' or 'held for trading'		(189)	(271)
– Revision of Tip Remediation Provision		(5,238)	–
Unwinding of discount rates on reinstatement provisions		71	66
+/- Movement in operating assets and liabilities and other cash items:			
Decrease/(increase) in receivables		(127)	309
Increase/(decrease) in provision for doubtful debts		(7)	(346)
Decrease/(increase) in inventories		(7)	9
Decrease/(increase) in other assets		101	(177)
Increase/(decrease) in payables		407	(592)
Increase/(decrease) in accrued interest payable		(12)	–
Increase/(decrease) in other accrued expenses payable		495	(186)
Increase/(decrease) in other liabilities		(741)	1
Increase/(decrease) in employee leave entitlements		(331)	(133)
Increase/(decrease) in other provisions		6,045	–
Net cash provided from/(used in) operating activities from the Statement of Cash Flows		12,169	12,208

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 11. Statement of cash flows – additional information (continued)

\$ '000	Notes	Actual 2017	Actual 2016
(c) Non-cash investing and financing activities			
2017 Nil (2016 Nil)			
(d) Financing arrangements			
(i) Unrestricted access was available at balance date to the following lines of credit:			
Credit cards/purchase cards		86	73
Total financing arrangements		86	73
Amounts utilised as at balance date:			
– Credit cards/purchase cards		32	25
Total financing arrangements utilised		32	25
(ii) Secured loan liabilities			
Loans are secured by a mortgage over future years rate revenue only.			

Note 12. Commitments for expenditure

(a) Capital commitments (exclusive of GST)

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Property, plant and equipment			
Infrastructure		1,053	4,515
Plant and equipment		201	256
Total commitments		1,254	4,771
These expenditures are payable as follows:			
Within the next year		1,254	4,771
Total payable		1,254	4,771
Sources for funding of capital commitments:			
Internally restricted reserves		1,254	4,771
Total sources of funding		1,254	4,771

(b) Finance lease commitments

2017 Nil (2016 Nil)

(c) Operating lease commitments (non-cancellable)

2017 Nil (2016 Nil)

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Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 13a(i). Statement of performance measurement – indicators (consolidated)

	Amounts 2017	Indicator 2017	Prior periods 2016	2015	Benchmark
\$ '000					

Local government industry indicators – consolidated

1. Operating performance ratio

Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions less operating expenses	(284)	-0.88%	8.84%	-9.84%	>0.00%
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions	32,357				

2. Own source operating revenue ratio

Total continuing operating revenue ⁽¹⁾ excluding all grants and contributions	22,954	62.64%	62.12%	67.25%	>60.00%
Total continuing operating revenue ⁽¹⁾	36,644				

3. Unrestricted current ratio

Current assets less all external restrictions ⁽²⁾	13,717	1.80x	2.23x	1.45x	>1.5x
Current liabilities less specific purpose liabilities ^(3, 4)	7,631				

4. Debt service cover ratio

Operating result ⁽¹⁾ before capital excluding interest and depreciation/impairment/amortisation	7,719	3.78x	9.01x	4.43x	>2x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	2,040				

5. Rates, annual charges, interest and extra charges outstanding percentage

Rates, annual and extra charges outstanding	2,308	11.68%	10.39%	11.60%	<10%
Rates, annual and extra charges collectible	19,759				Rural

6. Cash expense cover ratio

Current year's cash and cash equivalents plus all term deposits	21,800	9.86 mths	8.3 mths	4.3 mths	> 3 mths
Payments from cash flow of operating and financing activities	2,212				

Notes

⁽¹⁾ Excludes fair value adjustments and reversal of revaluation decrements, net gain/(loss) on sale of assets and the net share of interests in joint ventures and associates.

⁽²⁾ Refer Notes 6-8 inclusive.

Also excludes any real estate and land for resale not expected to be sold in the next 12 months.

⁽³⁾ Refer to Note 10(a).

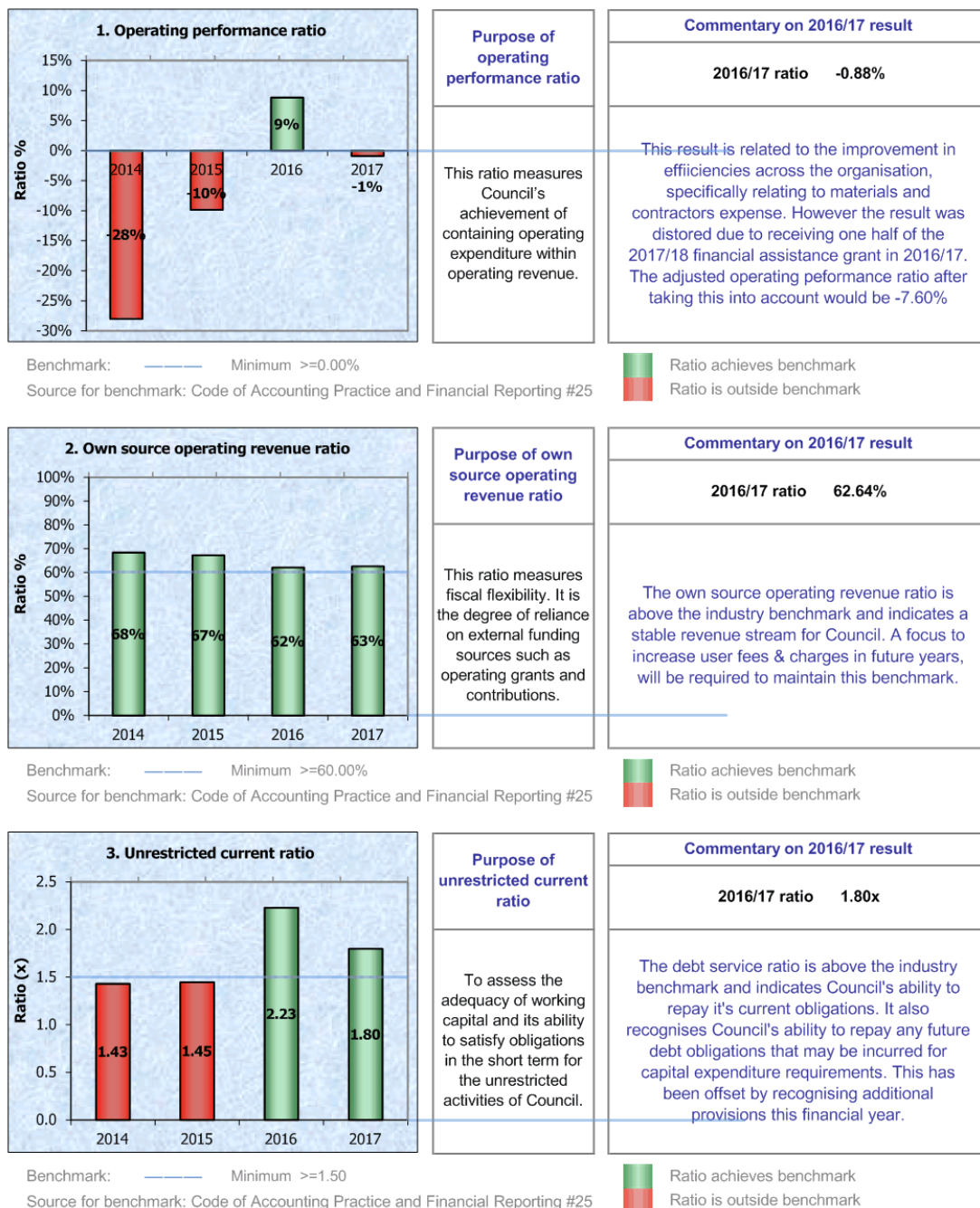
⁽⁴⁾ Refer to Note 10(a)(ii) – excludes all payables and provisions not expected to be paid in the next 12 months (incl. ELE).

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Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

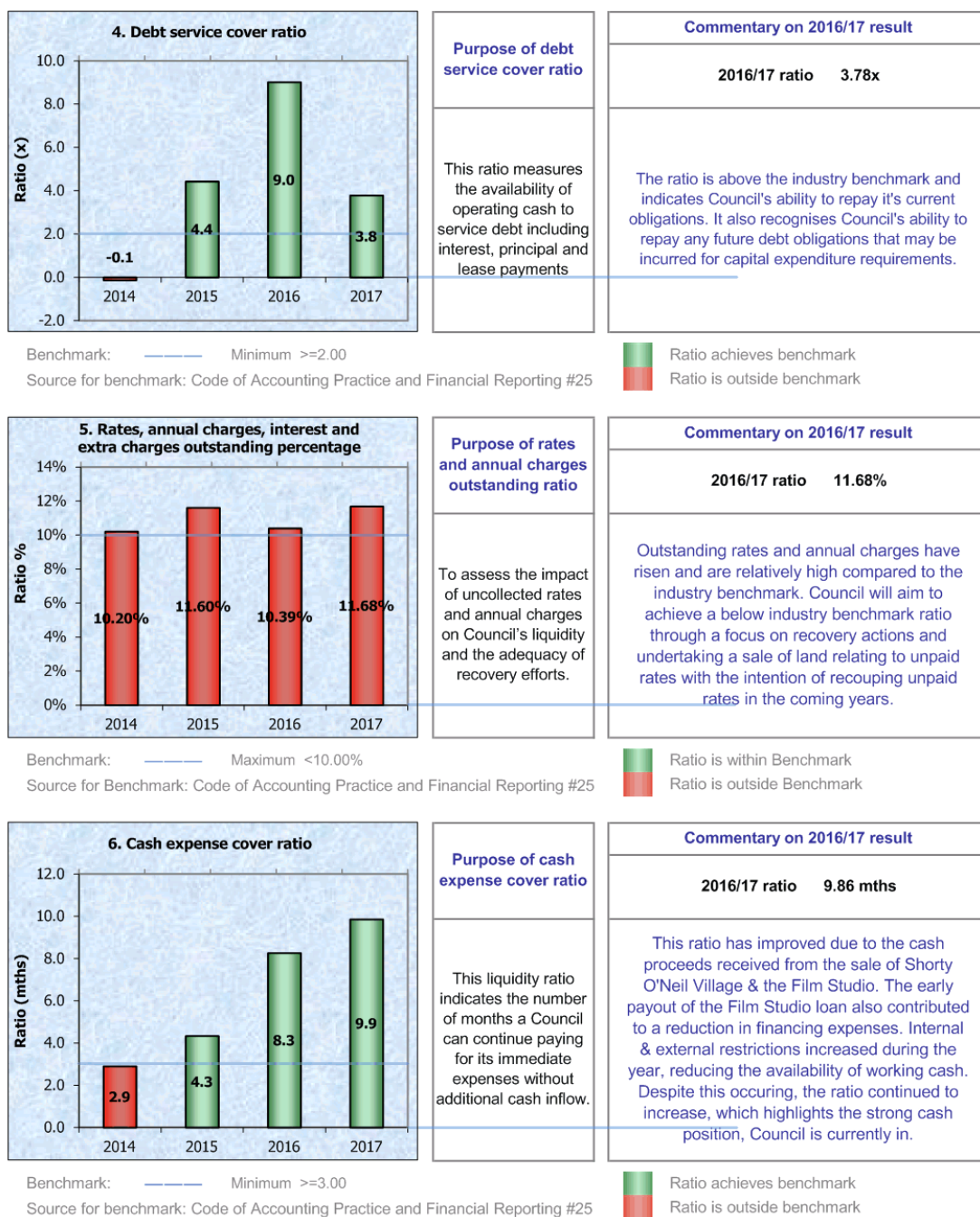
Note 13a(ii). Local government industry indicators – graphs (consolidated)



Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 13a(ii). Local government industry indicators – graphs (consolidated)



Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 14. Investment properties

\$ '000

Council has not classified any land or buildings as 'investment properties'.

Note 15. Financial risk management

Risk management

Council's activities expose it to a variety of financial risks including (1) price risk, (2) credit risk, (3) liquidity risk and (4) interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's finance section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's financial assets and financial liabilities recognised in the financial statements is presented below.

	Carrying value		Fair value	
	2017	2016	2017	2016
Financial assets				
Cash and cash equivalents	19,800	18,343	19,800	18,343
Investments				
– 'Held to maturity'	2,000	–	2,000	–
Receivables	3,070	2,931	3,070	2,931
Total financial assets	24,870	21,274	24,870	21,274
Financial liabilities				
Payables	2,513	834	2,513	1,637
Loans/advances	4,310	5,857	4,310	5,857
Total financial liabilities	6,823	6,691	6,823	7,494

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** – are estimated to be the carrying value that approximates market value.
- **Borrowings and held-to-maturity investments** – are based upon estimated future cash flows discounted by the current mkt interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) '**at fair value through profit and loss**' or (ii) '**available-for-sale**' – are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Refer to Note 27. Fair value measurement for information regarding the fair value of financial assets and liabilities.

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 15. Financial risk management (continued)

\$ '000

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's finance area manages the cash and Investments portfolio with the assistance of independent advisors.

Council has an investment policy which complies with the *Local Government Act 1993* and Minister's investment order. This policy is regularly reviewed by Council and its staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The risks associated with the investments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether there changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

Council also seeks advice from independent advisers before placing any funds in cash equivalents and investments.

(a) Market risk – price risk and interest rate risk

The following represents a summary of the sensitivity of Council's Income Statement and accumulated surplus (for the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

	Increase of values/rates		Decrease of values/rates	
	Profit	Equity	Profit	Equity
2017				
Possible impact of a 1% movement in investment rates	8	8	(8)	(8)
Possible impact of a 1% movement in interest rates	32	32	(32)	(32)
2016				
Possible impact of a 1% movement in interest rates	43	43	(43)	(43)

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 15. Financial risk management (continued)

\$ '000

(b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

The major risk associated with these receivables is credit risk – the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts – that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages the payment of debt.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

A profile of Council's receivables credit risk at balance date follows:

		2017	2017	2016	2016
		Rates and annual charges	Other receivables	Rates and annual charges	Other receivables
(i) Ageing of receivables – %					
Current (not yet overdue)		0%	41%	0%	54%
Overdue		100%	59%	100%	46%
		100%	100%	100%	100%
		Rates and annual charges	Other receivables	Rates and annual charges	Other receivables
(ii) Ageing of receivables – value					
Rates and annual charges	Other receivables				
Current	Current	–	892	1,704	1,524
< 1 year overdue	0 – 30 days overdue	147	25	–	–
1 – 2 years overdue	31 – 60 days overdue	143	53	–	–
2 – 5 years overdue	61 – 90 days overdue	139	29	–	–
> 5 years overdue	> 91 days overdue	1,565	367	–	–
		1,994	1,366	1,704	1,524
(iii) Movement in provision for impairment of receivables				2017	2016
Balance at the beginning of the year				297	643
+ new provisions recognised during the year				–	12
– amounts already provided for and written off this year				(7)	(358)
Balance at the end of the year				290	297

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 15. Financial risk management (continued)

\$ '000

(c) Liquidity risk

Payables and borrowings are both subject to liquidity risk – the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's payables and borrowings are set out in the maturity table below:

\$ '000	Subject	payable in:						Total	Actual
	to no maturity	≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs	cash outflows	carrying values
2017									
Trade/other payables	72	2,479	—	—	—	—	—	2,551	2,551
Loans and advances	—	957	603	537	470	385	2,468	5,420	4,310
Total financial liabilities	72	3,436	603	537	470	385	2,468	7,971	6,861
2016									
Trade/other payables	48	1,589	—	—	—	—	—	1,637	1,637
Loans and advances	—	1,060	1,060	706	606	573	1,883	5,888	5,857
Total financial liabilities	48	2,649	1,060	706	606	573	1,883	7,525	7,494

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Council manages this risk through the diversification of borrowing types, maturities and interest rate structures.

The following interest rates were applicable to Council's borrowings at balance date:

	2017		2016	
	Carrying value	Average interest rate	Carrying value	Average interest rate
Trade/other payables	2,551	0.00%	1,637	0.00%
Loans and advances – fixed interest rate	3,990	5.93%	5,426	5.97%
Loans and advances – variable interest rate	320	3.52%	431	3.84%
	<u>6,861</u>		<u>7,494</u>	

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 16. Material budget variations

\$ '000

Council's original financial budget for 16/17 was adopted by the Council on 15 June 2016.

While the Income Statement included in this General Purpose Financial Report must disclose the original budget adopted by Council, the *Local Government Act 1993* requires Council to review its financial budget on a quarterly basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This note sets out the details of **material variations** between Council's original budget and its actual results for the year as per the Income Statement – even though such variations may have been adjusted for during each quarterly budget review.

Note that for variations* of budget to actual :

Material variations represent those variances that amount to **10%** or more of the original budgeted figure.

F = Favourable budget variation, **U** = Unfavourable budget variation

\$ '000	2017 Budget	2017 Actual	2017 Variance*	
REVENUES				
Rates and annual charges	16,699	17,498	799	5% F
User charges and fees	3,472	3,985	513	15% F
Higher than expected utilisation of Council's facilities in particular the airport and Willyama Common, higher than expected rental income from renting the HACCC Centre, and higher than expected income from RMS contracts.				
Interest and investment revenue	446	831	385	86% F
Increased cash was available for investment due to asset sales and additional funds were received from the recovery of Lehmann Bros CDO investments.				
Other revenues	488	829	341	70% F
Higher than expected income from recovery of legal costs in relation to outstanding rates and insurance rebates, and proceeds from the recognition of the sale of land on the Barrier Highway.				
Operating grants and contributions	9,667	9,403	(264)	(3%) U
Capital grants and contributions	3,572	4,287	715	20% F
Additional grants for projects funded by the Broken Hill Environmental Lead Program and a grant for the upgrade of library equipment was received in 2016/17 but not included in the original budget. Part of the Civic Centre restoration grant was received during 2016/17 but was budgeted to be received in 2015/16. The impact of this was partially offset by BHP grants budgeted for in 2016/17 that were not received.				

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 16. Material budget variations (continued)

\$ '000	2017 Budget	2017 Actual	2017 Variance*	
EXPENSES				
Employee benefits and on-costs	15,158	14,384	774	5% F
Borrowing costs	394	493	(99)	(25%) U
This variance is mainly due to the additional fee of \$109K, that was incurred in paying out the Film Studio Loan early.				
Materials and contracts	6,529	6,138	391	6% F
Depreciation and amortisation	6,987	6,623	364	5% F
Other expenses	4,453	4,116	337	8% F
Net losses from disposal of assets	—	10,430	(10,430)	0% U
This variance was due to the loss on sale of the Film Studio for \$6,488K & SOV for \$3,579K and various other plant & equipment and infrastructure for \$363K.				

Budget variations relating to Council's Cash Flow Statement include:

Cash flows from operating activities	7,213	12,169	4,956	68.7% F
Variance is due to additional cash received from grants and contributions. This related to additional grants received for the the Lead Remediation Program and receiving Civic Centre Refurbishment milestones. The variance also relates to additional payments received for Annual Rates & Charges throughout the year.				
Cash flows from investing activities	(10,239)	(9,165)	1,074	(10.5%) F
Variance is due to the additional investment in securities and term deposits. This was due to the increase in cash reserves and the delay in capital works and subsequent payments occurring in 2016/17.				
Cash flows from financing activities	(1,019)	(1,547)	(528)	51.8% U
This variance is due to the early payout of the Film Studio Loan.				

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 17. Statement of developer contributions

\$ '000

Council recovers contributions, raises levies and enters into planning agreements on development works that are subject to a development consent issued by Council. All contributions must be spent/utilised for the specific purpose they were levied and any interest applicable to unspent funds must be attributed to remaining funds.

The following tables detail the receipt, interest and use of the above contributions and levies and the value of all remaining funds which are 'restricted' in their future use.

SUMMARY OF CONTRIBUTIONS AND LEVIES

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
S94A levies – under a plan	475	–	–	7	(35)	–	447	–
Total S94 revenue under plans	475	–	–	7	(35)	–	447	–
Total contributions	475	–	–	7	(35)	–	447	–

S94A LEVIES – UNDER A PLAN CONTRIBUTION PLAN NUMBER

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Council Animal Pound	139	–	–	7	(35)	–	111	–
Urban Roads	79	–	–	–	–	–	79	–
Urban Footpaths	40	–	–	–	–	–	40	–
Urban Street Tree Planting	20	–	–	–	–	–	20	–
Urban Stormwater Additions	40	–	–	–	–	–	40	–
Urban Parks and Gardens	40	–	–	–	–	–	40	–
Broken Hill Aquatic Centre	119	–	–	–	–	–	119	–
Total	475	–	–	7	(35)	–	447	–

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 18. Contingencies and other assets/liabilities not recognised

\$ '000

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

LIABILITIES NOT RECOGNISED:**1. Guarantees****(i) Defined benefit superannuation contribution plans**

Council participates in an employer-sponsored defined benefit superannuation scheme, and makes contributions as determined by the superannuation scheme's trustees.

Member councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The schemes most recent full actuarial review indicated that the net assets of the scheme were not sufficient to meet the accrued benefits of the schemes defined benefit member category with member councils required to make significantly higher contributions in future years.

The Local Government Superannuation Scheme however is unable to provide Council with an accurate estimate of its share of the net deficit and accordingly Council has not recorded any net liability from its defined benefit scheme obligations in accordance with AASB 119.

Future contributions made to the defined benefit scheme to rectify the net deficit position will be recognised as an expense when they become payable – similar to the accounting for defined contributions plans.

(ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to local government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the net assets or liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the fund years.

The future realisation and finalisation of claims incurred but not reported to 30/6 this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

(iv) Other guarantees

Council has provided no other guarantees other than those listed above.

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 18. Contingencies and other assets/liabilities not recognised (continued)

\$ '000

LIABILITIES NOT RECOGNISED (continued):

2. Other liabilities

(i) Third party claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

(ii) S94 plans

Council levies section 94/94A contributions upon various development across the Council area through the required contributions plans.

As part of these plans, Council has received funds for which it will be required to expend the monies in accordance with those plans.

As well, these plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's general funds.

These future expenses do not yet qualify as liabilities as of the reporting date, but represent Council's intention to spend funds in the manner and timing set out in those plans.

(iii) Potential land acquisitions due to planning restrictions imposed by Council

Council has classified a number of privately owned land parcels as local open space or bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (and subsequent land asset) from such potential acquisitions has not been possible.

ASSETS NOT RECOGNISED:

(i) Land under roads

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30/6/08.

(ii) Infringement notices/fines

Fines and penalty income, the result of Council issuing infringement notices is followed up and collected by the Infringement Processing Bureau.

Council's revenue recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at year end, there is a potential asset due to Council representing issued but unpaid infringement notices.

Due to the limited information available on the status, value and duration of outstanding notices, Council is unable to determine the value of outstanding income.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 18. Contingencies and other assets/liabilities not recognised (continued)

\$ '000

(iii) Refurbishment Project Litigation

"Litigation for a counter claim is in the early stages against the party (parties) involved that brought a Statement of Claim against Council relating to a refurbishment project. The information usually provided by AASB 137, is not disclosed on the grounds that it can be expected to prejudice seriously the outcome of the litigation. The Council are of the opinion that the counter claim will be successful. The amount is not yet quantifiable."

Note 19. Interests in other entities

Council has no interest in any controlled entities, joint arrangements or associates.

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017Note 20. Retained earnings, revaluation reserves, changes in accounting
policies, changes in accounting estimates and errors

\$ '000	Notes	Actual 2017	Actual 2016
(a) Retained earnings			
Movements in retained earnings were as follows:			
Balance at beginning of year (from previous years audited accounts)		121,089	114,482
a. Net operating result for the year		(6,238)	6,607
Balance at end of the reporting period		<u>114,851</u>	<u>121,089</u>
(b) Revaluation reserves			
(i) Reserves are represented by:			
– Infrastructure, property, plant and equipment revaluation reserve		108,817	120,665
Total		<u>108,817</u>	<u>120,665</u>
(ii) Reconciliation of movements in reserves:			
Infrastructure, property, plant and equipment revaluation reserve			
– Opening balance		120,665	120,097
– Revaluations for the year	9(a)	(11,848)	568
– Balance at end of year		<u>108,817</u>	<u>120,665</u>
TOTAL VALUE OF RESERVES		<u>108,817</u>	<u>120,665</u>

(iii) Nature and purpose of reserves**Infrastructure, property, plant and equipment revaluation reserve**

– The infrastructure, property, plant and equipment revaluation reserve is used to record increments/decrements of non-current asset values due to their revaluation.

(c) Correction of error/s relating to a previous reporting period

Council made no correction of errors during the current reporting period.

(d) Voluntary changes in accounting policies

Council made no voluntary changes in any accounting policies during the year.

Note 21. Financial result and financial position by fund

Council utilises only a general fund for its operations.

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Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 22. 'Held for sale' non-current assets and disposal groups

\$ '000

Council did not classify any non-current assets or disposal groups as 'held for sale'.

Note 23. Events occurring after the reporting date

Events that occur between the end of the reporting period (30 June 2017) and the date when the financial statements are 'authorised for issue' have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the applicable 'authorised for issue' date relating to these General Purpose Financial Statements.

Accordingly, the 'authorised for issue' date is 16/10/17.

Events that occur after the reporting period represent one of two types:

(i) Events that provide evidence of conditions that existed at the reporting period

These financial statements (and the figures therein) incorporate all 'adjusting events' that provided evidence of conditions that existed at 30 June 2017.

(ii) Events that provide evidence of conditions that arose after the reporting period

These financial statements (and figures therein) do not incorporate any 'non-adjusting events' that have occurred after 30 June 2017 and which are only indicative of conditions that arose after 30 June 2017.

Council is unaware of any material or significant 'non-adjusting events' that should be disclosed.

Note 24. Discontinued operations

Council has not classified any of its operations as 'discontinued'.

Note 25. Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance.

Council is unaware of any control over intangible assets that warrant recognition in the financial statements, including either internally generated and developed assets or purchased assets.

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 26. Reinstatement, rehabilitation and restoration liabilities

\$ '000

Council has legal/public obligations to make restore, rehabilitate and reinstate the following assets/operations:

Asset/operation	Estimated year of restoration	NPV of provision	
		2017	2016
Landfill site	2036	6,396	1,087
Balance at end of the reporting period	10(a)	<u>6,396</u>	<u>1,087</u>

Under AASB 116 – Property, Plant and Equipment, where the use of an asset results in the obligation to dismantle or remove the asset and restore the site on which the asset stands, an estimate of such costs is required to be included in the cost of the asset.

An equivalent liability must be recognised under AASB 137 – Provisions, Contingent Liabilities and Contingent Assets.

The provision has been calculated by determining the present value of the future expenditures expected to be incurred. The discount rate used is the risk free borrowing rate applicable to Council.

Reconciliation of movement in provision for year:

Balance at beginning of year	1,087	1,021
Effect of a change in other calculation estimates used	5,238	–
Amortisation of discount (expensed to borrowing costs)	71	66
Total – reinstatement, rehabilitation and restoration provision	<u>6,396</u>	<u>1,087</u>

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 27. Fair value measurement

\$ '000

The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, property, plant and equipment
- Financial assets and liabilities

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values:

2017	Fair value measurement hierarchy			Total
	Level 1 Quoted prices in active mkt	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring fair value measurements				
Infrastructure, property, plant and equipment				
Operational land	—	875	2,561	3,436
Community land	—	—	3,499	3,499
Buildings – non-specialised	—	—	39,747	39,747
Buildings – specialised	—	—	2,717	2,717
Other structures	—	—	4,315	4,315
Roads	—	—	105,863	105,863
Footpaths	—	—	7,013	7,013
Stormwater drainage	—	—	8,406	8,406
Swimming pools	—	—	14,153	14,153
Open spaces and other recreation	—	—	1,060	1,060
Art	—	2,852	6,855	9,707
Other	—	—	53	53
Tip remediation	—	—	5,727	5,727
Total infrastructure, property, plant and equipment	—	3,727	201,969	205,696

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

\$ '000

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values: (continued)

2016	Fair value measurement hierarchy			Total
	Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring fair value measurements				
Infrastructure, property, plant and equipment				
Plant and equipment	—	—	3,662	3,662
Office equipment	—	—	57	57
Furniture and fittings	—	—	384	384
Operational land	—	—	5,986	5,986
Community land	—	—	3,999	3,999
Buildings – non-specialised	—	—	58,329	58,329
Buildings – specialised	—	—	1,996	1,996
Other structures	—	—	5,933	5,933
Roads	—	—	116,345	116,345
Footpaths	—	—	7,383	7,383
Stormwater drainage	—	—	8,692	8,692
Swimming pools	—	—	8,800	8,800
Open spaces and other recreation	—	—	1,478	1,478
Art	—	2,852	6,856	9,708
Other	—	—	55	55
Tip remediation	—	—	518	518
Total infrastructure, property, plant and equipment	—	2,852	230,473	233,325

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

\$ '000

(2) Valuation techniques used to derive level 2 and level 3 fair values

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

Financial assets

Council has invested in financial assets including term deposits.
Council values these assets at fair value based on valuations provided at the end of each month and year end that are prepared by external industry experts in the finance field.
Although there are markets for these financial assets, they have been deemed by Council to be inactive and as such these assets have been classified as level 3. Valuation techniques remained the same for the reporting period.

Infrastructure, property, plant and equipment (IPP&E)**Community land**

Assets within the "Community Land" class are:

- Council owned land and
- Care Control Management land [Crown] of which Council derives current and future economic benefits arising from the use of the land asset.

Council's community land is valued on the Unimproved Capital Value (UCV), provided by the Valuer General. Currently all Council assets in this asset class are based on UCV, however, should Council have an asset in future for which an UCV is not provided, the replacement cost will be used. Replacement cost will be based on average unit rates for similar properties, land use, dimensions, land size and shape, which are not considered observable based on market evidence, therefore, placing the whole asset class in Level 3. Valuation techniques remained the same for this reporting period.

Operational land

Council's operational land includes all of Council's land classified as operational land under Local Government Act 1993. Australian Valuation Solutions (AVS) revalued all Operational Land as at 30 June 2017.

Council's operational land is valued using a modelled market based valuation process.

The majority of land is subject to directly observable comparable local market evidence, hence these assets are considered level 2. However there is land that is not subject to directly observable local market evidence as well as, if Council obtains an asset in the future for which this valuation process is not available, the replacement cost will be used. Replacement cost will be based on average unit rates for similar properties, land use, dimensions, land size and shape, which are not considered observable based on market evidence, therefore, placing these assets in Level 3. Valuation techniques remained the same for this reporting period.

Stormwater drainage

The Stormwater Drainage asset class consists of Council's pits and Culverts. AVS completed the valuation of these assets using replacement cost approach and the last valuation was completed in June 2017. Replacement costs (unit rates) and useful lives for Stormwater Drainage assets were determined through professional judgement on behalf of Australis, which incorporated standard unit rates applied to the dimensions of the asset and considered environmental factors based on asset location. Other significant inputs considered in the valuation of these assets are asset condition, remaining useful life, and residual value.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

\$ '000

(2) Valuation techniques used to derive level 2 and level 3 fair values (continued)

Infrastructure, property, plant and equipment (IPP&E) (continued)

Other structure

Council's other structure assets comprise of fences, flagpoles, monuments and the like. Council engaged Australian Valuation Solutions (AVS) to value all buildings, structures and shelters in 2017. The valuation methodology adopted was based on current replacement cost of the asset. Replacement costs (unit rate) and useful lives of Council's other structure assets were determined using technical knowledge from council staff (engineers and asset management) and external valuers. Other significant inputs considered in the valuation of these assets are condition rating, remaining useful life, pattern of consumption, dimensions, components and residual value. This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Buildings – non specialised and specialised

Council engaged AVS to value all buildings and shelters in 2017. The valuation methodology adopted was based on current replacement cost of the asset. The valuation aspects are generally, but not limited to the location, size, condition, style and utility of the asset. Replacement cost, asset condition, remaining useful life and building components are some of the inputs used in fair value determination. Since most of these inputs require judgement and are unobservable, the asset class has been classified as Level 3. Valuation techniques remained the same for this reporting period.

Roads

Council's roads are componentised into the pavement, surface and formation and further separated into segments for inspection and valuation. The revaluation of road assets is undertaken annually. The valuation, which is completed by AVS, was completed in June 2017. The current replacement cost approach was adopted to value Council roads. The replacement costs (based on unit rates), useful lives and conditions were determined by technical information provided by Council's asset planners and professional judgement on behalf of Australis. Some of the other significant inputs considered in the valuation of these assets are remaining useful life, dimensions, components, residual value and type of road.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Footpaths

Council's footpath register consists of all pedestrian walkways and cycleways within the Council area. AVS completed the valuation of the Footpath assets annually and the last valuation was in June 2017. Replacement costs (unit rates) and useful lives of Councils footpaths were determined using technical knowledge Australis's professional judgement. Some of the other significant inputs considered in the valuation of these assets are remaining useful life, dimensions, components and residual value. This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

\$ '000

(2) Valuation techniques used to derive level 2 and level 3 fair values (continued)

Infrastructure, property, plant and equipment (IPP&E) (continued)

Open space / recreational assets

Councils recreational facilities includes assets within our sports fields and park locations. This includes but is not limited to, playing courts, playgrounds, and cricket nets. Australian Valuation Solutions (AVS) was engaged in 2017 for the valuation of these assets. Replacement costs (unit rates) and useful lives of Council's recreational facilities were determined using technical knowledge from Council staff (engineers and asset management) and AVS's professional judgement. Some of the other significant inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, dimensions, components and residual value. This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period

Swimming pool

The swimming pool includes all assets located within the facility. AVS valued the building components of the swimming pool in June 2017 as part of the building revaluation and other substantial components of the pool are valued using replacement cost method. Replacement costs were determined using square metre rates and other significant inputs considered in the valuation of these assets are asset condition, remaining useful life, components, dimensions and residual value. This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period

Artwork

Council engaged Australian Valuation Solutions (AVS) to value all artwork in 2016. This information was updated into Council's asset register. The valuation was completed using the replacement cost approach and market value in accordance with AASB 116. The replacement value for artworks was determined by the price at which the items could be purchased from a reputable dealer, gallery or retail outlet. Where the fair value of an asset could not be determined by sale on the open market, a depreciable replacement cost has been adopted. Other significant inputs considered in the valuation are the condition of the asset, pattern of consumption and remaining useful life. This asset class is categorised as Level 2 & 3 as some of the above mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Tip remediation

Council operates a landfilling operation as well as a range of waste services, including recycled and reclaimed products. It has been recognised that there will be significant costs associated with the closure and post closure management of the landfill site.

Closure of the landfill will involve a wide range of activities including preparation of a Landfill Closure and Management Plan, final capping of the landfill waste and site re-vegetation, decommissioning and removing infrastructure and equipment that will not be required post-closure, and fencing sensitive infrastructure. The key unobservable inputs are the discount rate, cost escalation rate, actual timing of costs and future environmental management requirements. Geolyse were engaged to perform a valuation of the estimated cost for the Tip Remediation based on current data and TIP consumption as at 30 June 2017.

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

\$ '000

(3). Fair value measurements using significant unobservable inputs (level 3)

a. The following tables present the changes in level 3 fair value asset classes.

	Plant and equipment	Operational land	Community land	Buildings non specialised	Total
Opening balance – 1/7/15	3,478	5,202	3,999	59,669	72,348
Transfers from/(to) level 2 FV hierarchy 27 4(b)	–	(875)	–	–	(875)
Transfers from/(to) another asset class	499	93	–	–	592
Purchases (GBV)	835	697	–	1,132	2,664
Disposals (WDV)	(120)	(5)	–	–	(125)
Depreciation and impairment	(589)	–	–	(2,472)	(3,061)

Closing balance – 30/6/16	4,103	5,112	3,999	58,329	71,543
Transfers from/(to) another asset class	–	(1,063)	1,063	–	–
Purchases (GBV)	–	–	–	52	52
Disposals (WDV)	–	(321)	(3)	(11,638)	(11,962)
Depreciation and impairment	–	(47)	–	(3,103)	(3,150)
Revaluation increment/decrement)	–	(1,119)	(1,560)	(3,893)	(6,572)
Transfer out from FV to cost	(4,103)	–	–	–	(4,103)
Closing balance – 30/6/17	–	2,562	3,499	39,747	45,808

	Buildings specialised	Other structures	Roads	Footpaths	Total
Opening balance – 1/7/15	1,697	7,027	117,380	7,683	133,787
Transfers from/(to) another asset class	442	(1,035)	28	–	(565)
Purchases (GBV)	–	–	1,740	–	1,740
Disposals (WDV)	(24)	(3)	–	–	(27)
Depreciation and impairment	(120)	(55)	(2,801)	(301)	(3,277)
Closing balance – 30/6/16	1,995	5,934	116,347	7,382	131,658
Purchases (GBV)	19	160	1,645	–	1,824
Depreciation and impairment	(101)	(55)	(2,903)	(301)	(3,360)
Revaluation increment/decrement)	802	(1,724)	(9,225)	(69)	(10,216)
Closing balance – 30/6/17	2,716	4,315	105,863	7,012	119,906

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

\$ '000

(3). Fair value measurements using significant unobservable inputs (level 3) (continued)

a. The following tables present the changes in level 3 fair value asset classes. (continued)

	Stormwater drainage	Swimming pools	Open spaces /other recreational	Library books	Total
Opening balance – 1/7/15	8,815	8,908	1,581	7	19,311
Purchases (GBV)	44	–	189	–	233
Disposals (WDV)	–	–	(140)	–	(140)
Depreciation and impairment	(167)	(108)	(151)	(7)	(433)
Closing balance – 30/6/16	8,692	8,800	1,479	–	18,971
Purchases (GBV)	–	62	45	–	107
Depreciation and impairment	(169)	(107)	(122)	–	(398)
Revaluation increment/decrement	(118)	5,398	(339)	–	4,941
Closing balance – 30/6/17	8,405	14,153	1,062	–	23,620

	Art	Other	Tip remediation	Financial assets	Total
Opening balance – 1/7/15	9,131	58	489	2,407	12,085
Transfers from/(to) level 2 FV hierarchy 27 4(b)	(2,852)	–	–	–	(2,852)
Transfers from/(to) another asset class	11	–	–	(2,407)	(2,396)
Depreciation and impairment	(2)	(3)	(29)	–	(34)
Revaluation increment/decrement	568	–	–	–	568
Other movement	–	–	57	–	57
Closing balance – 30/6/16	6,856	55	517	–	7,428
Depreciation and impairment	(1)	(2)	(29)	–	(32)
Revision of Tip Estimate	–	–	5,239	–	5,239
Closing balance – 30/6/17	6,855	53	5,727	–	12,635

b. Information relating to the transfers into and out of the level 3 fair valuation hierarchy (as disclosed in the table above) includes:

Plant & Equipment was transferred out of level 3. These assets are valued at cost less depreciable value and therefore should be not recognised as fair value. The movement was less \$4,103.

A movement of \$875K from level 3 to level 2 for Operational Land occurred in 2016/2017. This was due to a recent valuation, based on directly observable comparable local market evidence for residential land.

A movement of \$2,852K from level 3 to level 2 for Artworks occurred 16/17. This was based on observable inputs based on sales of similar artwork as well as professional judgement.

(4). Highest and best use

All of Council's non-financial assets are considered as being utilised for their highest and best use.

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 28. Related party disclosures

\$

a. Key management personnel

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

	Actual
Compensation:	2017
Short-term benefits	889,685
Total	889,685



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Broken Hill City Council

To the Councillors of the Broken Hill City Council

Opinion

I have audited the accompanying financial statements of Broken Hill City Council (the Council), which comprise the statement of financial position as at 30 June 2017, the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by Councillors and Management.

In my opinion,

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
 - have been presented, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2017, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Other Matter

The financial statements of the Council for the year ended 30 June 2016 were audited by another auditor who expressed an unmodified opinion on that financial statement on 17 October 2016.

The Councillors' Responsibility for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the *Local Government Act 1993*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors must assess the Council's ability to continue as a going concern except where the Council will be dissolved or amalgamated by an Act of Parliament. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to:

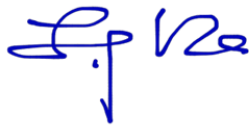
- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar3.pdf. The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, Note 2(a) and Note 16 budget variation explanations
- on the attached Special Schedules
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Weini Liao
Director, Financial Audit Services

19 October 2017
SYDNEY



Darriea Turley
Mayor
Broken Hill City Council
240 Blende Street
Broken Hill NSW 2880

Contact: Weini Liao
Phone no: (02) 9275 7432
Our ref: D1726653/1701

19 October 2017

Dear Mayor

**Report on the Conduct of the Audit
for the year ended 30 June 2017
Broken Hill City Council**

I have audited the general purpose financial statements of the Broken Hill City Council (the Council) for the year ended 30 June 2017 as required by s415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's general purpose financial statements.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2017 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the general purpose financial statements issued under section 417(2) of the Act.

INCOME STATEMENT

Operating result

	2017 \$m	2016 \$m	Variance %
Rates and annual charges revenue	17.5	16.4	6.8 ↑
Grants and contributions revenue	13.7	14.0	(2.1) ↓
Operating result for the year	(6.2)	6.6	(194.4) ↓
Net operating result before capital amounts	(10.5)	3.1	(438.7) ↓

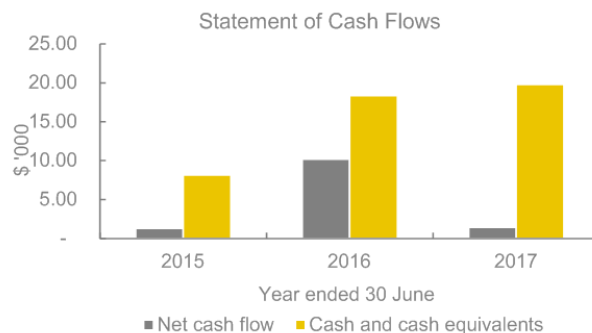
Our insights inform and challenge government to improve outcomes for citizens



- The operating result from continuing activities declined by \$12.8 million or 194.4 per cent. This was driven by a substantial one-off loss on disposal of infrastructure, property, plant & equipment assets (\$10.4 million loss in 2016-17 against a \$0.1 million loss in 2015-16). The one-off gain on sale of the Shorty O'Neill licenses in the prior year (\$1.8 million) also contributed to this movement.
- The net operating result before capital amounts decreased by \$13.6 million or 442.8 per cent. This was primarily driven by the factors noted above in conjunction with an increased proportion of capital as opposed to operational grants.
- Grants and contributions revenue decreased by \$0.3 million or 2.2 per cent. This movement includes an advance payment of 2017-18 Federal Financial Assistance Grants of \$1.9 million and a reduction of \$2.6 million in Aged Care Grants following the partial sale of the Shorty O'Neill facility.
- Rates and annual charges revenue increased by \$1.1 million or 6.8 per cent. This movement is partly attributable to a reduction in the rateable value of a mine site in the local government area following a successful objection and an approved rate increase of 2.1 per cent. The 2016-17 rates revenue also includes a one-off accounting adjustment of \$1 million to recognise previously deferred prepaid rates.

STATEMENT OF CASH FLOWS

- The decrease of net cash flows in 2016-17 was mainly impacted by the significant increase in cash outflows used in investing activities.
- This also comprised of the net movement in sales and purchases of investment securities (decreased from \$2.8 million in 2015-16 to \$1.8 million in 2016-17) and increased outlays on infrastructure, property, plant & equipment (increase from \$4.3 million in 2015-16 to \$9.2 million in 2016-17).
- The movement is negatively impacted by the classification of \$2 million in assets as investments.



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FINANCIAL POSITION

Cash and Investments

Restricted Cash and Investments	2017	2016	Commentary
	\$m	\$m	
External restrictions	11.3	8.0	Cash and investments have increased due to Council's cash operating surplus recorded in the financial year (excluding non-cash losses on disposals of assets).
Internal restrictions	7.2	5.0	
Unrestricted	3.3	5.3	
Cash and investments	21.8	18.3	Increase in external restrictions largely reflects the receipt of specific purpose grants exceeding the spending allocated to those grants.

Borrowings	2017	2016	Commentary
	\$m	\$m	
Borrowings	4.3	5.9	Borrowings decreased as a result of additional payments in line with the existing loan amortisation schedules and the early repayment of a loan on the disposed film studio property.

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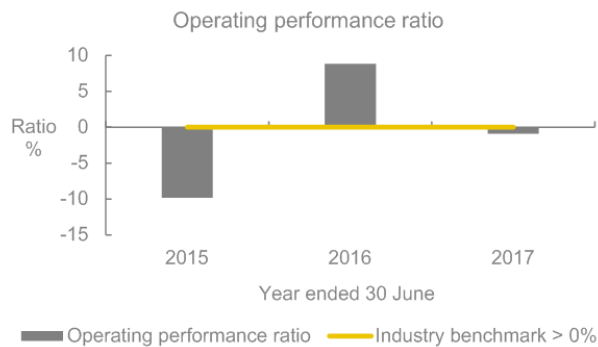


PERFORMANCE RATIOS

The definition of each ratio analysed below (except for the 'building and infrastructure renewals ratio') is included in Note 13 of the Council's audited general purpose financial statements. The 'building and infrastructure renewals ratio' is defined in Council's Special Schedule 7.

Operating performance ratio

- Council's operating performance ratio of negative 0.88 percent reflects a deficit in operating revenues over operating expenses and did not meet the OLG benchmark of greater than zero per cent.
- It reduced mainly due to loss of revenue in 2016-17 of \$1.8 million from Shorty O'Neill village assets which were sold at the start of the year 2017. Increase in employee expenses and other operating expenses also led to reduction in the net operating revenue.
- Council's operating performance ratio has fluctuated significantly over the last three years due to variances in operating grants and other revenues.



The 'operating performances ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by the Office of Local Government (OLG) is greater than zero per cent.

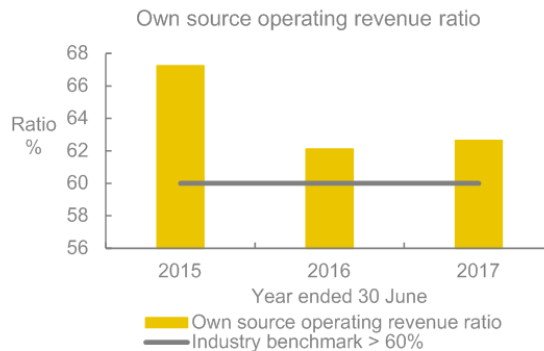
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Own source operating revenue ratio

- Council's own source operating revenue ratio of 62.64 per cent reflects a moderate level of reliance on externally sourced grant revenue and exceeded the OLG benchmark of greater than 60 per cent.
- The ratio has decreased markedly compared to 2014-15, but was above the benchmark of 60 per cent over the last three years.

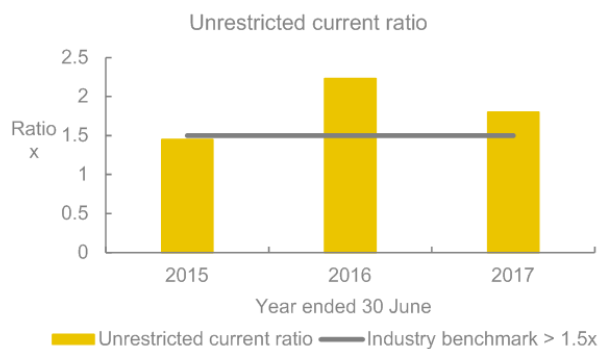
The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.



Unrestricted current ratio

- This ratio indicates that Council currently has \$1.80 of unrestricted assets available to service every \$1.00 of its unrestricted current liabilities. This reflects a moderate operating buffer for use in Council's operations and exceeds the OLG benchmark of greater than 1.5 times.
- This ratio reflects Council's historical operating cash surpluses offset by increased spending on infrastructure assets in the year ended 30 June 2017.
- The unrestricted current ratio excluded assets held by Council, but restricted in use to a specific purpose.

The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.

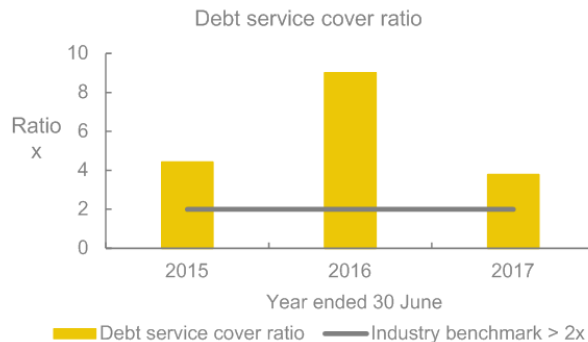


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Debt service cover ratio

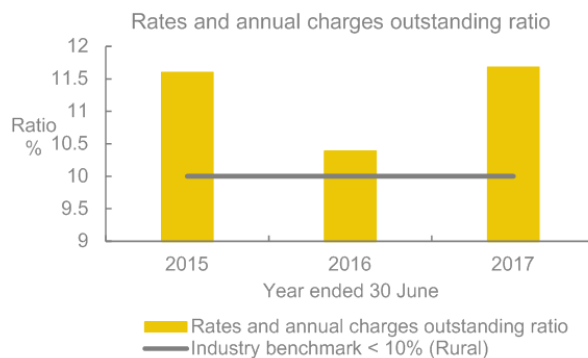
- Council's debt service cover ratio of 3.78 times reflects the reduced operating cash result in the current year and exceeded the OLG benchmark of greater than two times
- The ratio decreased significantly in 2016-27 as a result of additional principal repayments made and a reduced operating surplus.
- Council's debt service cover ratio has varied substantially over the past three years as Council has recognised one-off items in revenue and made additional principal repayments.



The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.

Rates and annual charges outstanding ratio

- Council's rates and annual charges outstanding ratio of 11.68 per cent did not meet the OLG benchmark of less than 10 per cent.
- The elevated ratio reflects time lags in the recovery of outstanding rates debtors from sales of property.
- The ratio has fluctuated between 10.5 to 11.7 per cent over the past three years, which was higher than the benchmark.



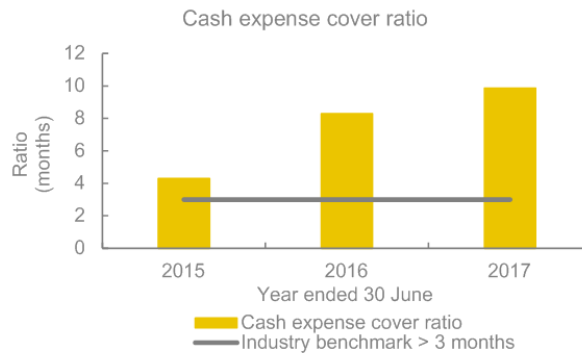
The 'rates and annual charges outstanding ratio' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for rural councils.

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Cash expense cover ratio

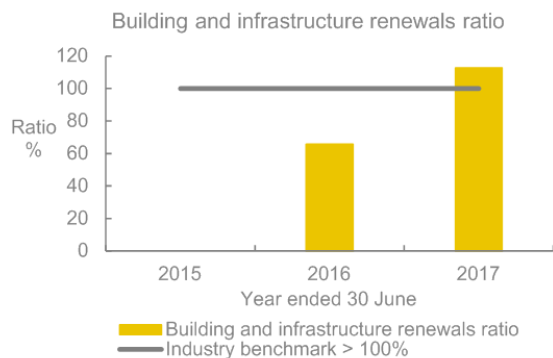
- Council's cash expense cover ratio of 9.86 months exceeded the OLG benchmark of greater than three months.
- This reflects the substantial building up of cash and investment securities made over a number of years.
- Council's cash expense cover ratio has increased over the past three years, reflecting ongoing operating cash surpluses.



This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.

Building and infrastructure renewals ratio

- Council's building and infrastructure renewals ratio of 112.8 per cent exceeded the OLG benchmark of greater than 100 per cent.
- This reflected a high level of capital investment in asset renewals in respect of transport asset and building assets
- Council's building and infrastructure renewals ratio has increased since 2014-15 as a result of higher capital outlays.



The 'building and infrastructure renewals ratio assesses the rate at which these assets are being renewed against the rate at which they are depreciating. The benchmark set by OLG is greater than 100 per cent.

This ratio is sourced from information contained in council's Special Schedule 7 which has not been audited.

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OTHER MATTERS

New accounting standards implemented

AASB 124 'Related Party Disclosures'

Effective for annual reporting periods
beginning on or 1 July 2016

AASB 2015-6 extended the scope of AASB 124 to include not-for-profit public sector entities. As a result, Council's financial statements disclosed the:

- compensation paid to their key management personnel
- nature of their related party relationships
- amount and nature of their related party transactions, outstanding balances and commitments and outstanding balances (including commitments).

Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements or a material deficiency in the Council's accounting records or financial reports. The Council's:

- accounting records were maintained in a manner and form to allow the general purpose financial statements to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.

A handwritten signature in blue ink, appearing to read "Weini Liao".

Weini Liao
Director, Financial Audit Services

19 October 2017
SYDNEY

cc: James Roncon, General Manager
Jim Mitchell, Chair of Audit and Risk Committee
Tim Hurst, Acting Chief Executive of the Office of Local Government

Council of the City of Broken Hill

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2017



"... is a vibrant, prosperous and culturally rich Heritage City shared
with visitors from around the world."

SPFS 2017

Council of the City of Broken Hill

Special Purpose Financial Statements for the year ended 30 June 2017

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2. Special Purpose Financial Statements:	
Income Statement – Other Business Activities	3
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Background

- (i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
 - (ii) The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.
 - (iii) For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).
 - (iv) In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).
-

SPFS 2017

Council of the City of Broken Hill

Special Purpose Financial Statements
for the year ended 30 June 2017

Statement by Councillors and Management
made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached Special Purpose Financial Statements have been prepared in accordance with:


- the NSW Government Policy Statement 'Application of National Competition Policy to Local Government',
- the Division of Local Government Guidelines 'Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality',
- the Local Government Code of Accounting Practice and Financial Reporting,
- the NSW Office of Water Best-Practice Management of Water and Sewerage Guidelines.

To the best of our knowledge and belief, these financial statements:

- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 16 October 2017.


Darriea Turley
Mayor
Marion Browne
Councillor
Razija Nu'Man
Acting General manager
Jay Nankivell
Responsible accounting officer

page 2

SPFS 2017

Council of the City of Broken Hill

Income Statement of Council's Other Business Activities for the year ended 30 June 2017

	Notes	Civic Centre (Entertainment centre) Category 2		Shorty O'Neil Village Category 2	
		Actual 2017	Actual 2016	Actual 2017	Actual 2016
\$ '000					
Income from continuing operations					
User charges		154	43	50	45
Other income		—	13	—	—
Total income from continuing operations		154	56	50	45
Expenses from continuing operations					
Employee benefits and on-costs		116	70	12	18
Materials and contracts		411	30	43	96
Depreciation, amortisation and impairment		495	495	1,036	255
Other expenses		137	71	54	141
Total expenses from continuing operations		1,159	666	1,145	510
Surplus (deficit) from continuing operations before capital amounts		(1,005)	(610)	(1,095)	(465)
Grants and contributions provided for capital purposes		3,430	—	—	—
Surplus (deficit) from continuing operations after capital amounts		2,425	(610)	(1,095)	(465)
Surplus (deficit) from all operations before tax		2,425	(610)	(1,095)	(465)
SURPLUS (DEFICIT) AFTER TAX		2,425	(610)	(1,095)	(465)
Plus opening retained profits		(1,932)	(1,502)	508	746
Add:					
— Subsidy paid/contribution to operations		9,190	180	542	227
Closing retained profits		9,683	(1,932)	(45)	508
Return on capital %		-5.6%	-7.4%	n/a	-7.8%
Subsidy from Council		1,430	788	1,095	595

SPFS 2017

Council of the City of Broken Hill

Income Statement of Council's Other Business Activities for the year ended 30 June 2017

		Airport		Commercial waste	
		Category 2		Category 2	
\$ '000	Notes	Actual 2017	Actual 2016	Actual 2017	Actual 2016
Income from continuing operations					
User charges		720	646	826	816
Other income		5	5	–	5
Total income from continuing operations		725	651	826	821
Expenses from continuing operations					
Employee benefits and on-costs		293	267	102	135
Borrowing costs		20	22	18	–
Materials and contracts		255	233	451	485
Depreciation, amortisation and impairment		413	413	12	3
Other expenses		75	77	19	24
Total expenses from continuing operations		1,056	1,012	602	647
Surplus (deficit) from continuing operations before capital amounts		(331)	(361)	224	174
Surplus (deficit) from continuing operations after capital amounts		(331)	(361)	224	174
Surplus (deficit) from all operations before tax		(331)	(361)	224	174
Less: corporate taxation equivalent (30%) [based on result before capital]		–	–	(67)	(52)
SURPLUS (DEFICIT) AFTER TAX		(331)	(361)	157	122
Plus opening retained profits		587	904	1,064	730
– Corporate taxation equivalent		–	–	67	52
Add:					
– Subsidy paid/contribution to operations		(394)	44	(418)	160
Closing retained profits		(138)	587	870	1,064
Return on capital %		-2.2%	-3.1%	11.5%	17.7%
Subsidy from Council		646	577	–	–

SPFS 2017

Council of the City of Broken Hill

Statement of Financial Position – Council's Other Business Activities
as at 30 June 2017

		Civic Centre (Entertainment centre)		Shorty O'Neil Village	
		Category 2		Category 2	
\$ '000	Notes	Actual 2017	Actual 2016	Actual 2017	Actual 2016
ASSETS					
Current assets					
Receivables		1	44	–	1
Total Current Assets		1	44	–	1
Non-current assets					
Infrastructure, property, plant and equipment		17,840	8,214	–	5,993
Total non-current assets		17,840	8,214	–	5,993
TOTAL ASSETS		17,841	8,258	–	5,994
LIABILITIES					
Current liabilities					
Payables		3	2	45	45
Total current liabilities		3	2	45	45
Non-current liabilities					
Nil					
TOTAL LIABILITIES		3	2	45	45
NET ASSETS		17,838	8,256	(45)	5,949
EQUITY					
Retained earnings		9,683	(1,932)	(45)	508
Revaluation reserves		8,155	10,188	–	5,441
Council equity interest		17,838	8,256	(45)	5,949
Non-controlling equity interest		–	–	–	–
TOTAL EQUITY		17,838	8,256	(45)	5,949

SPFS 2017

Council of the City of Broken Hill

Statement of Financial Position – Council's Other Business Activities
as at 30 June 2017

	Airport		Commercial waste	
	Category 2		Category 2	
\$ '000	Actual 2017	Actual 2016	Actual 2017	Actual 2016
ASSETS				
Current assets				
Cash and cash equivalents	–	–	271	–
Receivables	23	45	85	112
Total Current Assets	23	45	356	112
Non-current assets				
Infrastructure, property, plant and equipment	14,091	10,980	2,113	982
Total non-current assets	14,091	10,980	2,113	982
TOTAL ASSETS	14,114	11,025	2,469	1,094
LIABILITIES				
Current liabilities				
Nil				
Non-current liabilities				
Provisions	–	–	1,599	–
Total non-current liabilities	–	–	1,599	–
TOTAL LIABILITIES	–	–	1,599	–
NET ASSETS	14,114	11,025	870	1,094
EQUITY				
Retained earnings	(138)	587	870	1,064
Revaluation reserves	14,252	10,438	–	30
Council equity interest	14,114	11,025	870	1,094
Non-controlling equity interest	–	–	–	–
TOTAL EQUITY	14,114	11,025	870	1,094

SPFS 2017

Council of the City of Broken Hill

Special Purpose Financial Statements
for the year ended 30 June 2017

Contents of the notes accompanying the financial statements

Note	Details	Page
1	Summary of significant accounting policies	8

Council of the City of Broken Hill

Notes to the Special Purpose Financial Statements
for the year ended 30 June 2017

Note 1. Significant accounting policies

A statement summarising the supplemental accounting policies adopted in the preparation of the Special Purpose Financial Statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these Special Purpose Financial Statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these Special Purpose Financial Statements have been prepared in accordance with the Local Government Act 1993 (NSW), the Local Government (General) Regulation, and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, current values of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 NSW government policy statement titled 'Application of National Competition Policy to Local Government'.

The Pricing and Costing for Council Businesses, A Guide to Competitive Neutrality issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to

activities and provide a standard for disclosure requirements.

These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, return on investments (rate of return), and dividends paid.

Declared business activities

In accordance with *Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

Nil

Category 2

(where gross operating turnover is less than \$2 million)

a. Civic Centre (Entertainment Centre)

Venue for the conduct of shows, festivals, civic activities & significant events.

b. Shorty O'Neil Hostel

Aged Care Retirement Village

c. Broken Hill Airport

Facility for aircraft arrivals & departures, aircraft accommodation, workshop & associated activities.

d. Commercial Garbage Service

Garbage collection & disposal service provided to the business & commercial sector.

Monetary amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest thousand dollars.

Council of the City of Broken Hill

Notes to the Special Purpose Financial Statements for the year ended 30 June 2017

Note 1. Significant accounting policies (continued)

(i) Taxation-equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs.

However, where Council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in Special Purpose Financial Statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate – 30%

Land tax – the first \$549,000 of combined land values attracts 0%. For the combined land values in excess of \$549,001 up to \$3,357,000 the rate is 1.6% + \$100. For the remaining combined land value that exceeds \$3,357,000 a premium marginal rate of 2.0% applies.

Payroll tax – 5.45% on the value of taxable salaries and wages in excess of \$750,000.

Income tax

An income tax equivalent has been applied on the profits of the business activities.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level - gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

Income tax is only applied where a gain/ (loss) from ordinary activities before capital amounts has been achieved.

Since the taxation equivalent is notional – that is, it is payable to Council as the 'owner' of business operations - it represents an internal payment and has no effect on the operations of the Council. Accordingly, there is no need for disclosure of internal charges in the SPFS.

The rate applied of 30% is/is not the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

A calculation of the equivalent rates and charges payable on all category 1 businesses has been applied to all land assets owned or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that council business activities face 'true' commercial borrowing costs in line with private sector competitors.

In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council's borrowing rate for its business activities.

(ii) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed.

Subsidies occur when Council provides services on a less-than-cost-recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations.

Accordingly, 'subsidies disclosed' (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by Council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of each reported business activity.

Council of the City of Broken Hill

Notes to the Special Purpose Financial Statements for the year ended 30 June 2017

Note 1. Significant accounting policies (continued)

(iii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses 'would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field'.

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The actual rate of return achieved by each business activity is disclosed at the foot of each respective Income Statement.

The rate of return is calculated as follows:

Operating result before capital income + interest expense

Written down value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 2.38% at 30/6/17.

(iv) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.



INDEPENDENT AUDITOR'S REPORT

Report on the special purpose financial statement

Broken Hill City Council

To the Councillors of the Broken Hill City Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Broken Hill City Council's (the Council) Declared Business Activities, which comprise the statement of financial position of each Declared Business Activity as at 30 June 2017, the income statement of each Declared Business Activity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information for the Business Activities declared by Council, and the Statement by Councillors and Management.

The Declared Business Activities of the Council are:

- Civic Centre (Entertainment centre)
- Shorty O'Neil Village
- Airport
- Commercial waste

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2017, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting (LG Code).

My opinion should be read in conjunction with the rest of this report and in particular, the Emphasis of Matter referring to the basis of accounting.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to Note (1) to the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling Council's financial reporting responsibilities under the LG Code. As a result, the financial statements may not be suitable for another purpose.

Other Matter

The financial statements of the Council for the year ended 30 June 2016 were audited by another auditor who expressed an unmodified opinion on that financial statement on 17 October 2016.

The Councillors' Responsibility for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements and for determining that the accounting policies, described in Note 1 to the financial statements, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors must assess the Council's ability to continue as a going concern except where the Council will be dissolved or amalgamated by an Act of Parliament. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting, as it affects the Council's Declared Business Activities.

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

The description forms part of my auditor's report.

My opinion does not provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Weini Liao
Director, Financial Audit Services

19 October 2017
SYDNEY

Council of the City of Broken Hill

SPECIAL SCHEDULES
for the year ended 30 June 2017



"... is a vibrant, prosperous and culturally rich Heritage City shared
with visitors from around the world."

Council of the City of Broken Hill

Special Schedules for the year ended 30 June 2017

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¹ Special Schedules are not audited (with the exception of Special Schedule 8).

Background

(i) These Special Schedules have been designed to meet the requirements of special purpose users such as;

- the NSW Grants Commission
- the Australian Bureau of Statistics (ABS),
- the NSW Office of Water (NOW), and
- the Office of Local Government (OLG).

(ii) The financial data is collected for various uses including;

- the allocation of Financial Assistance Grants,
- the incorporation of Local Government financial figures in national statistics,
- the monitoring of loan approvals,
- the allocation of borrowing rights, and
- the monitoring of the financial activities of specific services.

Special Schedules 2017

Council of the City of Broken Hill

Special Schedule 1 – Net Cost of Services
for the year ended 30 June 2017

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Governance	1,164	12	–	(1,152)
Administration	6,059	220	–	(5,839)
Public order and safety				
Fire service levy, fire protection, emergency services	560	–	–	(560)
Beach control	–	–	–	–
Enforcement of local government regulations	110	18	–	(92)
Animal control	193	42	–	(151)
Other	–	–	–	–
Total public order and safety	863	60	–	(803)
Health	155	22	–	(133)
Environment				
Noxious plants and insect/vermin control	3	6	–	3
Other environmental protection	–	–	–	–
Solid waste management	2,707	3,280	–	573
Street cleaning	213	–	–	(213)
Drainage	–	–	–	–
Stormwater management	39	–	–	(39)
Total environment	2,962	3,287	–	325
Community services and education				
Administration and education	–	–	–	–
Social protection (welfare)	–	–	–	–
Aged persons and disabled	6,544	1,177	–	(5,367)
Children's services	18	–	–	(18)
Total community services and education	6,562	1,177	–	(5,385)
Housing and community amenities				
Public cemeteries	280	183	–	(97)
Public conveniences	37	–	–	(37)
Street lighting	412	105	–	(307)
Town planning	418	220	–	(198)
Other community amenities	–	–	–	–
Total housing and community amenities	1,147	508	–	(639)
Water supplies	–	–	–	–
Sewerage services	–	–	–	–

Special Schedules 2017

Council of the City of Broken Hill

Special Schedule 1 – Net Cost of Services (continued)
for the year ended 30 June 2017

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Recreation and culture				
Public libraries	954	183	200	(571)
Museums	417	84	–	(333)
Art galleries	799	247	–	(552)
Community centres and halls	1,353	1	–	(1,352)
Performing arts venues	–	–	–	–
Other performing arts	–	–	–	–
Other cultural services	61	10	–	(51)
Sporting grounds and venues	724	9	–	(715)
Swimming pools	1,207	14	–	(1,193)
Parks and gardens (lakes)	2,256	5	410	(1,841)
Other sport and recreation	–	–	–	–
Total recreation and culture	7,771	553	610	(6,608)
Fuel and energy	–	–	–	–
Agriculture	–	–	–	–
Mining, manufacturing and construction				
Building control	–	–	–	–
Other mining, manufacturing and construction	–	–	–	–
Total mining, manufacturing and const.	–	–	–	–
Transport and communication				
Urban roads (UR) – local	4,460	2,147	247	(2,066)
Urban roads – regional	75	219	–	144
Sealed rural roads (SRR) – local	–	–	–	–
Sealed rural roads (SRR) – regional	–	–	–	–
Unsealed rural roads (URR) – local	–	–	–	–
Unsealed rural roads (URR) – regional	–	–	–	–
Bridges on UR – local	–	–	–	–
Bridges on SRR – local	–	–	–	–
Bridges on URR – local	–	–	–	–
Bridges on regional roads	–	–	–	–
Parking areas	47	–	–	(47)
Footpaths	326	–	–	(326)
Aerodromes	1,146	725	–	(421)
Other transport and communication	204	–	–	(204)
Total transport and communication	6,259	3,092	247	(2,920)
Economic affairs				
Camping areas and caravan parks	–	–	–	–
Other economic affairs	10,129	1,164	3,430	(5,535)
Total economic affairs	10,129	1,164	3,430	(5,535)
Totals – functions	43,071	10,095	4,287	(28,689)
General purpose revenues ⁽¹⁾		22,451		22,451
Share of interests – joint ventures and associates using the equity method	–	–		–
NET OPERATING RESULT ⁽²⁾	43,071	32,546	4,287	(6,238)

(1) Includes: rates and annual charges (including ex gratia, excluding water and sewer), non-capital general purpose

(2) As reported in the Income Statement

grants, interest on investments (excluding externally restricted assets) and interest on overdue rates and annual charges

Council of the City of Broken Hill

Special Schedule 2(a) – Statement of Long Term Debt (all purpose)
for the year ended 30 June 2017

\$'000

Classification of debt	Principal outstanding at beginning of the year			New loans raised during the year	Debt redemption during the year		Transfers to sinking funds	Interest applicable for year	Principal outstanding at the end of the year		
	Current	Non-current	Total		From revenue	Sinking funds			Current	Non-current	Total
Loans (by source)											
Commonwealth Government	–	–	–							–	–
NSW Treasury Corporation	–	–	–							–	–
Other State Government	–	–	–							–	–
Public subscription	–	–	–							–	–
Financial institutions	731	5,126	5,857	–	1,547	–	–	422	734	3,576	4,310
Other	–	–	–							–	–
Total loans	731	5,126	5,857	–	1,547	–	–	422	734	3,576	4,310
Other long term debt											
Ratepayers advances	–	–	–							–	–
Government advances	–	–	–							–	–
Finance leases	–	–	–							–	–
Deferred payments	–	–	–							–	–
Total long term debt	–	–	–	–	–	–	–	–	–	–	–
Total debt	731	5,126	5,857	–	1,547	–	–	422	734	3,576	4,310

Notes: excludes (i) internal loans and (ii) principal inflows/outflows relating to loan re-financing.

This schedule is prepared using the **face value** of debt obligations, rather than **fair value** (which are reported in the GPFS).

Council of the City of Broken Hill

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2017

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2016/17 Required maintenance ^a	2016/17 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Buildings	Administration Centre	1,835	1,835	149	413	3,730	9,614	62%	3%	15%	20%	0%
	Council Works Depot	58	58	33	234	871	3,678	7%	21%	29%	36%	7%
	Libraries	155	155	99	109	1,021	3,270	22%	0%	78%	0%	0%
	Museums	145	145	21	76	1,813	4,014	26%	29%	26%	14%	5%
	Film Studio	–	–	–	41	–	–					
	Public Halls	282	282	32	136	1,953	9,426	18%	32%	32%	9%	9%
	Civic Centre	147	147	63	97	11,831	16,560	62%	0%	38%	0%	0%
	Amenities	98	98	18	30	288	726	25%	25%	50%	0%	0%
	Shorty O'Neil & HACC	99	99	9	119	2,811	6,808	13%	52%	13%	22%	0%
	Airport	2,198	2,198	83	146	3,776	8,059	11%	0%	79%	10%	0%
	Art Gallery	285	285	55	99	3,084	5,368	78%	22%	0%	0%	0%
	Tourist and Travellers	103	103	77	164	1,831	4,719	17%	75%	8%	0%	0%
	Parks & Reserves	950	950	615	667	7,439	28,166	11%	16%	35%	30%	8%
	Cemetery	79	79	29	126	238	417	10%	40%	50%	0%	0%
	Waste Site	623	623	7	28	1,181	1,702	53%	6%	29%	12%	0%
	Other	361	361	80	47	597	2,492	0%	33%	67%	0%	0%
	Sub-total	7,418	7,418	1,370	2,532	42,464	105,019	29.5%	18.4%	33.9%	14.9%	3.4%
Other structures	Other structures	–	–	–	–	4,315	14,005	5%	10%	66%	19%	0%
	Sub-total	–	–	–	–	4,315	14,005	5.0%	10.0%	66.0%	19.0%	0.0%

Council of the City of Broken Hill

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2017 (continued)

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2016/17 Required maintenance ^a	2016/17 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Roads	Sealed Roads Surface	24,888	24,888	485	651	16,915	36,912	3%	32%	60%	3%	2%
	Sealed Roads Structure	–	–	30	26	57,105	105,756	2%	18%	78%	0%	0%
	Unsealed roads	450	450	60	56	1,740	2,515	33%	50%	18%	0%	0%
	Footpaths	–	–	–	65	7,013	12,817	1%	99%	0%	0%	0%
	Kerb & Gutter	7,375	7,375	245	236	18,068	30,730	1%	75%	20%	4%	0%
	Airport	1,196	1,196	422	409	9,849	13,009	46%	24%	26%	4%	0%
	Carparks	150	150	20	–	1,316	2,052	45%	15%	33%	7%	0%
	Roundabouts	690	690	15	13	761	1,132	56%	39%	0%	5%	0%
	Other road assets	–	–	–	–	109	124	100%	0%	0%	0%	0%
	Sub-total	34,749	34,749	1,277	1,456	112,876	205,047	6.1%	35.2%	56.4%	1.7%	0.6%
Stormwater drainage	Stormwater drainage	1,500	1,500	201	–	8,406	13,510	5%	43%	47%	5%	0%
	Sub-total	1,500	1,500	201	–	8,406	13,510	5.0%	43.0%	47.0%	5.0%	0.0%
Open space/recreational assets	Swimming pools	1,709	1,709	1,046	909	14,153	17,714	9%	70%	4%	4%	13%
	Other	1,378	1,378	1,267	1,380	1,060	2,759	17%	33%	33%	17%	0%
	Sub-total	3,087	3,087	2,313	2,289	15,213	20,473	10.1%	65.0%	7.9%	5.8%	11.2%
	TOTAL – ALL ASSETS	46,754	46,754	5,161	6,277	183,274	358,054	13.1%	31.3%	47.1%	6.6%	2.0%

Notes:

a Required maintenance is the amount identified in Council's asset management plans.

Infrastructure asset condition assessment 'key'

1	Excellent	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Average	Maintenance work required

4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

Special Schedules 2017

Council of the City of Broken Hill

Special Schedule 7 – Report on Infrastructure Assets (continued)
for the year ended 30 June 2017

\$ '000	Amounts 2017	Indicator 2017	Benchmark	Prior periods 2016 2015	
Infrastructure asset performance indicators * consolidated					
1. Infrastructure renewals ratio					
Asset renewals ⁽¹⁾	7,739	112.80%	>= 100%	65.75%	0.00%
Depreciation, amortisation and impairment	6,861				
2. Infrastructure backlog ratio					
Estimated cost to bring assets to a satisfactory standard	46,754	25.51%	< 2%	16.05%	17.68%
Net carrying amount of infrastructure assets	183,274				
3. Asset maintenance ratio					
Actual asset maintenance	6,277	1.22	> 1.00	0.93	1.00
Required asset maintenance	5,161				
4. Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	46,754	13.06%		9.85%	10.92%
Gross replacement cost	358,054				

Notes

* All asset performance indicators are calculated using the asset classes identified in the previous table.

⁽¹⁾ Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Special Schedules 2017

Council of the City of Broken Hill

Special Schedule 7 – Report on Infrastructure Assets (continued) for the year ended 30 June 2017

<p>1. Infrastructure renewals ratio</p> <p>Benchmark: — Minimum $\geq 100.00\%$ Source for benchmark: Code of Accounting Practice and Financial Reporting #25</p>	<p>Purpose of asset renewals ratio</p> <p>To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.</p>	<p>Commentary on 2016/17 result</p> <p>2016/17 Ratio 112.80%</p> <p>This is a significant improvement in Council's capital works renewal program, due to a commitment to reach a 1.1 year renewal ratio. A majority of this years expenditure is related to the Civic Centre Refurbishment project as well as road renewals.</p>
<p>2. Infrastructure backlog ratio</p> <p>Benchmark: — Maximum $< 2.00\%$ Source for benchmark: Code of Accounting Practice and Financial Reporting #25</p>	<p>Purpose of infrastructure backlog ratio</p> <p>This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.</p>	<p>Commentary on 2016/17 result</p> <p>2016/17 Ratio 25.51%</p> <p>The infrastructure backlog ratio has increased due to valuations occurring in 2016/17 which reduced the fair value of Council's asset. Council is continuing to assess the entirety of Council's asset that are required to be brought up to a satisfactory service standard. This has also contributed to the increase, as the full extent of the renewals required comes to light.</p>
<p>3. Asset maintenance ratio</p> <p>Benchmark: — Minimum > 1.00 Source for benchmark: Code of Accounting Practice and Financial Reporting #25</p>	<p>Purpose of asset maintenance ratio</p> <p>Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.</p>	<p>Commentary on 2016/17 result</p> <p>2016/17 Ratio 1.22 x</p> <p>Council achieved the benchmark of asset maintenance in 2016/17. It was also higher than normal due to the storm event in November 2016, which attributed out of the ordinary maintenance and operation works to be carried out.</p>
<p>4. Cost to bring assets to agreed service level</p> <p>Benchmark: — Minimum > 1.00 Source for benchmark: Code of Accounting Practice and Financial Reporting #25</p>	<p>Purpose of agreed service level ratio</p> <p>This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.</p>	<p>Commentary on 2016/17 result</p> <p>2016/17 Ratio 13.06%</p> <p>This ratio reduced due to the increase in the "at cost" values of Council's assets due to the valuations as at 30 June 2017. This was partially offset due to the working being done to assess the full extent of the renewals works required on Council's asset to bring them up to a satisfactory standard.</p>

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Special Schedules 2017

Council of the City of Broken Hill

Special Schedule 8 – Permissible Income Calculation
for the year ended 30 June 2018

\$'000		Calculation 2016/17	Calculation 2017/18
Notional general income calculation ⁽¹⁾			
Last year notional general income yield	a	14,439	14,689
Plus or minus adjustments ⁽²⁾	b	(2)	76
Notional general income	c = (a + b)	14,437	14,765
Permissible income calculation			
Special variation percentage ⁽³⁾	d	0.00%	0.00%
Or rate peg percentage	e	1.80%	1.50%
Or crown land adjustment (incl. rate peg percentage)	f	0.00%	2.14%
Less expiring special variation amount	g	—	—
Plus special variation amount	h = d x (c - g)	—	—
Or plus rate peg amount	i = c x e	260	—
Or plus Crown land adjustment and rate peg amount	j = c x f	—	316
Sub-total	k = (c + g + h + i + j)	14,697	15,081
Plus (or minus) last year's carry forward total	l	6	14
Less valuation objections claimed in the previous year	m	—	—
Sub-total	n = (l + m)	6	14
Total permissible income	o = k + n	14,703	15,095
Less notional general income yield	p	14,689	15,157
Catch-up or (excess) result	q = o - p	14	(62)
Plus income lost due to valuation objections claimed ⁽⁴⁾	r	—	213
Less unused catch-up ⁽⁵⁾	s	—	—
Carry forward to next year	t = q + r - s	14	151

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916*.
- (3) The 'special variation percentage' is inclusive of the rate peg percentage and where applicable Crown land adjustment.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (5) Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.
- (6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the *Local Government Act 1993*. The OLG will extract these amounts from Council's Special Schedule 8 in the financial data return (FDR) to administer this process.

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INDEPENDENT AUDITOR'S REPORT

Special Schedule No. 8

Broken Hill City Council

To the Councillors of Broken Hill City Council

Opinion

I have audited the accompanying special purpose financial statement comprising the reconciliation of total permissible general income (Special Schedule No. 8) of Broken Hill City Council (the Council) for the year ending 30 June 2018.

In my opinion, Special Schedule No. 8 of Broken Hill City Council for 30 June 2018 is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting (LG Code) issued by the Office of Local Government (OLG), and is in accordance with the books and records of the Council.

My opinion should be read in conjunction with the rest of this report, and in particular the Emphasis of Matter paragraph, which describes the basis of accounting.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of Special Schedule No.8' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the notes and explanations in Special Schedule No. 8 that instruct councils in its preparation so it complies with OLG's requirements as described in the LG Code. As a result, Special Schedule No. 8 may not be suitable for another purpose.

Other Matter

Special Schedule No.8 of the Council for the year ended 30 June 2017 was audited by another auditor who expressed an unmodified opinion on Special Schedule No. 8 on 17 October 2016.

Councillors' Responsibility for Special Schedule No. 8

The Councillors of the Council are responsible for the preparation of Special Schedule No. 8 in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of Special Schedule No. 8 that is free from material misstatement, whether due to fraud or error.

In preparing Special Schedule No.8, the Councillors must assess the Council's ability to continue as a going concern except where the Council will be dissolved or amalgamated by an Act of Parliament. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

Auditor's Responsibility for the Audit of Special Schedule No. 8

My objectives are to:

- obtain reasonable assurance whether Special Schedule No. 8 as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on Special Schedule No.8.

A description of my responsibilities for the audit of Special Schedule No.8 is located at the Auditing and Assurance Standards Board website at http://www.auasb.gov.au/auditors_responsibilities/ar8.pdf. The description forms part of my auditor's report.

My opinion does not provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Special Schedule No.8 on any website where they may be presented
- about any other information which may have been hyperlinked to/from Special Schedule No 8.



Weini Liao
Director, Financial Audit Services

19 October 2017
SYDNEY

ORDINARY MEETING OF THE COUNCIL

October 13, 2017

ITEM 3BROKEN HILL CITY COUNCIL REPORT NO. 204/17SUBJECT: ANNUAL REPORT 2016/201715/144**Recommendation**

1. That Broken Hill City Council Report No. 204/17 dated October 13, 2017, be received.
2. That the 2016/2017 Annual Report, inclusive of audited Annual Financial Statements, Delivery Program Key Performance Indicators for the reporting period ending 30 June 2017 (adopted at Council meeting 27 September 2017, minute no. 45632), be adopted.
3. That the Annual Report, inclusive of audited Annual Financial Statements, Delivery Program Key Performance Indicators for the reporting period ending 30 June 2017 be posted on Council's website.
4. That Council's web link of Annual Report, inclusive of audited Annual Financial Statements Delivery Program Key Performance Indicators for the reporting period ending 30 June 2017 be provided to the Minister, via the Office of Local Government by 30 November 2017.

Executive Summary:

The purpose of this report is to present the 2016/2017 Annual Report for Council endorsement. The Annual Report includes two appendixes being the Audited Annual Financial Statements and Delivery Program Key Performance Indicators for the period ending 30 June 2017.

Report:

Under the Integrated Planning and Reporting Framework, Council is required to prepare a number of documents to facilitate integration of long-term planning and implementation of Council activities. Core documents include the Community Strategic Plan, the four (4) year Delivery Program, the Annual Operational Plan and the Annual Report.

Section 428 (1) of the *Local Government Act 1993*, requires Councils to prepare an annual report within five (5) months of the end of the financial year.

The Annual Report is Council's report to the community and reports on Council's achievements in implementing its Delivery Program and the effectiveness of the principal activities undertaken in achieving the objectives at which those principal activities were directed during the preceding year.

The 2016/2017 Annual Report is required to be available to the Minister and public by 30 November 2017.

The report will be available to the public via Council's website following adoption by Council.

Strategic Direction:

Key Direction:	4. Our Leadership
Objective:	4.1 Openness and Transparency in Decision Making
Function:	Leadership & Governance
DP Action:	4.1.1.15 Annual Report is prepared in accordance with IP&R Guidelines

Relevant Legislation:

The Integrated Planning and Reporting Framework requires each NSW Council to integrate all of their plans together with the objective of delivering service for the community through streamlining council operations to ensure optimal use of resources.

The Local Government Act 1993 – Sect 428 Annual Reports, states:

- (1) Within 5 months after the end of each year, a council must prepare a report (its "annual report") for that year reporting as to its achievements in implementing its delivery program and the effectiveness of the principal activities undertaken in achieving the objectives at which those principal activities are directed.*
- (2) The annual report in the year in which an ordinary election of councillors is to be held must also report as to the council's achievements in implementing the community strategic plan over the previous 4 years.*
- (3) An annual report must be prepared in accordance with the guidelines under section 406.*
- (4) An annual report must contain the following:*
 - a. a copy of the council's audited financial reports prepared in accordance with the Local Government Code of Accounting Practice and Financial Reporting published by the Department, as in force from time to time,*
 - b. such other information as the regulations or the guidelines under section 406 may require.*
- (5) A copy of the council's annual report must be posted on the council's website and provided to the Minister and such other persons and bodies as the regulations may require. A copy of a council's annual report may be provided to the Minister by notifying the Minister of the appropriate URL link to access the report on the council's website.*

Financial Implications:

There are no direct financial implications arising from the endorsement of the Annual Report, however, the Annual Report contains summaries of financial information that was adopted by Council in the 2015/16 Financial Year.

The 2016/2017 Annual Report contains the 2016/2017 Audited Annual Financial Statements.

Attachments

1. 2016/2017 Annual Report, inclusive of audited Annual Financial Statements,
[!\[\]\(8ba0a8bc08cfb681721719303df69bb8_img.jpg\) Delivery Program Key Performance Indicators](#)

RAZIJA NU'MAN
ACTING GENERAL MANAGER



2016/2017
DRAFT ANNUAL
REPORT

BROKEN HILL
CITY COUNCIL

**AUSTRALIA'S FIRST
HERITAGE LISTED CITY**



QUALITY CONTROL		
TRIM REFERENCES	D16/42709 – 16/105	
KEY DIRECTION	4. Our Leadership	
OBJECTIVE	4.1 Openness and Transparency in Decision Making	
FUNCTION	Corporate Support	
STRATEGY	4.1.1.15 Annual Report is prepared in accordance with IP&R Guidelines	
RESPONSIBLE OFFICER	General Manager	
REVIEW DATE	July 2018	
COMPANY	Broken Hill City Council	
PHONE NUMBER	08 8080 3300	
EMAIL ADDRESS FOR ENQUIRIES ONLY	council@brokenhill.nsw.gov.au	
DATE	ACTION	MINUTE NO.
25 October 2017	Adopted	
NOTES	Front Cover Image: Windows into Wartime exhibition at the Charles Rasp Memorial Library. Images sourced from Council's Image Library Icons made using www.flaticon.com Infographic made using http://www.canva.com © Copyright Broken Hill City Council 2017	
ASSOCIATED DOCUMENTS	Broken Hill 2033 Community Strategic Plan Delivery Program/Operational Plan KPI Report for the period ending 30 June 2017 Audited Financial Statements 2016/2017	

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MESSAGE FROM THE MAYOR AND GENERAL MANAGER



Mayor Darriea Turley

The 2016/2017 year has seen Council forge ahead with existing projects to better our community, while also taking time to look inward for internal improvements.

Council has launched a Service Review process that will examine over 65 different aspects of Council over the next 4 years to ensure the best services possible are being delivered, both internally and to the community. The benefits of this process have already come to fruition via a review of our insurance process, which resulted in a saving of \$450,000 each year. Service Reviews are now being extended via a pilot program examining the Library, Archives, Art Gallery, GeoCentre, Visitor Information Centre, Planning and Customer Services.

A separate extensive review of frontline customer service has also been undertaken, tasking each employee to consider how they can improve their service to ratepayers by "thinking like the customer". This customer-focused process has been undertaken to compile a

framework that ensures Council delivers service that is responsive, professional, accessible and inclusive while at the same time seeking to firmly embed Council's adopted values and behaviours into our everyday interactions with you, the customer.

Any review of existing processes or projects can prompt Council to adjust its direction, and that was the case when the proposed move of the Library to the former Pellew & Moore building was considered in February 2017. While Council remains committed to finding a "drawcard" tenant to encourage foot traffic to the CBD to help revitalise Argent Street, Council ultimately decided to place any move on hold while it further investigates the suitability of the current site as a long term library proposition that can serve the City for the next 20 years. This decision was not taken lightly, with Council carefully considering the ever-expanding scope of the project and feedback from the community, when making its final determination.



General Manager, James Roncon

Another internal review that has prompted a new direction relates to infrastructure, and its subsequent impact on Council's finances. A study of Council's audited financial statements from the last 15 years showed an accumulated operating deficit of around \$65M that has caused a substantial underspend on infrastructure renewal.

Council now finds itself in a position where neglected infrastructure such as parks and footpaths require urgent renewal, and significant steps must be taken to address this issue.

Council has resolved as part of its 2017/2018 Budget to take out a low interest \$10M loan, soundly investing the money in solid-returning New South Wales Treasury Corporation (TCorp) accounts and gradually drawing down the loan at \$1M p.a. to fast track required infrastructure works over the next 10 years. With prudent management, the loan will be cost-neutral across its 20 year life-span, and allow Council to renew the City's infrastructure at a faster rate than it deteriorates, ensuring future generations will have improved community assets.

Further to the budget, Council remains on track to return to a surplus in 2023, with significant improvements expected in coming years through improved internal efficiencies and better financial processes.

Finally, the concept of disability inclusion has resonated across all levels of Government in recent months, and Council has been proactive on this issue

with the creation of a Disability Inclusion Action Plan (DIAP). Our DIAP outlines Council's vision to engage people with disability, their families and supporters, and to improve opportunities for people of all ages, all cultures and of differing abilities, to access the full range of services and activities available in the local community.

The Plan was developed in consultation with people with disabilities and their carers, and its strategies are based on the information and ideas they provided. As it is rolled out in the coming years, we will look to drive improvements across a number of key areas including improving attitudes and behaviours, making our physical environment more liveable and improving access to Council services and employment.

In summary, we believe Council is charting a course to provide the maximum services to residents of Broken Hill, while maintaining a responsible approach to our finances to ensure we are not burdened by large deficits we have seen in the past.

We remain committed to driving continual internal and external improvements to ensure Broken Hill furthers its status as the most vibrant, unique, and liveable City in regional Australia

Darriea Turley, Mayor

James Roncon, General Manager

CITY PROFILE

"Broken Hill has a wonderful story to tell. By tapping into the City's bold and energetic artistic flair, its rich and colourful history, it will be preserved for generations to come."

BHP Billiton CEO Andrew Mackenzie

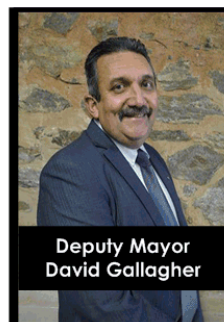
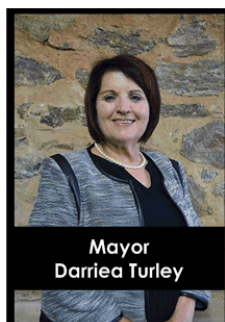
OUR CITY

The Australian Bureau of Statistics commenced releasing information from the 2016 Census in June 2017. The final release of information is expected to be completed by early 2018. The following information is sourced from the Australian Bureau of Statistics and Profile ID.

BROKEN HILL CITY	
Land area	170km ²
Location	1,100km west of Sydney and 500km east of Adelaide
DEMOGRAPHICS – 2016 Census QuickStats	
Census Population 2016	17,814
Female population	51.3%
Male population	48.7%
Identifying as Aboriginal and Torres Strait Islander	8.5%
Families	4,568
Average children per family – with children	1.8
Average children per family – all families	0.6
Number of private dwellings	9,654
Average people per household	2.2
Median weekly household income	\$968
Median monthly mortgage repayments	\$953
Median weekly rent	\$189
Average motor vehicles per dwelling	1.5

ECONOMY – 2011 Profile ID Stats	
Gross Regional Product (2016 figure)	\$0.93 – a decline of 0.4% since previous year
People working in Administrative and Support Services	171
People working in Construction	286
People working in Health Care and Social Assistance	1,108
People working in Mining	624
People working in Retail Trade	872
EDUCATION – Census 2016 Stats	
Technical or Further Education Institute	419
Tertiary	259

OUR COUNCILLORS



HOW ARE COUNCIL ELECTED?

Local Government Elections were held during September 2016, at which one Mayor and nine councillors were elected by the community for a four-year term. Each September the councillors elect a Deputy Mayor from among the elected group, for the year ahead.

WHAT IS THE COUNCILLOR'S ROLE?

All councillors, in accordance with the *Local Government Act 1993*, must "represent the collective interests of residents, ratepayers and the local community"; "facilitate communication between the local community and the governing body"; and "is accountable to the local community for the performance of the council". Council's policies and direction are determined by the councillors while the General Manager is responsible for the efficient and effective operation of the organisation. Day-to-day administration of Council's services and facilities is undertaken by Council's staff members, who are responsible to the General Manager. The organisation chart (see page 13) details Council's structure.

FORMER COUNCILLORS

Council would like to acknowledge the contributions to the City of the former councillors during their term of office 2012 - 2016.



COUNCIL MEETINGS AND COMMITTEES

Council conducts its business on a monthly basis at open and publically advertised meetings. At times, Council matters may be classed as confidential and will be conducted in closed meetings to the public. Additional Council meetings may be held throughout the year to consider specific matters.

A minimum of 10 Council meetings are legislatively required, each in a different month.

Each September, Council delegations are adopted and councillors are assigned specific Committees to represent.

The 2016/2017 delegations were adopted 28 September 2016, minute no. 45333 as follows:

COUNCIL S355 COMMITTEES	
COMMITTEE NAME	DELEGATES REQUIRED
Community Strategic Plan Round Table Mayor 3 Key Direction Portfolio Councillors + Alternates <u>Our Leadership</u> Mayor Turley 1 Alternate <u>Our Community</u> 1 Councillor 1 Alternate <u>Our Economy</u> 1 Councillor 1 Alternate <u>Our Environment</u> 1 Councillor 1 Alternate	<u>Our Leadership</u> Mayor Turley Deputy Mayor Gallagher (Alternate) <u>Our Community</u> Councillor Kennedy Councillor Adams (Alternate) <u>Our Economy</u> Councillor Licul Councillor Nolan (Alternate) <u>Our Environment</u> Councillor Browne Councillor Clark (Alternate)

Alma Oval Community Committee At least 1 Councillor	Councillor Algate Deputy Mayor Gallagher
Broken Hill Heritage Committee 3 Councillors	Mayor Turley Councillor Browne Councillor Adams Councillor Clark (Alternate)
Broken Hill Regional Art Gallery Advisory Committee 3 Councillors	Councillor Page Councillor Licul Councillor Clark
BIU Band Hall Community Committee At least 1 Councillor	Councillor Licul
ET Lamb Memorial Oval Community Committee At least 1 Councillor	Deputy Mayor Gallagher
Friends of the Flora and Fauna of the Barrier Ranges Community Committee At least 1 Councillor	Councillor Browne
Memorial Oval Community Committee At least 1 Councillor	Deputy Mayor Gallagher
Norm Fox Sportsground Community Committee At least 1 Councillor	Councillor Algate Deputy Mayor Gallagher
Picton Sportsground Community Committee At least 1 Councillor	Councillor Adams Councillor Licul
Riddiford Arboretum Community Committee At least 1 Councillor	Councillor Browne
OTHER COMMITTEES	
COMMITTEE NAME	DELEGATES REQUIRED
Association of Mining Related Councils 1 Councillor	Councillor Nolan Councillor Page (Alternate)
Australia Day Advisory Group 4 Councillors	Councillor Browne Deputy Mayor Gallagher Councillor Adams Councillor Kennedy
Audit, Risk & Improvement Committee 2 Councillors	Councillor Nolan Deputy Mayor Gallagher
Asset Naming Committee 5 Councillors	Councillor Browne Councillor Licul Councillor Algate Councillor Adams Councillor Clark
Broken Hill Lead Reference Group 1 Councillor	Councillor Browne

Broken Hill Living Museum and Perfect Light Project Steering Group Mayor + 3 Councillors	Mayor Turley Councillor Nolan Councillor Clark Councillor Adams
Broken Hill Liquor Accord 1 Councillor	Deputy Mayor Gallagher
Broken Hill Solar Plant Community Consultative Committee 1 Councillor	Councillor Nolan
Broken Hill Traffic Committee 1 Councillor (observer only)	Councillor Browne
Broken Hill ClubGRANTS Committee 2 Councillors	Councillor Nolan Councillor Kennedy
Community Assistance Grants Panel Mayor + 1 Councillor + Our Community Portfolio Councillor	Deputy Mayor Gallagher Councillor Clark Councillor Kennedy (Our Community Portfolio)
Disability Inclusion Action Plan Working Group 2 Councillors	Mayor Turley Councillor Adams
Essential Water Customer Council 1 Councillor	Councillor Browne
General Manager's Performance Review Committee Mayor, Deputy Mayor + 3 Councillors	Mayor Turley Deputy Mayor Gallagher Councillor Browne Councillor Adams Councillor Algate
Integrated Waste Management Working Group Mayor + 4 Councillors	Mayor Turley Councillor Browne Councillor Algate Councillor Nolan Councillor Licul
Local Government Fit for the Future – Far West Initiative Advisory Committee Mayor	Mayor Turley
Murray Darling Association 2 Councillors	Councillor Browne Councillor Page
Reconciliation Action Plan (RAP) 3 Councillors	Mayor Turley Councillor Browne Councillor Adams
Silverton Wind Farm Community Consultative Committee 1 Councillor	Councillor Browne Councillor Nolan (Alternate)
Sister City Working Group 4 Councillors	Councillor Adams Deputy Mayor Gallagher Councillor Nolan 1 x vacant position
Tidy Towns Working Group 2 Councillors	Councillor Adams Councillor Browne
Trust for Recreational Reserve (Broken Hill to Silverton Cycleway) 1 Councillor	Councillor Adams

University Partnership Working Party Mayor 1 Councillor	Mayor Turley Councillor Browne
Western Division Councils 2 Councillors	Mayor Turley Deputy Mayor Gallagher
Western NSW Mining and Resource Development Taskforce Mayor	Mayor Turley
Volunteer Working Group 4 Councillors	Councillor Browne Councillor Page Councillor Adams Councillor Clark

OUR PEOPLE

OUR LEADERS

The Executive Leadership Team (ELT) provides clear and consistent leadership and decision making, which supports the delivery of the strategic priorities and direction of the operational business for the City.



JAMES RONCON
General Manager



RAZIJA NU'MAN
Corporate Responsibility
Officer



JAY NANKIVELL
Finance Manager



ANDREA ROBERTS
Executive Manager
Strategic City Development



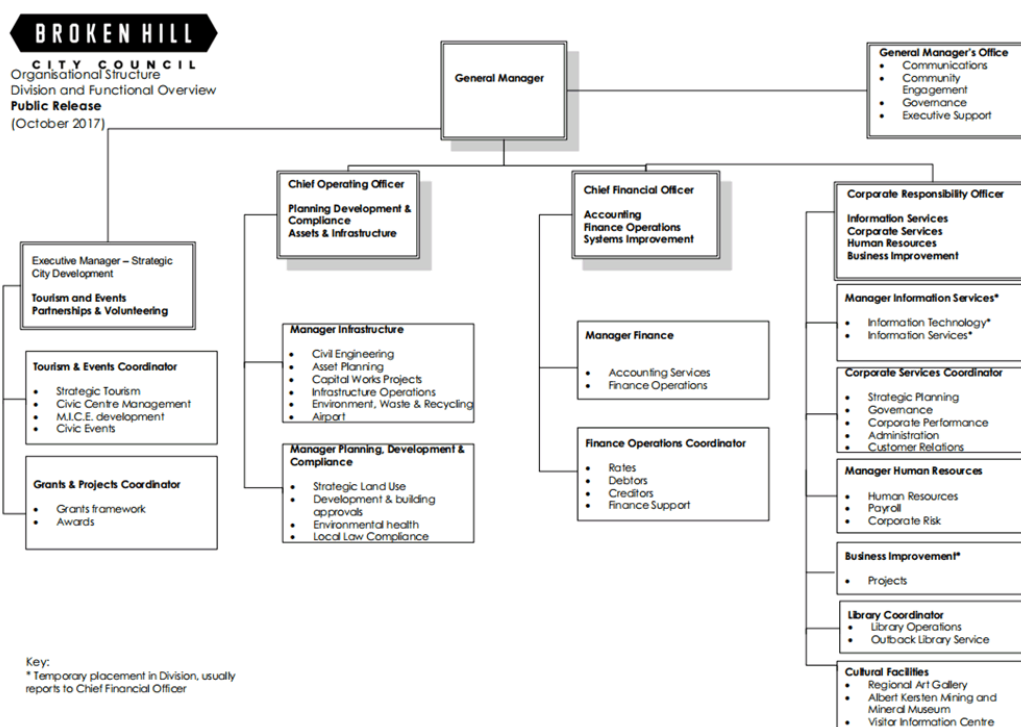
DARRIN MANUEL
Communications &
Community Engagement
Coordinator



BRENDAN SMITH
Chief Operating Officer

OUR STRUCTURE

In November 2016 after consultation with the Council and employees, the General Manager, James Roncon, presented a revised Executive Leadership Team (ELT) structure. The structure took into consideration changes within the *Local Government Act 1993* and proposed a more corporate model of governance for our Local Government. The changes also realigned strategic and operational functions of ELT reports with a view of gaining greater synergy between areas of Council.



FINANCIAL SUSTAINABILITY

Community concern over Council's financial sustainability was reinforced by the NSW Local Government Sector Treasury Corporation's April 2013 report, which assessed a very weak rating, with a neutral outlook for Broken Hill City Council.

Since then, Council's finances have gone under major reform; from budgeted deficits close to and exceeding \$7M in 2013, 2014 and 2015, to adopting a Balanced Budget Long Term Financial Plan in 2014, which outlines Council's path towards a financially sustainable future.

If the bold decisions of the past few years were not made and the status quo was maintained, Council was predicted to be out of cash by 2018. Instead as at 30 June 2017, Council holds cash reserves in excess of \$21M, with a strong asset base and operating platform.

Continuing on from the significant progress made in 2015/2016, which saw Council achieve its first operating surplus before capital this millennium, Council has again achieved another good result with an operating deficit before capital and other extraordinary items of \$301,000. This is a \$2.4M better result than the expected budget Council had originally endorsed. Council's cash reserves increased by \$3M whilst also reducing loans outstanding from \$5.9M to \$4.3M.

During the year Council disposed of the Shorty O'Neil Village and Film Studio, which will see ongoing annual operating savings occur in the vicinity of \$500,000, as well as a cash injection of \$1.8M, which has been restricted for further infrastructure renewals.

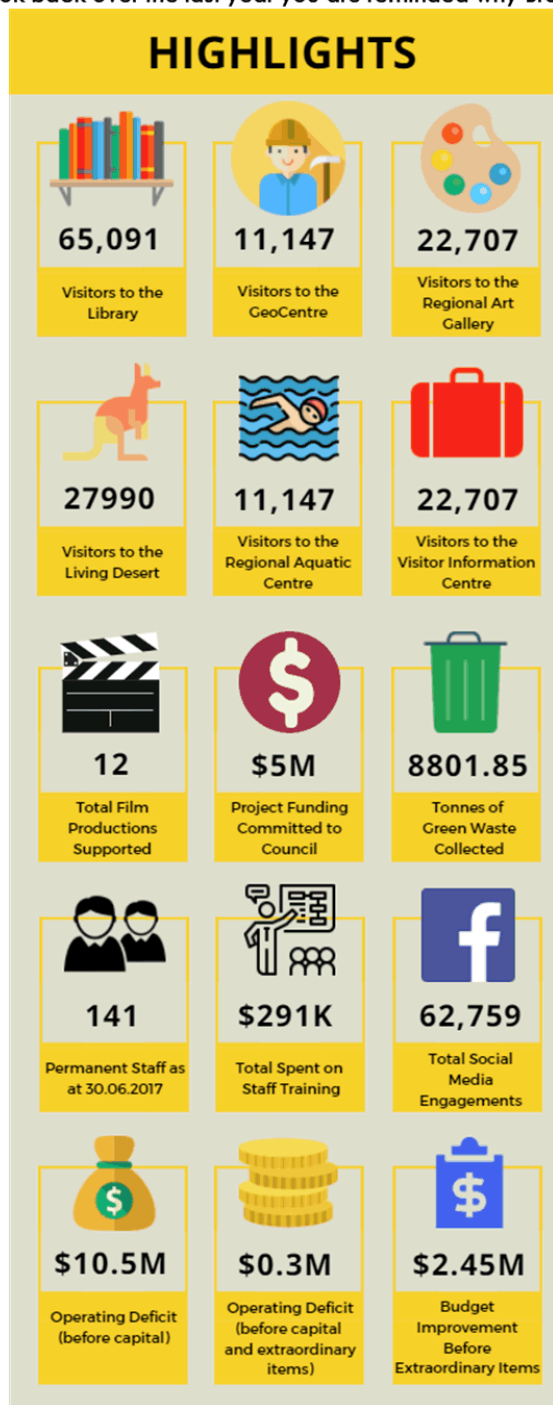
During the 2016/2017 financial year, Council made the commitment to ensure that asset renewals were above 100% going forward. This plan was adopted to ensure that Council begins to rebuild its deteriorating asset base, and ensure its buildings and infrastructure is in a condition that meets the expectations of the Community and delivers the Community the services and facilities that Broken Hill deserves. This year Council achieved this expectation with asset renewals at 113%. This primarily related to the Civic Centre refurbishment project as well as multiple road reconstructions through the City.

Council also began to implement Service Reviews this year, with the expectation to increase service throughout the community and Council's operations by finding efficiencies through its current resourcing. This has already proven fruitful, with savings in excess of \$450,000 through improving Council's insurance procurement. This has allowed additional capital works for high risk infrastructure such as footpaths for \$200,000, additional reserves of \$200,000 and staff training to minimise risk and further reduce premiums of \$50,000.

Significant internal efficiencies were achieved in 2016/2017, and Council will continue to improve its operations, engage further with the community in 2017/2018 to determine its priorities, and to deliver services that will meet community expectations within a safe, and financially sustainable environment.

THE YEAR THAT WAS

When you take a look back over the last year you are reminded why Broken Hill is 'For Real'.



OUR COMMUNITY

Our Community is our people and how we can work together to ensure we position ourselves to retain our sense of identity, our health, wellbeing, social inclusion and connectedness.



The 2017 Australia Day Award Recipients

OUR COMMUNITY

We are a connected community and enjoy our safety and wellbeing. We keep our heritage alive and relevant; it is the foundation for the way we unite to get things done and maintain our inclusive lifestyle.

ARTS & CULTURE

Events and Activities held at the Charles Rasp Memorial Library

The Library continued to position itself as a prime community hub with activities to satisfy a range of audiences during the year. The Library hosted numerous author visits, including Meredith Appleyard who launched her new book "No Job For A Girl" on 24 March 2017. Penguin Books Australia describes No Job For A Girl as "a quirky and insightful story about fighting for what you believe in, and finding love where you least expect it." Lovers of the written word were able to chat with Meredith at the launch, followed by a writer's workshop the next day where they were able to consider the importance of plot, setting, and bringing characters to life when penning a story. Author Bill "Swampy" Marsh visited the Library on 9 June 2017 to sit back, relax, and enjoy stories and songs. Presented with a touch of magic, a dollop of dry Australian humour, and a splash of fun, the event was designed to feel like friends sitting around a campfire, sharing some of life's most memorable experiences. The Library played host to a travelling display during April and May 2017, titled "Australian Inspiration – The Evolution of Australian Icons". Before they became celebrated Australian icons, the koala and waratah left early colonists almost star struck by their unique appearance. The community were invited to explore how the koala and the waratah were first depicted over 200 years ago and how they have evolved over time to quickly become national icons. In 1803, Australian artist John William Lewin (1770-1819) was the first person to draw a koala, from a specimen that was brought from Mount Kembla to Sydney. The koala evolved over time to become a national icon, via the cheeky character Blinky Bill, and by the 1960s as part of the promotion of Australian tourism by Qantas. The waratah has had a similarly fascinating journey that helped establish an Australian national identity and give NSW its state

flower. The earliest known drawing dates back to 1794 and it continues to be a source of inspiration for fashion designers, artists and creatives. Highlights of the Australian Inspiration display included:

- some of the earliest known drawings of Australian flora and fauna;
- Dorothy Wall's drawing of Blinky Bill and her earlier characters in Tommy Bear and the Zookies from c.1920; and
- a quirky waratah costume design created for the 1938 Sesquicentenary of Australia.



Author Bill "Swampy" Marsh during his visit



Council's Library Assistant, Jess Picken
in character for a
Summer Reading Club event at the Library

Events and Activities at the Broken Hill Regional Art Gallery

Public Programs, tours and workshops continued at the Broken Hill Regional Art Gallery. School engagement increased with weekly scheduled tours and workshops with the Visual Art Students from Willyama High School. Students participated in critical and historical studies through a guided tour with Council's Education Officer followed by artmaking activities in Council's classroom space. St Therese's Community School from Wilcannia participated in a fantastic excursion with Uncle Badger Bates. Students learnt about woodcarving, lino carving and about installation in art museums. Students also created their own version of a linoprint and collaborated to make a banner of stenciled hands, modelled by the banners created by Badger Bates in his solo show. MLC School Sydney participated in a series of weaving workshops in Council's touring gallery. These workshops were held simultaneously to The Alice Spring Beanie Festival and provided great learning links to artmaking in the Gallery. School of the Air participated in a fantastic workshop on "how to look at art" followed by a printmaking activity. School of the Air had a "behind the scenes" look in the art storage facility and enjoyed a ride in the elevator. The Broken Hill Regional Art Gallery continued to run the adult workshops program, kids' workshops, regular movie nights and various classical music recitals.



Badger Bates talking with St Therese's Community School during the June tour



Artist Talk - James Farley



A weaving workshop in progress

2017 Pro Hart Outback Open Art Prize

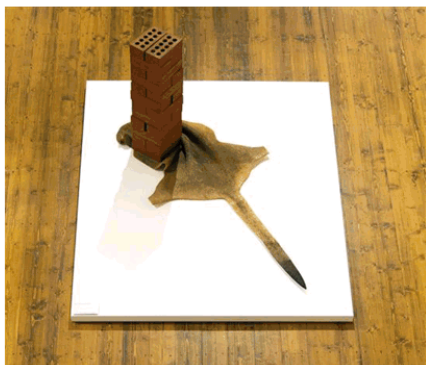
This year there were 263 entries from various States, and even one from Hong Kong! A range of formats submitted included 2D, 3D and video installation. The Broken Hill Regional Art Gallery Advisory Committee once again selected the finalists (43 in total) for an independent judge, Editor of Artist Profile magazine, Kon Gouriotis OAM, to select a winner. The finalists were displayed on 30 June 2017 at the Gallery, with winners announced on the night.

The Pro Hart Outback Art Prize 2017
Winners were:

2017 Winner: Abdul-Rahman Abdullah,
"Footprint"
(\$15,000 acquisitive prize)

Second Prize: Kristin Haskett, *"Untitled"*
(\$2,500 prize)

Encouragement Award: Andre Schmidt,
"River-flats Evening"
(\$1,000 prize)



The Pro Hart Outback Art Prize 2017 Winner:
"Footprint" by Abdul-Rahman Abdullah



**The Pro Hart Outback Art Prize 2017
Second Prize Winner**
"Untitled" by Kristin Haskett



**The Pro Hart Outback Art Prize 2017
Encouragement Award Recipient** *"River-
flats Evening"* by Andre Schmidt

Events and Activities at the Albert Kersten Mining & Minerals Museum (GeoCentre)

The Albert Kersten Mining & Minerals Museum (GeoCentre) has experienced an increase in patron numbers during the year, for both the museum and the various exhibitions in the temporary exhibition space. There has also been an increase in retail sales and margins. The increases have been across the board i.e. walk in patrons, tour group numbers and exhibition attendees. The mineral collection, Silver Tree and information video (Crystal Theatre) drive the walk in traffic and are very popular with tourists, as is the gift shop. While local patrons are frequently regular exhibition attendees; many locals who have never previously visited the GeoCentre also take the opportunity to view the collection after visiting an exhibition. Among the exhibitions held this year, include:

- Broken Hill Fringe Festival – photography & short films;
- Heritage Week – The Fire That Saved The City; a new interpretation of the 1909 lock-out;
- HSC Art Students End of Year Show, (a night to remember when Broken Hill took a bashing from golf ball sized hail stones and extreme winds!);
- Indigenous Australians at War – this exhibition was a great success with local and visitor patrons alike and was very well attended, contributing to an increase in attendance at a traditionally quite period;
- AGL viewing platform Art & Design competition;
- Waste 2 Art – Net Waste Regional Exhibition (creating new art from old things); and
- Life Line Art Exhibition – The annual fundraiser and community social event, a highlight in the GeoCentre's calendar.

Educational tours also saw an increase with both local institutions and visiting groups. Inverell Public School, MLC School Sydney, Newcastle High School Year 11, Tibooburra Public School, Broken Hill School of the Air, Sacred Heart Primary School, Broken Hill TAFE, Bendigo and

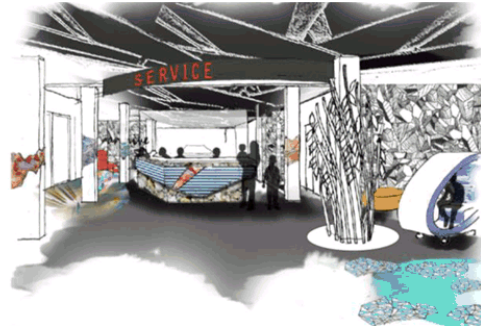
Newcastle Geology University Students, Algate House, CareWest Community Services and Life Without Barriers Disability Programs, Rural Health Network, and the PCYC all found their way through the doors of the museum during 2016/2017.



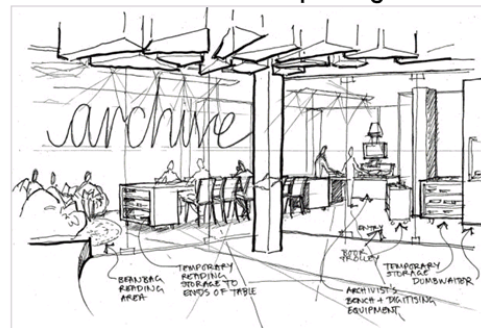
Baarkintji Elder Maureen O'Donnell, Council's General Manager, James Roncon and Carol Kickett at the Indigenous Australians at War opening

Broken Hill Archives

Sue Hodges Productions (SHP) and their team unveiled early design concepts for the City's new archives at an engagement session held at the Library. The archives are set to be moved to a new purpose-built home in the basement and ground floor of Council's Administrative Centre thanks to \$3.4M in funding from the BHP Billiton Foundation (BHPBF). The Draft Design Concept shown to the public focused primarily on the Administrative Centre's ground floor and showcased a variety of upgrade options. As the space will be redesigned to a shared space, SHP are working to strike a balance between the functions of regular customer service, and the needs of archive users and staff. A mix of large interactive digital walls, pods for accessing archival information through iPads, areas to showcase our historical artefacts, quiet rooms, and even a small play area for kids have been showcased so far. While the final design is expected to be completed in the coming months, the digitisation process and the physical transfer of archival material to the Administrative Centre basement is likely to be a gradual process carried out over 3 years. This timeframe allows for the huge amount of history that needs to be sorted, scanned, and transferred as part of the relocation.



Service Desk – Concept Design



Outback Archives – Concept Design



Council's Living Museum Specialist, Dr Rachael Vincent, taking inventory of Council archives



An example of one of the many types of historical documents that will be included in the Archives

COMMUNITY DEVELOPMENT

2016/2017 Community Assistance Grants Awarded

2016/2017 saw changes to the way Council administered its financial assistance to community organisations in Broken Hill. Council adopted the Community Assistance Grants Policy as a framework for Council to provide Community Assistance Grants to assist non-profit incorporated community organisations to deliver community events, projects, services or activities that align with the objectives of Broken Hill's Community Strategic Plan. The framework also ensures that the allocation of Council's limited resources is undertaken in a fair, transparent, accountable and ethical manner. Two funding rounds were held during 2016/2017:

- Round 1: between 1 July - 31 December 2016
- Round 2: between 1 January - 30 June 2017

Council awarded 17 grants during this period. Detailed information can be found under "Financial Assistance to Community under S356 of the *Local Government Act 1993: Miscellaneous Subsidies*" in the Statutory Requirements section of this document.

Charity Cricket Bash

On 17 February 2017 Council offered its support to an exhibition cricket match that saw the City's top players raise the sports profile, and provide funds for Playtime Preschool. The game featured two teams comprising of the best 22 players from the City's four clubs facing off in the popular 20/20 format. There was also a BBQ and sweets stall. The inaugural clash was used as a fundraiser for Playtime Preschool, who sadly experienced two acts of vandalism to the building and contents within days of each other. Council provided support in way of use of Alma Oval to stage the fundraiser and hope to see the event become an ongoing event.

COMMUNITY FACILITIES

Transition from Community Services

Significant changes took place this year in terms of service delivery across the range of Community Care Services at both a State and Federal level. Council was previously reliant – outside of administration costs – on government funding to deliver services locally. Under new methods of service funding in aged and disability services, the client now has the ability to choose their services from any approved provider they wish. In other words, there is now a competitive market place and a range of providers who can offer similar if not the same services at lower cost than were supplied by Council. As a result Council was not able to compete in an open marketplace.

The major contract was novated to LiveBetter community services which continues service provision at the HACC Centre. In addition, all staff who applied to continue service roles were accepted to employment with the new provider.

Sale of Shorty O'Neil Village

Following the closure of Shorty O'Neil Village (SOV) and cessation as operating as an aged care facility in December 2014, the future of SOV was determined per Council resolutions minute no. 44877 "Progress to subdivision of site" and minute no. 45059 "Resolved sale by auction". By arrangement with the State, a caveat over the site was lifted permitting Council to proceed to auction. The site was subsequently sold on 30 August 2016 to Eureka Group Holdings, who reopened the site as Eureka Cascade Gardens, a community village offering quality and affordable rental accommodation for seniors.

New Disability Inclusion Action Plan

Broken Hill residents with a disability, along with their carers and supporters, were encouraged to make their voices heard on Council's services and amenities this year as Council developed their first Disability Inclusion Action Plan (DIAP). Council engaged consultant Jenny Bray from Jenny Bray Training and Consulting to hold multiple rounds of community consultation, in partnership with Council,

to develop a local DIAP in line with the requirements of the *Disability Inclusion Act 2014*. Under the Act, all Councils in NSW are required to develop their own DIAP, which must be created and evaluated in consultation with people with disabilities.

The DIAP will aim to promote inclusion and uphold rights for all residents, and investigate the practical steps that Council need to take to achieve this goal. The DIAP will then guide future strategic planning and service delivery plans at a local level, whether it's a park, footpath, pool, Council facility or the way we interact with people with a disability. The Disability Inclusion Action Plan 2017-2021 was adopted by Council on 28 June for implementation on 1 July 2017.

LOCAL TRANSPORT

Road Works - Blende Street

(between Oxide and Chloride Streets)

Road works were undertaken in Blende Street and included road reconstruction, new kerb and gutters, and new line marking.

Road Reconstructions

GBM Consulting, in conjunction with Council, undertook road works at the following locations:

- Patton and Comstock Streets intersection
- Kanandah Road
- Eyre and Comstock Streets
- Blende Street



Road works underway at the Blende and Bromide Streets intersection



Blende Street works underway between Oxide and Chloride Streets

Roads and Maritime Services - State and Regional Roads Maintenance

Council has worked closely with the Roads and Maritime Services (RMS) in the delivery of maintenance contracts. Notably:

- The Roads Maintenance Council Contract (RMCC) for the State Highways of \$60,000
- The RMS Regional Roads Block Grant \$310,000, of which a considerable amount was allocated towards the repair of Kanandah Road
- State Highway Reseal Program
- State Highway Heavy Patch Program

Disability Inclusion – Temporary Disabled Parking

The NSW Electoral Commission approached Council for assistance in sourcing temporary office space for the provision of a local Returning Office for the Local Government Elections, held in September 2016. Council staff used the initiative to implement temporary disabled parking at the front of the Returning Office. This included marking specific car spaces, installing disabled parking signage, and installing a temporary ramp for access to the footpath.



Use of a temporary ramp



Signage was erected

Parking Strategy Review

Council commenced an early review of its Parking Strategy (adopted by Council in February 2016). The review was originally planned for 2018, however a combination of feedback from local businesses and the availability of a consultant prompted Council to move the review forward to 2017, to act on feedback quickly rather than prolong any action for another year. Originally Council contracted traffic specialists GTA Consultants to review parking primarily along Argent Street, but Council saw an opportunity to utilise their expertise and expand their scope across the whole CBD. Traffic counters have already been installed in Crystal, Oxide, and Argent Streets to monitor traffic volume in the CBD. Consultation sessions were held with businesses in May 2017 to gather further feedback for use in the review process.

OPEN SPACES

Apex Park Play Equipment Upgrade

A significant upgrade at Apex Park occurred this year, with a \$45,000 rejuvenation that included equipment being replaced with new Moduplay structures. A new slide, climbing equipment and a multi-purpose swing set, along with new woodchips at the equipment's base to soften any falls, was included. The upgrades were completed in September 2016, ready for summer.



Local boy James Dart enjoying the upgraded park equipment

New Watering System for Memorial Oval

The Memorial Oval surface was significantly improved, with the installation of a new \$75,000 watering system. The work was completed by water services business "Think Water". The fully automated Hunter watering system features pop-up sprinklers, and a new pump with a variable frequency drive to minimise running costs. Its installation was followed by a month of minor rehabilitation work on the playing surface.



Council's Labourer/Plant Operator, Rodney Sharp finalising the new water system installation

New Scoreboard for Memorial Oval

A new electronic scoreboard was installed at the Memorial Oval this year. The scoreboard had been waiting installation for 18 months, while finer details of the install were finalised, including framework and electrical works required. The works were completed over a four week period in June 2017.



Installation of the scoreboard

PUBLIC HEALTH

Health Administration and Inspections

Council carried out 213 primary inspections during the report period, with the following results:

- 24 high risk food premises;
- 64 medium risk food premises; and
- 41 low risk food premises.

The numbers above reflect businesses having more than one inspection. Risk rating is based on the type of food handling e.g. preparation of ready to eat food, potentially hazardous food e.g. fish, raw and cooked meats.

Scores on Doors Program

This year, 88 food businesses were eligible for participation in the Scores on Doors Program. The following provides a breakdown of stars issued:

- 5 Stars – 62 premises
- 4 Stars – 20 premises
- 3 Stars - 5 premises
- No Stars - 1 premise

Currently there are 135 fixed food premises in Broken Hill, with 74 of those premises requiring a Food Safety Supervisor.

Swimming Pool Inspections

During the report period, Council carried out 66 inspections of swimming pools under Division 5 of Part 2 of the *Swimming Pools Act 1992*. Three of these inspections were of premises with tourist and visitor accommodation or more than two dwellings. Of the 66 inspections, 28 of the inspections resulted in Council issuing a Certificate of Non-Compliance under Clause 18A of the *Swimming Pools Regulation 2008* and 33 resulted in Council issuing a Certificate of Compliance under Section 22D of the Act. Of the swimming pools inspected, 30% were compliant at the first inspection. This represents a significant increase over previous years, as this rate has historically been well below 10%.

PUBLIC ORDER

Parking Compliance Technology

Council commenced trialling new technology to combat illegal parking around the City in May 2016. Council often

receives complaints from the public about people parking too long in Argent Street, and parking illegally in other areas around Broken Hill. To address these concerns, an \$80,000 state-of-the-art PinForce LPR system, a vehicle mounted mobile Licence Plate Recognition system, was purchased by Council to monitor parking activity. The new camera-based system will allow Council's Rangers to simply drive along the City's streets and automatically read parked vehicles' number plates and search a database hotlist for residential permits, warnings, vehicles of interest, stolen vehicles, and a list of other information. It also provides electronic "chalking" for each vehicle it passes, and on a second pass, will automatically alert the Ranger to any offending vehicle if it is in breach of parking regulations.



PinForce LPR system at work

Free Pet Desexing Program

Council in partnership with the RSPCA offered an opportunity for pet owners to have their dogs and cats desexed, microchipped and vaccinated for free. The offer was possible through \$10,000 in funding from the Office of Local Government's Responsible Pet Ownership Grants Program, which was matched by Council, and supported under the RSPCA's Community Animal Welfare Scheme (CAWS). The offer was open to people on a pension, along with those receiving welfare benefits and/or holders of a health care card. Pensioners who had their pets desexed were also eligible to take advantage of a \$22 lifetime registration for their animal, compared to the usual fee of \$195 for a non-desexed animal.

Pet Compliance Door Knock

Council Rangers conducted random door knocks throughout the month of June 2017 to ensure residents were taking a responsible approach to pet ownership. In accordance with the *Companion Animals Act 1998*, it is a requirement that all companion animals (dogs and cats) are permanently identified via a microchip by 12 weeks of age, or before being sold or given away, and lifetime registered with Council by six months of age. The community often have concerns about wandering animals, and the door knock program is an effective way of encouraging locals to be compliant. If Council Rangers encounter a stray dog and it is registered and microchipped, Rangers and local vets can quickly return the animal to its owner, and work with them to ensure the animal doesn't get loose again. At present, approximately 40 per cent of the animals Council picks up haven't been registered and microchipped, and they end up in the pound with no way for Council Rangers to contact their owners.

Animal Control

During 2016/2017, a total of 644 dogs were impounded in the Broken Hill Pound Facility (Pound). Of this number, 366 dogs were claimed / returned to owners and 278 dogs were unclaimed. A total of 462 cats were impounded in the Pound. Of this number, 7 cats were claimed / returned to owners and 455 cats were unclaimed.

The charts on the following page provides a breakdown of the outcome of both the dogs and cats that remained unclaimed at the Pound.



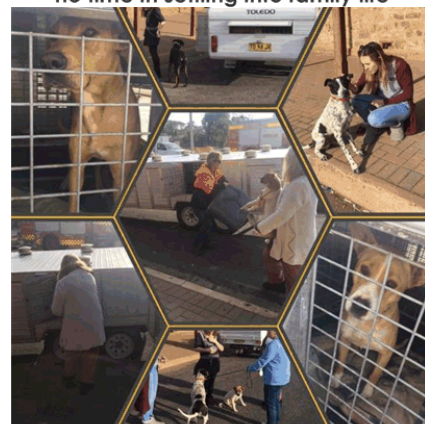
A foster family – this cat relocated to Brisbane while his foster siblings are still awaiting their forever homes



Swapping the dust for the beach – a sea change for this little guy

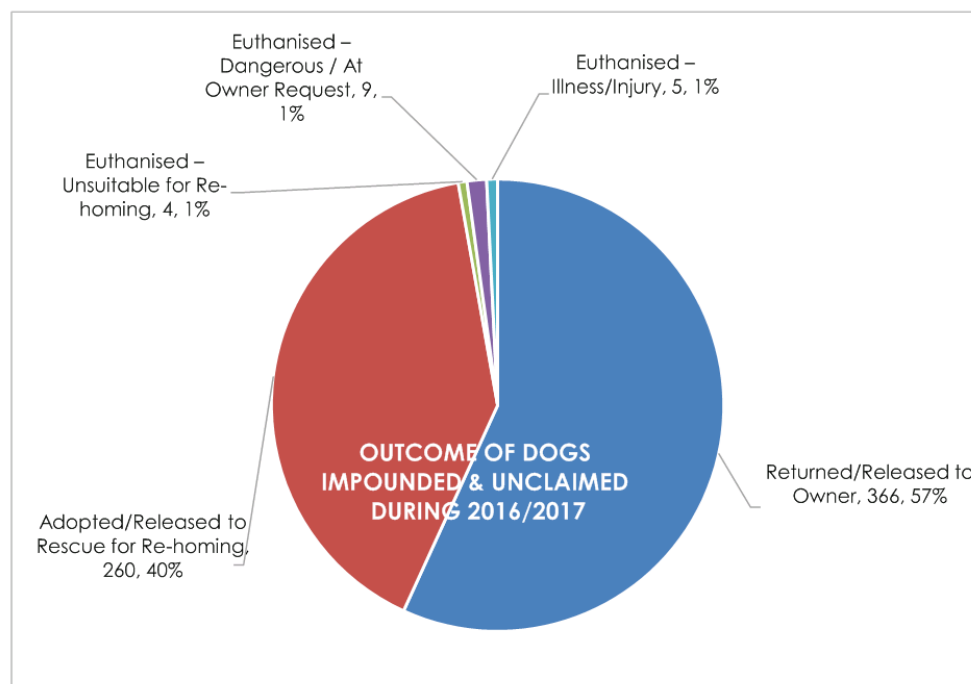


Mac was adopted locally and wasted no time in settling into family life

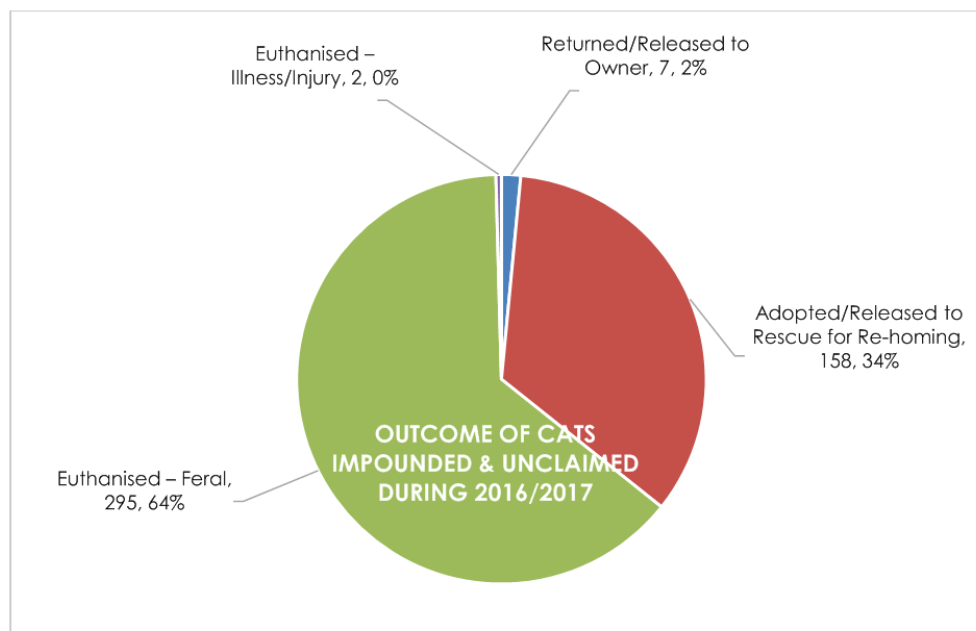


A transport run – from Broken Hill to everywhere!

DOGS – IMPOUNDED AND UNCLAIMED



CATS – IMPOUNDED AND UNCLAIMED



PUBLIC SAFETY

Hail Storm – 11 November 2016

On 11 November 2016 a severe hail storm lashed Broken Hill. Hail stones the size of golf balls and severe winds caused damage to properties, vehicles, power lines and trees. Council crews responded alongside the City's Emergency Services, to work on site cleanup and safety, including removal or rope off of fallen branches and other debris littering the streets. Council commenced the considerable task of cataloguing damage to the City's assets. A brief summary of some of the damage encountered included:

- Council's Warnock Street Yard was without power due to extensive damage, which included collapsed structures, missing roofs and damaged equipment.
- The Broken Hill Regional Aquatic Centre suffered damage to the roofs, solar heating panels, heater condensers and air-conditioning units.
- Staff at the Charles Rasp Memorial Library, Broken Hill Regional Art Gallery, and GeoCentre all reported varying levels of damage.
- Up to 20 graves at the Broken Hill Cemetery were reported to be damaged as a result of falling trees.
- The Memorial Oval encountered damage to horse stables and ticket boxes through fallen trees.
- Damage to the shade vergola at the Home and Community Care Centre (HACC).

Council continues to work through inspections and repairs to all Council buildings and other community assets to identify any damage related to the storm event which is claimable under Council's insurance to ensure we maximise the funds available to repair these properties. It is expected that Council will lodge a final claim for in excess of \$1,000,000 under its various insurance policies due to storm damage suffered to Council buildings and assets. Repairs are still ongoing in Broken Hill, with roofing companies estimating work will continue for 2-3 years.



**Structural damage at
Council's Warnock Street Yard**



**A sheet of iron wrapped in a tree at
Council's Warnock Street Yard**

Local Emergency Management Committee

The Local Emergency Management Committee (LEMC) is a committee consisting of Emergency Services representatives and other identified stakeholders who have a role in providing emergency Planning, Preparation, Response, and Recovery (PPRR) activities at a local level. Council provides a Local Emergency Management Officer (LEMO) to the committee, who provides administrative support to the Local Emergency Management Controller (LEOCON) in the event of an emergency. Meetings are held quarterly. The meetings provide a forum for discussion amongst emergency services and other stakeholders of issues affecting the safety of the Broken Hill community as well as arranging relevant training requirements to ensure the committee is prepared for significant emergencies requiring substantial efforts and resources from all services. There were four meetings held during 2016/2017:

- August 2016
- November 2016
- February 2017
- May 2017

Emergency Exercise

The State Rescue Board funded a Region/State level, multi-agency, mass casualty, road crash rescue exercise in the remote western area of NSW held on 25 March 2017. The exercise, named Vas Onero, was staged from Packsaddle Roadhouse, 170km north of Broken Hill on the Silver City Highway. The exercise was conducted at the Shannon's Creek Highway Airstrip 50km north Packsaddle. The theme of the exercise was a simulated bus crash into a stock transport vehicle, with 25 casualties on the bus and several deceased passengers*. The exercise was planned to escalate to require Regional resources to assist including aero medical support from Royal Flying Doctor Service, and the Australian Defence Force. Further Rescue and Hazmat resources from State Emergency Service, NSW Ambulance, Police, Rural Fire Service and Fire & Rescue NSW were required. The Far West Local Health District were required to also

activate a Health Response Team from the Broken Hill Base Hospital to assist with the rescue. Council provided support to the exercise and Council's Infrastructure Projects Engineer, David Zhao who also acts as the Local Emergency Management Officer, was in attendance.


* no one was harmed during the exercise.



Crews working in beautiful, but trying and un desirable conditions (light limitations)

OUR ECONOMY

A sustainable economy is inclusive, equitable and diverse. It is an economy where businesses prosper and everyone stands to benefit. The performance of our economy directly impacts on the way we work, live and play and the mining peaks and troughs do provide a challenge.



Old photos projected on to the Broken Hill Regional Art Gallery external wall during the 2016 Heritage Week celebrations

OUR ECONOMY

We are accustomed to tackling our problems for real; our willingness to create change and diversify makes us resilient, securing our long term economic prosperity and paving the way for other communities to follow.

ECONOMIC DEVELOPMENT

An Economic Development Overview

As caretakers of Australia's First National Heritage Listed City, Council's master urban design strategy document, *The Broken Hill Living Museum and Perfect Light Plan (BH LM+PLP)*, is the roadmap to future proof the City. Combined with a Smart City Framework, it paves the way for future decision making to achieve population growth, a vibrant day and night economy and a proactive tourism offering known domestically and internationally as a must-do Australian experience. The BH LM+PLP embraces innovation and entrepreneurialism and is key to the transformation of the economy. It is a strategy for the achievement of new urban designed spaces, technology, art, events and enterprises and identifies interventions that will place the City in an optimal position to attract new visitors, events, enterprises and activities. The BH LM+PLP is designed to achieve growth of \$101.3M in the economy by 2020 and is underpinned by a \$40M integrated infrastructure development program that connects various sites in the City and fosters creativity, inclusion and innovation. The plan is a game-changer and is the foundation for communication with government and investors. To achieve the vision, Council needs to be able to have access to all tiers of Government in a number of areas including knowledge sharing, industry expertise, information-sharing, marketing and funding. It is Council's role to educate, lobby for and deliver critical enabling infrastructure to encourage the innovation and investment. In the economic development space, Council provides advocacy, leadership and direction, partnering with other agencies to facilitate, encourage and maximise sustainable development economic opportunities with the expectation that the business will directly or, in some agreed circumstances, indirectly provide increased employment opportunities for the residents of

Broken Hill. The Broken Hill area is currently experiencing a mini resurgence in the mining sector in both traditional mining and renewable energies such as solar, cobalt (lithium), and wind farming. During the next 3 years it is anticipated that upwards of 1,500 jobs will be directly created through these initiatives. Grant submissions made during 2016/2017 included:

- The Department of Premier and Cabinet through the NSW Review of Regional Infrastructure
- The Australian Government through the Senate Inquiry into the relocation of government bodies to regional areas
- The NSW Legislative Council Standing Committee on State Development, Regional Development and a global Sydney
- The Australian Competition and Consumer Commission on Mobile Roaming
- NSW Upper House Inquiry - Augmentation of water supply for Rural and Regional, NSW
- NSW Government Inquiry into Transport Access by Seniors and Disadvantaged People in Rural and Regional NSW.

Issues addressed in these submissions included:

- Access to capital funding for infrastructure to grow the visitor economy
- Access to funding to support social and cultural health and wellbeing
- Water security
- Access to affordable and reliable transport
- The heavy vehicle bypass
- Funding for local roads, rail services, subsidies and timetables
- The airport upgrade and air services
- Access to technology and telecommunications.

Recent Federal and State funding, and private investment into the region, has resulted in a significant period of activity and development. Major project funding committed to Broken Hill includes:

- \$500M – NSW Government 270km Murray to Broken Hill water pipeline
- \$3.905M – NSW Government's Resources for Regions to transform YMCA into an Integrated Health Facility
- \$30M – NSW Health Broken Hill Health Service redevelopment
- \$200,000 – NSW Government to host an Argent Street Sculpture Symposium in 2017
- Broken Hill Chamber of Commerce (\$48,000) and RDA Far West (\$44,800) both received a boost under the Federal Government's Energise Enterprise program
- \$3.95M – NSW State Government Resources for Regions – develop current facility into an integrated health facility
- Country University Centre – Funding amount TBC.
- \$200,000 – Library Technical Equipment Grant

Private investment, such as the \$460M AGL Silverton Wind Farm is also driving significant economic activity and boosting public confidence. Funding and investment of this magnitude represents a significant investment in the future of Broken Hill. Council firmly believes the City has a bright future and plenty of scope for growth and this continued investment by Government and private sector demonstrates a commitment to the future of the region. Council also furthered the City's profile as a unique destination at the Asia-Pacific Incentives and Meetings Expo (AIME). The two day conference held in Melbourne in February allowed industry decision makers from around Australia, Asia-Pacific and the rest of the globe to meet. As the largest international event of its kind in Australia, the event provides the platform on which many international businesses can connect. Each year the exhibition unites a community of over 4,000 suppliers, and is the catalyst for over 11,000 face-to-face meetings. Exhibitors attended from a variety of sectors such as airlines and cruise lines, attractions, conference and meeting venues,

convention bureau, destination management services, hotels, national tourist organisations, technology providers and travel management companies. Council representatives met with 30 specialists and groups and has continued to receive inquiries from small to medium conferences looking for a destination with a difference.

Promoting Australia's First Heritage City

On 20 January 2015, Broken Hill became Australia's First National Heritage Listed City when Federal Minister for the Environment, Greg Hunt, bestowed the prestigious honour at a presentation in front of the Town Hall Facade, being just one of the City's many significant heritage sites and buildings.

The listing recognises our outstanding significance to Australia, including the immeasurable wealth produced through more than 130 years of continuous mining.

Council has invested in a number of marketing projects and activities to promote Broken Hill as Australia's only National Heritage Listed City including:

- Broken Hill Heritage Toolkit – \$31,000 (Council received \$10,000 towards this project from the Community Heritage and Icons Grants program)
- Broken Hill Heritage Week – Heritage Near Me
- Conservation Workshops – Council contribution – \$4,983
- Tourism industry networking evening – Find me on travelin.com.au window decals for industry \$359
- Adventures Magazine destination feature and online content for 4x4 Australia – \$9,020
- Videography – \$8,250
- Local Advertising 50% – \$2,500
- Social Media – \$6,5135

Other activities included:

- Adventures magazine - Inland NSW Focus
- Destination NSW – Vivid Sydney Souvenir Edition: NSW Arts and Culture – Great Country Art Escapes
- CIM Magazine – Conferences in Broken Hill
- Mining the Sun – Climate Change Video

Council Event Sponsorship

In 2016, six events were successful in applying for Council event Sponsorship Funding. These events included:

- \$9,500 for the Broken Heel Festival to assist with entertainment, marketing and logistic costs (estimated visitor expenditure – \$168,000)
- \$10,000 for the NSW State Rural Women's Gathering to assist with venue hire (estimated Visitor expenditure \$378,000)
- \$10,000 for St Patrick's Races under a Memorandum of Understanding to assist with marketing and logistics (estimated visitor spend \$3M)

Other events sponsored by Council included:

- \$3,600 for the Regional Development Australia Far West Excellence in Business Awards
- \$3,000 for the Broken Hill Fringe Festival
- \$3,000 for Carols by Candlelight

Events and festivals have a direct positive impact on the local economy and contribute to destination awareness. They enhance visitor experience, extend length of stay and overcome seasonal visitation troughs. The development of special events and festivals linked to an iconic brand, idea or attraction can celebrate community values, help shape the image of a destination, attract visitors and provide entertainment and recreational opportunities for residents. Broken Hill events do not have the advantage of a large, ready-made local audience or accessible catchment to attract huge numbers from close by and this is a factor affecting their sustainability. Therefore, for any event to become nationally or internationally significant and sustainable the concept must be exceptional, inimitable, marketable and engaging to a sufficiently large target market outside of Broken Hill with the capacity and interest to travel long distances to get here. Furthermore, any new event should complement the local event calendar; be seasonally placed to maximise tourism opportunity; engage business and community locally; attract private and

public funding from external sources; drive new expenditure into the economy; and effectively promote the destination brand on a national and international scale. Our community understands the importance of economic diversity to guarantee a sustainable future for the City. A sustainable economy was by far the largest priority identified through the 2013 community consultative process and confirmed through the 2017 community consultative process further acknowledging that diversification is the "key" to addressing challenges associated with the fluctuating mining industry.



The Broken Heel Festival



Building a Better Broken Hill – Investment in Broken Hill

Record investment in regional NSW is providing Broken Hill with an opportunity for students to complete tertiary degrees closer to home. The Hon. Kevin John Humphries MP, confirmed that a Country Universities Centre would be set up in Broken Hill, allowing students to undertake tertiary studies close to home in a centre with qualified local instructors and state-of-the-art technology. A local steering committee has been established with work underway to progress the proposal. Locals undertaking distance or online university courses will have access to study areas, high-speed internet, video conferencing, instructors and technology staff, as well as the support from fellow students.

Smart Communities Framework

Council adopted the Smart Communities Framework at its February 2017 meeting. The framework was developed by Telstra and Metamorph Consulting after consultation within Council and the Community. This strategic partnership, supported by grant funding from NSW Government Department of Industry, will start with the upgrade of audio visual equipment at the Broken Hill Civic Centre and with other pilot programs across the City including:

- Free public Wi-Fi in Argent Street, Patton Street and Broken Hill Regional Airport
- Smart security options for Council owned assets and hotspots around the City e.g. lighting in Sturt Park.

Civic Centre Refurbishment

The Civic Centre refurbishment was funded by the NSW Government Resources for Regions program.

The refurbishment will provide new conference facilities that will attract businesses, visitors and community organisations to Broken Hill, where they will spend money at hotels, shops and tourist attractions. The refurbished Civic Centre would not be possible without the generous support of the State Government through the Resources for Regions program.

Council are utilising the funding to restore the grandeur of what was once the most iconic Civic Centre in Outback Australia, to deliver a world-class venue capable of hosting events of national significance.



The new air conditioner arrives



The Chips Rafferty Room – Before



The Chips Rafferty Room – After



Top Floor – Under Construction

The National Party Annual General Conference 2017

Over 320 delegates and guests visited Broken Hill to attend the National Party's Annual General Conference, back in Broken Hill for the first time since 2002. In conjunction with the Conference, several projects were announced for the Broken Hill area by NSW Nationals & Liberal MPs, including a \$500M dollar pipeline to be built exclusively from Australian steel to ensure Broken Hill's water supply and \$700,000 in funding for a new truck wash for Broken Hill, a vital piece of infrastructure as part of the broader stock movement sector. Also announced was the roll out of a Country Universities Centre in Broken Hill, a model which has been trialled with great success in Cooma following an \$8M boost to the program by Deputy Premier John Barilaro MP.



**The Nationals for Regional NSW
2017 Conference**



**Taking advantage of showing off one of
Broken Hill's iconic sites – setting up a
marquee at the Living Desert for the
National Party Annual General Conference**



The breathtaking end result

Broken Hill Trades Hall Funding

Roof repairs for the City's iconic Trades Hall received a boost thanks to a \$20,000 donation from Broken Hill City Council. Council originally resolved to offer the \$20,000 funding in June 2015 on the proviso the Trades Hall Trust match the amount dollar-for-dollar, and produce a Conservation Management Plan for the building. The Trust satisfied both criteria this year, and Council confirmed that the \$20,000 had been accordingly donated. The donation follows \$60,000 in funding from NSW Government's Heritage Grants Program, which was announced by Member for Barwon, Kevin Humphries, on 24 April. Council commend the Trust for their pursuit of funding to protect one of the City's most recognisable buildings.

Rocks Rust Stars & Dust -

2016 NSW Rural Women's Gathering

The NSW Rural Women's Gathering is an annual event organised by local committees with support from the Rural Women's Network. The organising committee makes key decisions, develops a theme and creates the weekend program. Each "gathering" reflects the unique culture, industry, tourism and environment of the host community. Gatherings are for ALL rural women including: farming women; Aboriginal women; women from culturally and linguistically diverse backgrounds; mining women; women in the fishing industry; women who live in regional cities, towns and villages; and coastal women. Gatherings are a well-established annual statewide community event for all rural women. This year, the Gathering event was held in Broken Hill, with the theme being Rocks Rust Stars & Dust.

- **Rocks:** Broken Hill was built on the world's largest silver, lead and zinc deposit and is still an active mining town.
- **Rust:** Broken Hill is the first city in Australia to be included on the National Heritage list due to its outstanding heritage significance to the country.
- **Stars:** Broken Hill has amazingly vast open skies! Lay back and gaze into the clear night sky as it twinkles ablaze with millions of stars.
- **Dust:** Broken Hill is the real outback! Come and experience our captivating landscapes... dust included free of charge!



**Rocks Rust Stars & Dust -
2016 NSW Rural Women's Gathering**



A cooking demonstration



A make-up demonstration

Volunteer Awards -

2016 Local Government Week Activities

The 2016 Volunteer Awards were held on 3 August 2016 at the Central Football Club. The awards were attended by 200 volunteers, with 27 finalists across 10 categories. The evening was again well supported by the business community with a number of organisations assisting Council in celebrating the City's volunteers. The Broken Hill Rotary Club joined forces with their south counterparts in the Rotary Club of Broken Hill South in cooking a lovely meal. Council staff once again volunteered their time in serving the meal. Sponsors for the evening included The Demo Club, Foundation Broken Hill, YMCA, Musician's Club, Ela Mar, Sturt Club and The Astra.

Award Recipients were:

Community Award

- Highly Commended: Norm Tweedie
- Winner: Denise Carroll

Health & Social Services

- Winner: Lesley Sumsion

Event

- Winner: Philharmonic Choir / Orchestra

Environment Award

- Highly Commended: Friends of the Flora and Fauna of the Barrier Ranges Community Committee
- Winner: Wayne Lovis

Tourism Award

- Winner: Sulphide Street Railway & Historical Museum

Youth Award

- Winner: Codie Whitehead

Cultural Award

- Highly Commended: Broken Hill Regional Art Gallery Committee

Art Gallery Volunteers

- Winner: Lillian Hywood

Manager / Supervisor Award

- Highly Commended: Kylie Letcher

Sporting Award

- Highly Commended: Trevor Kendall
- Winner: Angela Oldsen

Nydia Edes Hall of Fame Recipient

- Marion Browne



**Nydia Edes Hall of Fame Recipient,
Marion Browne**

Broken Hill Heritage Week

During the week of 8 – 14 October 2016, the Broken Hill community embraced the opportunity to protect, share and celebrate Broken Hill's unique heritage. The week featured the inaugural Heritage Near Me Roadshow event - a suite of activities created in partnership with the local community, Council and the Office of Environment and Heritage to acknowledge and build on Broken Hill being Australia's First National Heritage Listed City. Broken Hill Heritage City Week was conducted in partnership with the following:

- Broken Hill City Council
- Office of Environment & Heritage – Heritage Near Me Team
- Code Club Australia
- Code for Australia
- Travel In
- Gecco Partners

The week started at the Line of Lode with a Memorial Service held at the Miner's Memorial and a Community Heritage Picnic. There were over 40 behind the scenes tours held over seven days, a mix of activities highlighting Broken Hill's diverse history and heritage, with various workshops aimed at upskilling local industry including:

- Local heritage skills training – Stone & Rising Damp Conservation Workshop – 18 participants – Council contribution for six participants \$4,983
- Brick and stone construction presentation
- Galvanized iron and timber presentation
- Traditional Stone Knapping Workshop – 18 participants
- Mining and Diverse Heritage Forum – Planning for Broken Hill's Vibrant Future – 80 attendees
- Six Code Club for Kids Workshops: An introduction for 9-11 year old primary school children.

The Heritage Toolkit - A Guide To Keeping It "Real" In Australia's First National Heritage Listed City

Bauer Media Group were engaged to develop the Broken Hill Heritage Toolkit at a cost of \$31,000. Council received \$10,000 towards this project from grant funding through the Community Heritage and Icons Grants program.

The project included:

- Research and editorial pieces
- 5,000 copies of a 38 page colour Heritage Toolkit in magazine form and e-book
- 5 videos:
 - The Heritage Toolkit – Overview
 - Mining, Labour and Social History
 - Heritage Conservation and Architecture
 - Landscape and Art
 - Business Innovation
- 700 still images of Broken Hill and surrounds

Mayor Darriea Turley launched The Heritage Toolkit before local media and community members at the "Charming Miner's Cottage" in Thomas Street, Broken Hill on 10 October 2016. The Heritage Toolkit magazine was designed to meet the needs of all audiences (ages and stages) in Broken Hill and its information covers a range of enquiries and interests relating to grants, planning, and branding. The Heritage Toolkit also includes:

- The rationale behind Broken Hill being Australia's First National Heritage Listed City;
- What this means to the community;
- How to protect our assets and tell our story; and
- How opportunity can be made possible i.e. how our heritage can be our future.

Copies are available at Council's Administrative Centre or on Council's website.



The Town Square display provided a variety of historic publications



A spear head and cutting tools activity - taught by local artist Badger Bates in Town Square

2016 Christmas Pageant

The 2016 Christmas Pageant was held on 3 December 2016; a joint collaboration between Council and Rotary Broken Hill South. The pageant was supported by 10 volunteer organisations. It is estimated that 2000 people attended the pageant. Council entered a float with the theme "Pool Safety Awareness"; decorated by Council staff from all departments. Of the 55 floats that were entered, the judges of the float awards selected the following as the successful entries in their categories:

Most Creative Community Group: Silver City Swim Club

Most Creative Business: MB Electrical

Best Primary School: School of the Air

Best Sound: Cameron Pipe Band

Best Themed Group / Float: West Darling Fishing Club

Best Christmas Spirit: Globe Home Timber and Hardware

Grand Champion: 3rd Broken Hill Sea Scouts



Deputy Mayor Dave Gallagher with the 2017 Pageant Princess

2017 Australia Day Celebrations

The 2017 Australia Day awards once again highlighted the wonderful people who have made a difference to the Broken Hill community. The ceremony was held on 26 January at Council's Administrative Centre. Citizen of the Year was awarded to Cheryl Meuret. Highlights of Cheryl's contribution to the community include:

- Presidency of the Tigers Softball Club for 25 years
- Constant organising and fundraising for the City to have softball representation at the Masters Games
- Numerous volunteer roles with the South Football Club for over 20 years
- Volunteering:
 - In the Community Visitors program
 - At the Southern Cross Nursing Home
 - Working in the Burke Ward Public School Canteen
 - Assist students with reading at Burke Ward Public School
- Broken Hill Hospital Kiosk, where she can always be found on the front line working alongside her fellow volunteers, despite having being appointed to senior roles.

Young Citizen of the Year was awarded to Neve Robins, who has an impressive drive to succeed in the fields of sport, education and leadership. Highlights of Neve's contribution to the community include:

- Representation of the City in gymnastics, athletics, swimming, netball, Junior AFL and basketball at both school and association level
- Serving as a referee and umpire in basketball and netball at both local level and carnivals held in South Australia
- Representing Broken Hill High School at numerous SRC Leadership conferences and this year being one of 17 Youth Leaders running an annual SRC Regional NSW conference
- Acting as Australia's sole female representative at the International Space School held in Houston, in July 2016

- Worked with the ABC as a "rookie reporter"
- Created a story for national television about Broken Hill
- Was one of 52 girls chosen from around Australia to participate in the Curious Minds STEM program in Canberra

SBS personality Janine Perrett acted as the Broken Hill Australia Day Ambassador for 2017. Ms Perrett is a television reporter and the current host of The Friday Show.

The 2017 Australia Day award recipients were:

Citizen of the Year: Cheryl Meuret

Young Citizen of the Year: Neve Robins

Youth Encouragement Award: Hamish Inglis

Citizenship Awards:

- Leslie White
- Maureen Clark
- Lesley Sumsion
- Hamish Inglis
- Sandra Walden
- Karen Kemp

2017 John Reid Heritage Awards

Residents who have contributed to the City's rich heritage were recognised at the 2017 John Reid Heritage Awards. The awards ceremony was held on 10 April 2017, at the Broken Hill Regional Art Gallery, and hosted by Council's General Manager James Roncon and Mayor Darria Turley. Seven awards were handed out across Residential, Commercial, New Development and Individual Contribution categories, while a handful of commendations were also awarded. Winners were selected by a panel drawn from the Broken Hill Heritage Committee, which included councillors, Heritage Advisor Liz Vines, and a member of the community. The competition allows the community to play a part in the story of Australia's First National Heritage Listed City. Whether by way of a coat of paint, building a traditional verandah, or even completely renovating a building, it all counts towards the look and feel of our great City.

The winners were:

New Development Award: Teacher
Housing Authority (363 Sulphide Street)

New Development Award: Hospital
Museum annex addition, Sulphide Street
Railway and Historical Museum

Individual Contribution to Heritage Award:
Mr Don Mudie

Commercial/Corporate Award: Mr D.W.
Harris and Ms L. R Hunt (89 Piper Street)

Residential Awards:

- Mr K G and Mrs S E Green
(117 Hebbard Street)
- Mr G DeMain (233 Rowe Street)
- Mr P J and Mrs T L Merritt
(724 Argent Street)

Residential Commendations:

- Mr P R and Mrs J E Hoare
(320 Lane Street)
- Mr A W and Mrs C M Rowe
(150 Iodide Street)
- Michael and Joanne McCulkin
(478 Lane Street)
- Mr M R and Mrs J A Dwyer
(150 Cornish Street)
- Mr S and Mrs R Molesworth
(101 Gypsum Street)
- Mrs B D McKee (74 Bismuth Street)
- Mr J and Mrs P Carroll
(195 Pell Street)
- Mr J and Mrs A Wren
(319 Morgan Street)

2017 Civic Ball

The 2017 Civic Ball was held on 12 May 2017 and saw 12 young ladies presented to Mayor Darriea Turley at the newly refurbished Civic Centre, before a crowd of over 350 people. The debutantes and their squires completed three dances, starting with the Pride of Erin, a contemporary Cha Cha choreographed specifically for the 2017 Civic Ball by dance instructor Andrew Bevarne and a traditional waltz with their parent. The debutantes and squires for 2017 were:

- Eva-Grace Raven and Sage Hocking
- Laura-Lee Simmons and Harrison Campbell
- Gemma Murray and Ethan Bartlett
- Savannah Morris and Luca Napoli

- Willow Pascoe and Paddric Attard
- Maddison Byrne and Hamish Inglis
- Sasha Cox and Zachary Murray
- Kaysha McGregor and Dylan Rilen
- Paige Bush and Jayden Sutton
- Kate Doyle and Jonas Vincent
- Ebony Pascoe and Adam Fell
- Victoria Bruggy and Angus Bartlett

Council acknowledges the late Andrew Bevarne for instructing the debutantes in their dance routine.

PROPERTY DEVELOPMENT

Sale of the Broken Hill Film Studio

Shifting the Film Studio building into the private sector so it could be better utilised, and possibly generate employment for the City in the future, was one of the main priorities of the sale of the Film Studio. The Film Studio – formerly the Central Power Station – was purchased by Broken Hill City Council from Perilya in 2010. The State Government and Council spent more than \$2M renovating the site for the filming of Mad Max: Fury Road, however unusually wet weather in the district saw the film moved to Namibia for shooting. Despite this setback Council continued to seek investment to make the venture a success, however it attracted little interest, and Councillors voted in April 2016 to sell the studio. The Film Studio sold at auction in November 2016.

STRATEGIC TRANSPORT

Introduction of Regional Express Community Fare

Regional Express (REX) this year introduced a “community fare” targeted at the direct flights between Broken Hill and Sydney. The flights are available from Monday to Saturday for all advanced bookings of at least 30 days prior, subject to booking class availability, in addition to all available seats within 24 hours prior to departure. The community fare represents a \$106 price reduction to the lowest standard fare with REX contributing \$94 to the reduction and Council contributing \$12 through the waiver of the passenger head tax. The initiative forms part of a broader 5 year partnership agreement between Council and REX. More than 250 fares were purchased within the first three weeks of the scheme being launched.

TOURISM DEVELOPMENT

Walking Tours Step Back Into Town

The popular tourist attraction of walking tours has been resurrected by a group of eager volunteers and Council. The tours were originally created by Broken Hill Walk Tours in 1983, and saw volunteers escorting groups of tourists through the City and highlighting its many points of interest. The group operated until 2014, when a decline in volunteer numbers forced the Walking Tour team to disband. In April 2017, the tours returned thanks to a spike in interest from volunteers, which has injected new life into the initiative. Broken Hill is Australia's First National Heritage Listed City, and now a dedicated group can walk tourists through the City and explain the many reasons the honour was received. The Heritage Walk Tours run on Tuesdays and Thursdays from 10am to midday, and depart from the Visitor Information Centre.

FILM

Film Activity in Broken Hill

The City is renowned for its perfect light – by day the sun and by night the stars – which attracts artists, photographers and filmmakers. Council continues to nurture and build relationships with film and production companies attracted to Broken Hill as a location for filming. In 2016/2017, Council assisted no fewer than 12 productions. Council also hosted a film delegation with Screen NSW that included a film industry representatives from the Australian Embassy Beijing, Village Roadshow, Perfect World Pictures and HeYi Pictures. Films, series, photoshoots and advertising campaigns supported by Council included:

- Ferrari – California T international marketing campaign – Ferrari Australia Pty Ltd
- Wake In Fright – Lingo Pictures and Endemol Shine Australia
- Mining The Sun and Mad Max, Priscilla and two million sheep – The Climate Council
- 800 Words – South Pacific Pictures
- Outback Pilots – Prospero Productions

- NRL Launch – Fox Sport Australia Pty Ltd
- Hyundai Filming – Collider Films
- Story of Australian Cinema with David Stratton – ABC
- BHP – Think Big Campaign – Flinders Lane
- Heritage Near Me – Office Environment and Heritage – The Pulse
- Story of Australian Cinema with David Stratton – ABC
- Sunrise Weather Cross – St Patrick's Races – Channel 7

Red On Red - Ferrari California T Picture

Sydney and Broken Hill were chosen for starring roles in Ferrari's "State of The Art" global film series that explores the essence of the California T in iconic locations around the world. Australia was the fourth country to be featured in the series. The 60 second film, entitled "Night into Day", took inspiration from the versatility of the vehicle and the Australian landscape, and was funded by Ferrari's international team and the tourism marketing unit of Council. It was produced entirely in Australia and tells a visual story of the Ferrari California T slipping through Sydney CBD at night before breaking through to daylight in the dramatic red desert surrounding Broken Hill. The film, associated photographs and editorials appeared on national and international platforms including:

- The Ferrari Website and Homepage
- Ferrari Australasia Client Newsletter,
- Sky News – including interview with Mayor Darriea Turley
- Southern Cross News
- Wheels Magazine
- Drive.com.au
- Campaign Brief
- Gizmodo
- Red Book
- Evo Magazine
- Motoring.com.au
- Enzari
- Carligious
- Motorsport.com
- BS Motoring
- Carpoint.com.au
- Motor Magazine Facebook 5.1k viewers
- Hey Gents Facebook 1.7k viewers,
- You Tube 12,870 views
- Cinema screens around the nation.



"The iconic outback of Broken Hill, with its sandy red earth and harsh terrain, provided the perfect backdrop for the hero shot of the film, as the car drives towards unknown horizons. The Broken Hill community and location property owners embraced our team and made the filming for Ferrari an unforgettable experience."

Director Benjamin Gartland

Wake In Fright – The Remake

"It's expensive to get here but once you're here it's so much easier to operate and I can feel the joy of the crew because they're able to just get on with their work. Apart from the ease of filming and the support of the public, Broken Hill was a very special place." Producer Helen Bowden, Barrier Daily Truth, 5 April 2017.


Australian acting royalty Sean Keenanwill, David Wenham, Alex Dimitriades, Gary Sweet and Caren Pistorius will feature in the remake of the 1961 novel Wake in Fright. Filming of the Channel 10 series took the crew from the All Nations Hotel in Eyre Street (renamed the Bundanyabba Arms for filming) to various shops and houses throughout town, and the Pinnacles. While some films have chosen to ignore the Line of Lode that dominates the Broken Hill skyline, the Wake in Fright crew has made sure to put it in shots.

The remake of Wake in Fright provided Council with an opportunity to trial its new dedicated fibre optic link at the Civic Centre. The lack of speed prior to the connection meant that the time lag between requesting data and getting it to the local machine was prohibitive. The fibre-optic connection has eliminated many of the latency issues particularly when downloading or uploading video or high-definition content and created revenue opportunities.

The producers of Wake in Fright leased the new fast fibre internet connection from Council to carry their footage over the internal network to the Civic Centre, where it could jump onto the Telstra fibre connection and onto the internet. ESA Productions reported back to Council that this was the first time they had used this method of working within Australia - uploading their rushes to Sydney for editing the next day and downloading completed footage for review on the ground the next morning. Previously film makers sent a runner to the Airport each day with a storage device to be transported on the flight to the City and returned next day. The team said that this is a "game changer in how they operate".

OUR ENVIRONMENT

Our Environment relates to the conservation and preservation of the natural environment and greater reduction of the human impact on the surrounding environment to ensure a sustainable and healthy community. It contains a number of strategies to better manage and use the natural resources within the Broken Hill region.

A photograph of a kangaroo standing on red, sandy soil in a desert environment. The kangaroo is facing left, with its head turned slightly towards the camera. The background consists of dry, yellowish-brown shrubs and a clear blue sky.

A kangaroo at the Living Desert

OUR ENVIRONMENT

We value our wide streetscapes, quality of life and stunning vistas; we are committed to conservation and preservation of the natural environment and greater reduction of the human impact to ensure a sustainable and healthy community.

WASTE MANAGEMENT

Community Recycling Centre

During 2016/2017 the Community Recycling Centre (CRC) was removed:

- More than 5 tonnes of household hazardous waste (more than double the 2 tonnes collected over 7 years of annual collections)
- 8.8 tonnes of batteries
- 17,000 litres of motor oil

Surveys completed during January and May 2017 by Council's Waste staff found that 75% of users heard about the CRC through "word of mouth" as opposed to newspaper advertising and social media.



**The CRC at the
Waste Management Facility**

Scrap Metal Collection

Council resolved at the Council meeting held 24 May 2017, minute number 45557, to enter into a regional collection contract. The Collection and Recycling of Scrap Metal for Councils in the NetWaste Region Contract has been awarded to SIMS Metal Management, for a period of 2 years with the option to extend by a further 12 months, which can be offered a maximum of two times. The contract arrangements commenced in the first quarter of the 2017/18 financial year.

Green Waste Collection

In 2016/2017, 8801.85 tonnes of green waste was collected at the waste facility.

This was an increase of 1,746.85 tonnes compared to 2015/2016 (7,055 tonnes). This increase is likely to be the result of the November hail storm, with extra green waste coming from fallen trees and branches.

Type of Collection	Tonnes
Domestic Kerbside	938.08
Domestic Drop Off*	4287.90
Commercial	3575.87
TOTAL	8801.85

*drop off is estimated using NSW Environment Protection Authority (EPA) vehicle conversion rates

There has been contamination issues with a portion of green waste going to landfill. This is estimated to be approximately 30% of the kerbside collection.



**Example of Green Waste
Contamination Drop Off**

Fire Incident at the Waste Management Facility

Two large fires occurred at the Waste Management Facility, in July 2016 and February 2017. While one fire was caused by hot ashes being placed at the tip face, the cause of the second fire is still unknown. Both incidents were reported to the NSW EPA with the NSW EPA Pollution Incident Response procedures being implemented.

Council provides separate bins for the disposal of hot ashes to prevent this from happening and it is essential that facility users follow the direction of staff when disposing of ashes. Signage has been erected at the Waste Management Facility directing users to communicate with staff onsite.



**One of the fires at the
Waste Management Facility**

Tyre Shredding

Tyre shredding has continued at the Waste Management Facility. Council has been able to cover the costs of a contractor (through the implementation of facility fees) to completely shred all waste tyres on site, commencing at the end of May 2017. Tyre management will continue with further shredding or recycling to occur during 2017/18.



Tyre Shredding in progress

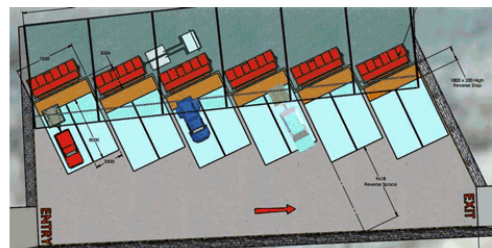
Transfer Station Progress

The Development Application and Construction Certificates are in place to proceed with the installation and implementation of a Transfer Station at the Waste Management Facility. Local contractors have been selected to undertake the on-ground works and fabrication of the building. Engineering

requirements of the facility are being reviewed to ensure its capability for the site, which has caused delays with construction. The hook lift truck required to manoeuvre the industrial bins has been ordered and the bins have arrived on-site. Information packages are being developed for distribution to the community.



**Transfer Station Bins awaiting install
and implementation**



**This proposed concept design reflects
vehicles pulling up to bins and disposing of
waste in dedicated bins that will later be
sorted by Waste Facility Management staff**

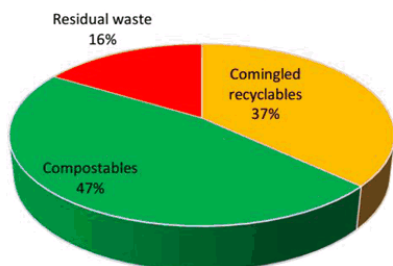
Green Waste Shredding

Green Waste shredding has continued into 2016/2017, with shredded green waste being utilised on site for dust suppression. Increased contamination of green waste has seen an increase in the amount of green waste having to be landfilled on occasions. A major breakdown of machinery led to stockpiling of the green waste which will be shredded by a contractor early in the 2017/18 financial year, while Council's machinery is repaired.

Waste Audit April 2017

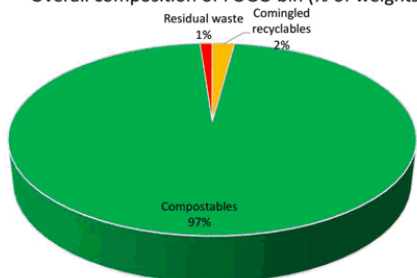
Just Waste Consulting conducted an audit of the residential bin service in Broken Hill, during April 2017. The consultants audited 205 general waste bins and 191 green waste bins over two days. The waste was sorted into three main categories – recyclable, compostable and residual waste. The results showed that on average, residual waste bins were 76% full at the time of collection, and green waste bins were 84% full. The overall composition of the residual waste bins were 16% waste, 37% recyclable and 47% compostable.

**Overall composition of residual waste bin
(% of weight)**



The overall composition of the green waste bins were 1% waste, 2% recycling, and 97% compostables.

Overall composition of FOGO bin (% of weights)



Results are influenced as the bins sampled were collected from one area within Broken Hill; local trends may affect the material type in the sample.

The results of this audit will be used to assist in the completion of an economic analysis that will assess the viability of introducing kerbside recycling.

Litter Management

Staff commenced implementing actions from the Litter Management Plan to improve litter conditions at the landfill. This includes landfill cover, placement of dirt, management of stockpiles, and windblown litter. Staff received training in both EPA licence requirements and Landfill Environmental Management in September 2016 and May 2017 respectively.

The following before and after photos taken from inside the Waste Management Facility, reflect the significant improvement to litter management.



Before ...



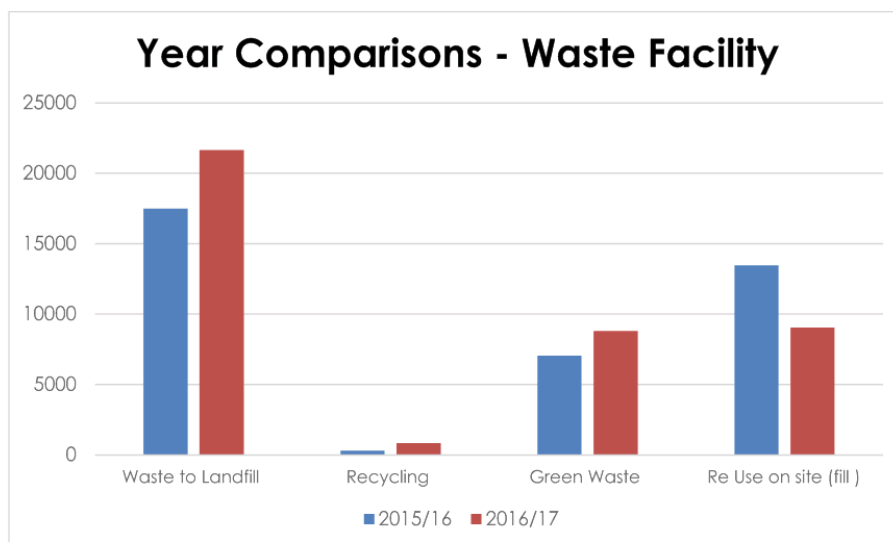
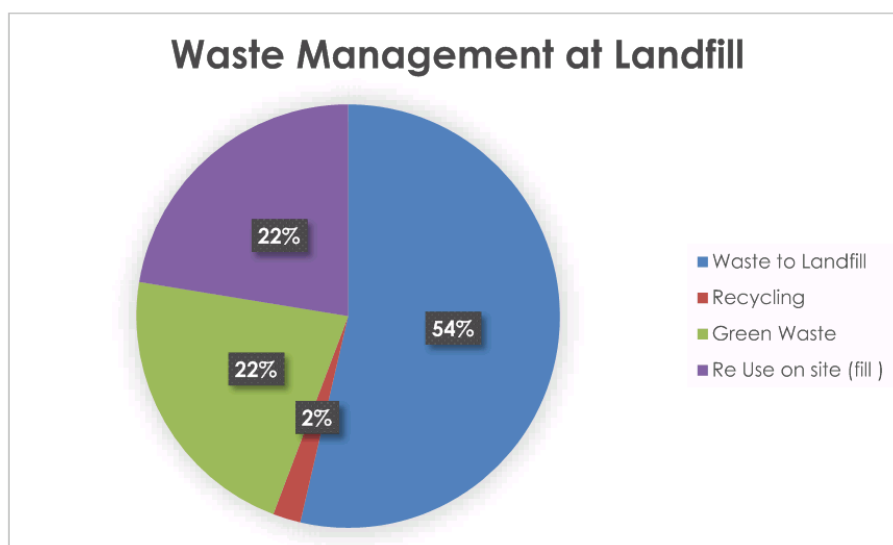
... After

Waste Received at the Waste Management Facility – 2016/2017

There has been an increase of 1980 tonnes of waste received at the facility compared to 2015/16. This is the likely effect of the hail storm in November 2016.

Data shows that recyclables removed for reprocessing doubled this financial year

- 54% of waste received was landfilled
- 22% has been re-used on site
- 22% is green waste that is stockpiled for processing early in the 2017/2018 year
- 2% recycling



Waste Education Presentations and Tours

During 2016 Council's Environment, Waste & Recycling Specialist met with Year 10 students from Broken Hill High School. A 45 minute presentation on waste management was conducted as well as several tours of the Waste Management Facility. These activities form an integral part of the students' Human Society and its Environment (HSIE) major assignment.



Students from Broken Hill High School

EnviroMentors

In July 2016 EnviroMentors conducted waste workshops at all seven local primary schools. The two workshops this year focused on "Lunches Unwrapped" with a focus on developing an understanding of waste avoidance and the significant amount of packaging used on food; and "Litter" with a key objective of reducing littering behaviour amongst participating students. A total of 777 students participated in these workshops. The workshops are sponsored by Council and conducted every 2 years. This was the first year that all primary schools participated.

Clean Up Australia Day 2017

The annual Clean Up Australia Day event was held at Joe Keenan Lookout on 5 March 2017. Participants who took part in the Tidy Towns facilitated clean up also received automatic entry in the Clean Up Broken Hill Weeding Competition. There were 25 bags of rubbish removed. The Girl Guides independently cleaned up Block 10 Lookout, removing 18 bags of rubbish.



The Tidy Towns Committee with their rubbish collection

Tidy Towns Clean Up Events

The Tidy Towns Committee hold regular clean up events to tackle the issue of litter in our local community. This small group of dedicated volunteers invite locals every few months to get their hands dirty and take pride in keeping our community clean.

Location and Date	Number of Volunteers	Amount of Litter removed
September 2016 – Arboretum Planting and Clean Up	25	Not recorded – utilised bins on site
March 2017 – Joe Keenan Lookout – Clean Up Australia Day	15	20kgs
May 2017 – Adelaide Road Clean Up	17	60kgs



The Tidy Towns Committee Chairperson, Councillor Christine Adams at one of the clean up activities held during the year

Annual Household Hazardous Waste Collection

The annual Household Hazardous Waste Collection was held during October 2016. There were only five participants this year, with 97kg of hazardous waste collected. Over 90% of the waste collected on the day is waste that can be collected via the CRC. It is believed that the commencement of the operation of the CRC has reduced the need for the annual collection day.

Weeding Competition

Council supported a town wide tidy up with the inaugural Clean Up Broken Hill Weeding Competition, to encourage locals to help combat weeds in the City. The competition attracted 30 entries. The \$2,250 prize pool, which was donated by Council and local businesses, was split five ways, with a winner drawn from each of the City's four traditional football zones, and a fifth prize awarded for "best effort". A judging panel consisted of Mayor Darriea Turley, Tidy Towns Committee Chairperson Christine Adams and Council's Environment, Waste and

Recycling Specialist Libby Guest, who spent almost an hour scrutinising before-and-after photos in the "best effort" competition. The panel selected Daniel Kennedy as the "Best Effort" winner and recipient of a \$450 gift voucher from Shannon Electrics. Mr Kennedy cleared a number of nature strips around the West neighbourhood and removed many weeds from around the West Football Club and Bill Renfrew Oval. A draw was also held to randomly select a winner from each of the City's football zones for a \$450 gift certificate from sponsor businesses. The winners were:

- West area – Bob Dyson – prize from Pots 'n' Plants
- North area – Rod Murray – prize from Stihl Shop
- South area – Fay Whitfield – prize from Adkins True Value Hardware
- Central area – Randel Green – prize from Globe Timber and Hardware



Before and after photos reflecting the amazing efforts by our hardworking community

SUSTAINABILITY AFTER MINING

New Street Sweeper

The new Street Sweeper commenced working around our streets in late July 2016. The Broken Hill Environmental Lead Program (BHELP) has provided \$50,000 of funding over a 4 year period to support street sweeping in Broken Hill. The funds have been allocated to install extra micro sprayers on the vehicle, and to support extra sweeping time, particularly after wet weather events. Council and BHELP staff worked together to develop Lead Smart signage that was placed on the side of the street sweeper, promoting a lead safe community.



The new street sweeper



The sprayer installed on the street sweeper

Broken Hill Lead Reference Group

The Broken Hill Lead Reference Group meets quarterly and includes representatives from Council, BHELP, CBH, Perilya, NSW Health and Essential Water. Each representative presents reports at each meeting, providing updates on lead related programs and projects being undertaken. The group is a collaborative group that work on addressing the issue of environmental lead in Broken Hill.

New Fencing at AJ Keast Park – Lead Remediation Project

The Broken Hill Lead Reference Group funded the installation of a fence separating AJ Keast park from the lead contaminated hill of Block 10 Lookout. The fence was completed in June 2017.

Queen Street Project – Lead Remediation Project

The Broken Hill Lead Reference Group identified the area behind the Queen Street residents, adjacent to the old tailings dam, as an area of high lead concentration. The remediation decided for the area was capping the site with limestone, loam and mulch to suppress the spreading of lead dust and encourage flora growth. Additional features to the project included constructing a fence around the site with warning signage, capping the batters of the tailings dam, and adding swales to the site to control stormwater flow.

NATURAL ENVIRONMENT

The Living Desert Volunteers - The Friends of the Flora and Fauna of the Barrier Ranges Committee

The Friends of the Flora and Fauna of the Barrier Ranges Committee completed 540 volunteer hours over 15 working bees. The volunteers completed maintenance activities including weed management, path clean ups, and raking and replacement of wood chips in the flora site and campsite areas. Volunteers also assisted with the opening and closing of the Living Desert – this includes checking and locking the flora site, checking sculpture and picnic areas for lingering visitors and moving people on if required, and locking entry gates. Volunteers have contributed 322 hours to provide this service. These hours alone equate to almost \$26,000 in wages.

Visitors at The Living Desert

Almost 500 people participated in guided tours at The Living Desert, including school students, medical students, dance groups and special interest groups.



Medical students participating in a tour



Visitors enjoying an iconic sunset at The Living Desert

Light Photography Workshop at The Living Desert

In early 2017 a photography workshop was held at The Living Desert to demonstrate and teach some tricks with lighting to create some very unique outcomes. The session was held just after sunset.



Light Photography Session

The Living Desert Front Gate Upgrade

A new electric gate has been installed at the main entrance of The Living Desert. This gate is in preparation of the opening of the pending camp ground. The gate will allow campsite visitors to enter and exit after normal operating hours if required.



Animal Management Plan

The "Animal Management Plan: Living Desert Flora and Fauna Sanctuary Broken Hill NSW" has been developed to provide Council with details on the management of the site including the monitoring of both flora and fauna within the site. The Living Desert staff are required to monitor the population of the authorised species onsite twice per year. This is to ensure that populations are maintained and allows for adequate management of the carrying capacity of the site. Surveys are scheduled in May/June (early winter) and mid-November (prior to the height of summer). The timing of the surveys are to ensure that the populations are assessed prior to the most extreme environmental conditions (extreme cold and extreme heat). The flora is required to be surveyed annually.

Kangaroo Surveys – The John Simons Flora and Fauna Sanctuary

The John Simons Flora and Fauna Sanctuary is licenced to carrying capacity of 96 kangaroos. The November 2016 survey results reflect that there were 64 kangaroos within the John Simons Flora and Fauna Sanctuary, well below the limit of 96.

The 2016 survey results are provided in the table below:

Survey Dates	November 8 -11 in 2016 from four feed points and viewing with binoculars on hills in the morning and evenings					
Species	Males	Young Males	Females	Joeys	TOTAL	No. per Hectare
Red Kangaroo	4	5	9	3	21	0.12
Wallaroos	15		20	8	43	0.24
Yellow-footed Rock Wallaby	To be re-stock at a later date				0	0
TOTAL					64	0.36



Examples of flora and fauna at the Living Desert

Vegetation Surveys – The John Simons Flora and Fauna Sanctuary

The survey was completed during November / December to monitor the condition of the vegetation within the flora site, located within the Living Desert. There are several control plots for comparison outside of the flora site but still within the Living Desert, a requirement of the NSW National Parks and Wildlife Service (NPWS) licence for kangaroo management. The surveys found the vegetation was in good condition and not affected by the kangaroo population within the flora site.

The Australian Association of Bush Regenerators

During March 2017, members of the Australian Association of Bush Regenerators (AABR) joined a range of locals to conduct a workshop about Broken Hill's Regeneration Areas. The AABR completed inspections of the regeneration areas to assess the validity of

the ecological restoration works commenced in the 1930's. The assessment showed the Regeneration Area is a true representation of genuine ecological restoration and was one of the first three projects of its kind in the world. 2017 marks the 80th anniversary of the commencement of these works. The AABR workshop was held to discuss the development of an Albert Morris Award in recognition of Mr Morris' contribution to ecological restoration; supporting the Barrier Field Naturalist Club that was commenced by Mr Morris; and discussing the ecological considerations of the Regeneration Areas.



The Australian Association of Bush Regenerators

Willyama Common and Regeneration Area – Maintenance Work

Maintenance work has continued on the Willyama Common and Regeneration Area. This has included 14km of fencing repairs and replacement, and follow up weed management to continue controlling mesquite, cactus species and Bathurst burr.

Willyama Common – Aboriginal Land Claims

Council has received advice on over 200 aboriginal land claims in the Broken Hill local government area, with the majority being throughout the Common. These claims remain active until a determination has been made.

The *Aboriginal Land Rights Act 1983* was introduced to compensate Aboriginal people in New South Wales for the past dispossession of their land. The Act provides that Local Aboriginal Land Councils can claim Crown Land and have that land transferred to them in freehold title if, among other requirements, the land at the time of the claim:

- is able to be lawfully sold or leased
- is not lawfully used or occupied
- is not needed nor likely to be needed as residential lands
- is not needed nor likely to be needed for an essential public purpose including nature conservation.

Successful claims result in the transfer of land in freehold title to the claimant Land Council. Aboriginal Land Councils can develop and/or sell lands as decided by the members, with the appropriate approval of the NSW Aboriginal Land Council. However, land acquired under the land claims process prior to 1994 must first obtain a determination of native title in relation to the land under the *Native Title Act 1993*. Aboriginal Land Councils are required to comply with all other relevant legislation including nature conservation, zoning compliance, development applications and cultural heritage assessments in any development or sale.

The land claim process is summarised below:

- Local Aboriginal Land Council, or the NSW Aboriginal Land Council on behalf of a Local Aboriginal Land Council, may make claims over Crown Land that is not needed for an essential public purpose or legally used and/or occupied.
- Land claims are lodged with the Registrar of the *Aboriginal Land Rights Act 1983* and referred to the Crown Lands Minister/s for investigation and determination.
- Once the Ministers administering the *Crown Lands Act 1983* are satisfied that either whole or part of the land is claimable or not, the land is either granted or refused.
- Granted land is then transferred to the Land Council as freehold title.
- Land Councils are not required to establish cultural association with lands when making land claims.

South Regeneration Walking Track

A small section of the South Regeneration Area has been formally developed into a short walking track for locals and tourists alike. The track meanders past a small ephemeral creek and provides a great place for avid bird watchers.



**The South Regeneration Area
Walking Track**

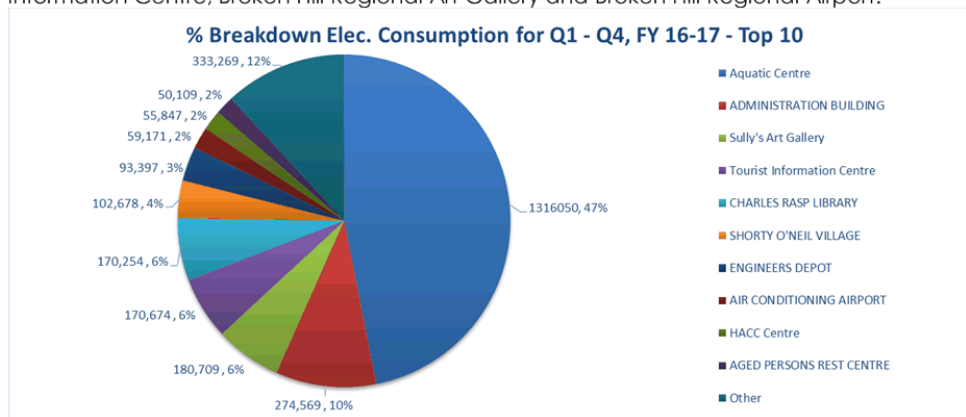
ENVIRONMENTAL FOOTPRINT

Climate Change

Council staff attended the final two half day workshops for the Western Enabling Regional adaptation workshops. These workshops have been occurring periodically during 2016. The workshops brought together all the work from previous workshops to establish possible project areas to move forward on adapting to the impacts of Climate Change for the Far West. Some of these included strengthening green energy opportunities leading to local storage, strengthening tourism collaboration and providing education for our visitors on safety measures when travelling in hotter times of the year; during periods of rain and on dirt roads. While the initial drivers for climate change are climate related – drought, changing rainfall patterns, heatwaves and storm events, the effects of these changes quickly become very complex and interrelated. The impacts of such events are also strongly related to other non-climate drivers including scale and remoteness, demographics, water resource availability, and the adaptive capacity of the area. Participants also looked at policy opportunities and when they tend to become available, including developing a mock climatic event timeline based on predicted changes for the Far West.

Energy Consumption

Council's top 10 consuming buildings are pictured below. There have been some changes since last year, and as sale of asset transfers are completed there will be more changes. The LED lighting project savings continue. Since installation in May 2014 Council has saved an average of \$63,800 across the four facilities – Council Administration Centre, Visitor Information Centre, Broken Hill Regional Art Gallery and Broken Hill Regional Airport.



NSW Climate Change Policy Framework

In November 2016 the NSW Government released the following documents:

- NSW Climate Change – Policy Framework
- Climate Change Fund – Draft Strategic Plan 2017-2022
- A Draft Plan to Save – NSW Energy and Money

These documents are designed to provide a framework for NSW to maximise the economic, social, and environmental wellbeing of NSW in the context of a changing climate. The key focus areas include:

- Accelerating advance energy
- Expanding National Leadership in energy efficiency
- Preparing for Climate Change
- Energy Efficiency for homes, businesses, government, infrastructure and markets and appliances.

Council made a formal submission on these documents in January 2017, with the final program expected to be rolled out during mid to late 2017.

BUILT ENVIRONMENT

Preservation of Historic Buildings

Council assisted with the preparation of Conservation Management Plans to assist with funding applications for the following properties: Trades Hall, Outback Church, Palace Hotel, Broken Hill Mosque, Pirie Chambers, and The Astra. Council continued to operate its Small Heritage Grants Program, and also provide a free Heritage Advisory Service to residents. Council was successful in being awarded grant funding from the NSW State Government for restoration and interpretation at the Mosque. Council will receive funding towards their project "Broken Hill Mosque: Physical Conservation and Re-interpretation of the Only Surviving 'Ghan Town' Mosque in Australia". An allocation of funds of \$56,500 for 2017/2018 and another \$56,500 of funds for 2018/2019 equal a total of \$113,000 to assist in the conservation works to the interior and exterior walls. This will enable the Mosque, built in 1887 and one of the earliest and rarest components in the BH LM+PLP, to compete as a heritage attraction on a world stage.



An external view of the Mosque



The Prayer Room within the Mosque

Town Planning – Plans

Council amended its Local Environmental Plan (LEP), to allow for "additional permitted use" on land within the Broken Hill Regional Airport site. The additional permitted use is for the construction of an Animal Pound, to be established and operated by Council.

A new comprehensive Development Control Plan (DCP) was developed and adopted in October 2016. The purpose of this plan is to guide development within the Broken Hill LGA and to be consistent with the aims and objectives of Broken Hill LEP 2013. It contains objectives and development controls that expand upon the requirements of Broken Hill LEP 2013 and that are to be considered in addition to the LEP when preparing a proposal to develop land in Broken Hill.

Development Applications

Council received 134 Development Applications (DAs) during 2016/2017 to the total development cost value of \$23,915,804. One major DA that Council has assessed during the year is for the construction of a two-storey Health Facility. The DA for NSW Health Infrastructure has a proposed construction cost of approximately \$17M and will provide a new facility that augments the range of health and community services facilities within Broken Hill including the provision of a public dental facility. The DA was considered "regionally significant" under State Planning Legislation, and therefore, while assessed by Council, the determination was made by the Western Joint Regional Planning Panel.

STORMWATER MANAGEMENT

Stormwater Management

A greater emphasis has been placed on the importance of Broken Hill's stormwater systems, especially the upkeep of existing systems and identifying shortfalls. Council has been responding positively to the requests and concerns of residents relating to local flooding incidents and planning works to combat these issues. A dedicated budget has been approved to address cases of localised flooding. The November 2016 hail storm identified the strengths and weaknesses of Council's existing stormwater system. Further resources will be dedicated towards strengthening of the network to mitigate the risk of property damage from storm incidents. Council took advantage of the opportunity to renew ageing stormwater drainage assets with new infrastructure, such as part of the upgrade of the Patton and Comstock Streets intersection. During this project the aged stormwater pipes were upgraded to box culverts to address sufficient stormwater flow.



Before – aged stormwater pipes



After – newly installed box culverts

OUR LEADERSHIP

Local Government is the level of government closest to the people, the voice of the community and its strength of leadership directly impacts upon the wellbeing of our people in Broken Hill.



Your Elected Council – appointed in September 2016

OUR LEADERSHIP

We have strong civic and community leadership. We are inventive, inclusive and innovative; when we work together there is nothing we can't do and our achievements continue to write history

LEADERSHIP & GOVERNANCE

Local Government Elections 2016

Prior to the Local Government Elections held on 10 September 2016, Council engaged Local Government NSW to facilitate two Candidate Briefing Sessions in Broken Hill during August. The program enabled those interested in becoming a Councillor to gain a better understanding of the role and responsibilities as an elected member of Council and provided the information they needed to make a considered decision about standing for Council. At the end of the workshop, participants were able to:

- Identify the key requirements for becoming a Councillor
- Recognise how the Councillor role fits in with other roles and various levels of government
- Address their key expectations and potential challenges in becoming a Councillor
- Know how the Councillor role fits in with the Integrated Planning and Reporting Framework
- Identify key elements of council meetings, including code of conduct and conflict of interest

This was a well-received and positive engagement tool that Council hope to continue in the future.

New Council Elected

In a watershed moment in Broken Hill history, the community elected their first ever female Mayor – Darriea Turley. Ms Turley had spent 20 years of service on Broken Hill City Council. The following candidates were successfully elected:

- Ron Page
- Tom Kennedy
- Maureen Clark
- Marion Browne
- Jim Nolan
- Branko Licul
- Dave Gallagher
- Christine Adams
- Bob Algate

The new Council were inducted and sat for their first Ordinary Monthly Meeting of their term on 28 September 2016.



**Broken Hill inaugural female Mayor,
Mayor Darriea Turley**

Farewell Mayor Wincen Cuy

Mayor Wincen Cuy announced in 2016, after 6 ½ years serving on Council that he would not be standing for re-election in 2016.

Upon his departure, Mr Cuy proudly spoke of achievements during his period with Council, including future pathways and the opportunities for new and exciting ways of modern interpretation of this great City, which will put us on the cutting edge of technology.

Most importantly, he spoke of heading very close to a budget surplus so that Council may undertake work on all the things the community wants, including improved roads and footpaths.



**Wincen Cuy wearing the Mayoral Chains
for one of the last times**

Workshops to assist Councillors

The NSW Office of Local Government (OLG) in partnership with Local Government NSW (LGNSW) facilitated a locally run "Hit The Ground Running" workshop for new and returning councillors, giving all councillors the opportunity to receive assistance with their representative roles at a professional workshop. The workshop was based on the "5 Key Things" all councillors need to know in order for them to be effective in their roles, including information on how local government reform affects each council, following recent amendments to the *Local Government Act 1993*. The updated workshop material also included crucial information for all councillors on the Model Code of Conduct, the Integrated Planning and Reporting Framework and the support available to them during their term in relation to learning and professional development.

Local Government NSW Capability Framework Consultation Workshop

As part of LGNSW's development of a Capability Framework for local government to define the core knowledge, skills and abilities expected of elected members and local government employees, LGNSW visited Broken Hill in June 2017 for a consultation session with councillors and staff. LGNSW aims to design and produce the framework by July 2017, and develop supporting tools by December 2017. The aim and benefit of developing a framework is that it will support NSW councils to:

- align the workforce to support community outcomes
- improve performance and capacity
- attract and retain highly capable people
- reinforce the message that a joint effort of the workforce and elected members is required to achieve outcomes for the community
- provide broader career options and develop the next generation of leaders in NSW
- provide a common basis for the professional development of councillors and staff to build capability in local government.

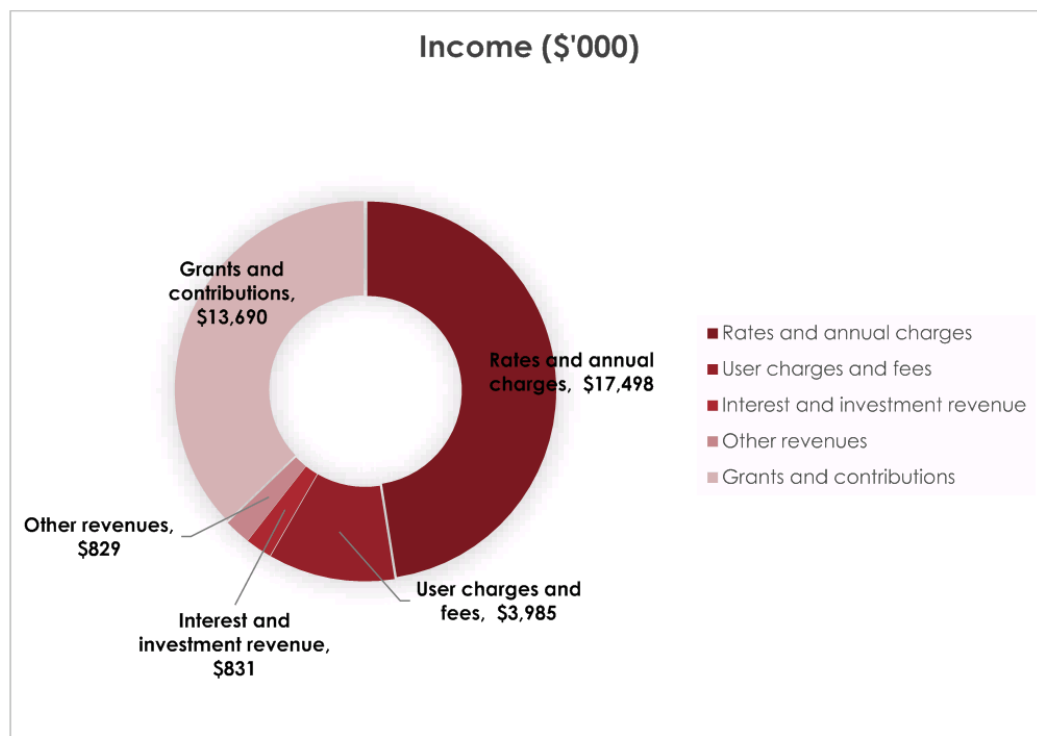
The 2016 Edna Ryan Award

Mayor Darriea Turley was recognised as a leader among women, being awarded the 2016 Edna Ryan Award for feminist activity in the political sphere. Mayor Turley has long been an advocate for women in government, having previously served as National President of the Australian Local Government Women's Association. Mayor Turley has also served as President of the National Rural Women's Coalition and Vice Chair of the Year of Women in Local Government. In 2008, Mayor Turley was recognised for her contribution to women by being nominated for NSW Woman of the Year; that same year she was named Broken Hill Executive Woman of the Year. The 2016 Edna Ryan Award capped off an eventful month for Mayor Turley following her election as Mayor of Broken Hill.

FINANCIAL MANAGEMENT

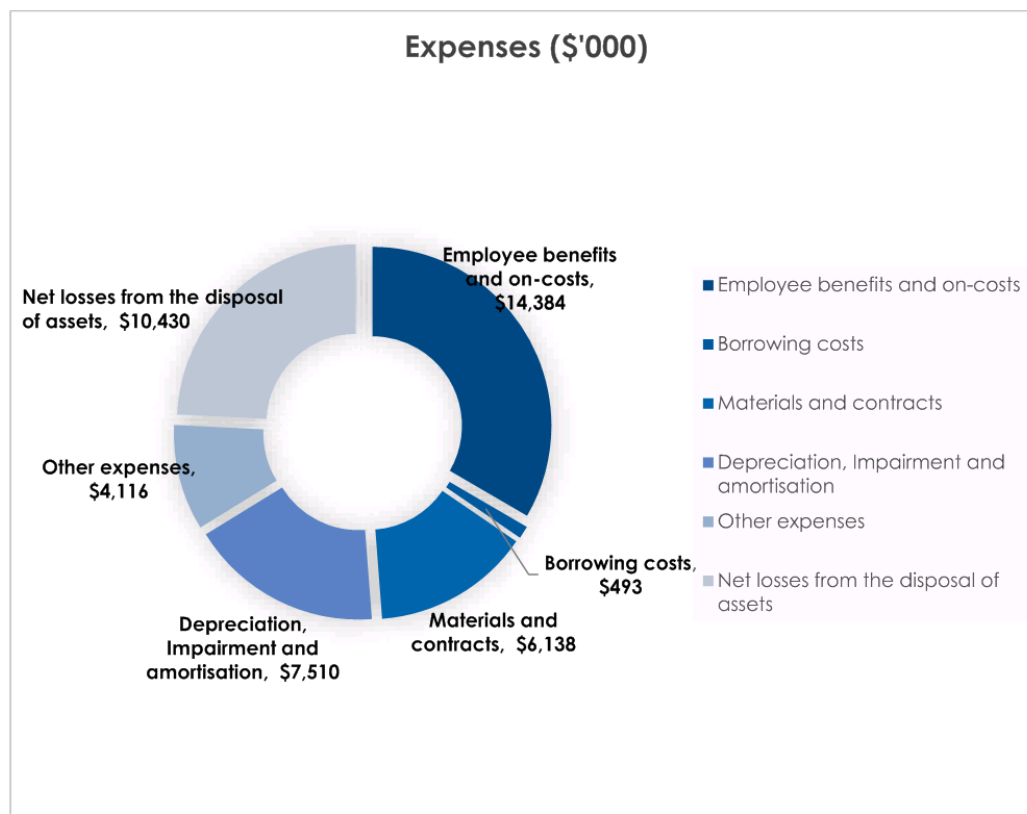
FINANCIAL SUMMARY	CURRENT YEAR 2016/2017 \$'000	PREVIOUS YEAR 2015/2016 \$'000
Income Statement		
Total Income from Continuing Operations	36,833	37,217
Total Expenses from Continuing Operations	43,071	30,610
Operating Result from Continuing Operations	(6,238)	6,607
Net Operating Result for the Year	(6,238)	6,607
Net Operating result before Grants and Contributions provided for Capital Purposes	(10,525)	3,070
Balance Sheet		
Total Current Assets	25,055	21,538
Total Current Liabilities	(8,251)	(7,067)
Total Non-Current Assets	216,997	234,213
Total Non-Current Liabilities	(10,133)	(6,930)
Total Equity	223,668	241,754
Key Financial Indicators		
Operating Performance Ratio	(0.88%)	8.84%
Own Source Operating Revenue Ratio	62.64%	62.12%
Unrestricted Current Ratio	1.80	2.23
Debt Service Cover Ratio	3.78	9.01
Rates, Annual Charges, Interest and Extra Charges Outstanding Percentage	11.68%	10.39%
Cash Expense Cover Ratio	9.86	8.26

Income

Key Movements

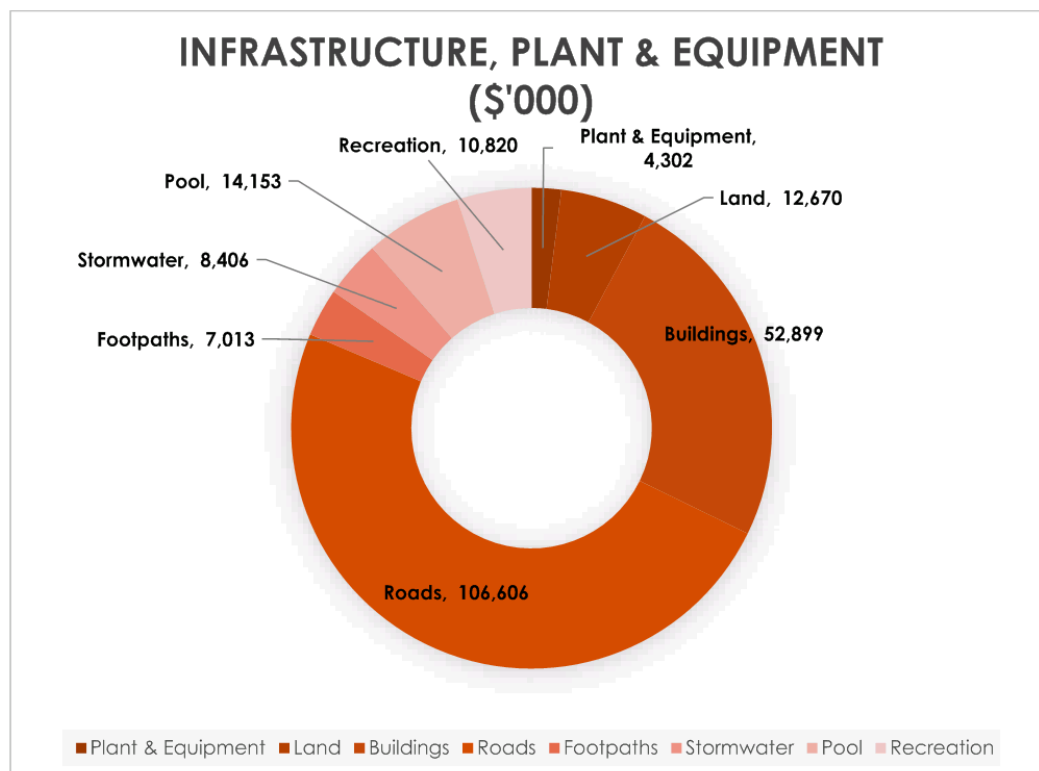
- Rates and Annual Charges – Increase of \$1.1M or 6%. This was mainly due to an accounting adjustment that now recognises prepaid rates as revenue in the year that it is received.
- Other Revenues – Decrease of \$1.7M or 206%. This decrease is due to the previous year's one off sale of the Shorty O'Neil Bed Licences which equated to 1.8M.

Expenditure

Key Movements

- Materials and Contracts - Increase of \$0.49M or 8%. This increase is due to an increase focus on preventative maintenance works during the year, such as painting and maintenance on parks and gardens.
- Net Losses from Disposal of Assets – Increase of \$10.3M or 99%. This was a once off increase, due to the sale of the Shorty O'Neil Village and Film Studio. This also reflected negatively on the "real" operating deficit of Council for 2017/2018.

Balance Sheet



Key Movements

- Cash and Investments – Increase of \$3.4M or 16%. This is due to the sale of Shorty O'Neil Village and the Film Studio, additional grant income as well as additional investment income due to an increased cash portfolio.
- Infrastructure Plant and Equipment – Decrease of \$17.2M or 8%. This is primarily due to a revaluation decrement to Council's transport assets. This was in line with expectations, due the current condition of Council's Infrastructure assets.
- Provisions – Increase of \$5.8M or 50%. This was primarily due to an increase in the TIP Remediation Reserve of \$5.3M, which recognises the future cost to remediate the waste site.
- Borrowings – Decrease of \$1.5M or 43%. This was due to normal principle loan repayments as well as the additional early payout of the Film Studio Loan.

Review of the Local Government Rating System

Both rate pegging and cost shifting from other governments provide financial restrictions and burdens on Council particularly when subsequent funding is reduced or ceased (immediately or over time) after the impost or transfer of responsibility has occurred. As a result Council has to think of alternative or innovative ways to increase revenue. The Independent Pricing and Rating Tribunal (IPART) completed its review of the Local Government Rating System with the final report provided to the Minister of Local Government in December 2016. Over the last 24 months Council has lobbied for the reintroduction of indexation of Financial Assistance Grants (FAG).

Mayor For The Day – 2016 Local Government Week Activity

As part of Local Government Week activities where Council aim to promote Council and provide knowledge to the community about what it is that Council do, community members were invited to nominate for the position of Mayor for a Day. The successful applicant was Sasha Cox, who took control for one day on 3 August 2016.



"Mayor Cox" takes control



Mayor Cox with Council's Rangers – Geoff Creed and Alicia Wayman

The Living Desert Free Tours – 2016 Local Government Week Activity

During Local Government Week 2016 Council offered free tours of the John Simons Flora and Fauna Sanctuary for locals. There were three tours held during the week with 12 locals taking advantage of the occasion.



Council's Living Desert Ranger, Darrell Ford facilitating a free tour of The Living Desert



Tour group ready for some exploring

CORPORATE SUPPORT

Council Save on Insurance Costs

Council announced during the year that it was set to save \$456,713 each year after reviewing its insurance portfolio. Council commenced undertaking an extensive service review process to improve the effectiveness and efficiency of all aspects of its operations. As part of this review, Council held talks with a number of insurers, including its previous insurer, Statewide Mutual. After Council spoke with each of the insurers as part of a tender process, Statewide Mutual offered Council a greatly reduced premium for 2017/2018. That premium was unanimously endorsed by Councillors at a Council meeting, resulting in a saving of \$456,713 on insurance costs compared to 2016/2017. This is a terrific result for Council

that could lead to some welcome upgrades and possibly improve areas of Council's business that represent the greatest insurance risk that contributes to claims against the Council. Whether it is footpath improvements, more CCTV to discourage vandalism or graffiti, or other programs, Council will generally try and improve assets that are a risk for Council and the community. Therefore, an amount of \$200,000 will be allocated to high risk infrastructure maintenance, with planning also including \$200,000 to be invested in an insurance reserve, and the remaining \$56,713 to go into staff training around risk prevention and identification.

The Broken Hill City Council Audit Committee

The Broken Hill City Council Audit Committee is responsible for assisting Council in the effective conduct of its responsibilities for financial reporting, management of risk and maintaining a reliable system of internal controls. Quarterly meetings are held to align with the quarterly budget review process. During 2016/2017 the Committee was chaired first by Chris Nash and then Jim Mitchell (external independent members) and Councillor Representatives were Deputy Mayor Gallagher and Councillor Nolan.

Information Technology Services

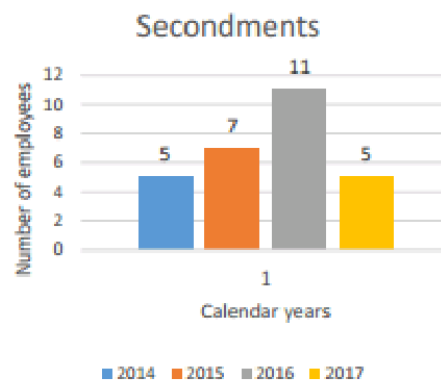
Council hired out its fast fibre internet connection, which has been newly commissioned at the Civic Centre, for the Wake in Fright film production to use whilst filming in the region. Council also provided the production company with office space at the Visitor Information Centre, providing an area to work and allowing for their footage to be carried over Council's internal fibre network to the Civic Centre, where it could connect to the Telstra fibre connection and then onto the internet. The production crew praised both the office provided for a working space, the speed and efficiency of the internet connectivity, and the assistance provided by Council to make the connection possible. This is particularly exciting for the possibilities that this provides. It could potentially be a game changer in how film companies can operate in Broken Hill.

Building Professional Capacity

Council has progressed well in developing its financial management skills capacity and employed an Accounting Cadet during 2016/2017 to maintain this focus. Building skills capacity in the areas of Asset Planning and Project Management are still in their infancy and require more time and resources to embed. Attracting and retaining professionals in a range of specialist fields is still a concern and will be monitored more closely through Council's Succession Planning Framework.

Workforce Demographics

Council has a largely mature workforce however has not yet experienced large scale retirement pressure within Council's workforce. This may seem advantageous for ensuring continuity of service delivery, however key dependencies develop when this expertise is not deployed effectively or knowledge shared widely. A lean workforce does not provide operational flexibility or capacity for operating large scale work shadowing programs that would typically be utilised to ensure transfer of knowledge and skills. Over the last 3 years Council has placed increased emphasis on internal career mobility; providing existing employees the opportunity to gain new or deeper skills in crucial roles via higher duties and secondments.



Number of secondments offered to internal staff over time

Employee Training

There have been several opportunities to provide training to staff throughout the year.

- **Respect in the Workplace** Training was held in August 2016, with 77 participants. The training highlighted Council staff responsibility to create a workplace culture that is respectful. The session also assisted employees understand the principles of Equal Employment Opportunity (EEO) and Anti-Bullying Legislation, and how we can prevent and report incidents.
- **Equity and Diversity Training for Managers** was held in August 2016, with 23 participants. The training focused on their responsibility as the custodians of Council's workplace culture and the key elements of their role in preventing and effectively managing bullying, harassment and discrimination issues in the workplace. An experienced facilitator and two professional actors brought to life real workplace situations using live performance.
- **Code of Conduct** training was held in November 2016, with 133 staff participating. The standards of behaviour are described in detail in the Model Code of Conduct. Training is imperative to assist staff with upholding the highest standards of behaviour and to ensure communities have trust and confidence in local government.

NSW Women's Strategy Workshop

During June 2017, The Hon. Tanya Davies MP, Minister for Women, invited local women to attend a free consultation workshop to develop the NSW Women's Strategy. The Strategy aims to seek to improve the status of women by establishing a framework to improve the economic, social and physical wellbeing of women in NSW. The workshop was an opportunity for interested members of the community, representatives from government and non-government organisations, and local businesses, to contribute ideas and expertise to a whole-of-government, whole-of-community approach that will focus on practical

solutions. Seven Council Officers attended the workshop.

Staff Improvement

Several staff exceeded expectations during 2016/2017:

- Nikita MacMurray was promoted from Accounting Cadet (Trainee) to the new role of Assistant Management Accountant. Nikita demonstrated her potential through exceptional results, while undertaking mostly full time study and full time work concurrently.
- Jackson Ruddock, Council's Building and Compliance Officer (Cadet/Trainee) received A4 Accreditation with the Building Professionals Board in 2017.

In addition to Council's cadets, trainees and apprentices, Council Officers have the opportunity to undertake Council supported or self-study in tertiary studies related to their current role or future career roles. Since 2015, six current employees have completed or are undertaking Certificate IV or Diploma level qualifications.

Customer Service Training

Council secured Customer Service training delivered by Local Government NSW. The customer service program was designed to "raise the bar" for people who come into contact with customers and included scenarios, which are industry appropriate and use many of the exercises to further hone skills in the working environment. Key areas that were focused on as part of the training included:

- Identify who are our customers?
- Know the difference between best, worst and exceptional customer service
- Understand moments of truth
 - Develop a partnership mindset
 - Show the importance of relationship building
- Recognise the level of customer care we are giving
- Demonstrate positive service behaviours

- Communicate and listen more effectively
- Questioning techniques
- Understand emotional intelligence – know your stressors
- Use appropriate assertiveness techniques
- Deal with difficult enquirers
- Know how to diffuse aggression
- Action plan your way to “value added” service

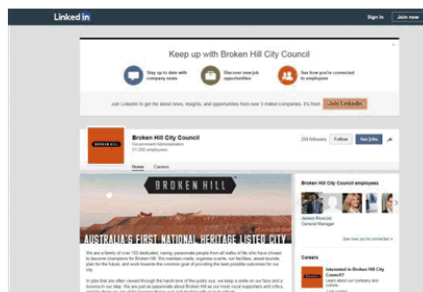
The training contained group activities, scenarios to develop learners' skills, a question and answer session and action planning.



Staff attending the Customer Service Training held in June 2017

LinkedIn “Rock Your Profile” Workshop

As part of the process of upgrading Council's LinkedIn page, and diving into LinkedIn as a way to improve Council's employment brand, the opportunity was provided to staff to attend one of two information sessions providing information about how to “Rock Your Profile” and utilise LinkedIn from a career development perspective.



Council's LinkedIn page includes links to Council organisation information, staff profiles, job advertisements, good news stories

Staff Recognition of Service Awards 2016

Council reintroduced the Recognition of Service Awards in December 2016 after a two year hiatus and in consultation with employees. Being recognised for their contribution to Council was seen as highly valued by Council staff. Council also introduced a new category to the Service Awards, 10 years of Service.

- David Gray received his 10 Year Service Award
- Troy Scott received his 10 Year Service Award



Council employees attended a Service Award function to celebrate 20, 25, 30 and 40 Year Service



Councillor Nolan presents a 20 Years' Service Award to Council's Senior IT Officer Kerry Bullock

Service Review Framework

Council's Service Review Framework was adopted at its March 2017 meeting (minute no. 45499). Service reviews are designed to identify potential service delivery improvements, which can be used to improve efficiency and effectiveness, and assist with decision making around options for shared services.

Supporting the Service Review process is a thorough review of Council's Customer Service Framework, of which "Think Like The Customer" and the customer experience are being considered as the priority and focus. Undertaking such reviews will assist Council to assess our current strengths or capacity gaps and respond to our customers' expectations effectively.

NSW Local Government Excellence in the Environment Awards 2016

Council was named as a finalist in the NSW Local Government Excellence in the Environment Awards 2016, in the Resource Recovery category. Winners were announced on 29 November 2016, with Broken Hill announced as the Division A and Overall Category winner. The Resource Recovery Award is a Bronze Award sponsored by NSW Environment Protection Authority (EPA), and recognises the outstanding initiatives undertaken in the previous 12 months that resulted in or will lead to significant increases in resource recovery. Council's entry focused on the Community Recycling Centre, funded by with a grant of \$112,000 under the NSW EPA's "Waste Less, Recycle More" initiative, supported by NSW Environmental Trust and officially opened on 4 November 2015 by, The Hon. Kevin John Humphries MP. At the time of the award entry, six tonnes of household hazardous waste had been collected, which included gas bottles, fire extinguishers, paint, fluorescent globes and tubes, car batteries, household batteries, motor and other oils and smoke detectors.



Council's Environment, Waste & Recycling Specialist, Libby Guest

Section 355 Committees

Managing community assets is an essential part of Council activities and the Broken Hill community has strong representation on a number of Council committees to help manage the City's interests and public assets. There are 11 Section 355 committees. All positions on each committee were declared vacant following the Local Government Elections in September 2016, with advertising commencing soon after for new committee members. While the process to achieve a sufficient number of nominations was lengthy, the majority of committees now have a sufficient number of members to fulfil their requirements. A review of all supporting materials was undertaken with the aim to provide clear, up to date guidelines and information for committee members. Information about Council's Section 355 Committees can be found on Council's website.

Integrated Planning and Reporting Workshops

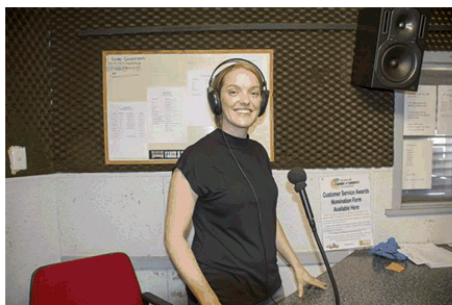
Council hosted the NSW Office of Local Government in February 2017, who facilitated an Integrated Planning and Reporting (IP&R) workshop. One purpose of the workshop was to enable an opportunity to bring IP&R practitioners together and facilitate peer learning. The workshops focused on the intended outcomes of each of the elements of the IP&R framework, in which Council had specific planning and reporting requirements, due to 2016/2017 being a Local Government Election and a change of Council term. During the year of an election, Council is required to review the Community Strategic Plan, develop a new Delivery Program and Operational Plan, review or develop the Resourcing Strategy (inclusive of Asset Management Plans, the Workforce Management Plan and the Long Term Financial Plan) and submit an Annual Report inclusive of an End of Term Report. Each of these documents form part of the IP&R requirements.

Community Strategic Plan Review

Council held a 10 hour Community Open Day at the Visitor Information Centre during February 2017, as well as conducting an online survey across several weeks, to gain community input in the review of the Community Strategic

Plan (CSP). Council also engaged in a new initiative for advertising and promotion, in a song written and sung by Council's Corporate Services Support Officer, Rebecca McLaughlin as the background music to the official radio advert "Have Your Say in Your LGA".

The CSP is a plan developed by Council in partnership with the community that sets out residents' priorities and aspirations for the future of the LGA. Responses showed strong support for the ongoing protection of the Menindee Lakes and Darling River, concern over weeds and footpaths, and a desire for Council to use "plain English" when communicating with the community. Approximately 150 people took part in the community engagement process. The CSP was adopted by Council at its meeting held on 26 April 2017.



Council's Corporate Services Support Officer, Rebecca McLaughlin recording "Have Your Say In Your LGA" in the Hill FM recording studio



A crowd gathering to have their say at the CSP Open Day

CUSTOMER RELATIONS

Media and Community Engagement

In July 2016 Council employed a Communications & Community Engagement Coordinator, to compliment the recently employed Digital Officer. Both positions, already existing in Council's organisation structure, were tweaked to incorporate a more productive and positive community engagement focus and provide a clear, factual message and face to Council's communication channels internally and externally. During 2016/2017 approximately 140 media releases were issued to "get Council's message out there". Council's Website and Social Media platforms have also seen improvement and an increase in community engagement:

Type	Number	Up by
Website Users	84,801	34.39%
Website Visits (sessions)	154,883	50.89%
Council Social Media Impressions	1,737,982	19.11%
Council Social Media Engagements	45,742	47.45%
Broken Hill Regional Art Gallery Social Media Impressions	469,010	96.41%
Broken Hill Regional Art Gallery Social Media Engagements	10,198	191.95%
Library Social Media Impressions	459,272	68.05%
Library Social Media Engagements	5,016	8.5%

* Social media impressions is the amount of times social media posts have been seen

* Social media engagement is the amount of clicks, likes or shares on social media posts

ASSET MANAGEMENT

Council's Mechanics Workshop – Alternative Working Hours

Council commenced trialling afternoon shifts at the Warnock Street Depot, just three weeks after the workshop team put the idea forward. The change is a credit to the team for being open and fearless in looking at how Council can improve the way we operate. Rather than trying to work on machinery during normal business hours, when machinery might be being used for regular duties, staff put forward the suggestion of working split shifts. This saw several staff working afternoon shift and having the opportunity of being able to work on machinery that they'd not be able to normally.



The day shift crew handing over the reins to the afternoon shift crew

BUILDINGS AND PROPERTY

Council Building Maintenance

External high pressure cleaning and painting was completed at the following buildings during 2016/2017:

- Council Administrative Centre
- Council Chamber, including public amenities
- Albert Kersten Mining & Minerals Museum

Further maintenance and repairs were undertaken at the GeoCentre, including underfloor repairs after damage from white ants was discovered. Signwriting was also completed.

Aquatic Centre Maintenance

Following an inspection of the Broken Hill Regional Aquatic Centre water slide, deterioration in the fiberglass tube of the waterslide was detected. This was caused through the extreme temperatures and sunlight encountered in Far Western NSW. Remediation works to prolong the life of the fiberglass tube were discussed and assessed. Suitable protective coating was applied prior to repainting.



Broken Hill's extreme heat caused deterioration to the slide



Works being undertaken on the slide

Repairs to Retaining Wall – Memorial Oval

Repairs to the concrete retaining wall adjacent to the bar area at the Memorial Oval were undertaken. The wall held quite a large amount of weight above the works area, including earth and the caller's box concrete footings.



Works in progress

STATUTORY REQUIREMENTS

Local Government Act 1993 and General Regulation
Reporting Requirements



Council's Administrative Centre

STATUTORY REQUIREMENTS

Local Government Act 1993 and General Regulation Reporting Requirements

In accordance with the NSW Office of Local Government's Integrated Planning and Reporting requirements, Council must:

1. prepare an annual report within 5 months of the end of the financial year;
2. provide a copy to the Minister for Local Government (via the Office of Local Government); and
3. post a copy of the Annual Report on Council's website.

Council's Annual Report must include the following information:

- Council's achievement in implementing the Delivery program:
 - Council's 2016/2017 Delivery Program Report is included as Appendix A.
- A copy of Council's required audited financial report is included as Appendix B.

AMOUNT OF RATES AND CHARGES WRITTEN OFF 2016/2017	
Total pensioner concession	\$651,781
LESS subsidy reimbursement	\$342,297
NETT Pensioner amount written off by Council	\$309,484
Concessions – additional pension rebate (included above)	\$23,883
Bad debts written off	\$2,971
Roundings	NIL
TOTAL	\$336,338

COUNCILLORS PAYMENT OF EXPENSES AND PROVISION OF FACILITIES*	
Provision of dedicated office equipment allocated to councillors	\$14,351
Telephone calls made by councillors	\$9,022
Attendance of councillors at conferences and seminars	\$26,021
Training of councillors and provision of skill development	\$6,133
Interstate visits by councillors, including transport, accommodation and other out-of-pocket travelling expenses	\$7,040
Overseas visits by councillors, including transport, accommodation and other out-of-pocket travelling expenses	Nil
Expenses of any spouse, partner or other person who accompanied a Councillor, being expenses payable in accordance with the Guidelines	Nil
Expenses involved in the provision of care for a child or an immediate family member of a Councillor	Nil
TOTAL	\$62,567

CONTRACTS OVER \$150,000		
Details of each contract awarded for amounts greater than \$150,000		
Contractor	Goods/Service Provided	\$
Cavpower	Purchase 2 CATCW34 Pneumatic Rollers	\$296,151
CBC Project Management Group	Manage construction of 6 bay Waste Transfer Station	\$512,000
GBM Consulting Pty Limited	Blende Street and Kanandah Road Roadworks	\$571,000
GBM Consulting Pty Limited	Reconstruction of Eyre / Comstock and Patton / Comstock Intersections	\$828,290
Vincent & Pritchard	Painting Council Buildings	\$174,898

PROCEEDINGS		
Summary of the amounts incurred by the Council in relation to legal proceedings		Status
Animal Control	\$175	Complete
Corporate Litigation	\$198,596	Ongoing
TOTAL	\$198,771	

- Resolutions made under Section 67 concerning work carried out on private land: No works were undertaken on private land at Council's expense during 2016/2017.

Section 355 Committees

Council currently has 11 external bodies, (committees), that exercised functions delegated by Council. These committees have been established in accordance with the provisions of Section 355 and Section 377 of the *Local Government Act 1993*. The committees are formed to assist Council in the management of a particular service or facility of Council. Council aims to appoint committees which are representative of the local community or interest group of the particular service/facility. Council's S355 Committees are:

- Alma Oval Community Committee
- Broken Hill Heritage Committee
- Broken Hill Regional Art Gallery Advisory Committee
- BIU Band Hall Community Committee
- Community Strategic Plan Round Table Committee
- ET Lamb Memorial Oval Community Committee
- Friends of the Flora and Fauna of the Barrier Ranges Committee
- Memorial Oval Community Committee
- Norm Fox Sporting Complex Community Committee

- Picton Sportsground Community Committee
- Riddiford Arboretum Community Committee

Partnerships

Council was involved in partnerships with the following:

- Healthy Broken Hill Partnership
- Sister City – Bankstown
- University of Sydney
- Charles Sturt University, TAFE Western, Broken Hill University Department of Rural Health and Robinson College
- The Broken Hill St Patrick's Race Club
- Broken Hill Environmental Lead Program
- Rotary Broken Hill South
- Centre for Remote Health, Department of Education and Communities, Department of Family and Community Services

During 2016/2017 Council contributed or otherwise granted \$41,784.20 under Section 356 of the *Local Government Act 1993*.

FINANCIAL ASSISTANCE TO COMMUNITY UNDER S356 OF THE LOCAL GOVERNMENT ACT 1993: RATE SUBSIDIES	
RATE SUBSIDIES	\$
Silver City Motor Cycle Club	5,756.08
West Broken Hill Rifle Club	9,887.62
Silver City Rifle Club	9,887.62
Broken Hill Gun Club Inc	3,183.61
Silver City Small Bore Rifle Club	2,014.30
Broken Hill Pistol Club Inc	2,926.36
Broken Hill Rifle Club Inc	7,860.82
Mr Bright for Kantappa Station	267.79
TOTAL	41,784.20

FINANCIAL ASSISTANCE TO COMMUNITY UNDER S356 OF THE LOCAL GOVERNMENT ACT 1993: MISCELLANEOUS SUBSIDIES			
MISCELLANEOUS SUBSIDIES	\$	MISCELLANEOUS SUBSIDIES	\$
Life Education NSW (student subsidy for Drug Education Program)	\$1,000	Silver City Racing Club (waste services fees for Silver City Cup)	\$1,795
David Bowler Memorial Award	\$2,500	Trades Hall Trust	\$20,000
Sacred Heart College	\$100	Morgan Street Primary School	\$100
Broken Hill Public School	\$100	North Public School	\$100
Education Public Schools	\$100	Broken Hill High School	\$100
Railwaytown Public School	\$100	School of the Air	\$100
Willyama High School	\$100	Alma Public School	\$100
Barrier PSSA Sports Association (student subsidy for travelling expenses)	\$1,000	Broken Hill Swimming Club (alteration of caravan into food van)	\$3,000
South Broken Hill Golf Club (new floor coverings)	\$5,000	Broken Hill North Football Club (ceiling repairs)	\$5,500
Broken Hill Philharmonic Society (rates subsidy)	\$2,335	Sufi Books of Broken Hill (wall mural)	\$2,147
U3A Broken Hill (rent subsidy for meeting space)	\$2,500	Playtime Preschool (installation of rainwater tank)	\$1,000
Broken Hill Eisteddfod Society (Adjudicator fees)	\$3,000	Broken Hill Art Exchange (Desert Equinox Preludes)	\$15,000
Quota International of Broken Hill (Facility fees for 10 cent Auction)	\$1,200	Silver City Quilters (Annual Quilters Event)	\$4,280
Broken Hill Repertory Society (rates subsidy)	\$1,000	Landcare Broken Hill (upgrade to Nursery)	\$4,000
Silver City Racing Club (waste services fees for Silver City Cup)	\$1,795	Burke Ward School P&C (waste services fees for Fete)	\$1,795
TOTAL			\$80,847

EMPLOYEE PROFILE					
Age	Male	Female	Aboriginal and Torres Strait Islander People	People from a culturally and linguistically diverse background	People with a disability
15-24	9	5		unknown	
25-34	23	14		Unknown	1
35-44	10	16	1*	Unknown	
45-54	26	21	2*	Unknown	2
55-64	40	10		Unknown	2
65+	4	2		unknown	
TOTAL	112	68	3*		5*

*who identify as ATSI or having a disability

EEO AND DIVERSITY INITIATIVES	
IMPLEMENTED	% OF STAFF PARTICIPANTS
Flexible start and finish times	<10%
Flexible rostering or scheduling	<14%
Flexible leave arrangements	<24%
Regular part time work	9%
Rostered/accrued days off	73%
Regular or occasional working from home	<5%
Job sharing	<1%
Nine day fortnight/compressed working week	NA
Unpaid leave for carers of people with special needs	Unknown <5%

*Head count 180

EEO Target Groups

Encouraging young people to take up careers in local government, attracting and retaining mature aged workers with valuable experience and skills and engaging with under-utilised sections of the labour market such as women with young children, carers, people with disabilities, Indigenous people and people from culturally diverse backgrounds will assist to strengthen the organisation's ability to meet its future workforce needs.

Employee Satisfaction

The number of employee grievances an organisation receives is one measure of employee satisfaction levels and the well-being of the working environment. Council has a number of mechanisms in place for employees to raise awareness for identifying and responding to grievances, including policy and procedures; Workplace Consultative Committee, and EEO Contact Officers.

YEAR	NO. GRIEVANCES LODGED
2016/2017	0

GENERAL MANAGER REMUNERATION PACKAGE (01/07/2016 – 30/06/2017)

Statement of the total remuneration comprised in remuneration package of the General Manager

Total Remuneration*	\$240,552
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* Includes Salary, performance payments (where paid), superannuation, non-cash benefits, reportable FBT.

SENIOR STAFF MEMBERS EMPLOYED BY COUNCIL (01/07/2016 – 30/06/2017)

Statement of the total remuneration comprised in remuneration package of all senior staff members, expressed as the total (not of individual members)

Total Remuneration	\$48,461
--------------------	----------

Environmental Upgrades

No environmental upgrade agreements were entered into.

Special Variation

Nil special variation expenditure.

CAPITAL WORKS PROJECTS 2016/2017	\$
Passenger Vehicles	62,276
Street Sweeper	306,989
Mini Street Sweeper	19,900
Mowers	61,887
Kerb & Gutter Machine	70,766
Small Plant	81,000
Garbage Compactors	298,360
Air cooler	6,091
Pool Equipment	61,906
Number Plat Recognition Equipment	83,500
Living Desert Solar Gate	12,547
Patton Street Clock	7,000
Memorial Oval Irrigation	140,977
Memorial Oval Scoreboard	19,203
Apex Park Playground Upgrade	5,609
AJ Keast Park Fence	12,540
Waste Depot - Litter Fencing Upgrade	41,203
Waste Transfer Station	201,347
Brookfield Avenue Bridge	470
Roads - Creedon - Rakow - Newton	72,253
Roads - Kanandah Road	207,886
Roads - Blende Street/Chloride Street Intersection	98,348
Roads - Blende Street - Chloride Street to Oxide Street	508,483
Roads - Blende Street - Kaolin Street to Bromide Street	303,456
Roads - Oxide Street - Cummins Street to Wyman Street	78,630
Roads - Patton Street/Comstock Street Intersection	437,690

Roads - Eyre Street/Comstock Street Intersection	268,670
Reseals	288,057
Civic Centre	4,294,678
BHP Projects	219,943
Purchase of Land	4,754
TOTAL	8,276,419

Companion Animals Act 1998 and Companion Animals Regulation 2008

POUND DATA: ANIMAL CONTROL STATISTICS 2016/2017		
Activity	Total Dogs	Total Cats
Seized	644	462
Returned/Released to Owner	366	7
Left at Council's mini- pound/drop off facility	48	15
Surrendered	78	45
Number microchipped	266	11
Released for re-homing	260	158

Dog Attacks

Council lodged compliant returns to the Office of Local Government of pound data collection returns and dog attack incident data. During 2016/2017 there were 12 dog attack incidents recorded. (Note: dog attack incidents include any incident where a dog rushes at, attacks, bites, harasses or chases any person or animal). Council has seen a significant general reduction in the number of incidents in the last 5 years.

Funding

The amount of funding spent relating to companion animal management and activities was \$174,677.

Community Education Programs

Council implemented two large scale community programs during 2016/2017. Council applied for grant funding from the Office of Local Government to undertake a responsible pet ownership program which saw \$10,000 granted from the State, and matched by Council. This was in partnership with the RSPCA's Caws (Community Animal Welfare Scheme)

Program. Council were able to de-sex, microchip, vaccinate and health check 112 dogs and cats within the community. This program ran from March through to June. Council also undertook an animal registration door knock during June 2017 which saw Council Rangers knocking on the doors of residents across the City to check compliance with the *Companion Animals Act 1998*, and to provide information to the community about responsible pet ownership. Council Rangers were able to speak to residents at 200 houses across the City during the two week program.

Strategies To Promote De-Sexing

A total of 112 dogs and cats de-sexed, microchipped, vaccinated and health checked during March through to June, via the program detailed above.

Strategies To Comply With Section 64 of the Companion Animals Act 1998

Council has built relationships with over 40 animal welfare and rescue organisations in NSW, VIC, ACT, QLD and SA. Approximately 85% of the re-homed animals from the pound are taken by rescue organisations outside of the City. The other 15% are local adoptions. Animals are advertised on a Facebook page and enquiries are made at Council's pound facility. Over the past 12 months, there has been a steady rise in the number of local adoptions from the pound facility. It is believed that this is directly linked to the change in perception of the pound facility, brought about by the local volunteer organisation, Broken Hill Pet Rescue Inc whom coordinates the advertising page, foster care and adoption from the pound facility. Local media over the past 3-4 years surrounding the group has brought about a steady change in perception of the Broken Hill Council Pound.

Dog Off Leash Areas

Council provides two dog off leash areas for the residents of Broken Hill to exercise their dogs:

- Patton Park – Broken Hill South
- Queen Elizabeth Park – Broken Hill North

Government Information (Public Access) Act 2009 and Regulation

Council is committed to the following principles regarding public access to documents and information:

- Open and transparent government
- Consideration of the overriding public interest in relation to access requests
- Proactive disclosure and dissemination of information
- Respect for the privacy of individuals

Council is committed to the principle of open government as set out in its Code of Business Practice Policy.

During 2016/2017 Council received three applications under the *Government Information (Public Access) Act 2009*. In each case, the application was processed within the statutory timeframe and access was given to the information sought.

The statistical information on the following pages about access applications to Council in 2016/2017 is provided in accordance with Schedule 2 of the *Government Information (Public Access) Regulation 2009*.

TABLE A: NUMBER OF APPLICATIONS BY TYPE OF APPLICANT AND OUTCOME*								
	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	1							
Members of Parliament								
Private sector business	1							
Not for profit organisations or community groups								
Members of the public (application by legal representative)	1							
Members of the public (other)								

*More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision.

This also applies to Table B.

TABLE B: NUMBER OF APPLICATIONS BY TYPE OF APPLICATION AND OUTCOME								
	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*	1							
Access applications (other than personal information applications)	2							
Access applications that are partly personal information applications and partly other								

*A personal information application is an access application for personal information (as defined in clause 4 of the Schedule 4 to the Act) about the applicant (the applicant being an individual).

TABLE C: INVALID APPLICATIONS	
REASON FOR INVALIDITY	NO. OF APPLICATIONS
Application does not comply with formal requirements (section 41 of the Act)	Nil
Application is excluded information of the agency (section 43 of the Act)	Nil
Application contravenes restraint order (section 110 of the Act)	Nil
Total number of invalid applications received	Nil
Invalid applications that subsequently became valid application	Nil

TABLE D: CONCLUSIVE PRESUMPTION OF OVERRIDING PUBLIC INTEREST AGAINST DISCLOSURE: MATTERS LISTED IN SCHEDULE 1 OF THE ACT	
	NUMBER OF TIMES CONSIDERATION USED*
Overriding secrecy laws	Nil
Cabinet information	Nil
Executive Council information	Nil
Contempt	Nil
Legal professional privilege	Nil
Excluded information	Nil
Documents affecting law enforcement and public safety	Nil
Transport safety	Nil
Adoption	Nil
Care and protection of children	Nil
Ministerial code of conduct	Nil
Aboriginal and environmental heritage	Nil

*More than one public interest consideration may apply in relation to a particular access application and, if so, each consideration is to be recorded (but only once per application). This also applies in relation to Table E.

TABLE E: OTHER PUBLIC INTEREST CONSIDERATIONS AGAINST DISCLOSURE: MATTERS LISTED IN TABLE TO SECTION 14 OF THE ACT	
	NUMBER OF OCCASIONS WHEN APPLICATION NOT SUCCESSFUL
Responsible and effective government	Nil
Law enforcement and security	Nil
Individual rights, judicial processes and natural justice	Nil
Business interests of agencies and other persons	Nil
Environment, culture, economy and general matters	Nil
Secrecy provisions	Nil
Exempt documents under interstate Freedom of Information legislation	Nil

TABLE F: TIMELINES	
	Number of applications
Decided within the statutory timeframe (20 days plus and extensions)	2
Decided after 35 days (by agreement with applicant)	1
Not decided within time (deemed refusal)	0
TOTAL	3

TABLE G: NUMBER OF APPLICATIONS REVIEWED UNDER PART 5 OF THE ACT (BY TYPE OF REVIEW AND OUTCOME)		
	Decision Varied	Decision Upheld
Internal review	0	0
Review by Information Commissioner*	0	0
Internal review following recommendation under section 93 of Act)	0	0
Review by ADT	0	0
TOTAL	0	0

Environmental Planning and Assessment Act 1979

Council and Perilya Pty Ltd agreed to enter into a Voluntary Planning Agreement (VPA) should the North Mine recommencement project proceed. The VPA will formalise future contributions from the developer to offset impacts on road infrastructure. In addition to agreed contributions for road infrastructure, the proponent offered to make contributions towards community amenities. A formal VPA will be developed once the NSW Planning Department issue approval for the project.

*The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision –maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

TABLE H: APPLICATIONS FOR REVIEW UNDER PART 5 OF THE ACT (BY TYPE OF APPLICANT)	
	Number of applications for review
Applications by access applicants	Nil
Applications by persons to who information the subject of access application relates (see section 54 of the Act)	Nil

TABLE I: APPLICATIONS TRANSFERRED TO OTHER AGENCIES	
Agency – Initiated Transfers	Nil
Applicant – Initiated Transfers	Nil

Public Interest Disclosure Act 1994 and Regulation 2011

Section 31 of the *Public Interest Disclosures Act 1994*, requires each public authority, within 4 months after the end of each reporting year, to prepare an annual report on the public authority's obligations under the Act for submission to the Minister responsible for the public authority. A copy of this report is to be provided to the Ombudsman.

THE PUBLIC INTEREST DISCLOSURES REGULATION 2011, REQUIRES THE FOLLOWING INFORMATION TO BE INCLUDED IN THE PUBLIC INTEREST DISCLOSURES ANNUAL REPORT:		
	REQUIREMENT	STATISTIC
(a)	The number of public officials who have made a public interest disclosure to the public authority	Nil
(b)	The number of public interest disclosures received by the public authority in total and the number of public interest disclosures received by the public authority relating to each of the following: i) corrupt conduct ii) maladministration iii) serious and substantial waste of public money or local government money (as appropriate) iv) Government information contraventions v) local government pecuniary interest contraventions	Nil Nil Nil Nil Nil Nil
(c)	The number of public interest disclosures finalised by the public authority	Nil
(d)	Whether the public authority has a public interest disclosure policy in place	A copy of Council's Reporting of Public Interest Disclosures Policy is available on Council's website www.brokenhill.nsw.gov.au
(e)	What actions the head of the public authority has taken to ensure that his or her staff awareness responsibilities under section 6E (1) (b) of the Act have been met.	Council's Reporting of Public Interest Disclosures Policy was adopted by Council 25 November 2015 and is available on Council's website. Information on the Policies and Procedures are also included in Council's Corporate Induction program.

Carers Recognition Act 2010

Council auspice several carer programs and activities to support carers in their caring role. Council maintains a record of staff who identify as "carers" as defined under the Act and are considerate of the impact this may have on their work life. The Workplace Consultative Committee are kept up to date on changes in legislation impacting carers, and the role of the organisation in supporting those staff. Further information on carer activities and education is frequently distributed throughout the Council and to various community stakeholders.

DOING BUSINESS WITH COUNCIL

CUSTOMER RELATIONS

The Customer Relation team is Council's first contact point for the community. The Customer Relations team is available for face-to-face and telephone enquiries from 8:30am to 5pm, Monday to Friday. Council's cashier closes at 4pm daily.

PUBLIC OFFICER

Council's Public Officer can provide information on Council's plans, policy documents and information under the *Government Information (Public Access) Act 2009*.

COUNCIL NOTICES

Council advertises regularly in the Barrier Daily Truth newspaper, including information about proposed developments, draft policies, positions vacant, tenders, quotations, public notices and Council meeting dates and times. Council advertises in other publications when relevant.

COUNCIL'S WEBSITE

Council's website can be accessed at www.brokenhill.nsw.gov.au. The website includes information about Council services, media releases, positions vacant, booking information for Council facilities. Public documents can also be accessed on the website and includes Business Papers, Integrated Planning and Reporting documents, Plans and Policies.

CORRESPONDENCE

All correspondence to Council should be addressed to the General Manager and forwarded to:

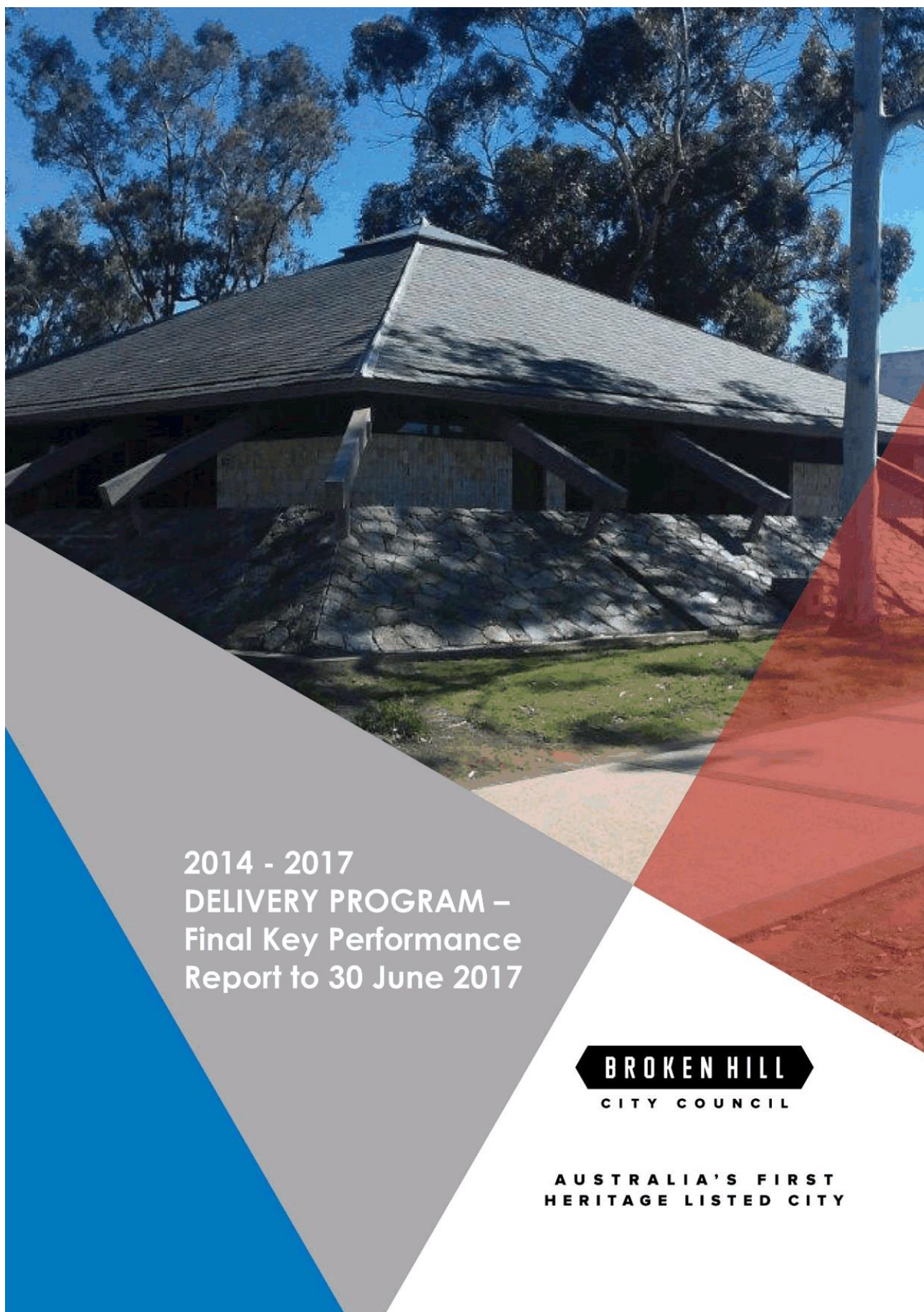
Broken Hill City Council
PO Box 448
BROKEN HILL NSW 2880
Telephone: 08 8080 3300
Facsimile: 08 8080 3424
Email: council@brokenhill.nsw.gov.au

COUNCIL CONTACT DIRECTORY

HOW?	CONTACT DETAILS
IN PERSON	Council Administration Centre 240 Blende Street Broken Hill NSW 2880
POST	Broken Hill City Council PO Box 448 Broken Hill NSW 2880
PHONE	(08) 8080 3300
FAX	(08) 8088 3424
EMAIL	council@brokenhill.nsw.gov.au
OPENING HOURS	8:30am to 5pm Monday to Friday Cashier closes at 4pm
EMERGENCY NUMBERS	
ANIMAL CONTROL	02 8579 0325
PARKS & ROADS	0408 858 368



www.brokenhill.nsw.gov.au



**2014 - 2017
DELIVERY PROGRAM –
Final Key Performance
Report to 30 June 2017**

BROKEN HILL
CITY COUNCIL

**AUSTRALIA'S FIRST
HERITAGE LISTED CITY**



QUALITY CONTROL		
TRIM REFERENCES	D17/44837 – 16/105	
KEY DIRECTION	4. Our Leadership	
OBJECTIVE	4.1 Openness and Transparency in Decision Making	
FUNCTION	Leadership & Governance	
STRATEGY	4.1.1.7 A review of Delivery Plan Objectives is provided six monthly in accordance with guidelines	
RESPONSIBLE OFFICER	General Manager	
COMPANY	Broken Hill City Council	
PHONE NUMBER	08 8080 3300	
EMAIL ADDRESS FOR ENQUIRIES ONLY	council@brokenhill.nsw.gov.au	
DATE	ACTION	MINUTE NO.
27 September 2017	Adopted by Council	
NOTES	Front Cover Image: Broken Hill City Council Chamber Images sourced from Council's Image Library © Copyright Broken Hill City Council 2017	
ASSOCIATED DOCUMENTS	Delivery Program 2014-2017 Operational Plan 2016/17	



KPI STATUS KEY

STATUS		DEFINITION
Completed		This task has been achieved and there is no further report requirements.
In Progress		This task is currently being reviewed and/or relevant works to achieve this task are being undertaken.
Ongoing		This task continues to be relevant and no final report is available at this time.
Deferred		This task has been determined that further information or investigation is to occur prior to works being undertaken.
Not Commenced		This task is not required to be reported upon during this report period and will be reviewed during a future report period.
Not Achieved		This task has been unsuccessfully completed or not completed and Council will investigate and determine if this task should be reopened for review.

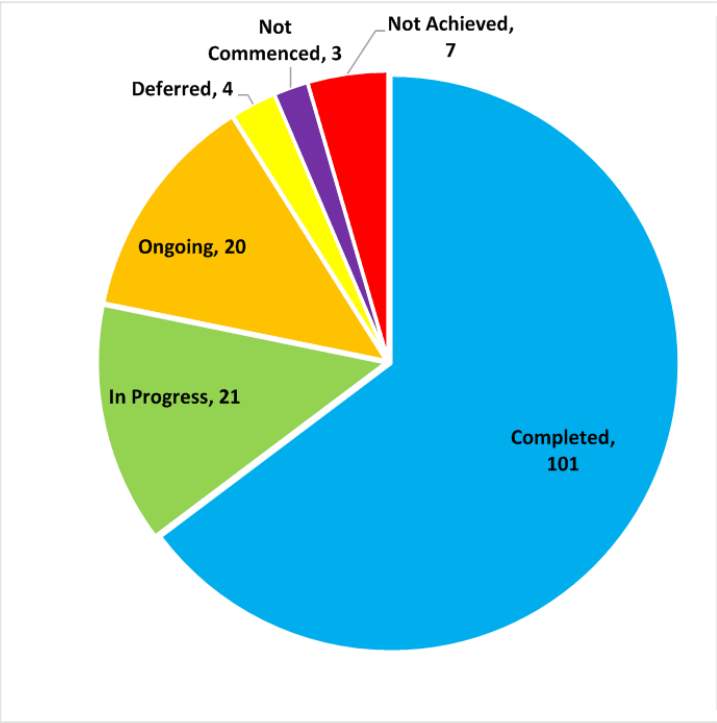
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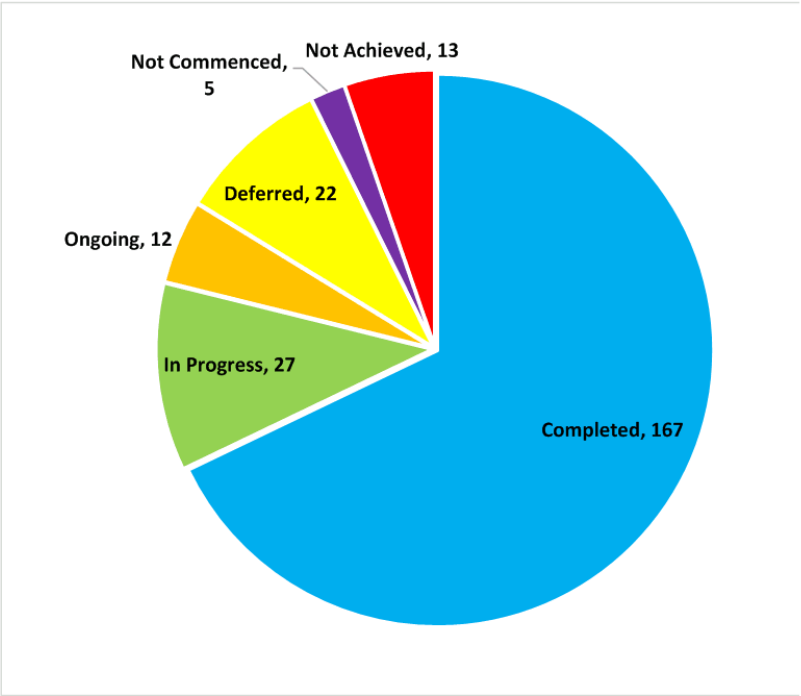


ORGANISATION SNAPSHOT

DP Action KPI Status for Council



OP Action KPI Status for Council

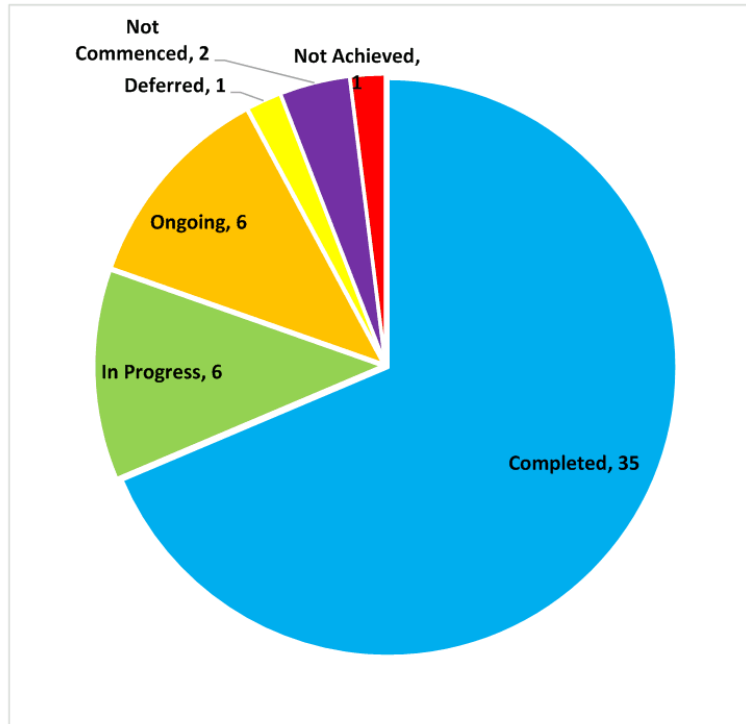


Completed In Progress Ongoing Deferred Not Commenced Not Achieved

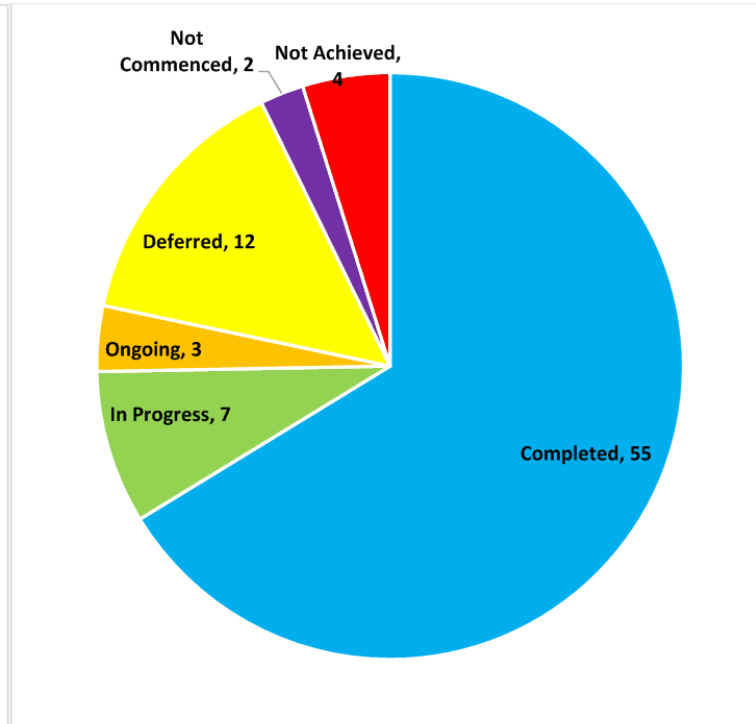
BROKEN HILL CITY COUNCIL

OUR COMMUNITY

DP Action KPI Status




OP Action KPI Status




Completed ■ In Progress ■ Ongoing ■ Deferred ■ Not Commenced ■ Not Achieved ■

OBJECTIVE: 1.1 People in our community are in safe hands**STRATEGY: 1.1.1 Increase community awareness of safer community initiatives****DP ACTION: 1.1.1.3 Develop, plan and implement initiatives aimed at increasing animal control within the City**


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Public Safety	Manager Planning, Development & Compliance	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. A decrease in the number of animal related complaints		During 2016/2017 there were 232 animal related complaints received, which is lower than the 250 complaints received during 2015-2016. The general steady decrease over the past few years can be attributed to the introduction of the barking dog complaint information pack for residents, and increased proactive awareness and information of responsibilities of pet owners during enforcement activities.			

OP ACTION: C03 Perform compliance inspections of all enclosures for dangerous and restricted dogs within the City to ensure compliance with the Companion Animals Act.


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Safety	Manager Planning, Development & Compliance	30-Jun-2017	30-Jun-2017	1. Increased compliance	Inspections were conducted of all currently listed and locatable Declared Dangerous and Restricted dogs. A computer program to assist in inspections and production of enclosure compliance certificates is currently being formulated to assist Rangers during inspections.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: C04 Provide education and awareness in relation to the responsibility of pet ownership

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Safety	Manager Planning, Development & Compliance	30-Jun-2017	30-Jun-2017	1. Reduction in animal control complaints	During 2016-2017 there were 232 animal related complaints received, which is lower than the 250 complaints received during 2015-2016. The general steady decrease over the past few years can be attributed to the introduction of the barking dog complaint information pack for residents, and increased proactive awareness and information of responsibilities of pet owners during enforcement activities.	

OP ACTION: C05 Provide a ranger service to undertake animal control activities

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Safety	Manager Planning, Development & Compliance	30-Jun-2017	30-Jun-2017	1. Increase in number of complaints successfully addressed	All complaints were successfully addressed during the report period.	

STRATEGY: 1.1.2 Promote a whole of community approach aimed at reducing preventable crime and nuisance within the City


DP ACTION: 1.1.1.2 Council supports the objectives of the 2013-2017 Safer Broken Hill Community Safety and Crime Prevention Plan

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Public Safety	Manager Infrastructure	No	Yes	Yes	Yes


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP Performance Indicator(s)	Comment	KPI Status
1. Responsible KPI's within the 2013-2017 Safer Broken Hill Plan are met	Strategies within the Safer Broken Hill Community Safety and Crime Prevention Plan achieved as follows: Strategy Two – Community Partnership Participation. Strategy Three – Safe Physical Environment and Strategy Four – Community Safety Development all successfully achieved with events such as the Annual Christmas Party being promoted as safe community events; security and Police presence at the event and public encouraged to attend through advertising and requests for involvement.	

OP ACTION: C01 Partner with the community through participation in the Local Community Safety Precinct Committee (LCSPC) to reduce preventable crime

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Safety	Manager Infrastructure	30-Jun-2017		1. Participation at LCSPC meetings	No meetings were held during the report period.	

OP ACTION: C02 Support identified actions within the 2013-2017 Safer Broken Hill Community Safety and Crime Prevention Plan

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Safety	Manager Infrastructure	30-Jun-2017	30-Jun-2017	1. Number of activities supported	The Annual Christmas Pageant was held on 3 December 2016 and supported safe community events in accordance with Strategy Four – Community Safety Development of Council's Community Safety and Crime Prevention Plan.	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 1.1.1.4 Seek funding opportunities for increased lighting and crime prevention through initiatives including CCTV


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Public Safety	Manager Infrastructure	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Funding is achieved	No available funding opportunities identified during the report period. Council's Grants Officer continues to investigate future funding opportunities including CCTV through Telstra Smart Community and the Federal Government \$50m Digital Transformation Initiative.	

OP ACTION: C06 Develop a plan showing prioritised proposed CCTV camera locations

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Safety	Manager Infrastructure	30-Jun-2017		1. Prioritised plan developed	Due to limited funding opportunities, the concept of CCTV cameras has been deferred until funding can be sourced.	

OP ACTION: C07 Develop and adopt a policy in the use of CCTV cameras in public spaces


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Safety	Manager Infrastructure	30-Jun-2017		1. Policy adopted	Due to limited funding opportunities, the concept of CCTV cameras has been deferred until funding can be sourced.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


OP ACTION: C08 Develop lighting strategy in line with Urban Design Plan

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Safety	Manager Infrastructure	30-Jun-2017		1. Strategy developed	A strategy has not yet been developed. A lighting strategy is expected to be included as part of the pending Smart Communities Framework which is expected to be presented to Council during the 2017/2018 report period.	

OP ACTION: C09 Develop a Memorandum of Understanding with the NSW Police Barrier Local Command dealing with the use of CCTV in Broken Hill

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Safety	Manager Infrastructure	30-Jun-2017		1. Memorandum of Understanding signed	No Memorandum of Understanding has been drafted/signed due to limited funding and resources available for CCTV in Broken Hill.	

OP ACTION: C10 Develop procedures dealing with the use of CCTV cameras in public spaces that comply with legislative requirements

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Safety	Manager Infrastructure	30-Jun-2017		1. Procedures developed	No procedures have been developed due to limited funding and resources available for CCTV in Broken Hill.	



Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

STRATEGY: 1.1.3 Strengthen and encourage partnerships that promote a coordinated approach to community safety

DP ACTION: 1.1.1.5 Actively participate and support the Local and State Emergency Management Committees


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Public Safety	Manager Infrastructure	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Number of meetings held		Four Local Emergency Management Committee meetings were held during the report period; in August and November 2016, and February and May 2017. No Regional Emergency Management Committee meetings were attended during the report period.			
2. Participation by agencies		Agencies were represented at each Local Emergency Management Committee meeting held.			

OP ACTION: C11 Facilitate the Local Emergency Management Committee


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Safety	Manager Infrastructure	30-Jun-2017	30-Jun-2017	1. Meetings held in accordance with legislation	Meetings held in accordance with legislative requirements. Meetings are held quarterly.	
				2. Participation at meetings by agencies	Agencies were represented at each meeting held.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: C12 Participate in emergency exercises with other combat and support agencies


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Safety	Manager Infrastructure	30-Jun-2017	30-Jun-2017	1. Number of exercises attended	The State Rescue Board funded a Region/State level, multi-agency, mass casualty, road crash rescue exercise in the remote western area of NSW held on 25 March 2017. The theme of the exercise was a simulated bus crash into a stock transport vehicle, with 25 casualties on the bus and several deceased passengers. The exercise was planned to escalate to require Regional resources to assist including aero medical support from Royal Flying Doctor Service, and the Australian Defence Force. Council provided support to the exercise and Council's Infrastructure Projects Engineer who also acts as the Local Emergency Management Officer, was in attendance.	

OP ACTION: C13 Support emergency services as required to minimise the risk of combat or recovery from natural, biological or technical disasters


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Safety	Manager Infrastructure	30-Jun-2017	30-Jun-2017	1. Support services provided in a timely manner	Council provides support to the Local Emergency Management Committee (LEMC) by delegating the functions of the Local Emergency Management Officer role (LEMO) to a Council Officer. LEMC email monitored, correspondence distributed, and administration support provided at quarterly LEMC meetings.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


OBJECTIVE: 1.2 Our community works together**STRATEGY: 1.2.1** Develop and implement initiatives to celebrate the achievements within the community**DP ACTION: 1.2.1.1** Facilitate the celebration of Australia Day

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Grants and Projects Coordinator	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Positive feedback from ceremony		Ceremony held 26 January, 2017. Positive social and traditional media reporting and by those attending on the day.			

OP ACTION: C14 Conduct an official ceremony for Australia Day

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Grants and Projects Coordinator	30-Jun-2017	30-Jun-2017	1. Numbers attending the ceremony show an increase on previous year	Event held 26 January 2017. Approximately 300 people attended which is comparable to previous years.	

OP ACTION: C15 Encourage the community to nominate someone for an Australia Day Award


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Grants and Projects Coordinator	30-Jun-2017		1. Increased number of nominations received	Eight nominations were received for the 2017 Awards. This is a decrease from the 15 nominations that were received for the 2016 Awards.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


STRATEGY: 1.2.2 Encourage volunteering and create initiatives to support the strong volunteer base currently engaged in Broken Hill

DP ACTION: 1.2.1.2 Active volunteer working group supported

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Grants and Projects Coordinator	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Increase in volunteer numbers and/or volunteer functions	The Volunteer Working Group meets monthly and continues to contribute to the Volunteer Card program. The Volunteer Awards and Recognition celebration was held 2 August 2016.	

OP ACTION: C18 Facilitate and participate in a volunteer working group to encourage increased participation in volunteering

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Grants and Projects Coordinator	30-Jun-2017		1. Increase in volunteer numbers at Council	No measurement tool for volunteers is implemented across the City.	


DP ACTION: 1.2.1.3 Develop, plan and implement a strategy to support, encourage and celebrate volunteers in our community

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Grants and Projects Coordinator	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Plan developed and implemented	The Broken Hill Volunteer City Strategy 2015-2017 was adopted at Council's Ordinary Meeting 30 September 2015, minute number 45073.	
2. Increase in volunteer numbers	No measurement tool is available to measure volunteers across the City.	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: C17 Implement activities in the Volunteer Strategy aimed at increasing volunteering


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Grants and Projects Coordinator	30-Jun-2017	30-Jun-2017	1. Strategy implemented	<p>Various Volunteer Strategy recommendations have been implemented, including:</p> <ul style="list-style-type: none"> * Committee framework established to generate ideas and feedback information to Council and the Community. * Community and Council's volunteer workforce showcased and promoted through traditional and social media story telling. * Consultation with representative bodies, volunteer groups and other interest groups to increase community participation, awareness and appreciation of volunteering. Training offered and provided to Community Groups through NSW Centre for Volunteering, with support of Council. * Branding strategy that unites the volunteer workforce and defines their identity delivered via the Broken Hill Unite brand. * Achievements celebrated at the annual recognition celebration, being the awards and dinner. * Community encouraged to nominate someone for Volunteer, Australia Day Awards and Heritage Awards. 	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: C19 Recognise the contribution of volunteers through an annual event

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Grants and Projects Coordinator	30-Jun-2017	30-Jun-2017	1. Attendance at volunteer recognition event	The volunteer recognition event was held 2 August 2016 with approximately 200 volunteers in attendance. This number was a decrease from the previous year event, due to the requirement to hold the event at an alternative venue as a result of the Civic Centre refurbishment.	

OP ACTION: C20 Encourage the community to nominate someone for a volunteer award

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Grants and Projects Coordinator	30-Jun-2017		1. Increased number of nominations received	During 2016-2017, 22 nominations were received. This is a decrease from the 39 nominations received during the previous report period.	

STRATEGY: 1.2.3 Develop relationships to address local issues and create opportunities



DP ACTION: 1.2.1.4 Develop and maintain new and existing partnerships including interagency agreements

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Community Development	Executive Support Officer	Yes	Yes	Yes	Yes

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP Performance Indicator(s)	Comment	KPI Status
1. Partnerships maintained and enhanced	Valuable partnership objectives are discussed at each Community Round Table meeting, actioned, progressed and reported to Council for information.	

OP ACTION: C21 Contribution is made to joint initiatives through attendance at relevant partner meetings and initiatives

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Development	Executive Support Officer	30-Jun-2017		1. Number of meetings attended	During the report period Council facilitated three meetings of the Broken Hill Community Strategic Plan Round Table Committee on 17 August and 16 November 2016 and 10 May 2017.	
				2. Partnership objectives are progressed and of value	Stakeholder agencies who are members of the Community Strategic Plan Round Table Committee submit reports on their agency's activities as well as discussing other projects that are occurring in the City to identify any impacts that these activities/projects may have on Council's Community Strategic Plan. All actions required from reports are included on the Committee's Action List Report with an update on the status of the action taken reported at the following meeting to inform members.	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

STRATEGY: 1.2.4 Openly share information to allow participation and inclusion

DP ACTION: 1.2.1.5 Develop, plan and implement a communications strategy to promote openness and allow participation and interest in the activities and decisions of Council

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Communication & Community Engagement Coordinator	No	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Community satisfaction with Council communication		A Community Satisfaction Survey is planned to be undertaken in 2017/2018.			

OP ACTION: C22 Develop and implement a communications strategy

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Communication & Community Engagement Coordinator	30-Jun-2017		1. Strategy is developed and implemented	A Communications Strategy is currently being developed by Sauce Communications.	

OP ACTION: C23 Develop a communications plan as part of the project planning process for any significant activity or decision of Council

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Communication & Community Engagement Coordinator	30-Jun-2017		1. Community satisfaction with Council communications	A Community Satisfaction Survey is yet to be developed.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

STRATEGY: 1.2.6 Develop, implement and evaluate strategies to address the impact of a changing population on local facilities and services

DP ACTION: 1.2.1.6 Undertake community consultation activities to discuss the impact of population decline upon local facilities and services

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Community Facilities	Communication & Community Engagement Coordinator	No	Yes	No	No
DP Performance Indicator(s)		Comment			KPI Status
1. Increased awareness in relation to the impact of population decline		Awareness provided through consultation opportunities, media, Council reports and business plans, grants and submissions, and representation to Government agencies and community committees.			



OP ACTION: C24 Participate in initiatives to inform the community about Council's current sustainability challenges including financial and asset management

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Facilities	Communication & Community Engagement Coordinator	30-Jun-2017	30-Jun-2017	1. Participation in initiatives	Provision of information provided for the public via forums, Heritage Toolkit, media releases, Council reports and presentations to Government, businesses, agencies and community. Asset Management Plan developing for adoption in 2017.	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

STRATEGY: 1.2.7 Provide access to appropriate facilities, services and information based on community needs

DP ACTION: 1.2.1.7 Provide public amenities, halls and community centres to facilitate social capital and activity


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Community Facilities	Manager Infrastructure	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Utilisation rates of halls and community centres		Bookings for 1 July 2016 - 30 June 2017 included: <ul style="list-style-type: none"> • Council Chambers: 8 • Ground Floor Meeting Room: 9 • Aged Persons Rest Centre: 178 • AJ Keast Park: 13 • Duke of Cornwall Park: 2 • Duff Street Park: 2 • Joe Keenan Lookout: 2 • Town Square: 27 • North Mine Hall: 3 • Sturt Park: 36 • Town Square: 27 			
2. Less than 1 complaint per every 10 bookings		No complaints recorded during the report period.			

OP ACTION: C25 Provide public amenities in key public areas


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Facilities	Manager Infrastructure	30-Jun-2017	30-Jun-2017	1. Amenities open and maintained for use to accommodate community requirements	Public amenities are provided and maintained in CBD area and local parks.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: C26 Review public amenities as part of asset management planning


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Facilities	Manager Infrastructure	30-Jun-2017	30-Jun-2017	1. Review undertaken	Levels of Service community consultation revealed that the public are satisfied with the current number and maintenance levels of public amenities. Further investigation completed on the disposal and improvement of public amenities.	

OP ACTION: C27 Provide public halls and community centres through a centralised booking system

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Facilities	Manager Infrastructure	30-Jun-2017	30-Jun-2017	1. Utilisation of community centres and halls	Bookings for 1 July 2016 - 30 June 2017 included: <ul style="list-style-type: none"> • Council Chambers: 8 • Ground Floor Meeting Room: 9 • Aged Persons Rest Centre: 178 • AJ Keast Park: 13 • Duke of Cornwall Park: 2 • Duff Street Park: 2 • Joe Keenan Lookout: 2 • Town Square: 27 • North Mine Hall: 3 • Sturt Park: 36 • Town Square: 27 	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: C28 Review public halls and community centres as part of asset management planning

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Facilities	Manager Infrastructure	30-Jun-2017	30-Jun-2017	1. Review undertaken	The Levels of Service community consultation undertaken in November 2015, coincided with the Asset Management Plan reviews. Opus International Consultants (Australia) Pty Ltd assessed Council's Asset Management Practice using the National Asset Management Assessment Framework (NAMAF) in June 2017.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


OBJECTIVE: 1.3 Our history, culture and diversity is embraced and celebrated

STRATEGY: 1.3.1 Raise awareness of cultural and community events that celebrate Broken Hill's cultural diversity

DP ACTION: 1.3.1.1 Provide an online calendar of events for the community to update with local events and activities

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Economic Development	Grants and Projects Coordinator	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Number of events promoted on the calendar		The online events calendar promoted 179 events during the report period.			<div></div>

OP ACTION: C29 A calendar of events is available online and promoted to the community

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Economic Development	Grants and Projects Coordinator	30-Jun-2017	30-Jun-2017	1. Number of events promoted on the calendar	The online events calendar promoted 179 events during the report period.	

STRATEGY: 1.3.2 Increase our capacity to plan and conduct public events in Broken Hill


DP ACTION: 1.3.1.2 Encourage events and activities in public spaces to create active spaces

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Community Development	Manager Infrastructure	Yes	Yes	Yes	Yes

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 





DP Performance Indicator(s)	Comment	KPI Status
1. Number of bookings for events in public spaces	Bookings for 1 July 2016 - 30 June 2017 included: <ul style="list-style-type: none"> • Council Chambers: 8 • Ground Floor Meeting Room: 9 • Aged Persons Rest Centre: 178 • AJ Keast Park: 13 • Duke of Cornwall Park: 2 • Duff Street Park: 2 • Joe Keenan Lookout: 2 • Town Square: 27 • North Mine Hall: 3 • Sturt Park: 36 • Town Square: 27 	

OP ACTION: C30 Implement the activation strategies outlined in the Living Museum-Perfect Light CBD renewal plan

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Development	Manager Infrastructure	30-Jun-2017	30-Jun-2017	1. Number of events held in the Town Square	There were 12 bookings for the Town Square during the report period. The Broken Hill Heritage City Week Heritage Near Me Roadshow was held in the Town Square between 10 - 12 October. This project is an element of the Broken Hill Living Museum + Perfect Light Plan.	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: C31 Support event organisers in understanding the process for holding events in public spaces

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Development	Grants and Projects Coordinator	30-Jun-2017	30-Jun-2017	1. Develop a guide to public events	A guide to public events is currently in development.	
				2. Number of meetings with event organisers	There were 30 meetings held with event organisers during the report period.	
				3. Develop post event customer satisfaction survey	Pending further investigation.	
				4. Measure satisfaction of event organisers via post event customer survey	Pending further investigation.	




DP ACTION: 1.3.1.3 Conduct the annual Christmas Pageant as an activity for the whole community

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Community Development	Grants and Projects Coordinator	Yes	Yes	Yes	Yes


DP Performance Indicator(s)	Comment	KPI Status
1. Involvement in Christmas Pageant	The 2016 Christmas Pageant was held on 3 December 2016. Council entered a float in the pageant with the theme of "Pool Safety Awareness".	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: C32 Liaise with South Rotary to develop an event plan for the Christmas Pageant

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Development	Grants and Projects Coordinator	30-Jun-2017	30-Jun-2017	1. Number of entry floats	There were 55 floats entered in the Christmas Pageant.	
				2. Number of volunteer organisations	There were 10 volunteer organisations that assisted with the Christmas Pageant.	
				3. Estimated number of people attending the event	It is estimated that 2,000 people attended the Christmas Pageant.	


OP ACTION: C33 Enter a Council float in the Christmas Pageant to promote Council's role in the community

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Development	Grants and Projects Coordinator	30-Jun-2017	30-Jun-2017	1. Council float entered	A pageant float with the theme "Pool Safety Awareness" was decorated by Council Staff from all departments and entered in the Christmas Pageant.	


STRATEGY: 1.3.3 Ensure our residents and visitors are aware of the importance of Broken Hill in Australian History

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


DP ACTION: 1.3.1.6 Preserve historic records held within Council custodianship

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Arts & Culture	Archives Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Standards for custodian of archives met		The Preservation Needs Assessment of Archives Collection recommendations have been prioritised and are in progress. Digitisation of photographs is progressing utilising school students and volunteer resources.			

OP ACTION: C37 In collaboration with volunteers, maintain archive records for the benefit of the City


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Arts & Culture	Archives Officer	30-Jun-2017	30-Jun-2017	1. Number of volunteers	There are 12 volunteers currently assisting with maintaining Council's archive records.	

STRATEGY: 1.3.4 Provide cultural services and facilities that celebrate our rich history**DP ACTION: 1.3.1.5 Provide a regional library service for the City and outback area**


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Arts & Culture	Library Services Coordinator	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Number of active members		There were 9,781 Library members as at 30 June 2017. Inactive memberships to be reviewed in 2017.			

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


OP ACTION: C34 Manage, maintain and promote the regional library service

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Arts & Culture	Library Services Coordinator	30-Jun-2017	30-Jun-2017	1. Number of active members	There were 9,781 Library members as at 30 June 2017. Inactive memberships to be reviewed in 2017.	

OP ACTION: C35 Provide a library outreach service to outback locations



FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Arts & Culture	Library Services Coordinator	30-Jun-2017	30-Jun-2017	1. Number of borrowings	<p>The number of borrowings during the report period were:</p> <ul style="list-style-type: none"> • Onsite at Library - 81 674 items • Housebound - 8514 items • Outback Letterbox Library - 13711 items • E-books – 380 items 	

OP ACTION: C36 Review the regional library building to ensure it meets the needs of current and future generations

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Arts & Culture	Manager Infrastructure	30-Jun-2017		1. Review undertaken	A review of the Library by State Library NSW has been undertaken. Outcomes of the review to be further considered during 2017/2018.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 1.3.1.7 Provide a Regional Art Gallery to contribute to the strong arts culture of the City

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Arts & Culture	Corporate Responsibility Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Visitation to Art Gallery		There were 22,707 visitors to the Regional Art Gallery during the report period.			
2. Number of exhibitions		There were 29 exhibitions held during the report period.			

OP ACTION: C38 Manage, maintain and promote the Regional Art Gallery


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Arts & Culture	Corporate Responsibility Officer	30-Jun-2017	30-Jun-2017	1. Number of exhibitions	There were 29 exhibitions held during the report period.	
				2. Number of visitors	There were 22,707 visitors during the report period.	
				3. Number of workshops	There were 94 workshops and 26 public programs held during the report period.	

DP ACTION: 1.3.1.8 Provide the Albert Kersten Mining and Mineral Museum to celebrate our mining history

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Arts & Culture	Corporate Responsibility Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Visitation to mining and mineral museum		There were 11,149 visitors to the Albert Kersten Mining and Mineral Museum during the report period.			
2. Number of exhibitions		There were 9 exhibitions during the report period.			

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: C39 Manage, maintain and promote the Albert Kersten Mining and Minerals Museum

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Arts & Culture	Corporate Responsibility Officer	30-Jun-2017	30-Jun-2017	1. Visitation to Albert Kersten Mining and Minerals Museum	There were 11,149 visitors during the report period.	

DP ACTION: 1.3.1.9 Provision of facilities and programs that enhance the heritage of the City

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Arts & Culture	Grants and Projects Coordinator	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Heritage awards conducted annually		The Heritage Awards were conducted on 10 April 2017.			
2. Council owned Art and mineral collections are maintained and accessible to the community		Council's art and mineral collections continue to be maintained and made accessible to the public for viewing at Council's Cultural Facilities.			
3. Heritage assets are maintained and accessible to the community		Council's Infrastructure Department maintains Council buildings with periodical internal and external maintenance, and special projects such as painting facades. Minimal disruption to community access is achieved during such projects.			

OP ACTION: C40 Conduct a heritage awards presentation and develop its potential to celebrate the City's built and cultural heritage and National Heritage Listing status


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Arts & Culture	Grants and Projects Coordinator	30-Jun-2017	30-Jun-2017	1. Heritage awards undertaken	The Heritage Awards were conducted on 10 April 2017.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


OBJECTIVE: 1.4 Our built environment supports our quality of life

STRATEGY: 1.4.1 Maintain the character of our historic City through good design

DP ACTION: 1.4.1.2 Include heritage considerations within the Draft Development Control Plan for the City

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Arts & Culture	Manager Planning, Development & Compliance	Yes	Yes	No	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Heritage considered in Development Control Plan implemented		The Development Control Plan was adopted by Council on 26 October 2016, minute number 45292. This comprehensive plan was developed for the City with a chapter specifically informing heritage conservation.			


OP ACTION: C41 Develop, plan and implement a Development Control Plan for the City of Broken Hill

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Arts & Culture	Manager Planning, Development & Compliance	30-Jun-2017	30-Jun-2017	1. Plan implemented	The Development Control Plan was adopted by Council on 26 October 2016, minute number 45292.	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

STRATEGY: 1.4.2 Social and recreational opportunities are provided for the enjoyment of all


DP ACTION: 1.4.1.10 Further develop and enhance the Asset Management Plan for Parks and Open Spaces

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Open Spaces	Asset Planner Open Spaces	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Implement agreed improvement initiatives as outlined within the Plan		The Draft Asset Management Plan for Parks and Open Spaces will be presented to Council during the 2017/2018 report period.			

OP ACTION: C47 Undertake improvement plan as included in the Parks and Open Spaces Asset Management Plan

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Open Spaces	Asset Planner Open Spaces	30-Jun-2017		1. Improvement actions undertaken in accordance with improvement plan timeframe	A Draft Asset Management Plan, inclusive of improvement plans is under further development. The draft plan will be presented to Council during the 2017-2018 report period. Once adopted, improvement plans will be implemented.	

DP ACTION: 1.4.1.11 Implement the Asset Management Plan for Parks and Open Spaces

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Open Spaces	Asset Planner Open Spaces	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Implement initiatives in accordance with the resources provided in the Plan		The Draft Asset Management Plan for Parks and Open Spaces, in accordance with the valuation review will be presented to Council during the 2017/2018 report period.			

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


OP ACTION: C48 Undertake actions and projects included within the Parks and Open Spaces Asset Management Plan

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Open Spaces	Asset Planner Open Spaces	30-Jun-2017		1. Actions and projects undertaken in accordance with improvement plan timeframe	A Draft Asset Management Plan, inclusive of improvement plans will be presented to Council in 2017/2018 reporting period. Once adopted, improvement plans will be implemented.	

DP ACTION: 1.4.1.14 Promote the Broken Hill Regional Aquatic Centre and manage contract obligations associated with the facility

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Community Facilities	Manager Infrastructure	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Centre managed in accordance with the contract and within budget		The contract for the management of the Regional Aquatic Centre between Council and the YMCA NSW was renewed in July 2016.			
2. At least one joint promotional activity per quarter		Council currently supports free entry to the Broken Hill Regional Aquatic Centre on Australia Day of each year.			


OP ACTION: C51 Contract for Broken Hill Aquatic Centre managed effectively

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Facilities	Manager Infrastructure	30-Jun-2017	30-Jun-2017	1. All conditions of contract complied with	Budget is being met and Broken Hill Aquatic Centre is being managed as per contract conditions.	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 1.4.1.5 Maintain the cemetery to allow a final resting place and a place for residents and visitors to visit loved ones that have passed

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Community Facilities	Manager Infrastructure	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Community satisfaction with cemetery	Community satisfaction with cemetery is evident from positive feedback received from the community in the form of one written compliment and three gifts (declared as per Council's Gift Register). Nil complaints received.	

OP ACTION: C42 Investigate and plan for future demand at the cemetery




FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Facilities	Manager Infrastructure	30-Jun-2017	31-Dec-2016	1. Future demand planned for	Review undertaken, with further scope of extensions to be completed in future.	

OP ACTION: C43 Maintain and operate the cemetery for the benefit of the City



FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Facilities	Manager Infrastructure	30-Jun-2017	30-Jun-2017	1. Number of complaints	Nil complaints received during the reporting period.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 1.4.1.6 Facilitate searches for deceased persons interred in the Broken Hill Cemetery

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Community Facilities	Corporate Services Coordinator	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Number of successful searches as a % of the total searches		During 2016/2017, 363 cemetery searches were undertaken. Of these searches approximately 24 were recorded as unsuccessful; successful search rate reaching over 93%.			
2. Number of online visits and searches conducted		There were 5,756 online visits to Council's Cemetery Online Navigator during the report period.			
3. Decline in the number of incorrect records		Records continue to be corrected as routine process, as errors are notified and/or identified.			

OP ACTION: C44 Facilitate searches for deceased persons interred in the Broken Hill Cemetery

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Facilities	Corporate Services Coordinator	30-Jun-2017	30-Jun-2017	1. Number of searches undertaken	There were 138 administrative searches conducted for the financial year and 225 conducted on site by the Cemetery Officers. On average there were approximately 2 unsuccessful searches recorded for each month.	
				2. Number of website visits	There were 5,756 online visits to Council's Cemetery Online Navigator during the report period.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


STRATEGY: 1.4.4 Improve the quality of roads in and around the City and region

DP ACTION: 1.4.1.12 Further develop and enhance the Asset Management Plan for Transport

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Local Transport	Asset Planner Transport	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Improvement of asset data and plan content	The Draft Asset Management Plan will be presented to Council in 2017/2018 reporting period. Asset inspections and data compilation have been completed, and a financial assessment is to be undertaken.	

OP ACTION: C49 Undertake improvement plan as included in the Transport Asset Management Plan


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Open Spaces	Asset Planner Transport	30-Jun-2017		1. Improvement actions undertaken in accordance with improvement plan timeframe	The Draft Asset Management Plan Transport will be presented to Council during the 2017-2018 report period.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 1.4.1.13 Implement the Asset Management Plan for Transport

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Local Transport	Asset Planner Transport	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Number of actions completed		The Draft Asset Management Plan Transport is under further development and is planned to be presented to Council during the 2017/2018 report period.			


OP ACTION: C50 Undertake actions and projects included within the Transport Asset Management Plan

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Local Transport	Asset Planner Transport	30-Jun-2017		1. Improvement actions undertaken in accordance with improvement plan timeframe	The Draft Asset Management Plan, inclusive of improvement plans will be presented to Council during the 2017/2018 report period. Once adopted the improvement plan actions will inform future projects.	


STRATEGY: 1.4.5 Develop, implement and evaluate strategies to address the impact of a changing population on local facilities and services
DP ACTION: 1.4.1.15 Undertake service level reviews on Council services to ensure effective delivery of service

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Business Systems Analyst	Yes	Yes	Yes	Yes


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP Performance Indicator(s)	Comment	KPI Status
1. Service level reviews undertaken	Service reviews are currently being undertaken. The Service Review Framework was adopted by Council on 29 March 2017, minute number 45499. A set of initial service reviews have commenced, which include Customer Service, Visitors Information Service, Art Gallery, Albert Kersten Mining & Mineral Museum, Library, Archives and the Planning, Compliance and Development department.	

OP ACTION: C52 Undertake a service level review in relation to the provision of open space within the local government area


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Open Spaces	Manager Infrastructure	30-Jun-2017		1. Accepted service level determined in consultation with the community in line with the Open Spaces Asset Management Plan	Service reviews are currently being undertaken and the Open Spaces review is expected to be conducted during the 2017/2018 report period.	

OP ACTION: C53 Undertake a service level review in relation to fleet


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Manager Infrastructure	30-Jun-2017		1. Internal savings identified	Service reviews are currently being undertaken. Internal savings will be identified once the service review is complete.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 1.4.1.16 Undertake facility utilisation reviews

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Community Facilities	Manager Infrastructure	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Facility utilisation assessments undertaken		Service level reviews are currently being undertaken and the facility review is expected to be conducted during the 2017/2018 report period.			

OP ACTION: C54 Undertake two facility reviews of Council owned buildings identified in Asset Management Plans


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Facilities	Manager Infrastructure	30-Jun-2017		1. Community consultation completed and recommendation made for two asset services as identified in the Building Asset Management Plan	Service level reviews are currently being undertaken and the Building Asset review is expected to be conducted during the 2017/2018 report period.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


OBJECTIVE: 1.5 Our health and wellbeing ensures that we live life to the full

STRATEGY: 1.5.2 Provide quality health, medical and allied services to meet demographic changes, particularly 24-hour medical services, specialist services and mental health support services

DP ACTION: 1.5.1.1 Advocate for quality health, medical and allied services for the City where required

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Community Facilities	Corporate Responsibility Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Representations made where required		Staff and Councillor representation at relevant health related meetings/consultations as required.			

OP ACTION: C55 Advocate for quality health, medical and allied services for the City where required


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Facilities	Corporate Responsibility Officer	30-Jun-2017	30-Jun-2017	1. Representations made where required	Staff and Councillor representation at relevant health related meetings/consultations as required. For example: Lead Reference Group, Healthy Broken Hill Project.	

STRATEGY: 1.5.3 Provide a suitable range of disability and aged care services



DP ACTION: 1.5.1.11 Review the structure for the provision of disability and community care service provision by Council

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Community Services	Corporate Responsibility Officer	No	Yes	Yes	Yes

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP Performance Indicator(s)	Comment	KPI Status
1. Structure reviewed	A service review was completed, with Council decision on 27 April 2016 to transition from direct provision of community services. Full transition to an external provider occurred on 1 October 2016.	


OP ACTION: C68 Undertake a service level and governance review in relation to the provision of community support services

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Services	Corporate Responsibility Officer	30-Jun-2017	30-Jun-2017	1. Service levels reviewed in line with funding agreements and reviewed in light of State and Commonwealth policy directions	A service review was completed, with Council decision on 27 April 2016 to transition from direct provision of community services. Full transition to an external provider occurred on 1 October 2016.	
				2. Governance structure review commenced	The process of transitioning services to an external provider involved an Expression of Interest process, evaluation and report submitted to State and Federal funding bodies who made the final decision on the agency to whom Agreements would be novated.	

DP ACTION: 1.5.1.3 Review the City of Broken Hill Ageing Strategy

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Community Services	Corporate Responsibility Officer	No	Yes	No	Yes

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


DP Performance Indicator(s)	Comment	KPI Status
1. Ageing Strategy reviewed and endorsed	The "Living Well" Ageing Strategy 2016-2021 was adopted 27 July 2016, minute number 45292.	

OP ACTION: C57 Review the Broken Hill City Ageing Strategy


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Services	Corporate Responsibility Officer	30-Jun-2017	30-Jun-2017	1. Strategy reviewed	The "Living Well" Ageing Strategy 2016-2021 was adopted by Council on 27 July 2016, minute number 45292.	

DP ACTION: 1.5.1.4 Advocate for funding a new aged care accommodation facility

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Corporate Responsibility Officer	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Funding is allocated to Broken Hill	There is decreasing need for expansion of specialised accommodation. The Federal direction is for intensive home based care options rather than facility development.	

OP ACTION: C59 Advocate for funding for a new aged care facility for Broken Hill


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Services	Corporate Responsibility Officer	30-Jun-2017	30-Jun-2017	1. Support funding applications from aged care providers	There is decreasing demand for specialised accommodation services accompanied by a Federal direction for intensive home based care options.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


DP ACTION: 1.5.1.5 Maintain and operate a low care aged care service until future is determined

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Community Services	Corporate Responsibility Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Accreditation standards met		Shorty O'Neil Village ceased operating as an aged care facility on 23 December 2014. Accreditation standards were maintained until this time.			

OP ACTION: C60 Finalise subdivision of Shorty O'Neil Village and finalise future uses of the site


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Services	Corporate Responsibility Officer	30-Jun-2017	30-Jun-2017	1. Future use of Shorty O'Neil Village determined	Shorty O'Neil Village was subdivided and 42 units sold to Eureka Holdings. The settlement occurred on 22 December 2016.	

DP ACTION: 1.5.1.7 Maintain and operate a range of disability programs




FUNCTION	POSITION	13/14	14/15	15/16	16/17
Community Services	Corporate Responsibility Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Services provided to meet community needs		All disability programs operated within funding guidelines until they were transitioned to a new service provider in October 2016.			

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: C58 Prepare for development of a four year Disability Inclusion Action Plan (DIAP) as per The Disability Inclusion Act 2014, Clause 6 of the Regulation

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Services	Corporate Responsibility Officer	30-Jun-2017	30-Jun-2017	1. Plan developed by June 30, 2017	The Disability Inclusion Action Plan was adopted at Council meeting held 28 June 2017, minute number 45563, ready for implementation on 1 July 2017.	

OP ACTION: C61 Provide a range of respite, post school and individually tailored support programs

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Services	Corporate Responsibility Officer	30-Jun-2017	30-Jun-2017	1. Services meeting funded outputs	All services achieved required outputs.	
				2. Program funding maintained	Programme funding maintained up to transition of services on 1 October 2016.	
				3. Accreditation maintained	Accreditation maintained up to transition of services on 1 October 2016.	

STRATEGY: 1.5.4 Provide equitable and appropriate access to public transport within Broken Hill City and regionally


DP ACTION: 1.5.1.2 Advocate for equitable and appropriate access to public transport where required

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Manager Infrastructure	Yes	Yes	Yes	Yes

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP Performance Indicator(s)	Comment	KPI Status
1. Representations made where required	No opportunities were available for representation.	

OP ACTION: C56 Advocate for equitable and appropriate access to public transport where required

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Manager Infrastructure	30-Jun-2017		1. Representations made where required	No opportunities were available for representation.	


STRATEGY: 1.5.5 Provide and maintain efficient and reliable utilities and services to the Broken Hill community

DP ACTION: 1.5.1.8 Maintain and operate a range of community care programs



FUNCTION	POSITION	13/14	14/15	15/16	16/17
Community Services	Corporate Responsibility Officer	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Services provided to meet community needs	Council transitioned from delivery of Aged and Disability Services with novation of existing Agreements with State and Federal agencies effective 1 October 2016.	



OP ACTION: C62 Provide a Home Care Packages and ComPacks program

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Services	Corporate Responsibility Officer	30-Jun-2017	30-Jun-2017	1. Services meeting funding outputs	All services achieved required outputs.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

	2. Program funding maintained	Council was subcontractor to Community Options Australia for the provision of the ComPacks Program with the Agreement terminating on 30 June 2016. Community Options Australia made the decision to subcontract the service to Hammond Care.	
	3. Accreditation maintained	Accreditation valid until Agreement terminated.	


OP ACTION: C63 Coordinate and facilitate annual Community Service Forum

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Services	Corporate Responsibility Officer	30-Jun-2017	30-Jun-2017	1. Annual forum held	No annual event was held during the report period due to Council's transition from Aged and Disability Services.	
				2. Networks maintained	Council have a Community Services Forum Contact List saved from previous forums and networking for future reference if required. Council no longer have direct involvement in holding an annual forum due to transition from Aged and Disability Services.	


DP ACTION: 1.5.1.9 Advocate for the continued supply of secure and affordable quality water supply for the City

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP Performance Indicator(s)	Comment	KPI Status
1. Water secured for the City	<p>Council has taken part in teleconferences and face-to-face meetings with various Ministers, and the Mayor has corresponded to various Government departments in relation to Menindee Lakes and water security for Broken Hill.</p> <p>Council has a strong relationship with Essential Water and will continue to communicate in regards to this important matter.</p> <p>The NSW Premier announced in June 2016 a \$500m plan to secure Broken Hill's water supply via a pipeline from the Murray River. Information obtained by Water NSW details the some 270 kilometres long pipeline bringing water to Broken Hill from the Murray River, near Wentworth. It is expected that construction will be completed by the end of 2018, with up to 240 jobs created during that time, the majority of which will be located in Broken Hill or Wentworth.</p>	

OP ACTION: C64 Actively participate in stakeholder reference group established for water supply issues facing the City

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Active representation at stakeholder reference groups	<p>Council has taken part in teleconferences and face-to-face meetings with various Ministers and the Mayor has corresponded to various Government departments in relation to Menindee Lakes and water security for Broken Hill.</p> <p>Council has a strong relationship with Essential Water and will continue to communicate in regards to this important matter.</p>	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

STRATEGY: 1.5.6 Provide our children with equitable access to a range of opportunities

DP ACTION: 1.5.1.10 Consider opportunities to participate in activities that enhance opportunities for our young people


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Corporate Responsibility Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Activities undertaken by Council to support young people		Several events have occurred during the report period that support young people, such as shows and concerts, art workshops, Heritage Near Me event, Civic Ball and the Christmas Pageant and After Party in the Park.			

OP ACTION: C65 Council provides coaching, mentoring and leadership opportunities for young persons in the Community


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Human Resources Manager	30-Jun-2017	30-Jun-2017	1. Number of students participating in activities	The Youth Leadership Council has been re-established by the General Manager. Expressions of Interest were released in October 2016 to form the committee. A mentor has been appointed and the YMCA is also providing support. The General Manager has arranged for the Youth Leadership Council to feature as a specific item within the Draft Community Strategic Plan expected to be presented to Council in early 2017. The Youth Leadership Council will be provided a seat at the Community Strategic Plan Round Table Committee. Youth Leadership Council meetings will commence in 2017.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: C66 Support Sister City Advisory Committee to identify opportunities for young people


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Development	Executive Support Officer	30-Jun-2017		1. Number of meetings attended	Sister City status to be determined due to Canterbury-Bankstown Council merger.	

OP ACTION: C67 Host Civic Debutante Ball

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Community Development	Grants and Projects Coordinator	30-Jun-2017	30-Jun-2017	1. Debutante Ball held	The Civic Ball was held on 12 May 2017 with 12 debutantes and 390 people attending	


STRATEGY: 1.5.7 Encourage cycling and walking, through developing safe tracks and paths

DP ACTION: 1.4.1.8 Provide bicycle paths to encourage physical activity

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Local Transport	Manager Infrastructure	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Community satisfaction with ability to safely ride the City		Nil complaints received relating to existing bicycle lanes. Community satisfaction has not been obtained through a formal survey and will be considered at a future date.			

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: C46 Existing bicycle lanes maintained


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Local Transport	Manager Infrastructure	30-Jun-2017	30-Jun-2017	1. No reduction in bicycle lanes	No reduction in bicycle lanes in local area reported. Bicycle lanes visible.	

DP ACTION: 1.4.1.9 Review the Pedestrian Access Mobility Plan

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Local Transport	Manager Infrastructure	Yes	No	No	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. PAMP reviewed and initiatives implemented in accordance with the resources provided in the Operational Plan	The Pedestrian Access Mobility Plan (PAMP) is scheduled to be reviewed by Council's Asset Inspector. Items will be costed, prioritised and included in the Draft Asset Management Plan Transport. Both plans are expected to be presented to Council during the 2017-2018 report period.	

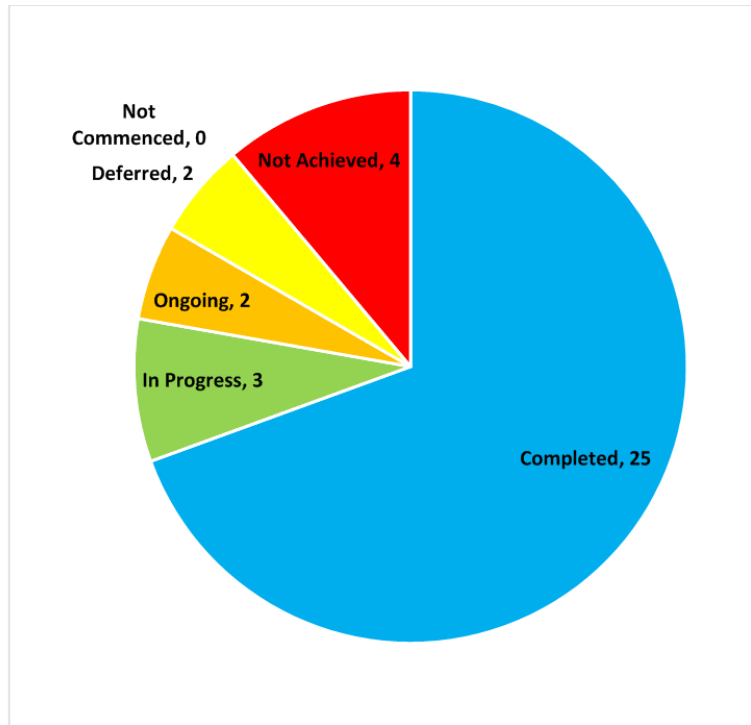
OP ACTION: C45 Implement actions in the Pedestrian Access Mobility Plan

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Local Transport	Manager Infrastructure	30-Jun-2017		1. Prioritised actioning implemented in accordance with available resources	Council's Asset Inspector and Asset Planner Roads are reviewing the action list within the existing PAMP and prioritising and quantifying items. An expenditure assessment will be completed by Council's Asset Inspector and a maintenance program will be developed to be included in the Asset Management Plan Transport.	

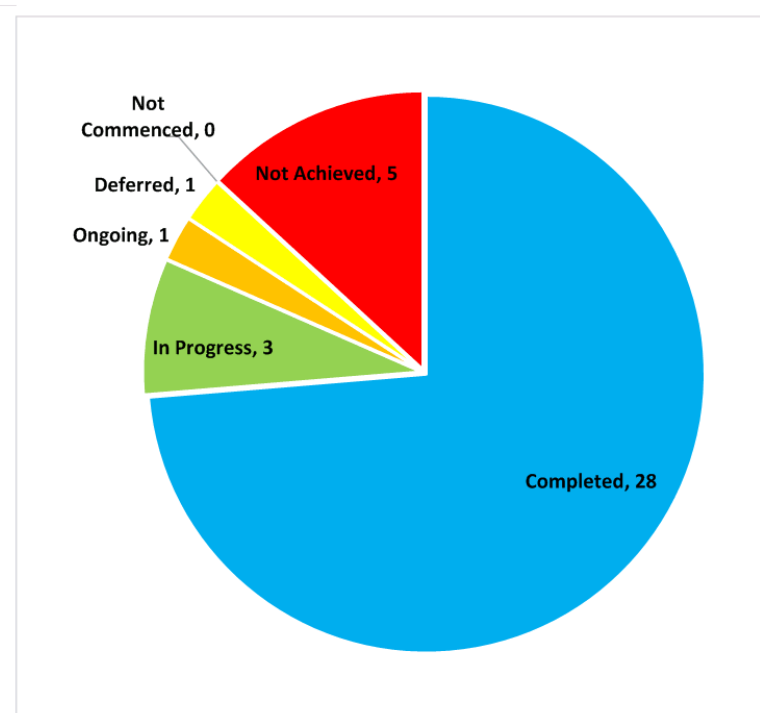
Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OUR ECONOMY

DP Action KPI Status



OP Action KPI Status




Completed ■ In Progress ■ Ongoing ■ Deferred ■ Not Commenced ■ Not Achieved ■

OBJECTIVE: 2.1 Our economy is strong and diversified and attracts people to work, live and invest**STRATEGY: 2.1.1** Create greater collaboration and strategic planning capacity with a view to identifying opportunities and increasing economic activity**DP ACTION: 2.1.1.1** Collaborate with relevant partners to plan a summit to discuss economic conditions and unite leaders for a whole-of-City approach to economic development

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Economic Development	Executive Manager - Strategic City Development	No	Yes	No	Yes


DP Performance Indicator(s)	Comment	KPI Status
1. Economic summit held	No economic summit held during the report period. A Project Steering Group, comprising of external parties, for the Broken Hill Living Museum + Perfect Light Project has been established to progress the various elements of the bold and confident vision. The Steering Group has met six (6) times during the report period, with the Terms of Reference for the group adopted by Council on 25 May 2016.	

OP ACTION: E01 Collaborate with relevant partners and gain a commitment to holding a summit to discuss economic development for the City


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Economic Development	Executive Manager - Strategic City Development	30-Jun-2017		1. Economic summit held	No economic summit held during the report period. A Project Steering Group, comprising of external parties, for the Broken Hill Living Museum + Perfect Light Project has been established to progress the various elements of the bold and confident vision. The Steering Group has met six (6) times during the report period, with the Terms of Reference for the group adopted by Council on 25 May 2016.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 2.1.1.2 Contribute to and provide open information to a diverse audience in relation to economic activity in the City

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Economic Development	Executive Manager - Strategic City Development	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Up to date economic information available widely		Broken Hill's economic and demographic data is available on Council's website and is detailed in a number of Council plans.			

OP ACTION: E02 Provide an online data resource to meet a diverse range of enquiries about Broken Hill and contribute to economic decision making

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Economic Development	Executive Manager - Strategic City Development	30-Jun-2017	30-Jun-2017	1. Annual subscription to an online data tool	Economic and demographic data is available on Council's website through the provision of Council's annual subscription with community profile (profile.id).	

STRATEGY: 2.1.2 Develop and implement strategies and partnerships to encourage new investment opportunities within the region

DP ACTION: 2.1.1.3 Collaborate with government and industry partners to explore investment opportunities for the City

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Economic Development	Executive Manager - Strategic City Development	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. 4 representations to Government per annum		Various representations in person and in writing (exceeds 12 representations) to Government politicians and agencies.			

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

2. Number of informative responses to potential investors

Investors receive direction and packaged information relating to the economy. Eight enquiries serviced during the report period.



OP ACTION: E03 Support RDA Far West and the local business community in presenting Broken Hill investment opportunities to the NSW Trade and Investment, the Federal Department of Industry and other agencies

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Economic Development	Executive Manager - Strategic City Development	30-Jun-2017	30-Jun-2017	1. Four representations to Government/industry per annum	<p>More than 12 representations made, including Government advocacy, grants and also the following:</p> <ul style="list-style-type: none"> • Arts NSW (resulting in \$200k funding for art symposium) • Presentation at launch of Cobalt Blue Holdings (held at Tesla Showrooms Sydney) • Executive Manager Strategic City Development meetings with AGL 	

DP ACTION: 2.1.1.4 Actively pursue options for investment in the Broken Hill Studios to meet its objectives as a creative and cultural hub

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Film Promotion	Executive Manager - Strategic City Development	No	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Head Lessee/Tenants/Sale of Broken Hill Studios		The Broken Hill Film Studio was sold at auction on 7 November 2016.			<div></div>

Completed In Progress Ongoing Deferred Not Commenced Not Achieved

OP ACTION: E04 Actively pursue options for investment/lease/sale of the Broken Hill Studios


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Economic Development	Executive Manager - Strategic City Development	30-Jun-2017	30-Jun-2017	1. Head lessee/tenants/sale of Broken Hill Studios	The Broken Hill Film Studio was sold at auction on 7 November 2016.	

STRATEGY: 2.1.3 Investigate transport hub options for Broken Hill and surrounds to drive and support economic activity

DP ACTION: 2.1.1.8 Advocate to maintain or improve air, rail and road access to the region


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Strategic Transport	Executive Manager - Strategic City Development	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Positive Community Satisfaction levels indicate transport access is improved		Community satisfaction has not been surveyed within the report period. Council continues to advocate in areas concerning rail and air in particular.			

OP ACTION: E06 Advocate to maintain or improve air, rail and road access to the region

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Strategic Transport	Executive Manager - Strategic City Development	30-Jun-2017	30-Jun-2017	1. Advocate to maintain or improve air, rail and road access to the region	Council continues to advocate in areas regarding rail and air, in particular where the pensioner rail pass is concerned and in the development of the Broken Hill Airport Business Case and Federal funding application.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: E07 Determine the main modes of transport used by visitors and their generating regions and monitor change year on year

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Strategic Transport	Executive Manager - Strategic City Development	30-Jun-2017	30-Jun-2017	1. Quarterly data reviewed and reported	Data is based on tourism data reporting periods and provided quarterly to Council. Air passenger numbers are reported to Council on a monthly basis, inclusive of comparison of passenger numbers for the same month in the previous year.	

STRATEGY: 2.1.4 Increase economic opportunities by activating public spaces


DP ACTION: 2.1.1.17 Develop a Main Street strategy for Argent Street with an aim to revitalise the precinct as an iconic heritage destination for locals and visitors

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Economic Development	Executive Manager - Strategic City Development	No	No	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Main street strategy developed	The Broken Hill Living Museum + Perfect Light Project plan was adopted by Council on 24 June 2015, minute number 44979.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: E13 Coordinate the implementation of a main street urban renewal infrastructure development and activation program

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Tourism Development	Executive Manager - Strategic City Development	30-Jun-2017	30-Jun-2017	1. Measures of success through grants, lighting and arts installations and event activation	<p>Council has received in excess of \$12m towards various elements of the Broken Hill Living Museum + Perfect Light Project. Funding achieved in 2016/2017 includes:</p> <ul style="list-style-type: none"> • \$200k from State Library NSW for technology enhancements to the Library • \$200k Arts NSW for the Argent Street Sculpture Symposium • \$41,500 NSW Department of Justice, Community and Development for the Broken Hill War Memorial preservation • \$5,314 State Archives for a preservation needs assessment of archival material. 	


STRATEGY: 2.1.5 Manage and develop public infrastructure to enhance economic opportunities**DP ACTION: 2.1.1.9 Develop and implement Business Plans for key Council owned tourism related assets to assure their economic viability and business focus**

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Economic Development	Corporate Responsibility Officer	No	Yes	Yes	Yes

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP Performance Indicator(s)	Comment	KPI Status
1. Business Plans complete for: Broken Hill Regional Art Gallery; Albert Kersten Mining & Mineral Museum; Living Desert; Visitor Information Centre; Civic Centre	<p>Business Plans are currently at different stages for each of Council's tourism related assets:</p> <ul style="list-style-type: none"> • The Broken Hill Regional Art Gallery currently has a Strategic Plan in place, which is to be scheduled for review. • The Albert Kersten Mining and Mineral Museum's most recent Strategic Plan expired in 2016 and is to be scheduled for review. • The Living Desert Primitive Camp Ground Business Plan is in draft stage. • The Visitor Information Centre Business Plan is included within the Broken Hill Strategic Tourism Plan 2010-2020 and is to be scheduled for review to become a standalone document. • The Civic Centre Business Plan 2015-2020 is current and will be reviewed following the reopening of the Civic Centre, post upgrades. 	



OP ACTION: E08 Develop and implement Business Plans for key Council owned tourism related assets to assure their economic viability and business focus

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Economic Development	Cultural Facilities Operation Supervisor	30-Jun-2017	30-Jun-2017	1. Businesses plan complete for Broken Hill Regional Art Gallery	The Broken Hill Regional Art Gallery currently has a Strategic Plan in place.	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

STRATEGY: 2.1.7 Pursue new ideas and approaches for business and industry investment including creative industries, renewable energy and technology related projects

DP ACTION: 2.1.1.16 Collaborate with key stakeholders to increase value for new and existing businesses

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Economic Development	Executive Manager - Strategic City Development	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Collaborative participation in meetings and projects		Council meets with a range of business related stakeholders including event managers, tourism business operators, mining and renewable investors, and filmmakers.			
2. 4 forums/workshops held per year		Two public workshops have been held surrounding the Broken Hill and Outback Archives and Council Customer Service Project following the appointment of the design consultants. The focus of the workshops/research have been to undertake consultation with Archives / Customer Service users to assist in the development of draft concept designs and the subsequent presentation of the draft designs for review, discussion and feedback.			

OP ACTION: E11 Participate in meetings and projects associated with the Broken Hill Chamber of Commerce, businesses and RDA Far West including the BizConnect service

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Economic Development	Executive Manager - Strategic City Development	30-Jun-2017	30-Jun-2017	1. Regularly attend meetings and participate in six monthly reporting against small business support of Council	Council reports regularly against small business initiatives.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: E12 Support the RDA Far West to investigate the capacities and limitations for Broken Hill and Far West NSW to develop as a future renewable energy centre


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Economic Development	Executive Manager - Strategic City Development	30-Jun-2017		1. Support provided	Support is pending the requirements of RDA Far West.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


OBJECTIVE: 2.2 We are a destination of choice and provide a real experience that encourages increased visitation

STRATEGY: 2.2.1 Cooperatively engage government, business and community stakeholders in developing a strategic approach to the management of tourism

DP ACTION: 2.2.1.1 Participate in tourism industry boards and working parties

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Tourism Development	Executive Manager - Strategic City Development	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Active participation		Council are liaising with the newly formed Destination Broken Hill on local tourism matters.			

OP ACTION: E14 Participate in Inland NSW Tourism and Destination Far West

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Tourism Development	Executive Manager - Strategic City Development	30-Jun-2017		1. Active participation and outcomes associated with relevant plan/project implementation	Inland NSW has wound down and following the cessation of Destination Far West, Council are liaising with the newly formed Destination Broken Hill on local tourism matters.	

STRATEGY: 2.2.4 Ensure service excellence in the tourism, hospitality and retail sectors to enhance visitor experience and maximise yield from tourism


DP ACTION: 2.2.1.13 Engage the community and local historians in developing materials and interpretation experiences more targeted towards the tourism market and promoting the importance of Broken Hill in history

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Tourism Development	Executive Manager - Strategic City Development	No	No	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. 2 new heritage tourism products developed annually	A new volunteer walk tour has commenced operating from the VIC. The Broken Hill Heritage Toolkit comprising of a magazine (soft and hard copy formats), website and associated videos, was launched on 10 October 2016.	


OP ACTION: E23 Support the Heritage Event Advisory Committee to develop an events calendar to celebrate and commemorate historically significant events

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Tourism Development	Executive Manager - Strategic City Development	30-Jun-2017	30-Jun-2017	1. Number of events achieved	The Heritage Event Advisory Committee conducted two events during the report period. The Miners Memorial Day event was held on 9 October 2016. This included the Line of Lode Memorial Service and the Community Heritage Picnic. The John Reid Memorial Heritage Awards were held on 10 April 2017.	


DP ACTION: 2.2.1.14 Undertake a benchmark study of other heritage listed mining cities world-wide to understand their strategies for tourism

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Tourism Development	Executive Manager - Strategic City Development	No	No	Yes	Yes

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


DP Performance Indicator(s)	Comment	KPI Status
1. Global benchmark study is finalised	No budget allocated during the 2016/2017 financial year.	

OP ACTION: E24 Relationships are investigated between Broken Hill and other significant heritage mining cities and World Heritage Listing is under consideration

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Tourism Development	Executive Manager - Strategic City Development	30-Jun-2017		1. Membership of international heritage organisation and application of interest for World Heritage Listing	Council have endorsed \$70,000 to be spent in 2017/2018 on a consultative process to inform a decision about a potential World Heritage nomination including eligibility, implications, requirements, budgets and processes.	


DP ACTION: 2.2.1.6 Collaborate with businesses to enhance visitors experience and maximise yield

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Tourism Development	Executive Manager - Strategic City Development	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Increased participation in tourism partnership program	Council are working with the newly formed Destination Broken Hill on local tourism matters.	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: E17 Adopt a customer service approach across all Council owned tourism related facilities

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Tourism Development	Corporate Responsibility Officer	30-Jun-2017		1. Customer satisfaction survey	The Draft Customer Service Framework has been developed and a service review for the Visitor Information Centre has commenced.	

STRATEGY: 2.2.5 Enhance the provision and delivery of authentic visitor products and experiences

DP ACTION: 2.1.1.15 Implement actions to increase participation of arts and cultural enterprises in the tourism industry

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Tourism Development	Grants and Projects Coordinator	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Increased participation of arts and cultural enterprises in tourism related initiatives		Council works with enterprises for inclusion in Visitor Information Centre information and website activity. All enterprises can sign onto newsletters providing industry updates.			

OP ACTION: E10 Create art and heritage trails encompassing businesses and community landmarks


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Tourism Development	Grants and Projects Coordinator	30-Jun-2017	30-Jun-2017	1. Trails are developed in print, online and applications (apps)	The Visitor Information Centre has a suite of information about tours and trails available.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 2.1.1.5 Develop a City information pack for new and potential residents to promote living in Broken Hill

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Economic Development	Executive Manager - Strategic City Development	No	No	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Information pack developed and distributed		A New Residents Pack is currently being developed in soft and hard copy formats and is expected to be ready for distribution by end of 2017.			

OP ACTION: E5 Develop a City information pack for new and potential residents to promote living in Broken Hill


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Economic Development	Executive Manager - Strategic City Development	30-Jun-2017	30-Jun-2017	1. Four representations to Government/industry per annum	There have been in excess of 12 meetings with Government and Industry representatives during the report period.	

DP ACTION: 2.2.1.10 Promote the Albert Kersten Mining and Mineral Museum as a tourist attraction

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Tourism Development	Executive Manager - Strategic City Development	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Number of people visiting per annum/number of visitors		There were 11,149 visitors during the reporting period.			


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: E20 Develop strategies to increase tourist visitation to the Albert Kersten Mining and Minerals Museum


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Tourism Development	Gallery and Museums Manager	30-Jun-2017	30-Jun-2017	1. Number of people visiting per annum	There were 11,149 visitors during the report period.	

DP ACTION: 2.2.1.11 Promote the Living Desert as a tourist attraction

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Tourism Development	Environment, Waste & Recycling Specialist	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Number of people visiting per annum/number of visitors	There were 30,320 visitors to the Living Desert during 2016/17. This number is made up of visitors via pay bay and bus visitors.	





OP ACTION: E21 Develop strategies to increase tourist visitation to the Living Desert

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Tourism Development	Environment, Waste & Recycling Specialist	30-Jun-2017	30-Jun-2017	1. Number of people visiting per annum	There were 30,320 visitors to the Living Desert during the report period. This is an increase of 3,208 from 2015-2016 report period. This number is made up of visitors via pay bay and bus visitors.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


DP ACTION: 2.2.1.8 Operate the Visitor Information Centre as a hub for the visitor economy

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Tourism Development	Cultural Facilities Operation Supervisor	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Number of people visiting centre per annum	There were 100,689 visitors during the report period.	
2. Number of hits to the website per annum	www.brokenhillaustralia.com.au is forwarding to https://www.travelin.com.au/go/broken-hill run by Bauer/Adventures. They have reported a visitation of 33,988 unique visitors for 2016/2017. This is approximately a quarter of what Council used to get when Council was running its own tourism website.	
3. Participation by industry in tourism programs	Industry participation in the Visitors Guide and through promotion at the Visitor Information Centre. Additional industry participation through website and social media activities. A forum was held during Heritage Week in October 2016, which included guest speakers and focused on Heritage Week and the tourism industry, and in forums associated with tourism	
4. Tourist and Travellers Centre 90% occupancy maintained	Current occupancy at the Tourist and Travellers Centre includes: <ul style="list-style-type: none"> • Visitor Information Centre • Gloria Jeans • Shop 2 is now occupied by the Far West Business Enterprise Centre on a 12 month contract • Shop 3 is soon to be occupied by Thrifty Car Rental • Shop 1 will remain vacant as it will be required for the Council Customer Relations Team temporary relocation during the Archives relocation to the Council Administration Building. This shop space should be considered to be kept as a functional meeting room for Council. 	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: E18 Operate the Visitor Information Centre as a hub for the visitor economy


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Tourism Development	Cultural Facilities Operation Supervisor	30-Jun-2017	30-Jun-2017	1. Number of people visiting centre per annum	There were 100,689 visitors during the report period	

DP ACTION: 2.2.1.9 Promote the Regional Art Gallery as a tourist attraction

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Tourism Development	Gallery and Museums Manager	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Number of people visiting per annum/number of visitors	There were 22,707 visitors during the report period.	


OP ACTION: E19 Develop strategies to increase tourist visitation to the Regional Art Gallery

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Tourism Development	Gallery and Museums Manager	30-Jun-2017	30-Jun-2017	1. Number of people visiting per annum	There were 22,707 visitors during the report period.	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

STRATEGY: 2.2.6 Improve accessibility for visitors to and from Broken Hill**DP ACTION: 2.2.1.16 Operate the Broken Hill Airport**

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Strategic Transport	Manager Infrastructure	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Meet CASA and other legislative requirements	All CASA requirements were met in the audit conducted in June 2015. Five non-compliances were advised and Council has addressed these to CASA requirements. Council Airport Operations were compliant in the 2016 Annual Technical Inspection, with minor infrastructure works flagged for action.	

OP ACTION: E25 Operate the Broken Hill Airport

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Strategic Transport	Manager Infrastructure	30-Jun-2017	30-Jun-2017	1. Operate the Broken Hill Airport as per CASA requirements	All CASA requirements were met in the audit conducted in June 2015. Five non-compliances were advised and Council has addressed these to CASA requirements. Council Airport Operations were compliant in the 2016 Annual Technical Inspection, with minor infrastructure works flagged for action.	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 2.2.1.18 Explore funding opportunities and lobby to allow an upgrade to the Broken Hill Airport in accordance with the Airport Master Plan

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Strategic Transport	Manager Infrastructure	Yes	Yes	Yes	Yes


DP Performance Indicator(s)	Comment	KPI Status
1. Number of representations made	Council supported the Royal Flying Doctor Service in their funding application under the Building Better Regions Fund. If successful Council have committed \$100k towards the grant for the apron upgrade, site preparation and road works.	

OP ACTION: E27 Explore funding opportunities and lobby for the upgrade of the Broken Hill Airport in accordance with the Airport Master Plan

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Strategic Transport	Manager Infrastructure	30-Jun-2017	30-Jun-2017	1. Number of representations/submissions	Council supported the Royal Flying Doctor Service in their funding application under the Building Better Regions Fund. If successful Council have committed \$100k towards the grant for the apron upgrade, site preparation and road works.	

DP ACTION: 2.2.1.27 Review Council's facilities and capacity to service the caravan and motor home market

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Tourism Development	Grants and Projects Coordinator	No	No	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Review complete	This item will be considered in the forthcoming development of the Strategic Tourism Plan 2018/2019	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


OP ACTION: E26 Consider alternative airport management and operation arrangements

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Strategic Transport	Manager Infrastructure	30-Jun-2017	22-Feb-2017	1. Report to Council. Investigate possible EOI	<p>Report to February 2017 Council meeting; Review of Management of Broken Hill Airport. Minute No. 45462. Amendment to resolution carried, as follows. That calling for expressions of interest be deferred pending a report to the May Council Meeting that investigates the following factors which may increase the current level of revenue being generated from activities at the Airport (leases/licences) by:</p> <p>a) Charging for parking for hire cars</p> <p>b) Charging lessees for water and electricity charges</p> <p>c) Reducing the landing charges to encourage more aircraft to land at the Broken Hill Airport as aircraft are boycotting Broken Hill and landing elsewhere due to our landing charges increasing from \$8.00 to \$20.00.</p> <p>d) Cost of maintenance at the Airport</p> <p>e) Employment numbers at the Airport</p> <p>f) Council investigates other options and activities to increase revenue e.g. conducting flight training schools, etc.</p> <p>Further report remains pending.</p>	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

STRATEGY: 2.2.7 Establish and deliver a consistent destination brand and image that positions Broken Hill as a significant outback destination in Australia


DP ACTION: 2.2.1.12 Investigate opportunities arising from Broken Hill's listing as a heritage city

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Tourism Development	Grants and Projects Coordinator	No	Yes	No	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Review of heritage opportunities is complete		Opportunities through heritage are addressed through marketing of Broken Hill and its cultural assets/heritage landmarks and stories, the Living Museum + Perfect Light Project, grant applications, and Heritage and Museums Advisors.			

OP ACTION: E22 Investigate opportunities arising from Broken Hill's listing as a heritage city


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Tourism Development	Grants and Projects Coordinator	30-Jun-2017	30-Jun-2017	1. Council owned or controlled art and mineral collections are maintained and accessible to the community	Council's art and mineral collections continue to be maintained and made accessible to the public for viewing at Council's Cultural Facilities.	
				2. Council owned or controlled heritage assets are maintained and accessible to the community	Council's Infrastructure Department maintains Council buildings with periodical internal and external maintenance, and special projects such as painting facades. Minimal disruption to community access is achieved during such projects.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

	3. Video and editorial content developed and incorporated into Council's tourism website	Videos and stories are accessible through Council's website and social media platforms.	
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DP ACTION: 2.2.1.20 Integrate the Brand into marketing and communication objectives for the City including external and internal audiences

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Tourism Development	Executive Manager - Strategic City Development	Yes	Yes	Yes	Yes


DP Performance Indicator(s)	Comment	KPI Status
1. Brand integrated into all relevant programs and communications	Broken Hill brand is embedded in all communications including visual and value based. New photography library and branded videos have been developed. Council has adopted values and corporate style to reflect the community brand.	

OP ACTION: E28 Integrate the Brand into marketing and communication objectives for the City including external and internal audiences


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Economic Development	Executive Manager - Strategic City Development	30-Jun-2017	30-Jun-2017	1. Brand integrated into all relevant programs and communications	Broken Hill brand is embedded in all communications including visual and value based. New photography library and branded videos have been developed. Council has adopted values and corporate style to reflect the community brand.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 2.2.1.3 Collect destination based information and contribute to analysis in order to inform tourism related decision-making


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Tourism Development	Grants and Projects Coordinator	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Annual report provided to industry		ABS/NVS data updates provided to industry direct from those agencies.			

OP ACTION: E15 Contribute data to analysis processes conducted by the industry and industry bodies

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Tourism Development	Grants and Projects Coordinator	30-Jun-2017	30-Jun-2017	1. Data is provided to fulfil information requests and funding acquittals. Quarterly updates provided to Council.	Council contributes information as required to support data enquiries. Quarterly visitation data to Council facilities is provided to Councillors.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: E16 Conduct an annual audit of tourism product in Broken Hill and assess changes against previous year


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Tourism Development	Grants and Projects Coordinator	30-Jun-2017	30-Jun-2017	1. Annual audit report is produced	<p>An audit was conducted in January 2017 to update fact sheets with information on accommodation, attractions and eateries. It was the first time a complete audit of eateries was conducted which includes cafes, bakeries, pubs, restaurants, clubs and takeaways and resulted in 66 individual listings.</p> <p>The number of accommodation listings (102) hasn't significantly altered compared to the previous year. Broken Hill currently provides 703 rooms/units totalling 2,325 beds.</p> <p>The number of attractions (46) has increased due to the opening of two new galleries.</p>	

STRATEGY: 2.2.8 Develop a strategic and proactive approach to the development, management and marketing of conferences, events and filming activities

DP ACTION: 2.2.1.21 Develop a Broken Hill Conference and Events Strategy to better coordinate manage and promote Broken Hill as a Meetings, Incentives, Conventions and Exhibition (MICE) location

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Economic Development	Grants and Projects Coordinator	No	No	Yes	Yes


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP Performance Indicator(s)	Comment	KPI Status
1. BH Conference and Events Strategy is developed	The Broken Hill Meeting, Incentive, Conference and Event Strategy 2015-2020 has been developed.	

OP ACTION: E29 Host industry familiarisations to the region for MICE (Meetings, Incentives, Conferences, Events)


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Economic Development	Grants and Projects Coordinator	30-Jun-2017		1. Four familiarisations hosted per annum	Five conference familiarisations, two festival familiarisations undertaken during the report period.	

OP ACTION: E30 Maintain MICE and entertainment promotion on website and database

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Economic Development	Grants and Projects Coordinator	30-Jun-2017	30-Jun-2017	1. 5% increase in website hits and enquiry levels	<p>Statistics for https://www.brokenhill.nsw.gov.au/business/economic-development/conferences-and-events during report period include:</p> <ul style="list-style-type: none"> • Page views - 171 (increase of 171.43%) • Unique page views - 140 (increase of 159.26%) • Unique page views adjusted for bounce rate - 64 (increase of 177%) 	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: E31 Secure MICE and entertainment activity

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Economic Development	Grants and Projects Coordinator	30-Jun-2017		1. 15% increase in conference and entertainment activity	The Civic Centre continued to be under construction during the report period. However, Council was associated with hosting and supporting five conferences and five entertainment shows from July 2016 to June 2017. Council was also represented at Asia-Pacific Incentives and Meetings Expo (AIME) and made representations to 30 specialists and groups.	

DP ACTION: 2.2.1.22 Position Civic Centre as a hub for conference and entertainment in Regional Australia


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Economic Development	Grants and Projects Coordinator	Yes	Yes	Yes	Yes

DP Performance Indicator(s)**Comment****KPI Status**

1. 15% increase in usage of Civic Centre across all event categories

The Civic Centre continued to be under construction during the report period.

**OP ACTION: E32 Position Civic Centre as a hub for conference and entertainment in Regional Australia**


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Economic Development	Grants and Projects Coordinator	30-Jun-2017		1. 15% increase in usage of Civic Centre across all event categories	The Civic Centre redevelopment project has been in progress during the report period.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 2.2.1.23 Develop a plan to modernise the Civic Centre into a facility that would appeal to conferences and events

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Economic Development	Grants and Projects Coordinator	No	Yes	No	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Council report		The Civic Centre is currently undergoing construction as part of the redevelopment project. The Centre is due to reopen towards the end of 2017 after delays in construction, at which time the Centre will be able to be utilised as a modern function and conference location.			

OP ACTION: E33 Promote Broken Hill as a centre for conferences and entertainment in Regional Australia


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Economic Development	Grants and Projects Coordinator	30-Jun-2017		1. Twelve approaches annually to MICE organisers	There were no bids made during this period due to the uncertainty of the Civic Centre redevelopment completion date. However, Council was represented at Asia-Pacific Incentives and Meetings Expo (AIME) and made representations to 30 specialists and groups.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


OBJECTIVE: 2.3 A supported and skilled workforce provides strength and opportunity

STRATEGY: 2.3.1 Gain a greater understanding about skills gaps in Broken Hill that are important to both social inclusion as well as industry needs

DP ACTION: 2.3.1.2 Provide input into the Broken Hill skills audit

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Economic Development	Corporate Responsibility Officer	No	No	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Input provided as required		A Skills Audit has not been developed or released by Regional Development Australia to date.			

OP ACTION: E34 Provide relevant information towards the skills audit process where required


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Corporate Support	Corporate Responsibility Officer	30-Jun-2017		1. All functional areas of Council are mapped	Council will contribute to the Skills Audit once developed by Regional Development Australia.	

STRATEGY: 2.3.3 Target skills development among Indigenous and non-Indigenous disadvantaged people to increase employment potential and participation


DP ACTION: 2.1.1.14 Support the development of indigenous tourism product in terms of arts and culture

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Tourism Development	Grants and Projects Coordinator	No	Yes	Yes	Yes

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP Performance Indicator(s)	Comment	KPI Status
1. Participation of Council staff in indigenous cultural projects	Council works with West Darling Arts and Maari Ma to promote indigenous art.	


OP ACTION: E09 Support the development of indigenous tourism product in terms of the arts and culture

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Tourism Development	Grants and Projects Coordinator	30-Jun-2017	30-Jun-2017	1. Participation of Council staff in indigenous cultural projects resulting in product outcomes	Staff working in Council's Cultural Facilities areas work closely with West Darling Arts on events, competitions and exhibitions.	

STRATEGY: 2.3.4 Consider strategies and opportunities to overcome issues relating to accessing education and training providers and facilities locally

DP ACTION: 2.3.1.5 Provide publicly available equipment and space at the BH Regional Library for tertiary education students

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Economic Development	Library Services Coordinator	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Facilities provided and promoted	Public computers and study tables are available for public use at the Charles Rasp Memorial Library.	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: E35 Provide publically available equipment and space at the Charles Rasp Memorial Library for tertiary education students

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Economic Development	Library Services Coordinator	30-Jun-2017	30-Jun-2017	1. Facilities provided and promoted	Public computers and study tables are available for public use at the Charles Rasp Memorial Library.	

DP ACTION: 2.3.1.6 Develop and maintain partnerships with Universities that provide value to our local community

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Economic Development	Executive Manager - Strategic City Development	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. All partnership relationships provide value to the city	Council maintains university partnerships through projects and internships as opportunities arise.	

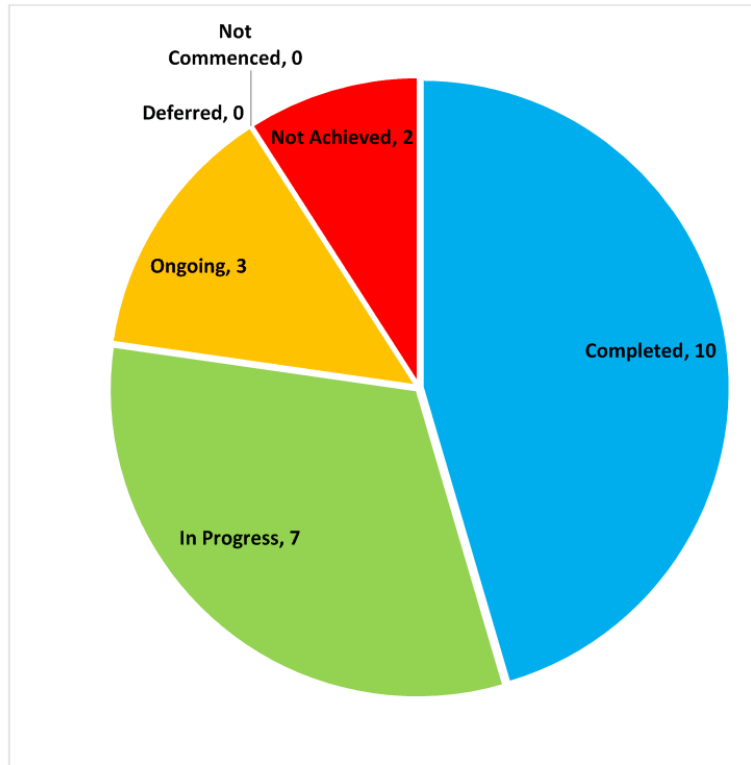
OP ACTION: E36 Develop partnerships with universities that provide value to our local community

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Economic Development	Executive Manager - Strategic City Development	30-Jun-2017	30-Jun-2017	1. All partnership relationships provide value to the City	Council participates in projects and internships as opportunities arise.	

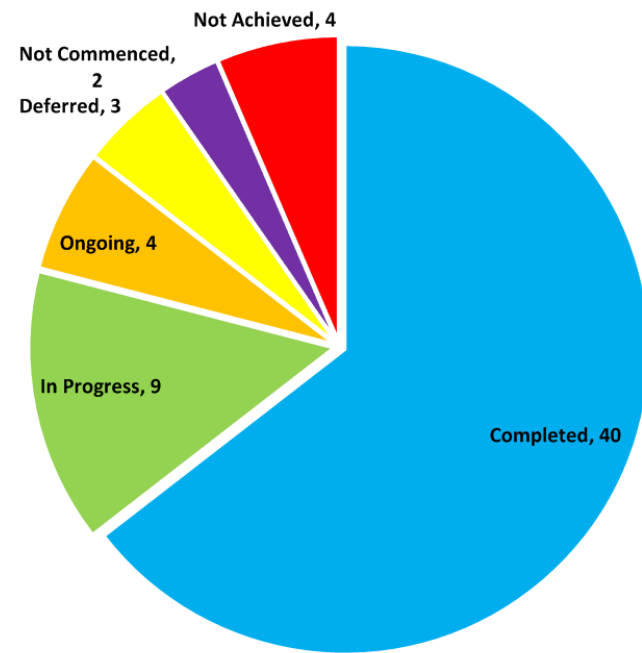
Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OUR ENVIRONMENT

DP Action KPI Status



OP Action KPI Status




Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


OBJECTIVE: 3.1 Our environmental footprint is minimised

STRATEGY: 3.1.1 Reduce resource consumption and minimise waste

DP ACTION: 3.1.1.1 Implement the recommendations of the Waste Management Strategy in relation to waste management & pricing in accordance with state guidelines and best practice


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Waste Management	Environment, Waste & Recycling Specialist	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Actions are undertaken as indicated in the Operational Plan		Council's Litter Control Plan has been completed. This is an appendix to Council's Landfill Environmental Management Plan. Training in the plan has been provided to all Council operational staff affected by the plan. Council's proposed Transfer Station construction has had significant delays and has not been completed during the reporting period.			

OP ACTION: V01 Prepare and implement a Litter Control Plan for the Broken Hill Waste Management facility with a focus on windblown litter


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Waste Management	Environment, Waste & Recycling Specialist	30-Jun-2017		1. Plan completed and implemented	Plan is completed and has been incorporated into the Landfill Environmental Management Plan. All operational staff received training on the plan. Implementation has commenced with tip face areas reduced, mobile litter fences in place and more inspections of waste entering the facility. The deadline to be Litter free by 30 June has not been met due to delays in construction of the transfer station and an extension has been granted to 31 March 2018.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 3.1.1.2 Investigate opportunities and develop long term strategies to expand recycling services for the city


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Waste Management	Environment, Waste & Recycling Specialist	No	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Increased tonnage of recyclables processed		Recycling rates for items removed for recycling were double during 2016/2017 compared to the previous year (15/16 321.85 tonnes, 16/17 855.37 tonnes). This appears to be due to an increased use of the Community Recycling Centre for problem household wastes. There has been an increase in green waste contamination that has led to an increase in the volume of this waste going to landfill, particularly in the kerbside collection. Green Waste continues to be stockpiled on site as well as e-waste. Recycling volumes are expected to increase once new recycling opportunities commence in 2017/2018. Recycling rates will remain low while there is no kerbside collections in place.			

OP ACTION: V02 Develop and award a request for tender for the collection and processing of electronic waste and scrap metal from the Broken Hill Waste Management Facility


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Waste Management	Environment, Waste & Recycling Specialist	30-Jun-2017	31-May-2017	1. Tenders issued and contracts in place	Council has joined the NetWaste Regional Scrap Metal Tender, which was awarded to SIMS Metal Recycling and will commence late July 2017. Quotations were sought to establish a permanent e-waste collection service, which was awarded to SIMS e-cycle and will commence early in 2017/2018 - this service will provide a shipping container on site to collect and remove e-waste.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: V03 Continue upgrades of the Broken Hill Waste Management facility to meet Environment Protection Authority (EPA) requirements with a focus on litter control and waste separation


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Waste Management	Environment, Waste & Recycling Specialist	30-Jun-2017		1. Upgrades completed	The development plans for a Transfer Station at the Waste Management Facility were approved by Council and works will commence during 2017. The original expected completion date of May 2017 has not been met due to significant delays, while engineering of the facility is reviewed prior to construction to ensure solid construction of the facility.	

OP ACTION: V04 Redesign drop off area to improve and increase recycling options at the Broken Hill Waste Management Facility


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Waste Management	Environment, Waste & Recycling Specialist	30-Jun-2017	30-Jun-2017	1. Increased tonnage of recycling	The Community Recycling Centre is operating successfully with 5 tonnes (up from 4 tonnes 15/16) of problem wastes removed, 8.88 tonnes (up from 7 tonnes 15/16) of car batteries removed for processing, 3.6 tonnes of glass (up from 2.8 tonnes 15/16), and 13,100 litres of waste motor oil (up from 11,200 litres 15/16).	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: V05 Promote existing local recycling opportunities

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Waste Management	Environment, Waste & Recycling Specialist	30-Jun-2017	30-Jun-2017	1. Increased tonnage of recycling	Recycling is promoted on-line and with brochures available at the Council Administration Building. The Community Recycling Centre (CRC) is promoted through newspaper, radio and cinema advertising. The last 12 months has seen recycling rates of cans, bottles, paper and cardboard, household hazardous rates more than double (16/17 855.37 tonnes up from 15/16 321.85 tonnes).	

OP ACTION: V06 Develop a business case for the introduction of kerbside recycling using the results of the economic analysis

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Waste Management	Environment, Waste & Recycling Specialist	30-Jun-2017		1. Economic analysis complete	An Economic Analysis brief has been developed and will be issued as an Expression of Interest during 2017/2018.	


DP ACTION: 3.1.1.3 Develop and implement an efficient and cost effective organics management process that allows beneficial use of end product

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Waste Management	Environment, Waste & Recycling Specialist	Yes	Yes	Yes	Yes

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


DP Performance Indicator(s)	Comment	KPI Status
1. Increased tonnage of green waste processed	Much of the green waste delivered to the site is highly contaminated, leading to the need to landfill much of the green waste collected. Shredding is not occurring as often as needed.	

OP ACTION: V07 Develop options for use of green waste processed by Council

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Waste Management	Environment, Waste & Recycling Specialist	30-Jun-2017		1. Options developed which provide value to the community	Green Waste is highly contaminated and staff are not shredding as often as needed.	

DP ACTION: 3.1.1.4 Investigate and develop strategies to divert commercial and industrial waste from landfill

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Waste Management	Environment, Waste & Recycling Specialist	No	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Decrease the amount of commercial and industrial waste delivered to landfill	More diversion will be looked at as part of the redesign and introduction of the Transfer Station at the Waste Management Facility.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


OP ACTION: V08 Increase waste separation opportunities at the Broken Hill Waste Management Facility for commercial and industrial waste

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Waste Management	Environment, Waste & Recycling Specialist	30-Jun-2017		1. Increased commercial and industrial diversion rates	More diversion will be looked at as part of the redesign and introduction of the Transfer Station at the Waste Management Facility.	

STRATEGY: 3.1.2 Increase use of renewable resources and decrease the use of non-renewable resources


DP ACTION: 3.1.1.5 Investigate and develop strategies to reduce energy used across the organisation

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Waste Management	Infrastructure Projects Engineer	Yes	Yes	Yes	Yes


DP Performance Indicator(s)	Comment	KPI Status
1. Reduction in energy consumption	<p>Council staff attended a webinar for the new NSW Climate Change Policy Framework, Draft Strategic Plan and Draft Plan to Save NSW Energy and Money. These plans have the potential to provide Council with a range of opportunities to reduce emissions and energy consumption during the 5-year period these plans will be in place.</p> <p>Energy monitoring has continued through the Planet Footprint subscription service.</p> <p>Following the sale of Shorty O'Neil Village settled on 22 December 2016 and the change in operations for the HACCC Centre, Council's overall energy consumption will be reduced by the removal of these assets.</p> <p>The LED Light Project continues to save Council approximately \$63,000 per year across the four facilities – Council's Administration Building (first floor), Broken Hill Regional Art Gallery, Visitor Information Centre, and Broken Hill Regional Airport.</p>	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: V09 Continue to monitor energy to ascertain consumption


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Waste Management	Infrastructure Projects Engineer	30-Jun-2017	30-Jun-2017	1. Energy consumption monitored regularly	<p>Quarterly reviews are conducted with Planet Footprint to review and assess energy consumption. Following the sale of Shorty O'Neil Village settled on 22 December 2016 and the change in operations for the HACC Centre, Council's overall energy consumption will be reduced by the removal of these assets.</p> <p>The LED Light Project continues to save Council approximately \$63,000 per year across the four facilities – Council's Administration Building (first floor), Broken Hill Regional Art Gallery, Visitor Information Centre, and Broken Hill Regional Airport.</p>	

OP ACTION: V10 Develop an organisation wide Energy Management Strategy


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Waste Management	Infrastructure Projects Engineer	30-Jun-2017		1. Energy Strategy developed	Other NSW Council Energy Strategies have been reviewed by Council to determine what may suit Council. The NSW Climate Change plans will also need to be incorporated into Council's Strategy. Discussions have been held with Planet Footprint in regards to the best way forward developing a strategy.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: V11 Consider opportunities for modification of energy assets to deliver reduced consumption







FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Waste Management	Infrastructure Projects Engineer	30-Jun-2017		1. Two modification proposals developed for high energy usage areas identified in audit	Projects are targeted where grant funding is available. No grant funding opportunities presented during the report period, therefore two modifications for building assets have not been achieved. LED options for Parks and Open Spaces are being investigated and discussions are occurring with Essential Energy to consider LED street light replacements.	


OP ACTION: V14 Source grant opportunities and apply for funding for energy savings projects

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Waste Management	Infrastructure Projects Engineer	30-Jun-2017		1. Grant applications submitted in accordance with submission requirements for agreed funding program	No grant funding opportunities were available during the report period.	


DP ACTION: 3.1.1.6 Investigate and develop strategies to reduce water consumption used across the organisation

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Natural Environment	Infrastructure Projects Engineer	Yes	Yes	Yes	Yes


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP Performance Indicator(s)	Comment	KPI Status
1. Reduction in water usage	Due to data collection issues it is not possible to report on whether water usage has been reduced.	


OP ACTION: V12 Continue to monitor consumption of water at Council facilities

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Waste Management	Infrastructure Projects Engineer	30-Jun-2017		1. Consumption of water measured and reported	Progression of water data to Planet Footprint has failed during the reporting period so it is not possible to provide details on water consumption. Staff are working with Planet Footprint to rectify the data collection issues for future report requirements.	

OP ACTION: V13 Consider opportunities for modification of water supply systems to deliver reduced consumption

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Waste Management	Infrastructure Projects Engineer	30-Jun-2017	30-Jun-2017	1. One initiative implemented	Council installed a new irrigation system at the Memorial Oval resulting in a reduction of water consumption.	

OP ACTION: V15 Source grant opportunities and apply for funding for water savings projects

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Waste Management	Infrastructure Projects Engineer	30-Jun-2017		1. Grant applications submitted in accordance with submission requirements for agreed funding program	No grant opportunities have been identified during the report period.	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

STRATEGY: 3.1.3 Change consumer behaviour to reduce impacts on the environment without affecting quality of life


DP ACTION: 3.1.1.10 Provide information to our community in relation to their environment

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Public Order	Environment, Waste & Recycling Specialist	No	No	No	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. State of the City report prepared		The State of Environment Report 2012-2016 (previously known as the State of the City) was adopted by Council on 26 October 2016, minute no 45363.			

OP ACTION: V24 Prepare a State of the City Report informing the community about the state of the environment


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Order	Environment, Waste & Recycling Specialist	30-Jun-2017	30-Jun-2017	1. State of the City report completed	The State of Environment Report 2012-2016 was adopted by Council on 26 October 2016, minute no 45363.	

DP ACTION: 3.1.1.11 Encourage activities that support a clean environment


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Public Order	Environment, Waste & Recycling Specialist	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Involvement in relevant activities		The Tidy Towns Committee volunteers have been actively involved in the development of the Regional Litter Plan and have also conducted three clean up events during the report period, including: <ul style="list-style-type: none"> • Clean Up Australia Day • A major weed competition across the City • Submitted five award submissions for the Blue Sustainability Awards (previously Tidy Towns Awards). 			

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: V25 Support activities of Tidy Towns Committee


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Order	Environment, Waste & Recycling Specialist	30-Jun-2017	30-Jun-2017	1. Work Health and Safety, traffic control measures and rubbish removal carried out	Council's Environment, Waste and Recycling Specialist provides support to the Tidy Towns Committee volunteers for activities that the Committee are involved in. The Tidy Towns Committee have been supporting the background work in developing the Regional Litter Plan and will be involved in the implementation of this plan from March 2017. The Committee supported a tree planting in September 2016 at the Riddiford Arboretum, Clean Up Australia Day March 2017, Council's major Weed Clean Up Competition and conducted a clean-up at Adelaide Road during May 2017. Risk assessments were undertaken for each of these projects and waste services support for rubbish removal provided.	

OP ACTION: V26 Assist in the preparation of a submission for Tidy Towns Award


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Order	Environment, Waste & Recycling Specialist	30-Jun-2017	30-Jun-2017	1. Submission	There were five award nominations submitted for the Blue Sustainability Awards under the following categories: <ul style="list-style-type: none"> • Hey Tosser Litter Award • Waste Less Recycle More Award • Cultural Heritage Award • Environmental Achievement Award (individual) • Community Environmental Achievement Award 	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: V27 Facilitate one volunteer clean up function per quarter

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Order	Environment, Waste & Recycling Specialist	30-Jun-2017	30-Jun-2017	1. Volunteer clean up function undertaken	<p>The Tidy Towns Volunteer Group completed the following:</p> <ul style="list-style-type: none"> • Sept 2016 - Arboretum Clean up and tree planting with Girl Guides • March 2017 - Clean Up Australia Day, May 2017 - Adelaide Road Clean-up day. <p>Only three clean up days were held as the group was required to re-form following the local government election in September 2016.</p>	


OP ACTION: V28 Participate in Clean Up Australia Day

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Order	Environment, Waste & Recycling Specialist	30-Jun-2017	5-Mar-2017	1. Participation in event	Clean up Australia Day event was held at Joe Keenan Lookout Approximately 20kgs of waste was collected. While this does not sound like a lot, the majority of waste was take away food wrappers that have very little weight.	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

STRATEGY: 3.1.4 Reuse and recycling of resources is embraced by the community

DP ACTION: 3.1.1.7 Continue with waste education programs to reinforce the message of reduce, recycle, reuse


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Waste Management	Environment, Waste & Recycling Specialist	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Number of waste education activities undertaken		Broken Hill High School students have completed two tours of the Waste Management Facility and attended waste presentations during the report period. Environmentors presented waste education workshops to all seven primary schools in July 2016, with 777 students participating over a 7 day period.			

OP ACTION: V16 Deliver waste education presentations to local high school students annually


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Waste Management	Environment, Waste & Recycling Specialist	30-Jun-2017	12-Sep-2016	1. Annual presentations undertaken	Broken Hill High School Year 10 Students participated in a Waste Presentation in September 2016, with 120 students attending.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: V17 Provide information and activities targeted at increasing education about waste management

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Waste Management	Environment, Waste & Recycling Specialist	30-Jun-2017	28-Jul-2016	1. Environmentors Program conducted	Environmentors travelled to the City to present waste workshops to all local primary schools; this was the first year that all primary schools participated. Workshops presented included "Lunches Unwrapped" and "Litter". There were 777 students in attendance over a 7 day period.	

OP ACTION: V18 Carry out tours of the Broken Hill Waste Management Facility including organics processing, second hand shed and general waste management with local high schools

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Waste Management	Environment, Waste & Recycling Specialist	30-Jun-2017	18-Aug-2016	1. Number of students visiting the facility	Broken Hill High School Year 10 Students attended two waste tours at the Waste Management Facility in September 2016, with 120 students attending. The tour forms a major component of the students HSIE curriculum.	

STRATEGY: 3.1.5 Secure a clean, reliable and sustainable water supply for the area



DP ACTION: 3.1.1.8 Participate in stakeholder reference groups to ensure a secure, clean, reliable and sustainable water supply for the city

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Natural Environment	Executive Support Officer	Yes	Yes	Yes	Yes


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP Performance Indicator(s)	Comment	KPI Status
1. Attendance at stakeholder meetings	There is no specific stakeholder reference group, although Council has taken part in teleconferences and face-to-face meetings with various Ministers and the Mayor has corresponded to various Government departments in relation to Menindee Lakes and water security for Broken Hill. Council has a strong relationship with Essential Water and will continue to communicate in regards to this important matter.	

OP ACTION: V19 Participate in stakeholder reference groups to ensure a secure water supply for the City

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Natural Environment	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Secure representation on reference group	Council is currently a member of the Murray Darling Association and the Mayor is Acting Chair of Region 4.	
				2. Active participation in meetings	The Mayor and General Manager actively participate in MDA and Region 4 meetings.	

OP ACTION: V20 Inform the community in relation to water quality and sustainability

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Natural Environment	Environment, Waste & Recycling Specialist	30-Jun-2017	30-Jun-2017	1. Water quality reported within the State of the City Report	Water Quality was presented in the State of Environment Report, adopted by Council on 26 October 2016, minute number 45363. The information is provided to Council by Essential Water.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

STRATEGY: 3.1.6 Investigate and plan for the minimisation of environmental impacts associated with mining activity on the City

DP ACTION: 3.1.1.9 Participate in stakeholder reference groups in relation to Annual Environmental Management Reviews (AEMRs) of mining operations in the city


1. Lead Reference Group
2. End of Mine Life Plans

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Sustainability After Mining	Environment, Waste & Recycling Specialist	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Participation at stakeholder group meetings	Council has continued to support the Broken Hill Lead Reference Group and Broken Hill Environmental Lead Program. Two Annual Environmental Management Reports (AEMR) were received and no End of Mine Life Plans were held/presented during the report period.	


OP ACTION: V21 Participate in stakeholder reference groups in relation to Annual Environmental Management reviews (AEMRs) of mining operations in the City

1. Lead Reference Group
2. End of Mine Life Plans


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Sustainability After Mining	Environment, Waste & Recycling Specialist	30-Jun-2017	19-Oct-2016	1. Active participation	Two AEMR reports were received during 2016/2017 - Snapper Mine and Gingko Mining both were reviewed by Planning and Compliance staff.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: V22 Support Lead Reference Group (as a key stakeholder) and the Broken Hill Environmental Lead Program (EPA)

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Sustainability After Mining	Environment, Waste & Recycling Specialist	30-Jun-2017	30-Jun-2017	1. Active participation	<p>Council has chaired and provided administrative support for the Broken Hill Lead Reference Group, with meetings held each quarter.</p> <p>Council has completed lead remediation behind Queen Street. Council staff have been working with Broken Hill Environmental Lead Program staff collecting samples from street sweeping areas. Signage has been added to the street sweeper to promote 'lead smart'. Other lead works has included Duke of Cornwell Park landscaping, fencing off of Block 10 access from AJ Keast Park, and fortnightly washing of playground equipment is occurring at AJ Keast Park, Duff Street Park and Sturt Park.</p>	

OP ACTION: V23 Review and provide advice in relation to End of Mine Life Plans including remediation activities for the City

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Sustainability After Mining	Environment, Waste & Recycling Specialist	30-Jun-2017		1. Input provided into all Draft End of Mine Life Plans developed	No End of Life Plans were presented during the report period.	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OBJECTIVE: 3.2 Natural Flora and Fauna environments are enhanced and protected


STRATEGY: 3.2.2 Increase awareness and understanding of the natural environment

DP ACTION: 3.2.1.2 Provide communications and materials to educate the community about our local flora and fauna to increase awareness and understanding of the natural environment.

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Natural Environment	Environment, Waste & Recycling Specialist	Yes	Yes	Yes	Yes


DP Performance Indicator(s)	Comment	KPI Status
1. Communications material developed and distributed	Educational flyers are available for tourists at the Living Desert that highlight kangaroos and wallaroos, plants of the Living Desert, Sturt Desert Pea, feeding of kangaroos and the birds of the Sanctuary. A general Living Desert brochure is available in hard copy at the Visitor Information Centre.	

OP ACTION: V29 Provide communications and materials to the community informing them about our local flora and fauna


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Natural Environment	Environment, Waste & Recycling Specialist	30-Jun-2017		1. Two education initiatives completed	Council's Customer Relations staff support the Living Desert Ranger in providing copies of the environmental materials for the Living Desert. Living Desert staff and volunteers hand out the information to visitors.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 3.2.1.3 Participate in school education programs and tours of environmental facilities.

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Natural Environment	Environment, Waste & Recycling Specialist	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. At least 3 school education visits undertaken annually		During the report period almost 500 people participated in tours including schools, medical students, and special interest groups.			

OP ACTION: V30 Undertake school education programs and facilitate tours of environmental facilities (Living Desert)

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Natural Environment	Environment, Waste & Recycling Specialist	30-Jun-2017	30-Jun-2017	1. Two education initiatives completed	During the report period almost 500 people participated in tours including schools, medical students, and special interest groups. Local Government Week offered local residents three free tours with 12 locals taking advantage of this opportunity.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


DP ACTION: 3.2.1.4 Implement the actions included in the plans of management for

1. The Living Desert
2. The Regeneration Areas
3. The Willyama Common

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Natural Environment	Environment, Waste & Recycling Specialist	No	Yes	Yes	Yes


DP Performance Indicator(s)	Comment	KPI Status
1. Actions implemented in accordance with timeframes where funding is available	While Plans of Management are in draft form, key objectives of these plans continue to be implemented by staff.	

OP ACTION: V31 Implement actions from the Willyama Common Plan of Management


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Natural Environment	Environment, Waste & Recycling Specialist	30-Jun-2017		1. Actions completed within timeframes where funding is available	Council continues to review all licences and leases as they come up for renewal, all requests are assessed as per Management Plan and NSW Crown Lands Requirements. Aboriginal Land Claims across the common must be considered for all actions on the Common. There are several staff across the organisation responsible for working on these areas over the Common. Regular operations of the Common including fencing inspections, weed inspections and general monitoring of the area continue at all times.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: V32 Implement actions from the Living Desert Plan of Management

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Natural Environment	Environment, Waste & Recycling Specialist	30-Jun-2017		1. Actions completed within timeframes where funding is available	Regular maintenance continues onsite to enhance visitor experience and safety as per proposed actions in the Draft Living Desert Management Plans. The Animal Management Plan for the Flora and Fauna Sanctuary was completely updated and reviewed as part of the NPWS licence update. Two fauna surveys on kangaroo populations were completed and one vegetation survey was completed during the report period. A consultant has been engaged to update and complete the draft Living Desert Management Plan.	

OP ACTION: V33 Implement actions from the Regeneration Plan of Management

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Natural Environment	Environment, Waste & Recycling Specialist	30-Jun-2017		1. Actions completed within timeframes where funding is available	Operations, inspections and fencing repairs continue for the Regeneration Area. Members of the Australian Association of Bush Regenerators (AABR) joined a range of locals to conduct a workshop about Broken Hill's Regeneration Areas. AABR completed inspections of the regeneration areas to assess the validity of the ecological restoration works commenced in the 1930's. The assessment showed the	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

Regeneration Area is a true representation of genuine ecological restoration and was one of the first three projects of its kind in the world. 2017 is the 80th anniversary of the commencement of these works. The workshop was held to discuss the development of an Albert Morris Award in recognition of Albert's contribution to ecological restoration, supporting the Barrier Field Naturalist Club and discussing the ecological considerations of the Regeneration Areas. The South Regeneration Walking Track was opened for walkers located in the South region.

STRATEGY: 3.2.3 Increase involvement in actively protecting the natural environment



DP ACTION: 3.2.1.5 Support and encourage volunteers and environmental groups to actively protect and enhance the natural environment at the Living Desert Reserve, the Regeneration Areas and the Willyama Common

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Natural Environment	Environment, Waste & Recycling Specialist	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Volunteer base retained and enhanced	Living Desert volunteer numbers are steady with the volunteers undertaking a wide range of activities on a regular basis, with 15 working bees held during the report period. Volunteer activities include: site maintenance, roster for opening and closing the reserve to support Council Rangers, undertaking training as tour guides and leading tour groups.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: V34 Encourage volunteers to assist with environmental activities

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Natural Environment	Environment, Waste & Recycling Specialist	30-Jun-2017	30-Jun-2017	1. Increase in volunteers undertaking environmental activities	Volunteers at the Living Desert make up the Section 355 Friends of the Flora and Fauna of the Barrier Ranges Community Committee. Following the Local Government Election in September 2016 all committee positions were declared vacant and Council advertised for nominations to all Section 355 Committees. The Friends of the Flora and Fauna of the Barrier Ranges Community Committee continues to prove to be a popular and well received committee with over 20 nominations being received following advertising.	
				2. Number of environmental activities completed with volunteers	The Friends of the Flora and Fauna of the Barrier Ranges Community Committee completed 15 working bees during the report period. Volunteers also assist Council with the opening and closing of the facility every third weekend of the month, and some of the volunteers assist weekly with weed management and other operational activities as the need arises. These volunteers contributed 322 hours, equivalent to the cost of \$26,000.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


STRATEGY: 3.2.4 Manage the impact of pests and weeds on Broken Hill's natural environment

DP ACTION: 3.2.1.6 Undertake an annual assessment of identified noxious weeds and pests and implement control measures to ensure that they are controlled in an appropriate manner

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Natural Environment	Asset Planner Open Spaces	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Annual assessment undertaken	Council's Living Desert Ranger undertakes regular weed inspections including noxious weeds for the Living Desert, Willyama Common and Regeneration Areas. Weed removal is arranged and undertaken annually to control noxious weeds in these areas. Council's Infrastructure Staff are responsible for noxious weeds present within the town.	

OP ACTION: V35 Undertake an annual assessment of identified noxious weeds and implement control measures

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Natural Environment	Asset Planner Open Spaces	30-Jun-2017	30-Jun-2017	1. Reduction in noxious weeds	Living Desert Ranger undertakes regular weed inspections including noxious weeds for the Living Desert, Willyama Common and Regeneration Areas. Weed removal is arranged and undertaken annually to control noxious weeds in these areas. Council's Infrastructure Staff are responsible for noxious weeds present within the town. Due to staff changes, limited reduction of weeds has occurred during the report period.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 



OBJECTIVE: 3.3 Proactive and responsible planning supports the community and the environment

STRATEGY: 3.3.1 Encourage environmentally sustainable building and subdivision design

DP ACTION: 3.3.1.1 Develop and implement a development control plan for the city that incorporates sustainable building and subdivision design principles

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Built Environment	Manager Planning, Development & Compliance	No	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Development Control Plan adopted and implemented		The Development Control Plan was adopted by Council on 26 October 2016, minute number 45292.			


OP ACTION: V36 Explore opportunities within current legislation for the development of a procedure and/or DCP for the management of public art within the City

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Built Environment	Manager Planning, Development & Compliance	30-Jun-2017	30-Jun-2017	1. Procedure/DCP developed for the management of public art in accordance with current legislation	Public art on private buildings is regulated by legislation and State Environmental Planning Policies. Public art on Council land and buildings are regulated by Council's Public Art Policy.	
				2. Implement procedure/DCP within local community through social media to increase public understanding	Council's Public Art Policy (adopted by Council on 3 November 2010, minute number 42572) is available on Council's webpage. Chapter 5 of the Development Control Plan outlines rules that applies to Outdoor Advertising, which may be applicable to public art.	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

STRATEGY: 3.3.2 Preserve the heritage and streetscapes of the City


DP ACTION: 3.3.1.2 Implement the recommendations of the Heritage Strategy in relation to all objectives to preserve and enhance the heritage of the city

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Built Environment	Manager Planning, Development & Compliance	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Recommendations implemented where funding is available		Recommendations of the Heritage Strategy are implemented as funding is available or as required.			

OP ACTION: V37 Identify, list and legally protect heritage items in the City


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Built Environment	Manager Planning, Development & Compliance	30-Jun-2017	30-Jun-2017	1. Review current listing in Broken Hill LEP for accuracy	The LEP was reviewed in 2016.	

OP ACTION: V38 Appoint a Heritage Advisor to assist Council and owners of heritage items


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Built Environment	Manager Planning, Development & Compliance	30-Jun-2017	30-Jun-2017	1. Heritage Advisor appointed in accordance with Council's procurement policy	A Heritage Advisor was appointed during the report period.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


OP ACTION: V39 Continue the Local Heritage Incentives Fund to provide small grants to encourage local heritage projects

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Built Environment	Manager Planning, Development & Compliance	30-Jun-2017	30-Jun-2017	1. Number of heritage restoration projects undertaken	Funding is available to eligible applicants. Council received three applications for heritage funding during the report period. Ongoing maintenance to Council's heritage assets is undertaken by Council's Infrastructure Department. The Town Hall Façade was painted during the report period.	

OP ACTION: V40 Present educational and promotional programs


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Built Environment	Manager Planning, Development & Compliance	30-Jun-2017	30-Jun-2017	1. Update existing publications/brochures and hold annual heritage awards	The John Reid Memorial Heritage Awards were conducted 10 April 2017.	

OP ACTION: V41 Council to lead by example by properly managing places owned or operated by Council

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Built Environment	Manager Planning, Development & Compliance	30-Jun-2017		1. Continue to maintain existing significant heritage assets	Ongoing maintenance to Council's heritage assets is undertaken by Council's Infrastructure Department. The Town Hall Façade was painted during the report period.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: V42 Offer a Main Street Program

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Built Environment	Manager Planning, Development & Compliance	30-Jun-2017	30-Jun-2017	1. Continue with the Verandah Restoration Program as a main street focus	The Verandah Restoration Program continues to be made available. One verandah restoration application was received and granted in 2016/2017.	

DP ACTION: 3.3.1.7 Review the storm water asset management plan for Council

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Stormwater Management	Infrastructure Projects Engineer	No	Yes	No	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Plan reviewed		The Draft Asset Management Plan Stormwater will be presented to Council in 2017/2018 reporting period.			

OP ACTION: V57 Develop Stormwater Asset Management Plan


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Stormwater Management	Infrastructure Projects Engineer	30-Jun-2017		1. Stormwater Asset Management Plan adopted	The Draft Asset Management Plan Stormwater will be presented to Council in 2017/2018 reporting period.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 3.3.1.8 Implement storm water asset management plan actions

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Stormwater Management	Infrastructure Projects Engineer	No	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Actions completed within timeframes where resources available		The Draft Asset Management Plan Stormwater will be presented to Council in 2017/2018 reporting period. Actions to be prioritised, costed and implemented in future as annual budgets allow.			

OP ACTION: V58 Implement Stormwater Asset Management Plan Actions included in the Operational Plan


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Stormwater Management	Infrastructure Projects Engineer	30-Jun-2017		1. Actions within Asset Management Plan undertaken within available resources	The Draft Asset Management Plan Stormwater will be presented to Council in 2017/2018 reporting period. Actions to be prioritised, costed and implemented in future as annual budgets allow.	

STRATEGY: 3.3.3 Reuse and repurposing of the existing built environment is managed in a sustainable manner


DP ACTION: 3.3.1.4 Give consideration to repurposing or reuse of buildings when reviewing Council assets

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Built Environment	Infrastructure Projects Engineer	No	Yes	Yes	Yes

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP Performance Indicator(s)	Comment	KPI Status
1. Repurpose/Reuse is considered in asset planning	The Levels of Service community consultation survey was conducted in November 2015. This identified community desire to maintain/decrease budget allocation for buildings. The implication of this may be the repurposing/reuse/disposal of some building assets. Council management is consulting with user groups regarding their requirements to determine the feasibility of repurpose, reuse or disposal of buildings assets. The results of the consultation will be reflected within the Draft Asset Management Plan Buildings to be presented to Council in 2017/2018 reporting period.	

OP ACTION: V43 When undertaking facility reviews on Council owned assets, consideration is given to reuse or repurposing of buildings



FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Built Environment	Infrastructure Projects Engineer	30-Jun-2017		1. Number of repurposing/reuse options provided	The Levels of Service community consultation survey was conducted in November 2015. This identified community desire to maintain/decrease budget allocation for buildings. The implication of this may be the repurposing/reuse/disposal of some building assets. Facility utilisation investigation has been completed. Information from the investigation will be used for user group consultation to determine repurposing and reuse of buildings. Results to be included in Draft Asset Management Plan Buildings to be presented to Council in 2017/2018 reporting period.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 3.3.1.5 Ensure compliance activities promote a public safety and environmental control


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Built Environment	Manager Planning, Development & Compliance	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Development control activities undertaken in accordance with legislation		Activities are undertaken in accordance with relevant legislation.			

OP ACTION: V44 Process development applications in accordance with legislation and in an effective and efficient manner


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Built Environment	Manager Planning, Development & Compliance	30-Jun-2017	30-Jun-2017	1. Review all development application documentation and procedures to ensure compliance with current legislation	All forms have been reviewed and are compliant with legislative requirements.	
				2. % of development applications processed within legislated timeframes	96.3% of all development applications received during the report period have been assessed within the legislated time frames. The median assessment period was 21.5 days.	

OP ACTION: V45 Inspect and enforce health standards through the Food Regulation Partnership with the NSW Food Authority


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Health	Manager Planning, Development & Compliance	30-Jun-2017	30-Jun-2017	1. Inspect at least 80% of all 'high risk' food premises within the local government area	Inspections of all high and medium risk food premises were undertaken during 2016/2017 in compliance with the Food Regulation Partnership with NSW Food Authority.	

OP ACTION: V46 Work with the NSW Police to implement 'Safer by Design' protocols


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Built Environment	Manager Planning, Development & Compliance	30-Jun-2017		1. Review Memorandum of Understanding with Broken Hill Local Area Command for the referral of relevant development applications	The Memorandum of Understanding (Development and Crime Prevention) between Council and Broken Hill Local Area Command is pending follow up, signature and implementation.	

OP ACTION: V47 Inspect and enforce health standards through enforcement of the Local Government Act and Public Health Act


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Health	Manager Planning, Development & Compliance	30-Jun-2017	30-Jun-2017	1. Number of enforcement actions undertaken to resolve unhealthy conditions	There were 24 health complaints actioned during the report period. This does not include food related complaints.	

OP ACTION: V48 Fulfil Council's obligations under the Swimming Pools Act 1992


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Built Environment	Manager Planning, Development & Compliance	30-Jun-2017	30-Jun-2017	1. Number of swimming pools inspected in accordance with legislative requirements	There were 21 swimming pool inspections undertaken during the report period.	

OP ACTION: V49 Promote swimming pool safety awareness


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Built Environment	Manager Planning, Development & Compliance	30-Jun-2017	30-Jun-2017	1. Number and type of promotional activities conducted	Swimming pool safety flyers were distributed and free safety signage made available. Pool safety information is available on Council's webpage. Pool Safety Awareness was the theme for Council's Christmas Pageant float in the 2016 Christmas Pageant.	

OP ACTION: V50 Integrate revised septic register with Authority


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Health	Manager Planning, Development & Compliance	30-Jun-2017		1. New septic register developed and implemented with appropriate workflows	A septic tank register has been created in Authority and is undergoing development for use, together with the review of Council's Onsite Sewage Management Policy.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


OP ACTION: V51 Review Council's Sewerage Management Policy

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Health	Manager Planning, Development & Compliance	30-Jun-2017		1. Policy reviewed	Council's Sewerage Management Policy is planned to be reviewed during the 2017/2018 report period.	

OP ACTION: V52 Inspect all cooling towers on an annual basis to ensure compliance with Public Health Act 2010

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Health	Manager Planning, Development & Compliance	30-Jun-2017	30-Jun-2017	1. Number of cooling towers inspected	There were 7 of the 10 registered towers inspected during the report period. All towers are expected to be inspected during the 2017/2018 report period.	

OP ACTION: V53 Inspect all public swimming pools twice yearly to ensure compliance with Public Health Act


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Health	Manager Planning, Development & Compliance	30-Jun-2017	30-Jun-2017	1. Number of pools inspected	There were 8 public swimming pool inspections completed during the report period.	

OP ACTION: V54 Implement a voluntary food safety "Scores on Doors" program within the local government area


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Public Health	Manager Planning, Development & Compliance	30-Jun-2017	30-Jun-2017	1. Program developed and implemented	The Scores on Doors program commenced in July 2016. The Scores on Doors Policy was adopted by Council on 26 October 2016, minute number 45356.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: V55 Conduct annual information session with stakeholders regarding planning and development matters

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Built Environment	Manager Planning, Development & Compliance	30-Jun-2017	30-Jun-2017	1. Information session held	A number of internal staff information sessions have been undertaken in regard to Development Application Lodgement and associated processes. Comprehensive onsite training will be carried out in November 2017 for up to 16 staff in regard to planning matters. Information sessions for external stakeholders are planned to be carried out in 2017/2018 following enactment of amendments to the Environmental Planning Assessment Act.	

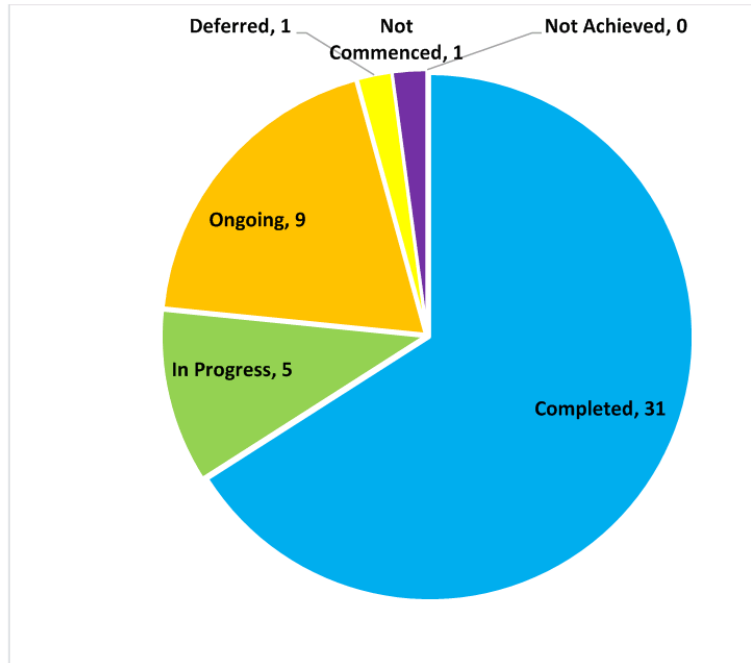
OP ACTION: V56 Update Council's website to provide current planning and building information to community

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Built Environment	Manager Planning, Development & Compliance	30-Jun-2017	30-Jun-2017	1. Webpage updated	New information is available under the "Development: Planning and Building" section of Council's website. Development Application tracking is available online.	

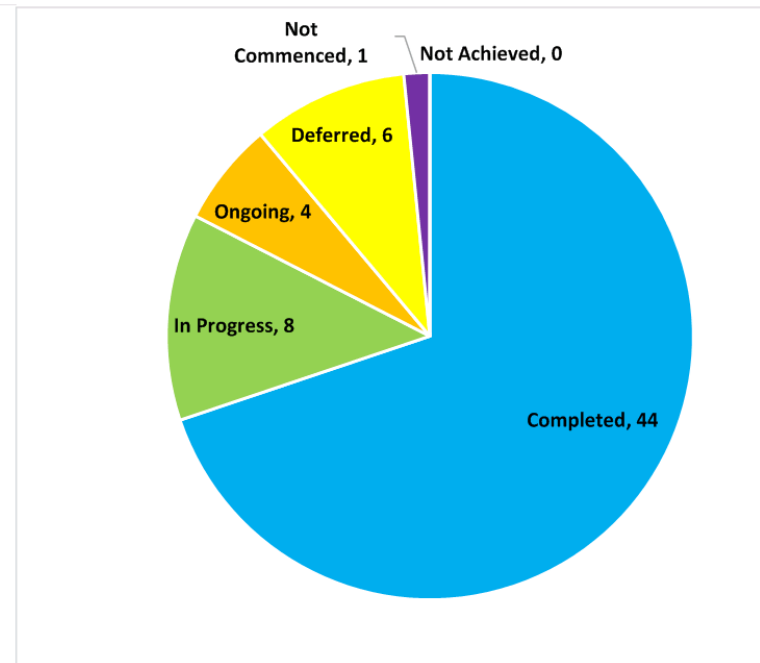
Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OUR LEADERSHIP

DP Action KPI Status



OP Action KPI Status




Completed ■ In Progress ■ Ongoing ■ Deferred ■ Not Commenced ■ Not Achieved ■

OBJECTIVE: 4.1 Openness and transparency in decision making


STRATEGY: 4.1.1 Communication and engagement with the community increases confidence in decision-making

DP ACTION: 4.1.1.1 A public forum is made available at the commencement of each Council meeting to allow public input prior to a decision being made

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes


DP Performance Indicator(s)	Comment	KPI Status
1. Participation at public forum	<p>A Public Forum Session is available at Council meetings. Sessions are limited to a period of 15 minutes and each speaker is limited to a period of 2 minutes. Preference is given to those persons wishing to speak on a matter on the agenda for that meeting.</p> <p>Instructions on how to participate in the Public Forum Session and registration forms are available on Council's website, at the Customer Relations Counter and placed on seats in the gallery at the Council meetings.</p>	

OP ACTION: L01 A public forum is made available at the commencement of each Council meeting to allow public input prior to a decision being made

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Participation at public forum	A Public Forum Session is available at Council meetings. Sessions are limited to a period of 15 minutes and each speaker is limited to a period of 2 minutes.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: L02 Information is made available to the public in regards to how to participate in public forum

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Information provided	Instructions on how to participate in the Public Forum Session and registration forms are available on Council's website, at the Customer Relations Counter and placed on seats in the gallery at the Council meetings.	

DP ACTION: 4.1.1.12 Council's Communications strategy aims at increasing information regarding matters requiring a decision by Council.

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Customer Relations	Communication & Community Engagement Coordinator	No	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Increased community confidence in Council		A Community Satisfaction Survey will be carried out in 2017/2018.			

OP ACTION: L16 A Communications Strategy is developed and implemented

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Customer Relations	Communication & Community Engagement Coordinator	30-Jun-2017		1. Strategy adopted	A Communications Strategy is currently being developed by Sauce Communications.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


OP ACTION: L17 Communications initiatives aimed at increasing community awareness about Council decisions are adopted

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Customer Relations	Communication & Community Engagement Coordinator	30-Jun-2017	30-Jun-2017	1. Community satisfaction	Media releases to inform the community on Council decisions have increased dramatically. Summaries of all major decisions that go before Council are made available to the public before each meeting, and are followed by releases outlining the outcomes.	

DP ACTION: 4.1.1.13 Maintain good governance and best practice methods and ensure compliance with various guidelines and legislation


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Corporate Responsibility Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. 100% compliance		Ongoing compliance with Office of Local Government requirements and legislation. Reports are adopted by Council and provided to relevant Ministers as required.			
2. Increased community confidence in Council		Existing policies continue to be reviewed and updated.			

OP ACTION: L18 Adherence to all Office of Local Government calendar of compliance and reporting requirements

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Corporate Responsibility Officer	30-Jun-2017	30-Jun-2017	1. 100% compliance	Ongoing compliance with Office of Local Government requirements and legislation.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: L19 Legislative requirements are met in accordance with the relevant Acts

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Corporate Responsibility Officer	30-Jun-2017	30-Jun-2017	1. 100% compliance	Ongoing compliance with Office of Local Government requirements and legislation.	

OP ACTION: L20 Develop and review Council policies to ensure best practice and relevance

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Corporate Responsibility Officer	30-Jun-2017		1. Increased community confidence in Council	Current policies are being reviewed and updated.	

DP ACTION: 4.1.1.4 All public documents including business papers are made available on Council's website

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Corporate Support	Governance Officer	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. 100% compliance with publications guide	Council's Agency Information Guide was adopted at Council meeting 26 April 2017, minute number 45523. This guide replaced the previous and now obsolete Publication Guide. Website content continues to be updated as available to meet compliance requirements.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: L05 Business papers are uploaded to the website in accordance with the Code of Meeting Practice

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Corporate Support	Governance Officer	30-Jun-2017	30-Jun-2017	1. 100% compliance	Documents loaded onto relevant sections on Council's website.	

OP ACTION: L06 All public policies are available online

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Corporate Support	Governance Officer	30-Jun-2017	30-Jun-2016	1. 100% compliance	Public policies are available on Council's website.	

STRATEGY: 4.1.2 Social, environmental and economic sustainability is considered when making decisions

DP ACTION: 4.1.1.5 When making decisions, Council considers social, environmental and economic sustainability

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Increased community confidence in Council	The social, environmental and economic implications of Council's decisions are addressed in reports to Council by aligning with the relevant strategic direction.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: L07 Reports presented to Council provide comment in relation to social economic implications of required decisions

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Increased community confidence in Council	The social, environmental and economic implications of Council's decisions are addressed in reports to Council by aligning with the relevant strategic direction.	

STRATEGY: 4.1.3 Decision-makers provide accountability through planning and reporting frameworks


DP ACTION: 4.1.1.10 The Integrated Planning and Reporting Framework is implemented

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Corporate Responsibility Officer	Yes	Yes	Yes	Yes


DP Performance Indicator(s)	Comment	KPI Status
1. Level of improvement in implementation of IPRF	Cambron software continues to be further developed within the Business Plan, Human Resources, and Governance modules. New templates have been implemented to provide for improved compliance reporting on the Delivery Program, inclusive of Operational Plan. Further improvements in the organisation wide use of this software is planned for the 2017/2018 reporting period.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: L13 Actions within the improvement plans for Asset Management Plans are progressed


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Infrastructure Projects Engineer	30-Jun-2017		1. Actions completed in accordance with the plan	Actions have not been completed as the plans remain in Draft form. Draft Plans will be presented to Council in 2017/2018 reporting period.	

OP ACTION: L14 The Asset Management System is implemented to assist with asset management responsibilities

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Infrastructure Projects Engineer	30-Jun-2017		1. System implemented	<p>An Asset Management System is being developed within Council's Authority system. Asset condition data has been uploaded, and staff are currently developing a maintenance program for each asset class.</p> <p>The Asset Management System will align with Council's Asset Management Plans to be presented to Council in 2017/2018 reporting period.</p>	


DP ACTION: 4.1.1.11 Council's records system is maintained in accordance with legislation

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Corporate Support	Manager Information Services	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. 100% compliance	Council's records system is maintained in accordance with the legislative requirements set out in the State Records Act 1998.	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: L15 Council's records system is maintained in accordance with legislation


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Corporate Support	Manager Information Services	30-Jun-2017	30-Jun-2017	1. 100% compliance	Council's records system is maintained in accordance with the legislative requirements set out in the State Records Act 1998.	

DP ACTION: 4.1.1.2 All conflicts of interest are declared in accordance with Council's Code of Conduct

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Number of Code of Conduct complaints finding breach in conflict provisions	<p>Nil Code of Conduct complaints received during the report period.</p> <p>Council's Code of Meeting Practice allows for Councillors and staff to declare their interest in items at Council Meetings. Annual pecuniary interest forms are completed by Councillors and appropriate staff.</p>	

OP ACTION: L03 Conflict of interest declarations are completed and pecuniary interest returns are submitted



FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Pecuniary interest returns submitted by due date	Council's annual pecuniary interest forms are completed by Councillors and appropriate staff and reported to Council by the due date.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 4.1.1.3 The Council leadership group works well together to serve the community


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Number and cost of Code of Conduct complaints		The number and cost of Code of Conduct complaints since the adoption of the Plan on 25 June 2014 is as follows: 2014/2015 - Nil, 2015/2016 - 4 costing \$5,823.14, 2016/2017 - Nil. Council's Code of Meeting Practice allows for Councillors and staff to declare their interest in items at Council Meetings.			
2. Increased confidence in Council		Councillor briefings are held prior to Council meetings each month, and additional briefings and workshops are held when required.			

OP ACTION: L04 Workshops and briefings are provided to Councillors to allow better understanding of issues facing local government and subjects requiring action


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Three workshops held each month	Councillor briefings are held prior to Council meetings each month, and additional briefings are held when required.	
				2. Attendance at workshops	The majority of Councillors attended the "Hit the Ground Running" workshop conducted by Local Government NSW following the Local Government Election in September 2016.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 4.1.1.6 Quarterly Budget Reviews are completed quarterly in accordance with guidelines

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Financial Management	Finance Manager	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. 100% compliance with guidelines		All quarterly budget reviews were completed within the time frame requirements and in full compliance with guidelines.			

OP ACTION: L08 Budget Reviews are completed quarterly in accordance with guidelines


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Financial Management	Finance Manager	30-Jun-2017	30-Jun-2017	1. 100% compliance with guidelines	All quarterly budget reviews were completed within the time frame requirements and in full compliance with guidelines.	

DP ACTION: 4.1.1.7 A review of Delivery Plan Objectives is provided six-monthly in accordance with guidelines


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Corporate Responsibility Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. 100% compliance with guidelines		The Delivery Program six monthly progress report covering to 31 December 2016 was adopted at Council meeting 26 April 2017, minute number 45516. The Delivery Program six monthly progress report to 30 June 2017 will be presented to Council in 2017/2018 reporting period.			

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: L09 A review of Delivery Plan objectives is provided six-monthly in accordance with guidelines

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Corporate Responsibility Officer	30-Jun-2017	30-Jun-2017	1. 100% compliance with guidelines	The Delivery Program six monthly progress report covering to 31 December 2016 was adopted at Council meeting 26 April 2017, minute number 45516. The Delivery Program six monthly progress report to 30 June 2017 will be presented to Council in September 2017.	

OP ACTION: L10 Review and improve key performance indicators within the Delivery Program with a view to ensuring they are meaningful, understandable, and encourage continuous improvement

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Corporate Responsibility Officer	30-Jun-2017	30-Jun-2017	1. KPI's in the Delivery Program reviewed and changes provided to Council for adoption through the review process	The development of a Delivery Program 2017-2021 commenced in December 2016 through staff consultation and workshops, focusing on enhancing the quality of KPI's. The Draft Delivery Program 2017-2021 was adopted by Council on 28 June 2017, minute number 45560 for implementation from 1 July 2017.	


DP ACTION: 4.1.1.8 An Annual Report is prepared in accordance with guidelines

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Corporate Responsibility Officer	Yes	Yes	Yes	Yes

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP Performance Indicator(s)	Comment	KPI Status
1. 100% compliance with guidelines	The Annual Report 2015/2016 was adopted by Council on 26 October 2016, minute number 45363. The report was uploaded to Council's website and web link provided to the Office of Local Government (OLG) prior to the required date of 30 November 2016.	

OP ACTION: L11 An Annual Report is prepared in accordance with guidelines

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Corporate Responsibility Officer	30-Jun-2017	30-Jun-2017	1. 100% compliance with guidelines	The Annual Report 2015/2016 was adopted by Council on 26 October 2016, minute number 45363. The report was uploaded to Council's website and web link provided to the Office of Local Government (OLG) prior to the required date of 30 November 2016.	


DP ACTION: 4.1.1.9 Financial Statements are prepared on an annual basis in accordance with accounting standards and accounting codes

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Financial Management	Finance Manager	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. 100% compliance with guidelines	Financial Statements were completed in September 2016. The Audit, Risk & Improvement Committee endorsed the Financial Statements on 6 October 2016 and were adopted by Council on 26 October 2016. Financial Statements were provided to the Office of Local Government (OLG) on 27 October 2016.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: L12 Financial Statements are prepared on an annual basis in accordance with accounting standards and accounting codes


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Financial Management	Finance Manager	30-Jun-2017	30-Jun-2017	1. The completed Financial Statements are lodged with the OLG by the due date – 31st October	Financial Statements were completed in September 2016. The Audit, Risk & Improvement Committee endorsed the Financial Statements on 6 October 2016 and were adopted by Council on 26 October 2016. Financial Statements were provided to the Office of Local Government (OLG) on 27 October 2016.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 



OBJECTIVE: 4.2 Our leaders make smart decisions

STRATEGY: 4.2.1 Support leaders through the process of making difficult decisions

DP ACTION: 4.2.1.1 Decisions are made in a timely manner to ensure effective delivery

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Number of decisions delayed or overturned		The number of decisions deferred since the Plan's adoption on 25 June 2014 are as follows: 2014/2015 - 5 matters, 2015/2016 - 10 matters, 2016/2017 - 6 matters; being a total of 21 matters deferred during this Plan. These items have been deferred to allow Councillors to be briefed further or the subject of a further report to Council.			
2. Increased confidence in Council decision making		Matters are reported to Council in a timely manner. Decisions of Council are implemented and Council and the community are kept informed of the progress of decisions through the monthly Action List report.			

OP ACTION: L21 Decisions are made in a timely manner to ensure effective delivery of outcomes

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Number of decisions delayed or overturned	Six items were deferred during the report period, to allow for Councillors to be briefed on the items.	
				2. Increased confidence in Council decision making	Matters are reported to Council in a timely manner. Decisions of Council are implemented and Council and the community are kept informed of the progress of decisions through the monthly Action List report.	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

STRATEGY: 4.2.2 Our leaders are well informed on external decisions and information that may impact local decisions

DP ACTION: 4.2.1.12 Monitor potential changes to government policy and legislation and make submission where considered important for the local community

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Submissions made as appropriate		A number of submissions have been made in relation to matters impacting upon Broken Hill.			

OP ACTION: L37 Monitor potential changes to government policy and legislation and make submission where considered important for the local community


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Submissions made as appropriate	A number of submissions have been made in relation to matters impacting upon Broken Hill.	

DP ACTION: 4.2.1.13 Accept opportunities to attend training and events that provide value through information, ideas and solutions that add value to our community

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Attendance at relevant events/training		Councillors and staff attend training and events considered of value to the City.			

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: L38 Accept opportunities to attend training and events that provide value through information, ideas and solutions that add value to our community

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Attendance at relevant events/training	Councillors and staff attend training and events considered of value to the City.	


DP ACTION: 4.2.1.14 Encourage Broken Hill representation on working groups and committees designed to address issues that may impact our local area

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Attendance at working groups and committees	The Mayor, Councillors, General Manager and senior staff have participated in the following: Community Strategic Plan Round Table Committee; Public Library Relocation; Living Museum + Perfect Light project; Heritage Advisory Committee; Lead Reference Group; Broken Hill Solar Plant Consultative Committee; Silverton Wind Farm; Consultative Committee; Disability Inclusion Action Plan Working Group; Volunteer's Working Group; Association of Mining Related Councils; Murray Darling Association; Australia Day Advisory Group; Asset Naming Committee; Broken Hill Liquor Accord; Broken Hill Traffic Committee; Broken Hill Club Grants Committee; Community Assistance Grants Panel; Integrated Waste Management Working Group; Far West Initiative Advisory Committee; Reconciliation Action Plan Committee; Tidy Towns Working Group; University Partnership Working Party; Western Division Councils; Western NSW Mining and Resource Development; University Department of Rural Health	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: L39 Encourage Broken Hill representation on working groups and committees designed to address issues that may impact our local area


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Attendance at working groups and committees	<p>The Mayor, Councillors, General Manager and senior staff have participated in the following: Community Strategic Plan Round Table Committee; Public Library Relocation; Living Museum + Perfect Light project; Heritage Advisory Committee.</p> <p>Lead Reference Group; Broken Hill Solar Plant Consultative Committee; Silverton Wind Farm Consultative Committee; Disability Inclusion Action Plan Working Group; Volunteer's Working Group; Association of Mining Related Councils; Murray Darling Association; Australia Day Advisory Group; Asset Naming Committee; Broken Hill Liquor Accord; Broken Hill Traffic Committee; Broken Hill Club Grants Committee; Community Assistance Grants Panel; Integrated Waste Management Working Group; Far West Initiative Advisory Committee; Reconciliation Action Plan Committee; Tidy Towns Working Group; University Partnership Working Party; Western Division Councils; Western NSW Mining and Resource Development; University Department of Rural Health.</p>	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 4.2.1.15 Monitor demographic changes within the community and consider the likely implications upon Council and the City

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Manager - Strategic City Development	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Annual assessment undertaken and reported to Council		The demographic changes of Broken Hill continue to be monitored on an ongoing basis through the various reports and submissions for available grant funding opportunities. An assessment in 2017/2018 will be conducted following full availability of Census data.			

OP ACTION: L40 Monitor demographic changes within the community and consider the likely implications upon Council and the City

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Manager - Strategic City Development	30-Jun-2017		1. Annual assessment undertaken and reported to Council	An annual assessment will be undertaken in the first Quarter of 2017/2018 following full availability of Census data.	

DP ACTION: 4.2.1.2 Encourage attendance at meetings and workshops

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP Performance Indicator(s)	Comment	KPI Status
1. Attendance at Council meetings, workshops and committees	Council Meetings and the Community Strategic Plan Round Table Committee Meetings are advertised in the Barrier Daily Truth and on Council's website for the community to attend and participate.	

OP ACTION: L22 Meeting notice, business papers and agendas are provided for meetings in accordance with the Code of meeting practice

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Compliance with Code of Meeting Practice	Meeting notices, business papers and agendas are provided at meetings and on Council's website.	

DP ACTION: 4.2.1.7 Develop and implement a communications strategy to increase confidence in Council's decision making

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Customer Relations	Communication & Community Engagement Coordinator	No	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Communications strategy developed and adopted	A Communications Strategy is currently being developed by Sauce Communications.	

OP ACTION: L30 Develop and implement a communications strategy to increase confidence in Council decision making


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Customer Relations	Communication & Community Engagement Coordinator	30-Jun-2017		1. Communications strategy developed and adopted	A Communications Strategy is currently being developed by Sauce Communications.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


STRATEGY: 4.2.3 Our leaders are aware of emerging issues and new information in order to respond appropriately

DP ACTION: 4.2.1.10 Increase leadership capacity within Council

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Corporate Support	Executive Support Officer	Yes	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Community satisfaction	Staff attend training considered of value to the City on a case by case basis. Supervisory Leadership Skills and Aspiring Leaders training is being considered.	

OP ACTION: L34 Develop a Councillor training plan

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Corporate Support	Executive Support Officer	30-Jun-2017		1. Training plan developed	The newly elected Councillors attended "Hit The Ground Running" workshop conducted by Local Government NSW. Draft Learning Plans have been developed for Mayor, Deputy Mayor and Councillors for further consultation.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: L35 Develop Leadership program for Managers

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Human Resources Manager	30-Jun-2017	30-Jun-2017	1. 80% participation in leadership development activities	Special Budget request adopted. Two managers completed the Compass Women in Leadership Program. Planning is underway for 2017/2018 for 10 participants in leadership development and 10 participants in management development. ELT will continue to be offered to undertake the Australian Institute of Company Directors Course as per budget permits.	

DP ACTION: 4.2.1.11 Strengthen staff capacity through workforce development and planning activities

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Corporate Support	Human Resources Manager	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. 100% skills reviews complete		Project underway to transfer paper based system.			

OP ACTION: L36 Implement priority strategies contained within Council's Workforce Management Plan

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Corporate Support	Human Resources Manager	30-Jun-2017		1. Actions completed	Actions within Council's Workforce Management Plan continue to be implemented as specified below:	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


	<ul style="list-style-type: none">• Workforce Strategy 1.5 Build greater flexibility within our Award to ensure Council becomes competitive whilst maintaining job security: The Broken Hill City Council Consent Award was adopted in December 2015. Seven day spread and span of hours were reviewed and amended in the new Broken Hill City Council Consent Award 2015. Grandfathered terms for annual leave and redundancy.• Workforce Strategy 2 Develop effective leadership to focus on improved operational performance and support our workforce to achieve organisational goals: Succession planning framework has been drafted.• Workforce Strategy 2.1 Critical roles are identified and strategies developed to minimise risks to business continuity: Critical roles have been identified (draft) and key personnel mapped to determine bench strength.• Workforce Strategy 2.2 Identify leadership pipeline through effective succession planning for senior leader positions: Leadership pipeline has been considered (draft).
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Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


- Workforce Strategy 3.5 Invest resources into system analysis and process improvement: Business System Analyst position has been included in organisational structure.
- Workforce Strategy 4.5 Promote the health and wellbeing of all people: Council won a \$10,000 incentive from our Workers Compensation Insurer for our performance in WHS and injury prevention.

DP ACTION: 4.2.1.16 Develop strong relationships with key government departments and personnel

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes


DP Performance Indicator(s)	Comment	KPI Status
1. Number of representations made	The Mayor and General Manager have met with various Ministers and have exchanged regular correspondence.	

OP ACTION: L41 Develop strong relationships with key government departments and personnel


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Number of representations made	The Mayor and General Manager have met with various Ministers and have exchanged regular correspondence.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 4.2.1.3 Implement strategies to address Council's financial sustainability

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Financial Management	Finance Manager	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Improvement in Council's long term financial sustainability		Financial strategies continue to be developed. Significant savings realised through operational efficiencies and the disposal of unutilised buildings as well as outstanding rates recovered through the sale of land for rates. Current strategies include plant reviews, service reviews, building utilisation and determining additional sources of revenue.			

OP ACTION: L23 Assess transition of staff structure implemented in 2015/16 to ensures alignment with the goals and objectives of the Delivery Program

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Finance Manager	30-Jun-2017		1. A review of restructured departments is undertaken and productivity improvements are quantifiable	Service reviews are underway to quantify productivity gains through the restructure as well as identify further efficiencies and the levels of service required/expected.	


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: L24 Develop a Financial Strategy to support the Long Term Financial Plan

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Financial Management	Finance Manager	30-Jun-2017	30-Jun-2017	1. Financial Strategy developed	Financial strategies continue to be developed. Significant savings have been realised through operational efficiencies and the disposal of unutilised buildings, as well as the recovery of outstanding rates through the sale of land for rates. Current strategies include plant reviews, building utilisation, service reviews and additional income sources. Community engagement will ensure the budget as per the Long Term Financial Plan is spent delivering the levels of services required and expected by the community.	

DP ACTION: 4.2.1.4 Develop a strategy to reduce Council's reliance on the mining industry for revenue generation


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Financial Management	Finance Manager	No	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Reduction of reliance on mining industry for revenue	A strategy is in place to cap mining rates at 10% of total rateable income, by progressively transferring 1% of mine rates to residential rates each year. This strategy has been endorsed by Council and implemented by Management. 2016/2017 saw the third fourth consecutive year of the strategy implemented. A total of \$147,041 was transferred from the mining sector to residential properties. This impacted each residential property by an average increase of \$15.00 for the 2016/2017 financial year. This has assisted in aligning	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

the rating structure to levy rates in proportion to land valuations thereby reducing the impact on residential ratepayers and the community if the mines suddenly ceased to operate or significant reductions in land value occur.

OP ACTION: L25 Undertake rate modelling to develop a strategy to reduce Councils reliance on the mining industry for revenue generation


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Financial Management	Finance Manager	30-Jun-2017	30-Jun-2017	1. Reduction of reliance on mining industry for revenue	A strategy is in place to cap mining rates at 10% of total rateable income, by progressively transferring 1% of mine rates to residential rates each year. This strategy has been endorsed by Council and implemented by management. This is the second year this particular strategy has been implemented with the total rates contribution from mines decreasing from 17% to 16% of total rates income. A total of \$147,041 was transferred from the mining sector to residential properties. This impacted each residential property by an average increase of \$15.00 for the 2016/17 financial year. This has assisted in aligning the rating structure to levy rates in proportion to land valuations thereby reducing the impact on residential ratepayers and the community if the mines suddenly ceased to operate or significant reductions in land value occur.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


DP ACTION: 4.2.1.5 Improve Council's asset management capacity and planning

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Asset Management	Infrastructure Projects Engineer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Increased confidence in asset management planning		Ongoing mentoring and training provided to Infrastructure staff. Preliminary Draft Asset Management Plans require review in consideration with the Levels of Service community consultation and new condition data. Actions from previous improvement plans have been re-evaluated and implemented accordingly. The Asset Management Authority system is under development and is expected to be completed for implementation during the 2017/2018 report period.			

OP ACTION: L26 Provide training and mentoring to staff in relation to asset management requirements


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Asset Management	Infrastructure Projects Engineer	30-Jun-2017		1. Increased asset management capacity	Training will be provided to relevant staff once Asset Management Plans have been adopted by Council and the Asset Management Authority System has been finalised and implemented.	

OP ACTION: L27 Actions within the improvement plans for Asset Management Plans are progressed

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Asset Management	Infrastructure Projects Engineer	30-Jun-2017		1. Actions completed in accordance with the asset management plans	Asset Management Plans are currently in draft format and actions will be completed once the plans have been formally adopted by Council.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


OP ACTION: L28 The Asset Management System is implemented to assist with asset management responsibilities

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Asset Management	Infrastructure Projects Engineer	30-Jun-2017		1. System implemented	The Asset Management Authority System is under development and is planned to be completed for implementation during the 2017/2018 report period.	

DP ACTION: 4.2.1.6 Undertake service level reviews to ensure service delivery meets the community's needs


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Customer Relations	Business Systems Analyst	No	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. At least one service level review undertaken annually		A Service Review Framework was adopted by Council in March 2017 and a pilot Service Review Program commenced in April 2017 which includes the following services: Customer Service, Visitor Information Centre, Art Gallery, GeoCentre, Library, Archives and Planning.			

OP ACTION: L29 Undertake at least one service level review for a Council provided service

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Business Systems Analyst	30-Jun-2017		1. One service level review undertaken	As at June 30 2017 the following reviews have commenced: Customer Service, Visitor Information Centre, Planning, Archives and Library.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


DP ACTION: 4.2.1.9 Improve performance management and reporting for the organisation

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Corporate Support	Corporate Responsibility Officer	No	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Increased productivity measured by community satisfaction in council services		Service Reviews commenced in 2017 to identify service profiles, and to determine community needs and appropriate service commitments. A Customer Satisfaction survey is required to be developed to support this process.			

OP ACTION: L31 Participate in industry benchmarking and comparative activities to inform and guide Council's performance

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Corporate Support	Corporate Responsibility Officer	30-Jun-2017	30-Jun-2017	1. Benchmarking and comparative reports provided	Participation in LG Professionals/ PwC benchmarking survey completed.	

OP ACTION: L32 Implement performance management reporting system for employees in line with Corporate performance objectives

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Corporate Support	Corporate Responsibility Officer	30-Jun-2017		1. % performance reviews completed using new system	Project commenced to transfer to online system in June 2017.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: L33 Implement a staff cultural change program aimed at working together for a better community

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Corporate Support	Human Resources Manager	30-Jun-2017	30-Jun-2017	1. Improved staffing culture demonstrated in climate survey	Cultural Surveys are completed every 3 years to mark progress towards constructive culture. Most recent survey completed was in 2015.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OBJECTIVE: 4.3 We unite to succeed

STRATEGY: 4.3.1 Opportunities to work together are identified and relationships are developed and maintained for the benefit of the community

DP ACTION: 4.3.1.1 Develop committees and/or workgroups for key issues and projects impacting Council and the City

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Committee member satisfaction with value derived from collaboration		Council has adopted the inclusion of the Broken Hill Living Museum + Perfect Light Project Steering Group, and the Disability Inclusion Action Plan Working Group to assist with specific projects within the City.			


OP ACTION: L42 Identify issues and projects which may benefit from the creation of a committee or workgroup

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Committee/Workgroup outcomes	There are no new issues or projects that may benefit from a newly created committee or workgroup, other than those already formed.	


DP ACTION: 4.3.1.2 Support Council's section 355 Committees in undertaking their duties with Council

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Corporate Responsibility Officer	Yes	Yes	Yes	Yes

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


DP Performance Indicator(s)	Comment	KPI Status
1. Strong Section 355 volunteer base retained	Following the Local Government Election in September 2016, all Section 355 Committee positions were declared vacant and the new Council was required to appoint new committee members. Committee Manuals and Constitutions (forming the Section 355 Framework) were adopted by Council 29 March 2017, minute number 45508. An Induction Session is planned to be presented to Committee Members during the 2017/2018 report period.	

OP ACTION: L43 Ensure representation on Section 355 Committees

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Corporate Responsibility Officer	30-Jun-2017	30-Jun-2017	1. Attendance at meetings	Committee memberships were declared vacant in September 2016. Following this, a call for nominations was advertised on Council's website and in the Barrier Daily Truth during December 2016 and January 2017. Membership has slowly filled on the majority of committees, with Committees commencing regular meetings and activities. Some committees continue to have vacancies to date. Councillors have been encouraged to increase memberships on committees as part of their delegation.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: L44 Ensure induction programs are undertaken with Section 355 Committees

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Corporate Responsibility Officer	30-Jun-2017		1. Inductions undertaken	An Induction Session is being developed for all Section 355 Committees and is planned to be conducted during the 2017/2018 report period.	

DP ACTION: 4.3.1.3 Maintain a strong relationship and regularly engage with the local State Member.

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Meetings held at least quarterly		The Mayor and General Manager have met with the State member on more than ten occasions during the report period.			

OP ACTION: L45 Meet with the local State member

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Meetings held quarterly	The Mayor and General Manager have met with the State member on more than ten occasions in the reporting period	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 4.3.1.4 Maintain a strong relationship and regularly engage with the local Federal Member

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Meetings held at least twice annually		Six meetings were held with the Federal Member.			

OP ACTION: L46 Meet with the local Federal member


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Meetings held six monthly	Six meetings were held with the Federal Member.	

DP ACTION: 4.3.1.5 Develop and strengthen relationships with the local aboriginal community


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Attendance at meetings and other gatherings with the local Aboriginal community		The Mayor has arranged various meetings and functions, which include representation from the Aboriginal Community. The Mayor and General Manager have attended the Aboriginal Community Working Party meetings.			

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 


OP ACTION: L47 Contribute to the Aboriginal Community Working Party

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Attend meetings at least quarterly	The Mayor has arranged various meetings and functions, which include representation from the Aboriginal Community. The Mayor and General Manager have attended the Aboriginal Community Working Party meetings.	

OP ACTION: L48 Develop, plan and implement a Reconciliation Action Plan


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017		1. RAP developed and implemented	A Reconciliation Action Plan Working Group has been formed by Council with three Councillor Representatives. An updated Reconciliation Action Plan is required to be developed as the current plan is dated 2011/2012.	

DP ACTION: 4.3.1.6 Support local groups and individuals by attending and supporting events and activities providing a positive impact on the community

Community					
FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Attendance at events and activities		Support to local community groups is available through the Community Assistance Grants Policy. The Mayor and General Manager regularly attend events to represent Council and support the community.			


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: L49 Support local groups and individuals by attending and supporting events and activities providing a positive impact on the community

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Events and activities attended/supported	Support to local community groups is available through the Community Assistance Grants Policy. The Mayor and General Manager regularly attend events to represent Council and support the community.	


DP ACTION: 4.3.1.7 Gain a better understanding of possible alignments between Council and community groups, local associations and volunteers to ensure opportunities to work together are identified

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	No	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Number of joint initiatives undertaken in collaboration	The Mayor, Councillors, General Manager and senior staff met with representatives of community groups, such as: Community Strategic Plan Round Table Committee; Public Library Relocation; Living Museum + Perfect Light project; Heritage Advisory Committee; Lead Reference Group; Broken Hill Solar Plant Consultative Committee; Silverton Wind Farm Consultative Committee; Disability Inclusion Action Plan Working Group; Volunteer's Working Group; Association of Mining Related Councils; Murray Darling Association; Australia Day Advisory Group; Asset Naming Committee; Broken Hill Liquor Accord; Broken Hill Traffic Committee; Broken Hill Club Grants Committee; Community Assistance Grants Panel; Integrated; Waste Management Working Group; Far West Initiative Advisory Committee; Reconciliation Action Plan Committee; Tidy Towns Working Group; University Partnership Working Party; Western Division Councils; Western NSW Mining and Resource Development; University Department of Rural Health; PCYC	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: L50 Develop a knowledge base of existing and proposed community groups, associations etc. and their purpose

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Knowledge base developed	A list of community groups, volunteer groups and associations is available on Council's website.	

STRATEGY: 4.3.2 A community round table is established to drive the implementation of the Community Strategic Plan and report on progress to the community

DP ACTION: 4.3.1.9 Provide leadership, structure and support to the Community Roundtable in their review and management of the Community Strategic Plan

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes

DP Performance Indicator(s)

1. Satisfaction of members on the roundtable that value is being achieved

Comment

The Section 355 Advisory Committee Manual and the Constitution of the Community Strategic Plan Round Table were both adopted at Council meeting held 29 March 2017, minute number 45508. The revised Broken Hill 2033 Community Strategic Plan (CSP), was adopted at Council meeting held 26 April 2017, minute number 45517. Following the adoption of these documents and a review of the structure of the Community Round Table Committee, Council has recently adopted "Working Groups" aligned to each of the four CSP Direction areas, with Councillors assigned to each Group with the objective of actively engaging and working with specific community interest groups and external interest groups to structure positive strategic outcomes in line with each Key Direction. Each working group will nominate specific strategies written into each Key Direction to focus on each quarter.

KPI Status



Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

Stakeholders are engaged to assist with this focus and relationship building between Council and stakeholders to ensure Council are working with their stakeholders to achieve the community's vision and aspirations.


OP ACTION: L52 Facilitate and participate in the Community Roundtable

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Community Roundtable conducted and attended	The Mayor, Councillors and General Manager attend Community Strategic Plan Round Table Committee meetings, which are held quarterly.	

STRATEGY: 4.3.3 The leadership capacity within our community is increased


DP ACTION: 4.3.1.8 Develop project management planning practices that identify key stakeholders for projects and activities undertaken by Council

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Business Systems Analyst	No	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Project management planning practices adopted	Project management practices currently in place. Ongoing monitoring and improvement of practices to ensure best practice is achieved.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OP ACTION: L51 Develop project management planning practices that identify key stakeholders for projects and activities undertaken by Council


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Business Systems Analyst	30-Jun-2017	30-Jun-2017	1. Project management procedures developed and implemented	Project management practices currently in place. Ongoing monitoring and improvement of practices to ensure best practice is achieved.	

STRATEGY: 4.3.4 Partnerships, role models and joint success is celebrated and promoted

DP ACTION: 4.3.1.10 Provide support through advocacy towards maintaining a level of non-council services based upon the needs of the community

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Advocacy provided where required		Advocacy actively led by the Mayor where required.			

OP ACTION: L53 Where required, advocate on behalf of the community to improve or maintain non-Council services and facilities


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Representations made where required	The Mayor and General Manager correspond with relevant Ministers and Government bodies in relation to advocating on behalf of the community to improve and maintain non-Council services and facilities.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 4.3.1.11 Consider and further investigate the concept and potential for value through a strengthened whole of government approach for the Far West

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Active participation in Local Government Reform activities		The Mayor and General Manager have taken an active role in Local Government Reform activities and the Far West Initiative.			

OP ACTION: L54 Participate in workshops/discussions in relation to Local Government reform and whole of government approach to local outcomes

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Participation at workshops/discussions	The General Manager attends all Far West Initiative meetings.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

OBJECTIVE: 4.4 Our community is engaged and informed

STRATEGY: 4.4.1 Increase community involvement in decision-making

DP ACTION: 4.4.1.2 Develop and implement individual communications and engagement plans for service level reviews and rating variation considerations

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Customer Relations	Communication & Community Engagement Coordinator	No	Yes	Yes	Yes

DP Performance Indicator(s)	Comment	KPI Status
1. Communications and engagement plans implemented	Communication and Engagement Plans are developed for individual projects as required, including Service Reviews and the Community Strategic Plan review. Special rate variations appear unlikely and will be developed on a needs basis.	

OP ACTION: L56 Develop and implement individual communications and engagement plans for service level reviews and rating variation considerations

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Customer Relations	Communication & Community Engagement Coordinator	30-Jun-2017	30-Jun-2017	1. Participation by community groups and members	Communication and Engagement Plans are developed for individual projects as required, including Service Reviews and the Community Strategic Plan review. Special rate variations appear unlikely and will be developed on a needs basis.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

STRATEGY: 4.4.2 Engage the community through information and activities aimed at increased participation

DP ACTION: 4.4.1.1 Develop a communications strategy aimed at increasing information provision and engagement of our community


FUNCTION	POSITION	13/14	14/15	15/16	16/17
Customer Relations	Communication & Community Engagement Coordinator	No	Yes	No	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Communications strategy developed		A Communications Strategy is currently being developed by Sauce Communications.			

OP ACTION: L55 Develop a communications strategy aimed at increasing information provision and engagement of our community

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Customer Relations	Communication & Community Engagement Coordinator	30-Jun-2017		1. Communications strategy developed and implemented	A Communications Strategy is currently being developed by Sauce Communications.	
				2. Community satisfaction	A Community Satisfaction Survey is yet to be developed.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

STRATEGY: 4.4.3 Increase knowledge and awareness of challenges and opportunities facing the City**DP ACTION: 4.4.1.3 Undertake activities in Local Government week aimed at increasing the community's understanding of the role and responsibility of Local Government**

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Grants and Projects Coordinator	No	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Activities undertaken		Activities undertaken during Local Government Week 2016 included Mayor for a Day, shrub giveaway, a community BBQ, and the Volunteer Awards.			


OP ACTION: L57 Undertake activities in Local Government week aimed at increasing the community's understanding of the role and responsibility of Local Government

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Grants and Projects Coordinator	30-Jun-2017	30-Jun-2017	1. Participation in activities	Activities undertaken during Local Government Week 2016 included Mayor for a Day, shrub giveaway, a community BBQ, and the Volunteer Awards.	


DP ACTION: 4.4.1.4 Educate the community and create discussion in relation to issues and opportunities impacting upon Council and the community

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes


Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP Performance Indicator(s)	Comment	KPI Status
1. Discussion points created	The community is continually informed on Council's activities via media releases, social media, and Council's website.	

OP ACTION: L58 Develop and distribute easy to read fact sheets and/or other communication outlining Council's current financial position


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Communication & Community Engagement Coordinator	30-Jun-2017	30-Jun-2017	1. Information developed and distributed	There has been extensive media releases and social media releases around the budget and the Long Term Financial Plan. Slideshows and infographics have been posted online, and two community engagement sessions were held at the library.	

OP ACTION: L59 Develop and distribute easy to read fact sheets and/or other communication outlining Councils asset management responsibilities and associated challenges


FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Communication & Community Engagement Coordinator	30-Jun-2017		1. Information developed and distributed	Fact sheets will be drafted once Asset Management Plans have been finalised and adopted by Council.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

DP ACTION: 4.4.1.5 Actively participate in undertaking presentations for community groups and associations in relation to Council activities, projects, challenges and opportunities

FUNCTION	POSITION	13/14	14/15	15/16	16/17
Leadership & Governance	Executive Support Officer	Yes	Yes	Yes	Yes
DP Performance Indicator(s)		Comment			KPI Status
1. Number of presentations made		<p>Senior management continue to attend and provide presentations to community groups where requested. Council has proactively sought community groups and organisations to deliver key messaging around the Library Relocation, Civic Centre Upgrade and Broken Hill Living Museum + Perfect Light Project Steering Group, Disability Inclusion Action Plan, and the Heritage Near Me Roadshow.</p> <p>The Community Round Table remains active in information sharing across the City. The Round Table allows the various stakeholders to take information back for greater dissemination across the various parties they represent.</p>			

OP ACTION: L60 Undertake presentations for community groups and associations in relation to Council activities, projects, challenges and opportunities

FUNCTION	POSITION	TARGET DATE	COMPLETED DATE	MEASURE	COMMENTS	KPI STATUS
Leadership & Governance	Executive Support Officer	30-Jun-2017	30-Jun-2017	1. Four presentations undertaken	Senior management continue to attend and provide presentations to community groups where requested. Council has proactively sought community groups and organisations to deliver key messaging around the Library Relocation, Civic Centre Upgrade and Broken Hill Living Museum + Perfect Light Project Steering Group, Disability Inclusion Action Plan, and the Heritage Near Me Roadshow.	

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

Completed  In Progress  Ongoing  Deferred  Not Commenced  Not Achieved 

The Community Round Table remains active in information sharing across the City. The Round Table allows the various stakeholders to take information back for greater dissemination across the various parties they represent.



BROKEN HILL
CITY COUNCIL

QUALITY CONTROL		
TRIM REFERENCES	D17/50158 - 11/26	
KEY DIRECTION	4. Our Leadership	
OBJECTIVE	4.1 Openness and Transparency in Decision Making	
FUNCTION	Financial Management	
STRATEGY	4.1.1.9 Financial Statements are prepared on an annual basis in accordance with accounting standards and accounting codes	
RESPONSIBLE OFFICER	General Manager	
REVIEW DATE	July 2018	
COMPANY	Broken Hill City Council	
PHONE NUMBER	08 8080 3300	
EMAIL ADDRESS FOR ENQUIRIES ONLY	council@brokenhill.nsw.gov.au	
DATE	ACTION	MINUTE NO.
30 August 2017	Draft Financial Statements presented to Council	45611
13 October 2017	Draft Financial Statements reviewed by Audit Committee	N/A
16 October 2017	Adopted by Council	45660
NOTES	© Copyright Broken Hill City Council 2017	
ASSOCIATED DOCUMENTS	Long Term Financial Plan 2018-2027 Annual Report 2016/2017	

Council of the City of Broken Hill

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2017



"... is a vibrant, prosperous and culturally rich Heritage City shared
with visitors from around the world."

Council of the City of Broken Hill

General Purpose Financial Statements for the year ended 30 June 2017

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Overview

- (i) These financial statements are General Purpose Financial Statements and cover the operations for Council of the City of Broken Hill.
- (ii) Council of the City of Broken Hill is a body politic of NSW, Australia – being constituted as a local government area by proclamation and is duly empowered by the *Local Government Act 1993* (LGA).

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note 2(b).

- (iii) All figures presented in these financial statements are presented in Australian currency.
- (iv) These financial statements were authorised for issue by the Council on 16 October 2017. Council has the power to amend and reissue these financial statements.
-

Council of the City of Broken Hill

General Purpose Financial Statements for the year ended 30 June 2017

Understanding Council's financial statements

Introduction

Each year, individual local governments across New South Wales are required to present a set of audited financial statements to their council and community.

What you will find in the statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2017.

The format of the financial statements is standard across all NSW Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down by the Office of Local Government.

About the Councillor/Management Statement

The financial statements must be certified by senior staff as 'presenting fairly' the Council's financial results for the year and are required to be adopted by Council – ensuring both responsibility for and ownership of the financial statements.

About the primary financial statements

The financial statements incorporate five 'primary' financial statements:

1. The Income Statement

Summarises Council's financial performance for the year, listing all income and expenses.

This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

Primarily records changes in the fair value of Council's Infrastructure, Property, Plant and Equipment.

3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its assets, liabilities and "net wealth".

4. The Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

5. The Statement of Cash Flows

Indicates where Council's cash came from and where it was spent. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the five primary financial statements.

About the Auditor's Reports

Council's annual financial statements are required to be audited by the NSW Audit Office. In NSW the auditor provides 2 audit reports:

1. an opinion on whether the financial statements present fairly the Council's financial performance and position, and
2. their observations on the conduct of the audit, including commentary on the Council's financial performance and financial position.

Who uses the financial statements?

The financial statements are publicly available documents and must be presented at a Council meeting between seven days and five weeks after the date of the Audit Report.

The public can make submissions to Council up to seven days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Office of Local Government.

Financial Statements 2017

Council of the City of Broken Hill

General Purpose Financial Statements
for the year ended 30 June 2017Statement by Councillors and Management
made pursuant to Section 413(2)(c) of the *Local Government Act 1993 (NSW)* (as amended)

The attached General Purpose Financial Statements have been prepared in accordance with:

- the *Local Government Act 1993 (NSW)* (as amended) and the regulations made thereunder,
- the Australian Accounting Standards and professional pronouncements, and
- the Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these financial statements:

- present fairly the Council's operating result and financial position for the year, and
- accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 16 October 2017.



Darriea Turley
Mayor



Marion Browne
Councillor



Razija Nu'Man
Acting General manager



Jay Nankivell
Responsible accounting officer

Financial Statements 2017

Council of the City of Broken Hill

Income Statement
for the year ended 30 June 2017

Budget ¹ 2017	\$ '000	Notes	Actual 2017	Actual 2016
Income from continuing operations				
Revenue:				
16,699	Rates and annual charges	3a	17,498	16,386
3,472	User charges and fees	3b	3,985	3,401
446	Interest and investment revenue	3c	831	899
488	Other revenues	3d	829	2,535
9,667	Grants and contributions provided for operating purposes	3e,f	9,403	10,459
3,572	Grants and contributions provided for capital purposes	3e,f	4,287	3,537
34,344	Total income from continuing operations		36,833	37,217
Expenses from continuing operations				
15,158	Employee benefits and on-costs	4a	14,384	13,776
394	Borrowing costs	4b	493	428
6,529	Materials and contracts	4c	6,138	5,646
6,987	Depreciation and amortisation	4d	6,623	6,767
—	Impairment	4d	887	—
4,453	Other expenses	4e	4,116	3,839
—	Net losses from the disposal of assets	5	10,430	154
33,521	Total expenses from continuing operations		43,071	30,610
823	Operating result from continuing operations		(6,238)	6,607
823	Net operating result for the year		(6,238)	6,607
823	Net operating result attributable to Council		(6,238)	6,607
(2,749)	Net operating result for the year before grants and contributions provided for capital purposes		(10,525)	3,070

¹ Original budget as approved by Council – refer Note 16

This statement should be read in conjunction with the accompanying notes.

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Financial Statements 2017

Council of the City of Broken Hill

Statement of Comprehensive Income for the year ended 30 June 2017

\$ '000	Notes	Actual 2017	Actual 2016
Net operating result for the year (as per Income Statement)		(6,238)	6,607
Other comprehensive income/(loss):			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of I,PP&E	20b (ii)	(11,848)	568
Total items which will not be reclassified subsequently to the operating result		(11,848)	568
Total other comprehensive income/(loss) for the year		(11,848)	568
Total comprehensive income/(loss) for the year		(18,086)	7,175
Total comprehensive income attributable to Council		(18,086)	7,175

This statement should be read in conjunction with the accompanying notes.

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Financial Statements 2017

Council of the City of Broken Hill

Statement of Financial Position
as at 30 June 2017

\$ '000	Notes	Actual 2017	Actual 2016
ASSETS			
Current assets			
Cash and cash equivalents	6a	19,800	18,343
Investments	6b	2,000	–
Receivables	7	2,942	2,788
Inventories	8	84	77
Other	8	229	330
Total current assets		25,055	21,538
Non-current assets			
Receivables	7	128	143
Infrastructure, property, plant and equipment	9	216,869	234,070
Total non-current assets		216,997	234,213
TOTAL ASSETS		242,052	255,751
LIABILITIES			
Current liabilities			
Payables	10	2,551	1,637
Income received in advance	10	38	803
Borrowings	10	734	731
Provisions	10	4,928	3,896
Total current liabilities		8,251	7,067
Non-current liabilities			
Borrowings	10	3,576	5,126
Provisions	10	6,557	1,804
Total non-current liabilities		10,133	6,930
TOTAL LIABILITIES		18,384	13,997
Net assets		223,668	241,754
EQUITY			
Retained earnings	20	114,851	121,089
Revaluation reserves	20	108,817	120,665
Council equity interest		223,668	241,754
Total equity		223,668	241,754

This statement should be read in conjunction with the accompanying notes.

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Council of the City of Broken Hill

Statement of Changes in Equity
for the year ended 30 June 2017

\$ '000	Notes	2017					2016				
		Retained earnings	Asset revaluation reserve (Refer 20b)	Other reserves (Refer 20b)	Council interest	Non-controlling interest	Total equity	Retained earnings	Asset revaluation reserve (Refer 20b)	Other reserves (Refer 20b)	Total equity
Opening balance (as per last year's audited accounts)		121,089	120,665	–	241,754	–	241,754	114,482	120,097	–	234,579
Net operating result for the year		(6,238)	–	–	(6,238)	–	(6,238)	6,607	–	–	6,607
Other comprehensive income/(loss)											
– Revaluations: IPP&E asset revaluation rsve	20b (ii)	–	(11,848)	–	(11,848)	–	(11,848)	–	568	–	568
Other comprehensive income/(loss)		–	(11,848)	–	(11,848)	–	(11,848)	–	568	–	568
Total comprehensive income/(loss)		(6,238)	(11,848)	–	(18,086)	–	(18,086)	6,607	568	–	7,175
Equity – balance at end of the reporting period		114,851	108,817	–	223,668	–	223,668	121,089	120,665	–	241,754

This statement should be read in conjunction with the accompanying notes.

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Financial Statements 2017

Council of the City of Broken Hill

Statement of Cash Flows
for the year ended 30 June 2017

Budget 2017	\$ '000	Notes	Actual 2017	Actual 2016
Cash flows from operating activities				
Receipts:				
15,864	Rates and annual charges		17,232	16,393
3,368	User charges and fees		3,608	3,495
417	Investment and interest revenue received		571	740
12,841	Grants and contributions		13,690	13,996
—	Bonds, deposits and retention amounts received		24	—
473	Other		2,036	3,536
Payments:				
(14,703)	Employee benefits and on-costs		(14,756)	(14,166)
(6,333)	Materials and contracts		(6,592)	(6,792)
(394)	Borrowing costs		(434)	(362)
—	Bonds, deposits and retention amounts refunded		—	(21)
(4,320)	Other		(3,210)	(4,611)
7,213	Net cash provided by operating activities	11b	12,169	12,208
Cash flows from investing activities				
Receipts:				
—	Sale of investment securities		378	8,500
163	Sale of infrastructure, property, plant and equipment		1,817	138
—	Deferred debtors receipts		—	46
Payments:				
—	Purchase of investment securities		(2,189)	(5,729)
(10,402)	Purchase of infrastructure, property, plant and equipment		(9,166)	(4,275)
—	Deferred debtors and advances made		(5)	—
(10,239)	Net cash used by investing activities		(9,165)	(1,320)
Cash flows from financing activities				
Payments:				
(1,019)	Repayment of borrowings and advances		(1,547)	(698)
(1,019)	Net cash used by financing activities		(1,547)	(698)
(4,045)	Net increase in cash and cash equivalents		1,457	10,190
9,437	Plus: cash and cash equivalents – beginning of year	11a	18,343	8,153
5,392	Cash and cash equivalents – end of the year	11a	19,800	18,343
plus: Investments on hand – end of year			2,000	—
Total cash, cash equivalents and investments			21,800	18,343
Please refer to Note 11 for additional cash flow information				

This statement should be read in conjunction with the accompanying notes.

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Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

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n/a – not applicable

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with:

- Australian Accounting Standards and Australian Accounting Interpretations;
- the Local Government Act 1993 (NSW) and Regulations; and
- the Local Government Code of Accounting Practice and Financial Reporting.

Council is a not for-profit entity for the purpose of preparing these financial statements.

(i) New and amended standards adopted by Council

During the current year, Council adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period.

This included the first time application during the year of AASB 124 Related Party Disclosures. As a result Council has disclosed information about related parties and transactions with those related parties. This information is presented in Note 28.

The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to Council's accounting policies, financial position, financial performance or cash flows.

(ii) Early adoption of standards

Council has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2016.

(iii) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities and certain classes of property, plant and equipment and investment property.

(iv) Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- (i) Estimated fair values of infrastructure, property, plant and equipment,
- (ii) Estimated tip remediation provisions.

(b) Revenue recognition

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Council and specific criteria have been met for each of the Council's activities as described below.

Council bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is measured on major income categories as follows:

(i) Rates, annual charges, grants and contributions

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenue when the Council obtains control over the

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

assets comprising these receipts. Developer contributions may only be expended for the purposes for which the contributions were required, but the Council may apply contributions according to the priorities established in work schedules.

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

Control over granted assets/contributed assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were un-discharged at reporting date, the unused grant or contribution is disclosed in Note 3(g). The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at reporting date.

(ii) User charges and fees

User charges and fees (including parking fees and fines) are recognised as revenue when the service has been provided or when the penalty has been applied, whichever first occurs.

(iii) Sale of infrastructure, property, plant and equipment

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

(iv) Interest

Interest income is recognised using the effective interest rate at the date that interest is earned.

(v) Rent

Rental income is accounted for on a straight-line basis over the lease term.

(vi) Dividend income

Revenue is recognised when the Council's right to receive the payment is established, which is generally when shareholders approve the dividend.

(vii) Other income

Other income is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

(c) Principles of consolidation

(i) The Consolidated Fund

In accordance with the provisions of Section 409(1) of the Local Government Act 1993 (NSW), all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

Cash and other assets of the following entities have been included as part of the Consolidated Fund:

- General purpose operations

Due to their immaterial value and nature, the following Committees, Entities & Operations have been excluded from consolidation:

- Alma Oval Management Committee
- Bill Renfrew Sportsground Management Committee
- BIU Band Hall Management Committee
- ET Lamb Oval Management Committee
- Memorial Oval Management Committee
- Norm Fox Sporting Complex Management Committee
- Picton Oval Management Committee

(ii) The Trust Fund

Council holds no money or property in trust.

(iii) County Councils

Council is not a member of any county councils.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

(iv) Interests in other entities

Subsidiaries

Council has no interest in any subsidiaries.

Joint arrangements

Council has no interest in any joint arrangements.

Joint operations

Council has no interest in any joint operations.

Joint ventures/associates

Council has no interest in any joint ventures/associates.

(d) Leases

Leases of property, plant and equipment where Council, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases.

Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that Council will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to Council as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Lease income from operating leases where Council is a lessor is recognised as income on a straight-line basis over the lease term.

(e) Impairment of assets

Intangible assets that have an indefinite useful life or are not yet available for use are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(f) Cash and cash equivalents

For Statement of Cash Flow presentation purposes, cash and cash equivalents includes:

- cash on hand;
- deposits held at call with financial institutions;
- other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and
- bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

(g) Inventories

(i) Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value.

Cost comprises direct materials, direct labour, and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(ii) Inventory held for distribution

Inventory held for distribution is held at cost, adjusted where applicable for any loss of service potential.

(iii) Land held for resale/capitalisation of borrowing costs

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development. When development is completed borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

(h) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets; assets arising from employee benefits; financial assets; and investment properties that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

(i) Investments and other financial assets

Classification

Council classifies its financial assets in the following categories: financial assets at fair value through profit or loss; loans and receivables; held-to-maturity investments; and available-for-sale financial assets.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which that are classified as non-current assets.

Loans and receivables are included in other receivables (note 8) and receivables (note 7) in the Statement of Financial Position.

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that Council's management has the positive intention and ability to hold to maturity. If Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale.

Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, that are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless

management intends to dispose of the investment within 12 months of the reporting date.

Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Recognition and de-recognition

Regular purchases and sales of financial assets are recognised on trade-date: the date on which Council commits to purchase or sell the asset.

Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Council has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Impairment

Council assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

(i) Assets carried at amortised cost

For loans and receivables the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate.

The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Council may measure impairment on the basis of an instrument's fair value using an observable market price.

Collectability of receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of receivables) is used when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of the receivables.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The amount of the impairment loss is recognised in the income statement within other expenses. When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period it is written off against the allowance account. Subsequent recoveries of

amounts previously written off are credited against other expenses in the income statement.

Investment Policy

Council has an approved investment policy complying with Section 625 of the Local Government Act 1993 (NSW) and Clause 212 of the Local Government (General) Regulation 2005 (NSW).

Investments are placed and managed in accordance with that policy and having particular regard to authorised investments prescribed under the Ministerial Local Government Investment Order. Council maintains an investment policy that complies with the Act and ensures that it, or its representatives, exercise the care, diligence and skill that a prudent person would exercise in investing Council funds.

Council amended its policy following revisions to the Ministerial Local Government Investment Order (the Order) arising from the Cole Inquiry recommendations. Certain investments the Council holds are no longer prescribed; however, they have been retained under grandfathering provisions of the Order. These will be disposed of when most financially advantageous to Council.

(j) Fair value estimation – financial instruments

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

(k) Infrastructure, property, plant and equipment (IPPE)

Council's assets have been progressively revalued to fair value in accordance with a staged implementation advised by the Office of Local Government. At reporting date, the following classes of IPPE were stated at their fair value:

Externally valued:

- Operational land (Australian Valuation Solutions effective 30 June 2017)
- Community land (Valuer General effective July 2016)
- Buildings – specialised/non-specialised (Australian Valuation Solution effective 30 June 2017)
- Roads assets including roads, bridges and footpaths (Australian Valuation Solution effective 30 June 2017)
- Stormwater drainage assets (Australian Valuation Solution effective 30 June 2017)
- Land improvements (Australian Valuation Solution effective 30 June 2017)
- Other structures (Australian Valuation Solution effective 30 June 2017)

Internally valued:

Nil

As approximated by depreciated historical cost:

- Plant and equipment (Impaired accordingly, in accordance with Council's internal condition report)
- Other assets

Non-specialised assets with short useful lives are measured at depreciated historical cost as an approximation of fair value. Council has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

For all other asset classes, Council assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date. If any such indication exists, Council determines the asset's fair value and revalue the asset to that

amount. Full revaluations are undertaken for all assets on a five-year cycle.

Increases in the carrying amounts arising on revaluation are credited to the asset revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss.

Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

Land is not depreciated.

Depreciation on other assets is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Plant and Equipment

- Earthmoving and Other Major Plant	5 – 20 years
- Motor Vehicles	5 – 10 years
- Minor Plant	2 – 20 years
- Furniture and Fittings	2 – 20 years

Parks and Recreation

- Grassed and Landscaped Area	5 years
- Playground Units	5 – 10 years

Buildings

- Building	50 – 150 years
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Segmentation of Buildings

- Roof	20 – 60 years
- Fire Services	20 – 40 years
- Transportation Services	20 – 40 years
- Mechanical Services	20 – 40 years
- Floor Coverings	20 – 40 years

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

- Structural Shell	50 – 150 years
- Other Structures	10 – 100 years

Transportation Assets

- Sealed Surfaces	15 – 25 years
- Sealed Pavements	40 – 80 years
- Road and Reserve Furniture	5 – 50 years
- Landscaping in Road Reserves	5 years

Footpath Assets

- Paved Surfaces	20 – 50 years
- Unsealed Surfaces	7 – 10 years

Kerb and Gutter Assets

- Kerb and Gutter	40 – 80 years
- Dish Crossing	80 years

Carpark Assets

- Sealed Surfaces	15 – 25 years
- Sealed Pavements	40 – 80 years
- Unsealed Pavements	7 – 10 years

Drainage Assets

- Pipe Length	80 – 100 years
- Pit/Access Point	30 years
- Drainage Structure	50 years
- Lined and Unlined Open Drains	80 years
- Dams/Retention Basins	80 – 120 years
- Pumps/Bores	20 – 40 years
- Pipelines	80 – 100 years
- Facilities and Other Structures	10 years

Other Assets

- Irrigation and Bore Assets	10 – 30 years
- Fence	20 – 30 years
- Other Assets	to be determined

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

(l) Investment property

Investment property, principally comprising freehold office buildings, is held for long-term rental yields and is not occupied by the Council.

Investment property is carried at fair value, which is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, Council uses alternative valuation methods such as recent prices in less active markets, or discounted cash flow projections. Changes in fair values are recorded in the income statement as part of other income.

Properties that are under construction for future use as investment properties are regarded as investment properties. These are also carried at fair value unless the fair value cannot yet be reliably determined. Where that is the case, the property will be accounted for at cost until either the fair value becomes reliably determinable or construction is complete.

(m) Payables

These amounts represent liabilities for goods and services provided to the Council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(n) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

assumed, is recognised in other income or finance cost.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(o) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

(p) Provisions

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(q) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the

employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(ii) Other long-term employee benefit obligations

The liability for long service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the Statement of Financial Position if the Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

(iii) Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Defined Benefit Plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the Statement of Financial Position, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

The present value of the defined benefit obligation is based on expected future payments that arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. However, when this information is not reliably available, Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable.

Defined Contribution Plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(r) Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051 Land Under Roads.

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 Property, Plant and Equipment.

(s) Self-insurance

Council does not self-insure.

(t) Intangible assets

Council has not classified any assets as intangible.

(u) Crown reserves

Crown Reserves under Council's care and control are recognised as assets of the Council. While ownership of the reserves remains with the Crown,

Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Improvements on Crown Reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

(v) Rural fire service assets

There are no Rural Fire Service assets within the Broken Hill Local Government Area.

(w) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which that are recoverable from, or payable to the taxation authority are presented as operating cash flows.

(x) New accounting standards and interpretations issued not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting period and which have not been applied.

As at the date of authorisation of the financial statements, the standards and interpretations listed below were in issue but not yet effective.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 1. Summary of significant accounting policies (continued)

Effective for annual reporting periods beginning on or after 1 January 2017

AASB 2014-5 *Amendments to Australian Accounting Standards arising from AASB 15*

AASB 2015-8 *Amendments to Australian Accounting Standards - Effective Date of AASB 15*

AASB 2016-2 *Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 107*

AASB 2016-4 *Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities*

AASB 2016-7 *Amendments to Australian Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities*

Effective for annual reporting periods beginning on or after 13 February 2017

AASB 2017-2 *Amendments to Australian Accounting Standards - Further Annual Improvements 2014- 16 Cycle*

Effective for annual reporting periods beginning on or after 13 December 2017

Annual Improvements 2014-2016 Cycle and Other Amendments

Effective for annual reporting periods beginning on or after 1 January 2018

AASB 9 *Financial Instruments (December 2009)*

AASB 15 *Revenue from Contracts with Customers*

AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)*

AASB 2014-1 *Amendments to Australian Accounting Standards (Part E)*

AASB 2014-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)*
AASB 1057 *Application of Australian Accounting Standards*

AASB 2016-3 *Amendments to Australian Accounting Standards - Clarifications to AASB 15*

AASB 2016-6 *Amendments to Australian Accounting Standards - Applying AASB 9 Financial Instruments with AASB 4 Insurance Contracts*

Effective for annual reporting periods beginning on or after 1 January 2019

AASB 16 *Leases*

AASB 16 *Leases (Appendix D)*

AASB 2016-8 *Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities*

AASB 1058 *Income of Not-for-Profit Entities*

AASB 2016-8 *Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities*

The full impact of these standards has yet to be ascertained or quantified but will range from additional and/or revised disclosures to changes in how certain transactions and balances are accounted for.

(y) Rounding of amounts

Unless otherwise indicated, amounts in the financial statements have been rounded off to the nearest thousand dollars.

(z) Comparative figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

(aa) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 2(a). Council functions/activities – financial information

Functions/activities	Income, expenses and assets have been directly attributed to the following functions/activities. Details of these functions/activities are provided in Note 2(b).												
	Income from continuing operations			Expenses from continuing operations			Operating result from continuing operations			Grants included in income from continuing operations		Total assets held (current and non-current)	
	Original budget	Actual	Actual	Original budget	Actual	Actual	Original budget	Actual	Actual	Actual	Actual	Actual	Actual
	2017	2017	2016	2017	2017	2016	2017	2017	2016	2017	2016	2017	2016
Governance	–	12	–	992	1,164	1,012	(992)	(1,152)	(1,012)	–	–	11,772	4,967
Administration	248	220	554	5,588	6,059	5,374	(5,340)	(5,839)	(4,820)	–	–	10,168	11,073
Public order and safety	13	60	73	1,132	863	898	(1,119)	(803)	(825)	10	471	711	775
Health	55	22	23	496	155	131	(441)	(133)	(108)	–	–	477	520
Environment	3,230	3,287	3,366	3,219	2,962	3,069	11	325	297	(5)	1,360	84	91
Community services and education	609	1,177	5,562	2,553	6,562	4,384	(1,944)	(5,385)	1,178	931	3,537	13,590	14,800
Housing and community amenities	476	508	575	1,697	1,147	1,062	(1,221)	(639)	(487)	–	103	4,354	4,742
Recreation and culture	3,208	1,163	957	6,946	7,771	5,755	(3,738)	(6,608)	(4,798)	922	711	57,303	62,405
Transport and communication	2,028	3,339	2,327	6,484	6,259	5,583	(4,456)	(2,920)	(3,256)	1,446	1,010	140,466	152,973
Economic affairs	6,131	4,594	4,312	4,414	10,129	3,342	1,717	(5,535)	970	3,435	1,734	3,126	3,405
Total functions and activities	15,998	14,382	17,749	33,521	43,071	30,610	(17,523)	(28,689)	(12,861)	6,739	8,926	242,052	255,751
General purpose income ¹	18,346	22,451	19,468	–	–	–	18,346	22,451	19,468	6,721	4,722	–	–
Operating result from continuing operations	34,344	36,833	37,217	33,521	43,071	30,610	823	(6,238)	6,607	13,460	13,648	242,052	255,751

1. Includes: rates and annual charges (incl. ex-gratia), untied general purpose grants and unrestricted interest and investment income.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 2(b). Council functions/activities – component descriptions

Details relating to the Council's functions/activities as reported in Note 2(a) are as follows:

GOVERNANCE

Includes costs relating to Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of Council and policy-making committees, public disclosure (e.g. GIPA), and legislative compliance.

ADMINISTRATION

Includes corporate support and other support services, engineering works, and any Council policy compliance.

PUBLIC ORDER AND SAFETY

Includes Council's fire and emergency services levy, fire protection, emergency services, beach control, enforcement of regulations and animal control.

HEALTH

Includes immunisation, food control, health centres etc.

ENVIRONMENT

Includes noxious plants and insect/vermin control; other environmental protection; solid waste management, including domestic waste; other waste management; other sanitation; and garbage, street cleaning, drainage and stormwater management.

COMMUNITY SERVICES AND EDUCATION

Includes administration and education; social protection (welfare); migrant, Aboriginal and other community services and administration (excluding accommodation – as it is covered under 'housing and community amenities'); youth services; aged and disabled persons services; children's services, including family day care; child care; and other family and children services.

HOUSING AND COMMUNITY AMENITIES

Includes public cemeteries; public conveniences; street lighting; town planning; other community amenities, including housing development and accommodation for families and children, aged persons, disabled persons, migrants and Indigenous persons.

RECREATION AND CULTURE

Includes public libraries; museums; art galleries; community centres and halls, including public halls and performing arts venues; sporting grounds and venues; swimming pools; parks; gardens; lakes; and other sporting, recreational and cultural services.

TRANSPORT AND COMMUNICATION

Urban local, urban regional, includes sealed and unsealed roads, bridges, footpaths, parking areas, and aerodromes.

ECONOMIC AFFAIRS

Includes camping areas and caravan parks; tourism and area promotion; industrial development promotion; sale yards and markets; real estate development; commercial nurseries; and other business undertakings.

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 3. Income from continuing operations

\$ '000	Notes	Actual 2017	Actual 2016
(a) Rates and annual charges			
Ordinary rates			
Residential		9,250	8,154
Farmland		21	20
Mining		2,352	2,455
Business		3,364	3,320
Less: rates levied on council properties		(81)	(93)
Total ordinary rates		14,906	13,856
Annual charges (pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Domestic waste management services		2,592	2,530
Total annual charges		2,592	2,530
TOTAL RATES AND ANNUAL CHARGES		17,498	16,386

Council has used 2016 year valuations provided by the NSW Valuer General in calculating its rates.

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 3. Income from continuing operations (continued)

\$ '000	Notes	Actual 2017	Actual 2016
(b) User charges and fees			
Specific user charges (per s.502 – specific 'actual use' charges)			
Waste management services (non-domestic)		701	709
Total user charges		701	709
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s.608)			
Animal control		32	50
Inspection services		58	54
Private works – section 67		832	349
Regulatory/ statutory fees		127	145
Section 149 certificates (EPA Act)		73	82
Section 603 certificates		30	29
Other		18	153
Total fees and charges – statutory/regulatory		1,170	862
(ii) Fees and charges – other (incl. general user charges (per s.608))			
Waste disposal tipping fees		165	101
Royalties		82	58
Burial fees		189	196
Art gallery		76	48
Airport		722	646
Film studio		–	3
Community services and aged care fees		234	149
Museum		44	36
Living desert fees		165	149
Public halls		103	69
Swimming centre / pool		14	89
Tourism and area promotion		226	197
Land development		67	65
Other		27	24
Total fees and charges – other		2,114	1,830
TOTAL USER CHARGES AND FEES		3,985	3,401

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 3. Income from continuing operations (continued)

\$ '000	Notes	Actual 2017	Actual 2016
(c) Interest and investment revenue (including losses)			
Interest			
– Interest on overdue rates and annual charges (incl. special purpose rates)		149	173
– Interest earned on investments (interest and coupon payment income)		493	455
Fair value adjustments			
– Fair valuation movements in investments (at fair value or held for trading)		189	271
<u>TOTAL INTEREST AND INVESTMENT REVENUE</u>		<u>831</u>	<u>899</u>
Interest revenue is attributable to:			
Unrestricted investments/financial assets:			
Overdue rates and annual charges (general fund)		149	173
General Council cash and investments		675	726
Restricted investments/funds – external:			
Development contributions			
– Section 94		7	–
<u>Total interest and investment revenue recognised</u>		<u>831</u>	<u>899</u>
(d) Other revenues			
Legal fees recovery – rates and charges (extra charges)		160	118
Commissions and agency fees		61	54
Diesel rebate		20	20
Insurance claim recoveries		61	35
Sales – general		148	81
Sale – shorty o'neil bed licences		–	1,780
Sundry income		379	447
<u>TOTAL OTHER REVENUE</u>		<u>829</u>	<u>2,535</u>

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 3. Income from continuing operations (continued)

\$ '000	2017 Operating	2016 Operating	2017 Capital	2016 Capital
(e) Grants				
General purpose (untied)				
Financial assistance – general component	5,657	3,890	–	–
Financial assistance – local roads component	722	481	–	–
Pensioners' rates subsidies – general component	342	351	–	–
Total general purpose	6,721	4,722	–	–
Specific purpose				
Pensioners' rates subsidies:				
– Domestic waste management	–	1	–	–
Aged care	931	3,537	–	–
Animal control	10	–	–	–
Art gallery	103	112	–	–
Economic development	5	20	3,430	2,183
Environmental protection	–	–	–	1,159
Heritage and cultural	20	23	–	–
Library	170	171	200	–
Living desert	–	–	–	2
Noxious weeds	6	7	–	–
Parks and reserves and horticulture	–	405	410	–
Recreation and culture	8	–	–	–
Street lighting	105	103	–	–
Transport (roads to recovery)	875	655	–	–
Transport (other roads and bridges funding)	219	355	247	–
Waste site	–	–	–	193
Total specific purpose	2,452	5,389	4,287	3,537
Total grants	9,173	10,111	4,287	3,537
Grant revenue is attributable to:				
– Commonwealth funding	6,379	–	3,430	–
– State funding	2,771	–	857	–
– Other funding	23	10,111	–	3,537
	9,173	10,111	4,287	3,537

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 3. Income from continuing operations (continued)

\$ '000	2017 Operating	2016 Operating	2017 Capital	2016 Capital
(f) Contributions				
Developer contributions:				
(s93 & s94 – EP&A Act, s64 of the LGA):				
S 94A – fixed development consent levies	–	38	–	–
Total developer contributions	17 –	38	–	–
Other contributions:				
Heritage/cultural	1	1	–	–
Recreation and culture	29	32	–	–
RMS contributions (regional roads, block grant)	101	153	–	–
Tourism	12	34	–	–
Aged and disabled services	13	82	–	–
Other	74	8	–	–
Total other contributions	230	310	–	–
Total contributions	230	348	–	–
TOTAL GRANTS AND CONTRIBUTIONS	9,403	10,459	4,287	3,537

\$ '000	Actual 2017	Actual 2016
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(g) Unspent grants and contributions

**Certain grants and contributions are obtained by Council on condition
that they be spent in a specified manner:**

Unexpended at the close of the previous reporting period	4,505	1,000
Add: grants and contributions recognised in the current period but not yet spent:	3,683	3,879
Less: grants and contributions recognised in a previous reporting period now spent:	(1,093)	(374)
Net increase (decrease) in restricted assets during the period	2,590	3,505
Unexpended and held as restricted assets	7,095	4,505
Comprising:		
– Specific purpose unexpended grants	6,648	4,030
– Developer contributions	447	475
	7,095	4,505

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Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 4. Expenses from continuing operations

\$ '000	Notes	Actual 2017	Actual 2016
(a) Employee benefits and on-costs			
Salaries and wages		9,286	9,521
Employee termination costs (where material – other than vested leave paid)		997	–
Travel expenses		165	135
Employee leave entitlements (ELE)		2,354	2,521
Superannuation		1,213	1,406
Workers' compensation insurance		342	272
Fringe benefit tax (FBT)		17	(18)
Training costs (other than salaries and wages)		209	195
Other		65	59
Total employee costs		14,648	14,091
Less: capitalised costs		(264)	(315)
TOTAL EMPLOYEE COSTS EXPENSED		14,384	13,776
Number of 'full-time equivalent' employees (FTE) at year end		149	160
(b) Borrowing costs			
(i) Interest bearing liability costs			
Interest on loans		422	362
Total interest bearing liability costs expensed		422	362
(ii) Other borrowing costs			
Discount adjustments relating to movements in provisions (other than ELE)			
– Remediation liabilities	26	71	66
Total other borrowing costs		71	66
TOTAL BORROWING COSTS EXPENSED		493	428
(c) Materials and contracts			
Raw materials and consumables		2,177	1,926
Contractor and consultancy costs		3,645	3,330
Auditors remuneration ⁽¹⁾		53	74
Legal expenses:			
– Legal expenses: debt recovery		121	207
– Legal expenses: other		109	78
Operating leases:			
– Operating lease rentals: minimum lease payments ⁽²⁾		33	31
TOTAL MATERIALS AND CONTRACTS		6,138	5,646

(continued on the next page...)

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Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 4. Expenses from continuing operations (continued)

\$ '000	Notes	Actual 2017	Actual 2016
(c) Materials and contracts (continued)			
1. Auditor remuneration			
a. During the year, the following fees were incurred for services provided by the Auditor-General:			
(i) Audit and other assurance services			
– Audit and review of financial statements: Auditor-General		53	–
Remuneration for audit and other assurance services		53	–
Total Auditor-General remuneration		53	–
b. During the year, the following fees were incurred for services provided by the other Council's Auditors:			
(i) Audit and other assurance services			
– Audit and review of financial statements: Council's Auditor		–	53
– Other audit and assurance services		–	21
Remuneration for audit and other assurance services		–	74
Total remuneration of other Council's Auditors		–	74
Total Auditor remuneration		53	74
2. Operating lease payments are attributable to:			
Other		33	31
		33	31
(d) Depreciation, amortisation & impairment			
Depreciation and amortisation			
Plant and equipment		468	457
Office equipment		21	45
Furniture and fittings		82	87
Land improvements (depreciable)		–	(38)
Infrastructure:			
– Buildings – non-specialised		2,263	2,472
– Buildings – specialised		101	120
– Other structures		55	55
– Roads		2,903	2,801
– Footpaths		301	301
– Stormwater drainage		169	167
– Swimming pools		107	108
– Other open space/recreational assets		122	151
Other assets			
– Library books		–	7
– Other		2	5
Tip Remediation	9 & 26	29	29
Total depreciation, amortisation & impairment costs		6,623	6,767
Impairment			
Operational Land		47	–
Infrastructure:			
– Buildings – non-specialised		840	–
Total gross impairment costs		887	–
TOTAL DEPRECIATION AND AMORTISATION COSTS EXPENSED		7,510	6,767

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Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 4. Expenses from continuing operations (continued)

\$ '000	Notes	Actual 2017	Actual 2016
(e) Other expenses			
Advertising		128	172
Bad and doubtful debts		110	18
Bank charges		66	56
Contributions/levies to other levels of government		495	483
Councillor expenses – mayoral fee		32	39
Councillor expenses – councillors' fees		152	180
Donations, contributions and assistance to other organisations (Section 356)		225	137
Electricity and heating		441	478
Insurance		858	799
Postage		80	78
Printing and stationery		100	51
Street lighting		380	296
Subscriptions and publications		161	145
Telephone and communications		117	138
Investment fees		5	5
Internet access		39	15
Promotion		56	45
Water charges and consumption		649	526
Other		22	178
<u>TOTAL OTHER EXPENSES</u>		<u>4,116</u>	<u>3,839</u>

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 5. Gains or losses from the disposal of assets

\$ '000	Notes	Actual 2017	Actual 2016
Property (excl. investment property)			
Proceeds from disposal – property		1,773	–
Less: carrying amount of property assets sold/written off		(11,997)	–
Net loss on disposal		(10,224)	–
Plant and equipment			
Proceeds from disposal – plant and equipment		44	137
Less: carrying amount of plant and equipment assets sold/written off		(213)	(120)
Net loss on disposal		(169)	17
Infrastructure			
Proceeds from disposal – infrastructure		–	1
Less: carrying amount of infrastructure assets sold/written off		(38)	(172)
Net loss on disposal		(38)	(171)
Financial assets			
Proceeds from disposal/redemptions/maturities – financial assets		189	8,500
Less: carrying amount of financial assets sold/redeemed/matured		(189)	(8,500)
Net loss on disposal		–	–
NET LOSS ON DISPOSAL OF ASSETS		(10,430)	(154)

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 6a. – Cash assets and Note 6b. – investments

\$ '000	Notes	2017 Actual Current	2017 Actual Non-current	2016 Actual Current	2016 Actual Non-current
Cash and cash equivalents (Note 6a)					
Cash on hand and at bank		330	–	1,843	–
Cash-equivalent assets ¹					
– Short-term deposits		19,470	–	16,500	–
Total cash and cash equivalents		19,800	–	18,343	–
Investments (Note 6b)					
– Long term deposits		2,000	–	–	–
Total investments		2,000	–	–	–
TOTAL CASH ASSETS, CASH EQUIVALENTS AND INVESTMENTS		21,800	–	18,343	–

¹ Those investments where time to maturity (from date of purchase) is < 3 mths.

**Cash, cash equivalents and investments were
classified at year end in accordance with
AASB 139 as follows:**

Cash and cash equivalents

a. 'At fair value through the profit and loss'	19,800	–	18,343	–
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Investments

a. 'Held to maturity'	2,000	–	–	–
Investments	2,000	–	–	–

Refer to Note 27. Fair value measurement for information regarding the fair value of investments held.

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 6c. Restricted cash, cash equivalents and investments – details

	2017 Actual Current	2017 Actual Non-current	2016 Actual Current	2016 Actual Non-current
\$ '000				
Total cash, cash equivalents and investments	21,800	–	18,343	–
attributable to:				
External restrictions (refer below)	11,338	–	8,037	–
Internal restrictions (refer below)	7,211	–	5,046	–
Unrestricted	3,251	–	5,260	–
	21,800	–	18,343	–

2017 \$ '000	Opening balance	Transfers to restrictions	Transfers from restrictions	Closing balance
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Details of restrictions

External restrictions – included in liabilities

Bonds reserve	45	–	–	45
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External restrictions – included in liabilities	45	–	–	45
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External restrictions – other

Developer contributions – general (D)	475	7	(35)	447
Specific purpose unexpended grants (F)	4,030	13,636	(11,018)	6,648
Domestic waste management (G)	3,098	2,749	(2,093)	3,754
Royalties	389	82	(27)	444

External restrictions – other	7,992	16,474	(13,173)	11,293
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Total external restrictions	8,037	16,474	(13,173)	11,338
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Internal restrictions

Infrastructure replacement	21	–	–	21
Employees leave entitlement	922	–	(65)	857
Security bonds, deposits and retentions	39	33	–	72
Plant purchase reserve	893	299	(250)	942
Other (innovation reserve)	700	300	–	1,000
Other (infrastructure replacement)	2,000	1,720	–	3,720
Other (regional aquatic centre reserve)	89	14	–	103
Other	382	831	(717)	496

Total internal restrictions	5,046	3,197	(1,032)	7,211
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TOTAL RESTRICTIONS	13,083	19,671	(14,205)	18,549
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D Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans (refer Note 17).

F Grants which are not yet expended for the purposes for which the grants were obtained. (refer Note 1 (b))

G Water, sewerage, domestic waste management (DWM) and other special rates/levies/charges are externally restricted assets and must be applied for the purposes for which they were raised.

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Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 7. Receivables

\$ '000	Notes	2017		2016	
		Current	Non-current	Current	Non-current
Purpose					
Rates and annual charges		1,994	–	1,704	–
Interest and extra charges		475	–	385	–
User charges and fees		308	–	710	–
GST Receivable		224	–	–	–
Accrued revenues					
– Interest on investments		47	–	66	–
– Other income accruals		121	–	177	–
Deferred debtors		63	128	43	143
Total		3,232	128	3,085	143
Less: provision for impairment					
Rates and annual charges		(161)	–	(137)	–
User charges and fees		(129)	–	(160)	–
Total provision for impairment – receivables		(290)	–	(297)	–
<u>TOTAL NET RECEIVABLES</u>		<u>2,942</u>	<u>128</u>	<u>2,788</u>	<u>143</u>
Externally restricted receivables					
Nil					
Internally restricted receivables					
Nil					
Unrestricted receivables		2,942	128	2,788	143
TOTAL NET RECEIVABLES		2,942	128	2,788	143

Notes on debtors above:

- (i) Rates and annual charges outstanding are secured against the property.
- (ii) Doubtful rates debtors are provided for where the value of the property is less than the debt outstanding.
An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- (iii) Interest was charged on overdue rates and charges at 8.50% (2016 8.50%).
Generally all other receivables are non-interest bearing.
- (iv) Please refer to Note 15 for issues concerning credit risk and fair value disclosures.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 8. Inventories and other assets

\$ '000	Notes	2017		2016	
		Current	Non-current	Current	Non-current
(a) Inventories					
(i) Inventories at cost					
Trading stock		84	–	77	–
Total inventories at cost		84	–	77	–
(ii) Inventories at net realisable value (NRV)					
Nil					
TOTAL INVENTORIES		84	–	77	–
(b) Other assets					
Prepayments		229	–	330	–
TOTAL OTHER ASSETS		229	–	330	–

Externally restricted assets

There are no restrictions applicable to the above assets.

Other disclosures

Inventory write downs

There were no amounts recognised as an expense relating to the write down of inventory balances held during the year.

Refer to Note 27. Fair value measurement for information regarding the fair value of other assets held.

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 9a. Infrastructure, property, plant and equipment

Asset class	as at 30/6/2016			Asset movements during the reporting period								as at 30/6/2017		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals	Additions new assets	Carrying value of disposals	Depreciation expense	Impairment loss (recognised in P/L)	Adjustments and transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000														
Capital work in progress	745	–	745	5,802	324	–	–	–	–	–	–	6,871	–	6,871
Plant and equipment	10,873	7,211	3,662	686	369	(247)	(468)	–	–	–	–	11,189	7,187	4,002
Office equipment	1,326	1,269	57	–	–	(12)	(21)	–	–	–	–	1,286	1,262	24
Furniture and fittings	1,472	1,088	384	–	–	(26)	(82)	–	–	–	–	1,387	1,111	276
Land:														
– Operational land	5,986	–	5,986	–	–	(321)	–	(47)	(1,063)	(1,119)	–	3,436	–	3,436
– Community land	3,999	–	3,999	–	–	(3)	–	–	1,063	(1,561)	–	3,499	–	3,499
Infrastructure:														
– Buildings – non-specialised	134,814	76,485	58,329	46	6	(11,638)	(2,263)	(840)	–	(3,893)	–	97,958	58,211	39,747
– Buildings – specialised	3,778	1,782	1,996	–	19	–	(101)	–	–	–	802	7,901	5,184	2,717
– Other structures	6,630	697	5,933	–	160	–	(55)	–	–	(1,724)	–	14,005	9,690	4,315
– Roads	164,001	47,656	116,345	1,196	449	–	(2,903)	–	–	(9,225)	–	192,228	86,365	105,863
– Footpaths	11,754	4,371	7,383	–	–	–	(301)	–	–	(69)	–	12,817	5,804	7,013
– Stormwater drainage	12,397	3,705	8,692	–	–	–	(169)	–	–	(118)	–	13,510	5,104	8,406
– Swimming pools	10,472	1,672	8,800	16	45	–	(107)	–	–	–	5,398	17,759	3,606	14,153
– Other open space/recreational assets	2,424	946	1,478	13	32	–	(122)	–	–	(339)	–	2,759	1,699	1,060
Other assets:														
– Library books	352	352	–	–	–	–	–	–	–	–	–	352	352	–
– Art	9,756	48	9,708	–	–	–	–	–	–	–	–	9,756	49	9,707
– Other	277	222	55	–	–	–	(2)	–	–	–	–	278	225	53
Reinstatement, rehabilitation and restoration assets (refer Note 26):														
– Tip assets	959	441	518	–	–	–	(29)	–	5,238	–	–	10,022	4,295	5,727
TOTAL INFRASTRUCTURE, PROPERTY, PLANT AND EQUIP.	382,015	147,945	234,070	7,759	1,405	(12,247)	(6,623)	(887)	5,238	(18,048)	6,200	407,012	190,144	216,869

Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

Refer to Note 27. Fair value measurement for information regarding the fair value of other infrastructure, property, plant and equipment.

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Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 9b. Externally restricted infrastructure, property, plant and equipment

\$ '000 Class of asset	Actual 2017			Actual 2016		
	Gross carrying amount	Accumulated deprn. and impairment	Net carrying amount	Gross carrying amount	Accumulated deprn. and impairment	Net carrying amount
Domestic waste management						
Plant and equipment	2,960	2,146	814	2,962	2,040	922
Land						
– Operational land	150	–	150	228	–	228
Buildings	1,701	521	1,180	2,161	508	1,653
Other assets	987	497	490	987	465	522
Total water supply	5,798	3,164	2,634	6,338	3,013	3,325
TOTAL RESTRICTED I,PP&E	5,798	3,164	2,634	6,338	3,013	3,325

Note 9c. Infrastructure, property, plant and equipment – current year
impairments

\$ '000	Notes	2017	2016
(i) Impairment losses recognised in the Income Statement:			
– 12 remaining Shorty O'Neil Village Units gifted to a third party. Agreement entered into with party, June 2017, with transfer to occur in 2017/18.			
		(887)	–
Total impairment losses		(887)	–

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Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 10a. Payables, borrowings and provisions

\$ '000	Notes	2017		2016	
		Current	Non-current	Current	Non-current
Payables					
Goods and services – operating expenditure		1,685	–	1,278	–
Accrued expenses:					
– Borrowings		4	–	16	–
– Salaries and wages		217	–	146	–
– Other expenditure accruals		528	–	104	–
Security bonds, deposits and retentions		72	–	48	–
Bonds		45	–	45	–
Total payables		2,551	–	1,637	–
Income received in advance					
Payments received in advance		38	–	803	–
Total income received in advance		38	–	803	–
Borrowings					
Loans – secured ¹		734	3,576	731	5,126
Total borrowings		734	3,576	731	5,126
Provisions					
Employee benefits:					
Annual leave		1,370	–	1,462	–
Sick leave		98	–	109	–
Long service leave		2,598	161	2,286	717
Time in lieu		55	–	39	–
Asset remediation/restoration (future works)	26	–	6,396	–	1,087
Project Refurbishment Litigation (c)		807	–	–	–
Total provisions		4,928	6,557	3,896	1,804
TOTAL PAYABLES, BORROWINGS AND PROVISIONS					
		8,251	10,133	7,067	6,930
(i) Liabilities relating to restricted assets					
		2017		2016	
		Current	Non-current	Current	Non-current
Externally restricted assets					
Bonds		45	–	45	–
Liabilities relating to externally restricted assets		45	–	45	–
Internally restricted assets					
Nil					
Total liabilities relating to restricted assets		45	–	45	–
Total liabilities relating to unrestricted assets		8,206	10,133	7,022	6,930
TOTAL PAYABLES, BORROWINGS AND PROVISIONS					
		8,251	10,133	7,067	6,930

¹ Loans are secured over the general rating income of Council

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note 15.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 10a. Payables, borrowings and provisions (continued)

\$ '000	Actual 2017	Actual 2016
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(ii) Current liabilities not anticipated to be settled within the next twelve months

The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.

Provisions – employees benefits	575	963
	575	963

Note 10b. Description of and movements in provisions

Class of provision	2016	2017				Closing balance as at 30/6/17
	Opening balance as at 1/7/16	Additional provisions	Decrease due to payments	Remeasurement effects due to discounting	Unused amounts reversed	
Annual leave	1,462	1,105	(1,191)	(6)	–	1,370
Sick leave	109	(11)	–	–	–	98
Long service leave	3,003	345	(580)	(9)	–	2,759
Other leave	39	68	(52)	–	–	55
Asset remediation	1,087	5,309	–	–	–	6,396
Project Refurbishment Litigation (c)	–	807	–	–	–	807
TOTAL	5,700	7,623	(1,823)	(15)	–	11,485

- a. Employees leave entitlements and on-costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.
- b. Asset remediation, reinstatement and restoration provisions represent the present value estimate of future costs Council will incur in order to remove, restore and remediate assets and/or activities as a result of past operations.
- c. Project Refurbishment Litigation represents a payment dispute that occurred after the reporting date. It is probable that an interim economic outflow will occur of \$807K. A partial amount is expected to be recouped, however this cannot be reliably measured as at the date of authorising these Financial Statements.

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 11. Statement of cash flows – additional information

\$ '000	Notes	Actual 2017	Actual 2016
(a) Reconciliation of cash assets			
Total cash and cash equivalent assets	6a	19,800	18,343
Balance as per the Statement of Cash Flows		19,800	18,343
(b) Reconciliation of net operating result to cash provided from operating activities			
Net operating result from Income Statement		(6,238)	6,607
Adjust for non-cash items:			
Depreciation and amortisation		6,623	6,767
Net losses on disposal of assets		10,430	154
Impairment losses recognition – I,PP&E		887	–
– Investments classified as ‘at fair value’ or ‘held for trading’		(189)	(271)
– Revision of Tip Remediation Provision		(5,238)	–
Unwinding of discount rates on reinstatement provisions		71	66
+/- Movement in operating assets and liabilities and other cash items:			
Decrease/(increase) in receivables		(127)	309
Increase/(decrease) in provision for doubtful debts		(7)	(346)
Decrease/(increase) in inventories		(7)	9
Decrease/(increase) in other assets		101	(177)
Increase/(decrease) in payables		407	(592)
Increase/(decrease) in accrued interest payable		(12)	–
Increase/(decrease) in other accrued expenses payable		495	(186)
Increase/(decrease) in other liabilities		(741)	1
Increase/(decrease) in employee leave entitlements		(331)	(133)
Increase/(decrease) in other provisions		6,045	–
Net cash provided from/(used in) operating activities from the Statement of Cash Flows		12,169	12,208

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Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 11. Statement of cash flows – additional information (continued)

\$ '000	Notes	Actual 2017	Actual 2016
(c) Non-cash investing and financing activities			
2017 Nil (2016 Nil)			
(d) Financing arrangements			
(i) Unrestricted access was available at balance date to the following lines of credit:			
Credit cards/purchase cards		86	73
Total financing arrangements		86	73
Amounts utilised as at balance date:			
– Credit cards/purchase cards		32	25
Total financing arrangements utilised		32	25
(ii) Secured loan liabilities			
Loans are secured by a mortgage over future years rate revenue only.			

Note 12. Commitments for expenditure

(a) Capital commitments (exclusive of GST)

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Property, plant and equipment

Infrastructure	1,053	4,515
Plant and equipment	201	256
Total commitments	1,254	4,771
These expenditures are payable as follows:		
Within the next year	1,254	4,771
Total payable	1,254	4,771
Sources for funding of capital commitments:		
Internally restricted reserves	1,254	4,771
Total sources of funding	1,254	4,771

(b) Finance lease commitments

2017 Nil (2016 Nil)

(c) Operating lease commitments (non-cancellable)

2017 Nil (2016 Nil)

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Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 13a(i). Statement of performance measurement – indicators (consolidated)

\$ '000	Amounts 2017	Indicator 2017	Prior periods 2016	Prior periods 2015	Benchmark
Local government industry indicators – consolidated					
1. Operating performance ratio					
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions less operating expenses	<u>(284)</u>	-0.88%	8.84%	-9.84%	>0.00%
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions	32,357				
2. Own source operating revenue ratio					
Total continuing operating revenue ⁽¹⁾ excluding all grants and contributions	<u>22,954</u>	62.64%	62.12%	67.25%	>60.00%
Total continuing operating revenue ⁽¹⁾	36,644				
3. Unrestricted current ratio					
Current assets less all external restrictions ⁽²⁾	<u>13,717</u>	1.80x	2.23x	1.45x	>1.5x
Current liabilities less specific purpose liabilities ^(3, 4)	7,631				
4. Debt service cover ratio					
Operating result ⁽¹⁾ before capital excluding interest and depreciation/impairment/amortisation	<u>7,719</u>	3.78x	9.01x	4.43x	>2x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	2,040				
5. Rates, annual charges, interest and extra charges outstanding percentage					
Rates, annual and extra charges outstanding	<u>2,308</u>	11.68%	10.39%	11.60%	<10%
Rates, annual and extra charges collectible	19,759				Rural
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	<u>21,800</u>	9.86 mths	8.3 mths	4.3 mths	> 3 mths
Payments from cash flow of operating and financing activities	2,212				

Notes

⁽¹⁾ Excludes fair value adjustments and reversal of revaluation decrements, net gain/(loss) on sale of assets and the net share of interests in joint ventures and associates.

⁽²⁾ Refer Notes 6-8 inclusive.

Also excludes any real estate and land for resale not expected to be sold in the next 12 months.

⁽³⁾ Refer to Note 10(a).

⁽⁴⁾ Refer to Note 10(a)(ii) – excludes all payables and provisions not expected to be paid in the next 12 months (incl. ELE).

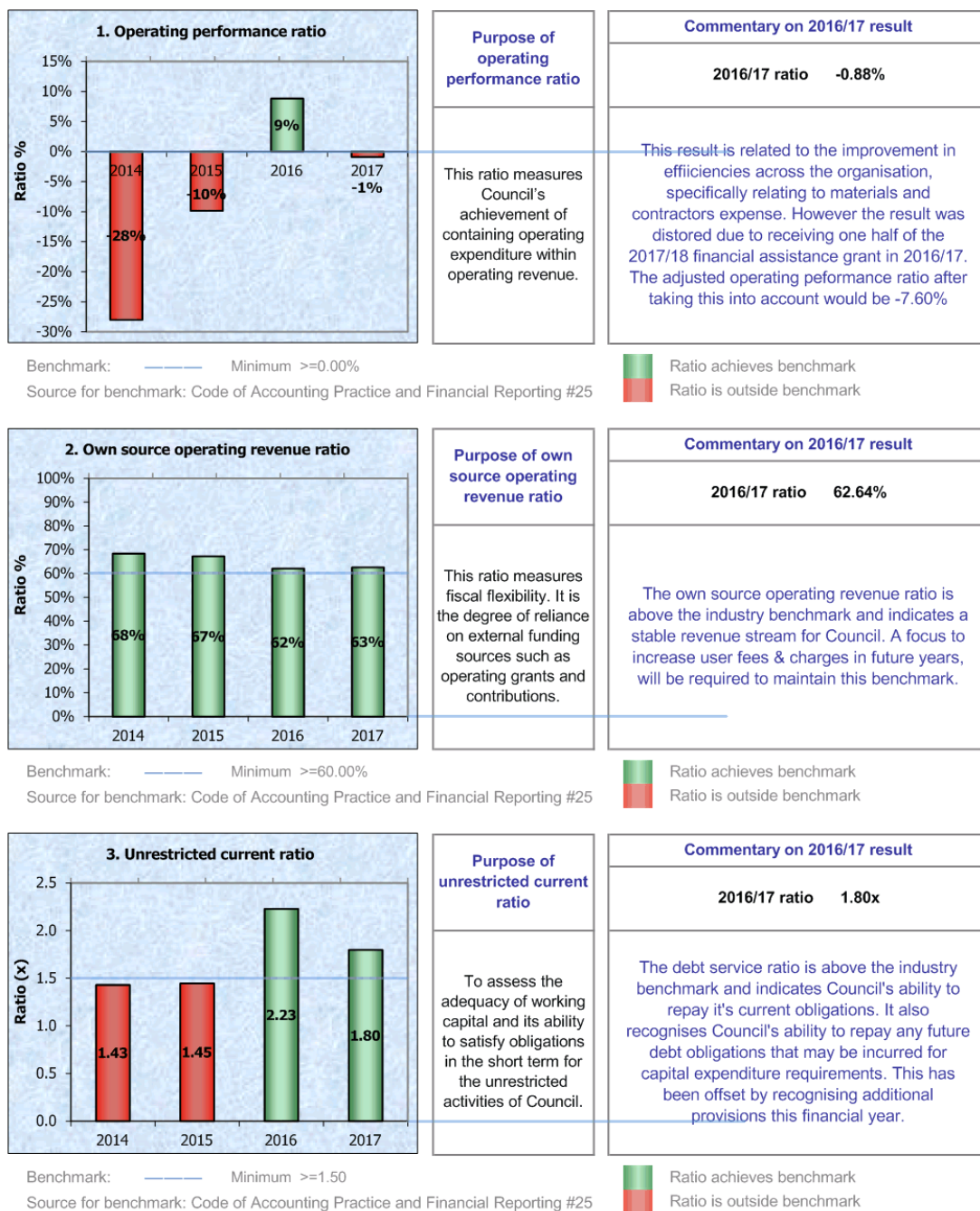
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Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 13a(ii). Local government industry indicators – graphs (consolidated)



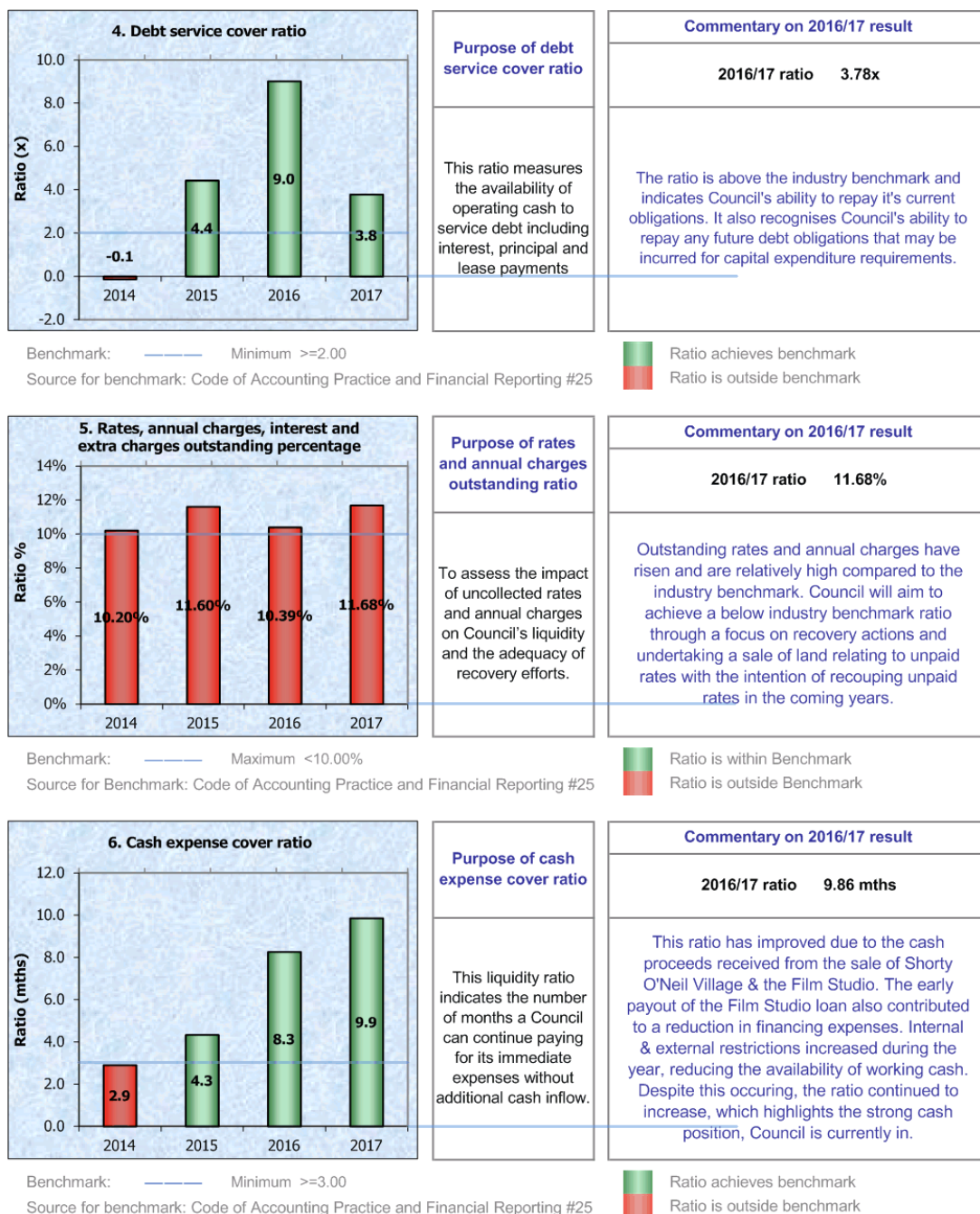
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Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 13a(ii). Local government industry indicators – graphs (consolidated)



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Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 14. Investment properties

\$ '000

Council has not classified any land or buildings as 'investment properties'.

Note 15. Financial risk management

Risk management

Council's activities expose it to a variety of financial risks including (1) price risk, (2) credit risk, (3) liquidity risk and (4) interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's finance section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's financial assets and financial liabilities recognised in the financial statements is presented below.

	Carrying value		Fair value	
	2017	2016	2017	2016
Financial assets				
Cash and cash equivalents	19,800	18,343	19,800	18,343
Investments				
– 'Held to maturity'	2,000	–	2,000	–
Receivables	3,070	2,931	3,070	2,931
Total financial assets	24,870	21,274	24,870	21,274
Financial liabilities				
Payables	2,513	834	2,513	1,637
Loans/advances	4,310	5,857	4,310	5,857
Total financial liabilities	6,823	6,691	6,823	7,494

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** – are estimated to be the carrying value that approximates market value.
- **Borrowings and held-to-maturity investments** – are based upon estimated future cash flows discounted by the current mkt interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) '**at fair value through profit and loss**' or (ii) '**available-for-sale**' – are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Refer to Note 27. Fair value measurement for information regarding the fair value of financial assets and liabilities.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 15. Financial risk management (continued)

\$ '000

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's finance area manages the cash and Investments portfolio with the assistance of independent advisors.

Council has an investment policy which complies with the *Local Government Act 1993* and Minister's investment order. This policy is regularly reviewed by Council and its staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The risks associated with the investments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether there changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

Council also seeks advice from independent advisers before placing any funds in cash equivalents and investments.

(a) Market risk – price risk and interest rate risk

The following represents a summary of the sensitivity of Council's Income Statement and accumulated surplus (for the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

	Increase of values/rates		Decrease of values/rates	
	Profit	Equity	Profit	Equity
2017				
Possible impact of a 1% movement in investment rates	8	8	(8)	(8)
Possible impact of a 1% movement in interest rates	32	32	(32)	(32)
2016				
Possible impact of a 1% movement in interest rates	43	43	(43)	(43)

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 15. Financial risk management (continued)

\$ '000

(b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

The major risk associated with these receivables is credit risk – the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts – that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages the payment of debt.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

A profile of Council's receivables credit risk at balance date follows:

		2017 Rates and annual charges	2017 Other receivables	2016 Rates and annual charges	2016 Other receivables
(i) Ageing of receivables – %					
Current (not yet overdue)		0%	41%	0%	54%
Overdue		100%	59%	100%	46%
		100%	100%	100%	100%
(ii) Ageing of receivables – value					
Rates and annual charges	Other receivables	Rates and annual charges	Other receivables	Rates and annual charges	Other receivables
Current	Current	–	892	1,704	1,524
< 1 year overdue	0 – 30 days overdue	147	25	–	–
1 – 2 years overdue	31 – 60 days overdue	143	53	–	–
2 – 5 years overdue	61 – 90 days overdue	139	29	–	–
> 5 years overdue	> 91 days overdue	1,565	367	–	–
		1,994	1,366	1,704	1,524
(iii) Movement in provision for impairment of receivables					
				2017	2016
Balance at the beginning of the year				297	643
+ new provisions recognised during the year				–	12
– amounts already provided for and written off this year				(7)	(358)
Balance at the end of the year				290	297

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 15. Financial risk management (continued)

\$ '000

(c) Liquidity risk

Payables and borrowings are both subject to liquidity risk – the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's payables and borrowings are set out in the maturity table below:

\$ '000	Subject	payable in:						Total	Actual
	to no maturity	≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs	cash outflows	carrying values
2017									
Trade/other payables	72	2,479	—	—	—	—	—	2,551	2,551
Loans and advances	—	957	603	537	470	385	2,468	5,420	4,310
Total financial liabilities	72	3,436	603	537	470	385	2,468	7,971	6,861
2016									
Trade/other payables	48	1,589	—	—	—	—	—	1,637	1,637
Loans and advances	—	1,060	1,060	706	606	573	1,883	5,888	5,857
Total financial liabilities	48	2,649	1,060	706	606	573	1,883	7,525	7,494

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Council manages this risk through the diversification of borrowing types, maturities and interest rate structures.

The following interest rates were applicable to Council's borrowings at balance date:

	2017		2016	
	Carrying value	Average interest rate	Carrying value	Average interest rate
Trade/other payables	2,551	0.00%	1,637	0.00%
Loans and advances – fixed interest rate	3,990	5.93%	5,426	5.97%
Loans and advances – variable interest rate	320	3.52%	431	3.84%
	6,861		7,494	

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 16. Material budget variations

\$ '000

Council's original financial budget for 16/17 was adopted by the Council on 15 June 2016.

While the Income Statement included in this General Purpose Financial Report must disclose the original budget adopted by Council, the *Local Government Act 1993* requires Council to review its financial budget on a quarterly basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This note sets out the details of **material variations** between Council's original budget and its actual results for the year as per the Income Statement – even though such variations may have been adjusted for during each quarterly budget review.

Note that for variations* of budget to actual :

Material variations represent those variances that amount to **10%** or more of the original budgeted figure.

F = Favourable budget variation, **U** = Unfavourable budget variation

\$ '000	2017 Budget	2017 Actual	2017 Variance*	
REVENUES				
Rates and annual charges	16,699	17,498	799	5% F
User charges and fees	3,472	3,985	513	15% F
Higher than expected utilisation of Council's facilities in particular the airport and Willyama Common, higher than expected rental income from renting the HACC Centre, and higher than expected income from RMS contracts.				
Interest and investment revenue	446	831	385	86% F
Increased cash was available for investment due to asset sales and additional funds were received from the recovery of Lehmann Bros CDO investments.				
Other revenues	488	829	341	70% F
Higher than expected income from recovery of legal costs in relation to outstanding rates and insurance rebates, and proceeds from the recognition of the sale of land on the Barrier Highway.				
Operating grants and contributions	9,667	9,403	(264)	(3%) U
Capital grants and contributions	3,572	4,287	715	20% F
Additional grants for projects funded by the Broken Hill Environmental Lead Program and a grant for the upgrade of library equipment was received in 2016/17 but not included in the original budget. Part of the Civic Centre restoration grant was received during 2016/17 but was budgeted to be received in 2015/16. The impact of this was partially offset by BHP grants budgeted for in 2016/17 that were not received.				

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Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 16. Material budget variations (continued)

\$ '000	2017 Budget	2017 Actual	2017 Variance*		
EXPENSES					
Employee benefits and on-costs	15,158	14,384	774	5%	F
Borrowing costs	394	493	(99)	(25%)	U
This variance is mainly due to the additional fee of \$109K, that was incurred in paying out the Film Studio Loan early.					
Materials and contracts	6,529	6,138	391	6%	F
Depreciation and amortisation	6,987	6,623	364	5%	F
Other expenses	4,453	4,116	337	8%	F
Net losses from disposal of assets	—	10,430	(10,430)	0%	U
This variance was due to the loss on sale of the Film Studio for \$6,488K & SOV for \$3,579K and various other plant & equipment and infrastructure for \$363K.					

Budget variations relating to Council's Cash Flow Statement include:

Cash flows from operating activities	7,213	12,169	4,956	68.7%	F
Variance is due to additional cash received from grants and contributions. This related to additional grants received for the the Lead Remediation Program and receiving Civic Centre Refurbishment milestones. The variance also relates to additional payments received for Annual Rates & Charges throughout the year.					
Cash flows from investing activities	(10,239)	(9,165)	1,074	(10.5%)	F
Variance is due to the additional investment in securities and term deposits. This was due to the increase in cash reserves and the delay in capital works and subsequent payments occurring in 2016/17.					
Cash flows from financing activities	(1,019)	(1,547)	(528)	51.8%	U
This variance is due to the early payout of the Film Studio Loan.					

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 17. Statement of developer contributions

\$ '000

Council recovers contributions, raises levies and enters into planning agreements on development works that are subject to a development consent issued by Council.

All contributions must be spent/utilised for the specific purpose they were levied and any interest applicable to unspent funds must be attributed to remaining funds.

The following tables detail the receipt, interest and use of the above contributions and levies and the value of all remaining funds which are 'restricted' in their future use.

SUMMARY OF CONTRIBUTIONS AND LEVIES

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
S94A levies – under a plan	475	–	–	7	(35)	–	447	–
Total S94 revenue under plans	475	–	–	7	(35)	–	447	–
Total contributions	475	–	–	7	(35)	–	447	–

S94A LEVIES – UNDER A PLAN

CONTRIBUTION PLAN NUMBER

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Council Animal Pound	139	–	–	7	(35)	–	111	–
Urban Roads	79	–	–	–	–	–	79	–
Urban Footpaths	40	–	–	–	–	–	40	–
Urban Street Tree Planting	20	–	–	–	–	–	20	–
Urban Stormwater Additions	40	–	–	–	–	–	40	–
Urban Parks and Gardens	40	–	–	–	–	–	40	–
Broken Hill Aquatic Centre	119	–	–	–	–	–	119	–
Total	475	–	–	7	(35)	–	447	–

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 18. Contingencies and other assets/liabilities not recognised

\$ '000

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

LIABILITIES NOT RECOGNISED:

1. Guarantees

(i) Defined benefit superannuation contribution plans

Council participates in an employer-sponsored defined benefit superannuation scheme, and makes contributions as determined by the superannuation scheme's trustees.

Member councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The schemes most recent full actuarial review indicated that the net assets of the scheme were not sufficient to meet the accrued benefits of the schemes defined benefit member category with member councils required to make significantly higher contributions in future years.

The Local Government Superannuation Scheme however is unable to provide Council with an accurate estimate of its share of the net deficit and accordingly Council has not recorded any net liability from its defined benefit scheme obligations in accordance with AASB 119.

Future contributions made to the defined benefit scheme to rectify the net deficit position will be recognised as an expense when they become payable – similar to the accounting for defined contributions plans.

(ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to local government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the net assets or liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the fund years.

The future realisation and finalisation of claims incurred but not reported to 30/6 this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

(iv) Other guarantees

Council has provided no other guarantees other than those listed above.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 18. Contingencies and other assets/liabilities not recognised (continued)

\$ '000

LIABILITIES NOT RECOGNISED (continued):

2. Other liabilities

(i) Third party claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

(ii) S94 plans

Council levies section 94/94A contributions upon various development across the Council area through the required contributions plans.

As part of these plans, Council has received funds for which it will be required to expend the monies in accordance with those plans.

As well, these plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's general funds.

These future expenses do not yet qualify as liabilities as of the reporting date, but represent Council's intention to spend funds in the manner and timing set out in those plans.

(iii) Potential land acquisitions due to planning restrictions imposed by Council

Council has classified a number of privately owned land parcels as local open space or bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (and subsequent land asset) from such potential acquisitions has not been possible.

ASSETS NOT RECOGNISED:

(i) Land under roads

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30/6/08.

(ii) Infringement notices/fines

Fines and penalty income, the result of Council issuing infringement notices is followed up and collected by the Infringement Processing Bureau.

Council's revenue recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at year end, there is a potential asset due to Council representing issued but unpaid infringement notices.

Due to the limited information available on the status, value and duration of outstanding notices, Council is unable to determine the value of outstanding income.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 18. Contingencies and other assets/liabilities not recognised (continued)

\$ '000

(iii) Refurbishment Project Litigation

"Litigation for a counter claim is in the early stages against the party (parties) involved that brought a Statement of Claim against Council relating to a refurbishment project. The information usually provided by AASB 137, is not disclosed on the grounds that it can be expected to prejudice seriously the outcome of the litigation. The Council are of the opinion that the counter claim will be successful. The amount is not yet quantifiable."

Note 19. Interests in other entities

Council has no interest in any controlled entities, joint arrangements or associates.

Financial Statements 2017

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 20. Retained earnings, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors

\$ '000	Notes	Actual 2017	Actual 2016
(a) Retained earnings			
Movements in retained earnings were as follows:			
Balance at beginning of year (from previous years audited accounts)		121,089	114,482
a. Net operating result for the year		(6,238)	6,607
Balance at end of the reporting period		<u>114,851</u>	<u>121,089</u>
(b) Revaluation reserves			
(i) Reserves are represented by:			
– Infrastructure, property, plant and equipment revaluation reserve		108,817	120,665
Total		<u>108,817</u>	<u>120,665</u>
(ii) Reconciliation of movements in reserves:			
Infrastructure, property, plant and equipment revaluation reserve			
– Opening balance		120,665	120,097
– Revaluations for the year	9(a)	(11,848)	568
– Balance at end of year		<u>108,817</u>	<u>120,665</u>
TOTAL VALUE OF RESERVES		<u>108,817</u>	<u>120,665</u>

(iii) Nature and purpose of reserves

Infrastructure, property, plant and equipment revaluation reserve

– The infrastructure, property, plant and equipment revaluation reserve is used to record increments/decrements of non-current asset values due to their revaluation.

(c) Correction of error/s relating to a previous reporting period

Council made no correction of errors during the current reporting period.

(d) Voluntary changes in accounting policies

Council made no voluntary changes in any accounting policies during the year.

Note 21. Financial result and financial position by fund

Council utilises only a general fund for its operations.

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Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 22. 'Held for sale' non-current assets and disposal groups

\$ '000

Council did not classify any non-current assets or disposal groups as 'held for sale'.

Note 23. Events occurring after the reporting date

Events that occur between the end of the reporting period (30 June 2017) and the date when the financial statements are 'authorised for issue' have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the applicable 'authorised for issue' date relating to these General Purpose Financial Statements.

Accordingly, the 'authorised for issue' date is 16/10/17.

Events that occur after the reporting period represent one of two types:

(i) Events that provide evidence of conditions that existed at the reporting period

These financial statements (and the figures therein) incorporate all 'adjusting events' that provided evidence of conditions that existed at 30 June 2017.

(ii) Events that provide evidence of conditions that arose after the reporting period

These financial statements (and figures therein) do not incorporate any 'non-adjusting events' that have occurred after 30 June 2017 and which are only indicative of conditions that arose after 30 June 2017.

Council is unaware of any material or significant 'non-adjusting events' that should be disclosed.

Note 24. Discontinued operations

Council has not classified any of its operations as 'discontinued'.

Note 25. Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance.

Council is unaware of any control over intangible assets that warrant recognition in the financial statements, including either internally generated and developed assets or purchased assets.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 26. Reinstatement, rehabilitation and restoration liabilities

\$ '000

Council has legal/public obligations to make restore, rehabilitate and reinstate the following assets/operations:

Asset/operation	Estimated year of restoration	NPV of provision	
		2017	2016
Landfill site	2036	6,396	1,087
Balance at end of the reporting period	10(a)	<u>6,396</u>	<u>1,087</u>

Under AASB 116 – Property, Plant and Equipment, where the use of an asset results in the obligation to dismantle or remove the asset and restore the site on which the asset stands, an estimate of such costs is required to be included in the cost of the asset.

An equivalent liability must be recognised under AASB 137 – Provisions, Contingent Liabilities and Contingent Assets.

The provision has been calculated by determining the present value of the future expenditures expected to be incurred. The discount rate used is the risk free borrowing rate applicable to Council.

Reconciliation of movement in provision for year:

Balance at beginning of year	1,087	1,021
Effect of a change in other calculation estimates used	5,238	–
Amortisation of discount (expensed to borrowing costs)	71	66
Total – reinstatement, rehabilitation and restoration provision	<u>6,396</u>	<u>1,087</u>

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 27. Fair value measurement

\$ '000

The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, property, plant and equipment
- Financial assets and liabilities

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values:

2017	Fair value measurement hierarchy			Total
	Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring fair value measurements				
Infrastructure, property, plant and equipment				
Operational land	–	875	2,561	3,436
Community land	–	–	3,499	3,499
Buildings – non-specialised	–	–	39,747	39,747
Buildings – specialised	–	–	2,717	2,717
Other structures	–	–	4,315	4,315
Roads	–	–	105,863	105,863
Footpaths	–	–	7,013	7,013
Stormwater drainage	–	–	8,406	8,406
Swimming pools	–	–	14,153	14,153
Open spaces and other recreation	–	–	1,060	1,060
Art	–	2,852	6,855	9,707
Other	–	–	53	53
Tip remediation	–	–	5,727	5,727
Total infrastructure, property, plant and equipment	–	3,727	201,969	205,696

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

\$ '000

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values: (continued)

Fair values: (continued)				
2016	Fair value measurement hierarchy			Total
	Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring fair value measurements				
Infrastructure, property, plant and equipment				
Plant and equipment	—	—	3,662	3,662
Office equipment	—	—	57	57
Furniture and fittings	—	—	384	384
Operational land	—	—	5,986	5,986
Community land	—	—	3,999	3,999
Buildings – non-specialised	—	—	58,329	58,329
Buildings – specialised	—	—	1,996	1,996
Other structures	—	—	5,933	5,933
Roads	—	—	116,345	116,345
Footpaths	—	—	7,383	7,383
Stormwater drainage	—	—	8,692	8,692
Swimming pools	—	—	8,800	8,800
Open spaces and other recreation	—	—	1,478	1,478
Art	—	2,852	6,856	9,708
Other	—	—	55	55
Tip remediation	—	—	518	518
Total infrastructure, property, plant and equipment	—	2,852	230,473	233,325

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

\$ '000

(2) Valuation techniques used to derive level 2 and level 3 fair values

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

Financial assets

Council has invested in financial assets including term deposits.
Council values these assets at fair value based on valuations provided at the end of each month and year end that are prepared by external industry experts in the finance field.
Although there are markets for these financial assets, they have been deemed by Council to be inactive and as such these assets have been classified as level 3. Valuation techniques remained the same for the reporting period.

Infrastructure, property, plant and equipment (IPP&E)**Community land**

Assets within the "Community Land" class are:

- Council owned land and
- Care Control Management land [Crown] of which Council derives current and future economic benefits arising from the use of the land asset.

Council's community land is valued on the Unimproved Capital Value (UCV), provided by the Valuer General. Currently all Council assets in this asset class are based on UCV, however, should Council have an asset in future for which an UCV is not provided, the replacement cost will be used. Replacement cost will be based on average unit rates for similar properties, land use, dimensions, land size and shape, which are not considered observable based on market evidence, therefore, placing the whole asset class in Level 3. Valuation techniques remained the same for this reporting period.

Operational land

Council's operational land includes all of Council's land classified as operational land under Local Government Act 1993. Australian Valuation Solutions (AVS) revalued all Operational Land as at 30 June 2017.

Council's operational land is valued using a modelled market based valuation process.

The majority of land is subject to directly observable comparable local market evidence, hence these assets are considered level 2. However there is land that is not subject to directly observable local market evidence as well as, if Council obtains an asset in the future for which this valuation process is not available, the replacement cost will be used. Replacement cost will be based on average unit rates for similar properties, land use, dimensions, land size and shape, which are not considered observable based on market evidence, therefore, placing these assets in Level 3. Valuation techniques remained the same for this reporting period.

Stormwater drainage

The Stormwater Drainage asset class consists of Council's pits and Culverts. AVS completed the valuation of these assets using replacement cost approach and the last valuation was completed in June 2017. Replacement costs (unit rates) and useful lives for Stormwater Drainage assets were determined through professional judgement on behalf of Australis, which incorporated standard unit rates applied to the dimensions of the asset and considered environmental factors based on asset location. Other significant inputs considered in the valuation of these assets are asset condition, remaining useful life, and residual value.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

\$ '000

(2) Valuation techniques used to derive level 2 and level 3 fair values (continued)

Infrastructure, property, plant and equipment (IPP&E) (continued)

Other structure

Council's other structure assets comprise of fences, flagpoles, monuments and the like. Council engaged Australian Valuation Solutions (AVS) to value all buildings, structures and shelters in 2017. The valuation methodology adopted was based on current replacement cost of the asset. Replacement costs (unit rate) and useful lives of Council's other structure assets were determined using technical knowledge from council staff (engineers and asset management) and external valuers. Other significant inputs considered in the valuation of these assets are condition rating, remaining useful life, pattern of consumption, dimensions, components and residual value. This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Buildings – non specialised and specialised

Council engaged AVS to value all buildings and shelters in 2017. The valuation methodology adopted was based on current replacement cost of the asset. The valuation aspects are generally, but not limited to the location, size, condition, style and utility of the asset. Replacement cost, asset condition, remaining useful life and building components are some of the inputs used in fair value determination. Since most of these inputs require judgement and are unobservable, the asset class has been classified as Level 3. Valuation techniques remained the same for this reporting period.

Roads

Council's roads are componentised into the pavement, surface and formation and further separated into segments for inspection and valuation. The revaluation of road assets is undertaken annually. The valuation, which is completed by AVS, was completed in June 2017. The current replacement cost approach was adopted to value Council roads. The replacement costs (based on unit rates), useful lives and conditions were determined by technical information provided by Council's asset planners and professional judgement on behalf of Australis. Some of the other significant inputs considered in the valuation of these assets are remaining useful life, dimensions, components, residual value and type of road.

This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Footpaths

Council's footpath register consists of all pedestrian walkways and cycleways within the Council area. AVS completed the valuation of the Footpath assets annually and the last valuation was in June 2017. Replacement costs (unit rates) and useful lives of Councils footpaths were determined using technical knowledge Australis's professional judgement. Some of the other significant inputs considered in the valuation of these assets are remaining useful life, dimensions, components and residual value. This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

\$ '000

(2) Valuation techniques used to derive level 2 and level 3 fair values (continued)

Infrastructure, property, plant and equipment (IPP&E) (continued)

Open space / recreational assets

Councils recreational facilities includes assets within our sports fields and park locations. This includes but is not limited to, playing courts, playgrounds, and cricket nets. Australian Valuation Solutions (AVS) was engaged in 2017 for the valuation of these assets. Replacement costs (unit rates) and useful lives of Council's recreational facilities were determined using technical knowledge from Council staff (engineers and asset management) and AVS's professional judgement. Some of the other significant inputs considered in the valuation of these assets are remaining useful life, pattern of consumption, dimensions, components and residual value. This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period

Swimming pool

The swimming pool includes all assets located within the facility. AVS valued the building components of the swimming pool in June 2017 as part of the building revaluation and other substantial components of the pool are valued using replacement cost method. Replacement costs were determined using square metre rates and other significant inputs considered in the valuation of these assets are asset condition, remaining useful life, components, dimensions and residual value. This asset class is categorised as Level 3 as some of the above-mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period

Artwork

Council engaged Australian Valuation Solutions (AVS) to value all artwork in 2016. This information was updated into Council's asset register. The valuation was completed using the replacement cost approach and market value in accordance with AASB 116. The replacement value for artworks was determined by the price at which the items could be purchased from a reputable dealer, gallery or retail outlet. Where the fair value of an asset could not be determined by sale on the open market, a depreciable replacement cost has been adopted. Other significant inputs considered in the valuation are the condition of the asset, pattern of consumption and remaining useful life. This asset class is categorised as Level 2 & 3 as some of the above mentioned inputs used in the valuation of these assets require significant professional judgement and are therefore unobservable. Valuation techniques remained the same for this reporting period.

Tip remediation

Council operates a landfilling operation as well as a range of waste services, including recycled and reclaimed products. It has been recognised that there will be significant costs associated with the closure and post closure management of the landfill site. Closure of the landfill will involve a wide range of activities including preparation of a Landfill Closure and Management Plan, final capping of the landfill waste and site re-vegetation, decommissioning and removing infrastructure and equipment that will not be required post-closure, and fencing sensitive infrastructure. The key unobservable inputs are the discount rate, cost escalation rate, actual timing of costs and future environmental management requirements. Geolyse were engaged to perform a valuation of the estimated cost for the Tip Remediation based on current data and TIP consumption as at 30 June 2017.

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

\$ '000

(3). Fair value measurements using significant unobservable inputs (level 3)

a. The following tables present the changes in level 3 fair value asset classes.

	Plant and equipment	Operational land	Community land	Buildings non specialised	Total
Opening balance – 1/7/15	3,478	5,202	3,999	59,669	72,348
Transfers from/(to) level 2 FV hierarchy 27 4(b)	–	(875)	–	–	(875)
Transfers from/(to) another asset class	499	93	–	–	592
Purchases (GBV)	835	697	–	1,132	2,664
Disposals (WDV)	(120)	(5)	–	–	(125)
Depreciation and impairment	(589)	–	–	(2,472)	(3,061)

Closing balance – 30/6/16	4,103	5,112	3,999	58,329	71,543
Transfers from/(to) another asset class	–	(1,063)	1,063	–	–
Purchases (GBV)	–	–	–	52	52
Disposals (WDV)	–	(321)	(3)	(11,638)	(11,962)
Depreciation and impairment	–	(47)	–	(3,103)	(3,150)
Revaluation increment/decrement)	–	(1,119)	(1,560)	(3,893)	(6,572)
Transfer out from FV to cost	(4,103)	–	–	–	(4,103)
Closing balance – 30/6/17	–	2,562	3,499	39,747	45,808

	Buildings specialised	Other structures	Roads	Footpaths	Total
Opening balance – 1/7/15	1,697	7,027	117,380	7,683	133,787
Transfers from/(to) another asset class	442	(1,035)	28	–	(565)
Purchases (GBV)	–	–	1,740	–	1,740
Disposals (WDV)	(24)	(3)	–	–	(27)
Depreciation and impairment	(120)	(55)	(2,801)	(301)	(3,277)
Closing balance – 30/6/16	1,995	5,934	116,347	7,382	131,658
Purchases (GBV)	19	160	1,645	–	1,824
Depreciation and impairment	(101)	(55)	(2,903)	(301)	(3,360)
Revaluation increment/decrement)	802	(1,724)	(9,225)	(69)	(10,216)
Closing balance – 30/6/17	2,716	4,315	105,863	7,012	119,906

Council of the City of Broken Hill

Notes to the Financial Statements for the year ended 30 June 2017

Note 27. Fair value measurement (continued)

\$ '000

(3). Fair value measurements using significant unobservable inputs (level 3) (continued)

a. The following tables present the changes in level 3 fair value asset classes. (continued)

	Stormwater drainage	Swimming pools	Open spa- ces /other recreational	Library books	Total
Opening balance – 1/7/15	8,815	8,908	1,581	7	19,311
Purchases (GBV)	44	–	189	–	233
Disposals (WDV)	–	–	(140)	–	(140)
Depreciation and impairment	(167)	(108)	(151)	(7)	(433)
Closing balance – 30/6/16	8,692	8,800	1,479	–	18,971
Purchases (GBV)	–	62	45	–	107
Depreciation and impairment	(169)	(107)	(122)	–	(398)
Revaluation increment/decrement	(118)	5,398	(339)	–	4,941
Closing balance – 30/6/17	8,405	14,153	1,062	–	23,620

	Art	Other	Tip remediation	Financial assets	Total
Opening balance – 1/7/15	9,131	58	489	2,407	12,085
Transfers from/(to) level 2 FV hierarchy 27 4(b)	(2,852)	–	–	–	(2,852)
Transfers from/(to) another asset class	11	–	–	(2,407)	(2,396)
Depreciation and impairment	(2)	(3)	(29)	–	(34)
Revaluation increment/decrement	568	–	–	–	568
Other movement	–	–	57	–	57
Closing balance – 30/6/16	6,856	55	517	–	7,428
Depreciation and impairment	(1)	(2)	(29)	–	(32)
Revision of Tip Estimate	–	–	5,239	–	5,239
Closing balance – 30/6/17	6,855	53	5,727	–	12,635

b. Information relating to the transfers into and out of the level 3 fair valuation hierarchy (as disclosed in the table above) includes:

Plant & Equipment was transferred out of level 3. These assets are valued at cost less depreciable value and therefore should be not recognised as fair value. The movement was less \$4,103.

A movement of \$875K from level 3 to level 2 for Operational Land occurred in 2016/2017. This was due to a recent valuation, based on directly observable comparable local market evidence for residential land.

A movement of \$2,852K from level 3 to level 2 for Artworks occurred 16/17. This was based on observable inputs based on sales of similar artwork as well as professional judgement.

(4). Highest and best use

All of Council's non-financial assets are considered as being utilised for their highest and best use.

Council of the City of Broken Hill

Notes to the Financial Statements
for the year ended 30 June 2017

Note 28. Related party disclosures

\$

a. Key management personnel

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

	Actual
Compensation:	2017
Short-term benefits	889,685
Total	889,685



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Broken Hill City Council

To the Councillors of the Broken Hill City Council

Opinion

I have audited the accompanying financial statements of Broken Hill City Council (the Council), which comprise the statement of financial position as at 30 June 2017, the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by Councillors and Management.

In my opinion,

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
 - have been presented, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2017, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Other Matter

The financial statements of the Council for the year ended 30 June 2016 were audited by another auditor who expressed an unmodified opinion on that financial statement on 17 October 2016.

The Councillors' Responsibility for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the *Local Government Act 1993*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors must assess the Council's ability to continue as a going concern except where the Council will be dissolved or amalgamated by an Act of Parliament. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to:

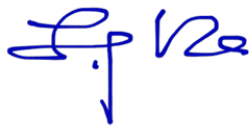
- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar3.pdf. The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, Note 2(a) and Note 16 budget variation explanations
- on the attached Special Schedules
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Weini Liao
Director, Financial Audit Services

19 October 2017
SYDNEY



Darriea Turley
 Mayor
 Broken Hill City Council
 240 Blende Street
 Broken Hill NSW 2880

Contact: Weini Liao
 Phone no: (02) 9275 7432
 Our ref: D1726653/1701

19 October 2017

Dear Mayor

**Report on the Conduct of the Audit
 for the year ended 30 June 2017
 Broken Hill City Council**

I have audited the general purpose financial statements of the Broken Hill City Council (the Council) for the year ended 30 June 2017 as required by s415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's general purpose financial statements.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2017 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the general purpose financial statements issued under section 417(2) of the Act.

INCOME STATEMENT

Operating result

	2017 \$m	2016 \$m	Variance %
Rates and annual charges revenue	17.5	16.4	6.8 ↑
Grants and contributions revenue	13.7	14.0	(2.1) ↓
Operating result for the year	(6.2)	6.6	(194.4) ↓
Net operating result before capital amounts	(10.5)	3.1	(438.7) ↓

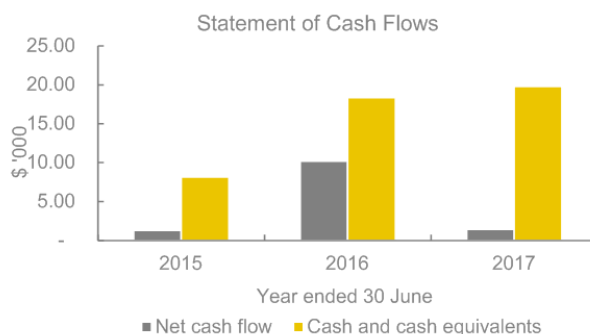
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- The operating result from continuing activities declined by \$12.8 million or 194.4 per cent. This was driven by a substantial one-off loss on disposal of infrastructure, property, plant & equipment assets (\$10.4 million loss in 2016-17 against a \$0.1 million loss in 2015-16). The one-off gain on sale of the Shorty O'Neill licenses in the prior year (\$1.8 million) also contributed to this movement.
- The net operating result before capital amounts decreased by \$13.6 million or 442.8 per cent. This was primarily driven by the factors noted above in conjunction with an increased proportion of capital as opposed to operational grants.
- Grants and contributions revenue decreased by \$0.3 million or 2.2 per cent. This movement includes an advance payment of 2017-18 Federal Financial Assistance Grants of \$1.9 million and a reduction of \$2.6 million in Aged Care Grants following the partial sale of the Shorty O'Neill facility.
- Rates and annual charges revenue increased by \$1.1 million or 6.8 per cent. This movement is partly attributable to a reduction in the rateable value of a mine site in the local government area following a successful objection and an approved rate increase of 2.1 per cent. The 2016-17 rates revenue also includes a one-off accounting adjustment of \$1 million to recognise previously deferred prepaid rates.

STATEMENT OF CASH FLOWS

- The decrease of net cash flows in 2016-17 was mainly impacted by the significant increase in cash outflows used in investing activities.
- This also comprised of the net movement in sales and purchases of investment securities (decreased from \$2.8 million in 2015-16 to \$1.8 million in 2016-17) and increased outlays on infrastructure, property, plant & equipment (increase from \$4.3 million in 2015-16 to \$9.2 million in 2016-17).
- The movement is negatively impacted by the classification of \$2 million in assets as investments.



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FINANCIAL POSITION

Cash and Investments

Restricted Cash and Investments	2017	2016	Commentary
	\$m	\$m	
External restrictions	11.3	8.0	Cash and investments have increased due to Council's cash operating surplus recorded in the financial year (excluding non-cash losses on disposals of assets).
Internal restrictions	7.2	5.0	
Unrestricted	3.3	5.3	
Cash and investments	21.8	18.3	Increase in external restrictions largely reflects the receipt of specific purpose grants exceeding the spending allocated to those grants.

Borrowings	2017	2016	Commentary
	\$m	\$m	
Borrowings	4.3	5.9	Borrowings decreased as a result of additional payments in line with the existing loan amortisation schedules and the early repayment of a loan on the disposed film studio property.

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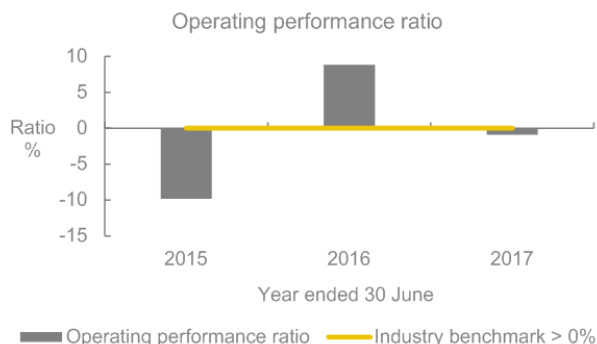


PERFORMANCE RATIOS

The definition of each ratio analysed below (except for the 'building and infrastructure renewals ratio') is included in Note 13 of the Council's audited general purpose financial statements. The 'building and infrastructure renewals ratio' is defined in Council's Special Schedule 7.

Operating performance ratio

- Council's operating performance ratio of negative 0.88 percent reflects a deficit in operating revenues over operating expenses and did not meet the OLG benchmark of greater than zero per cent.
- It reduced mainly due to loss of revenue in 2016-17 of \$1.8 million from Shorty O'Neill village assets which were sold at the start of the year 2017. Increase in employee expenses and other operating expenses also led to reduction in the net operating revenue.
- Council's operating performance ratio has fluctuated significantly over the last three years due to variances in operating grants and other revenues.



The 'operating performances ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by the Office of Local Government (OLG) is greater than zero per cent.

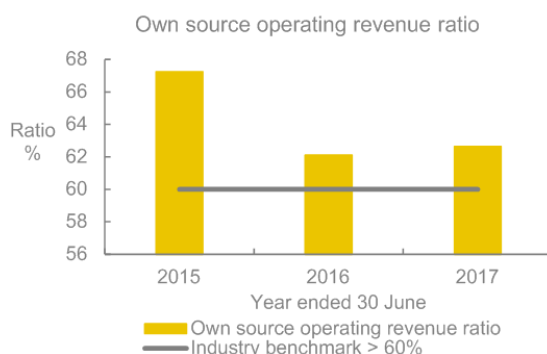
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Own source operating revenue ratio

- Council's own source operating revenue ratio of 62.64 per cent reflects a moderate level of reliance on externally sourced grant revenue and exceeded the OLG benchmark of greater than 60 per cent.
- The ratio has decreased markedly compared to 2014-15, but was above the benchmark of 60 per cent over the last three years.

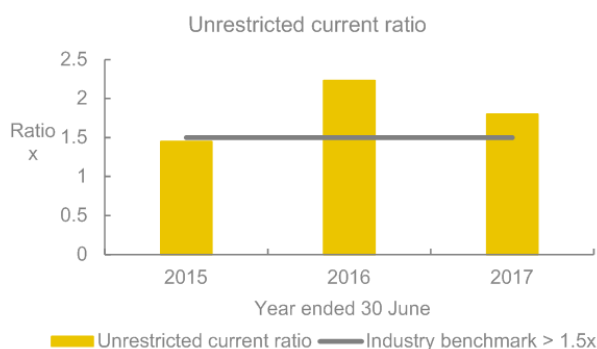
The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.



Unrestricted current ratio

- This ratio indicates that Council currently has \$1.80 of unrestricted assets available to service every \$1.00 of its unrestricted current liabilities. This reflects a moderate operating buffer for use in Council's operations and exceeds the OLG benchmark of greater than 1.5 times.
- This ratio reflects Council's historical operating cash surpluses offset by increased spending on infrastructure assets in the year ended 30 June 2017.
- The unrestricted current ratio excluded assets held by Council, but restricted in use to a specific purpose.

The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.



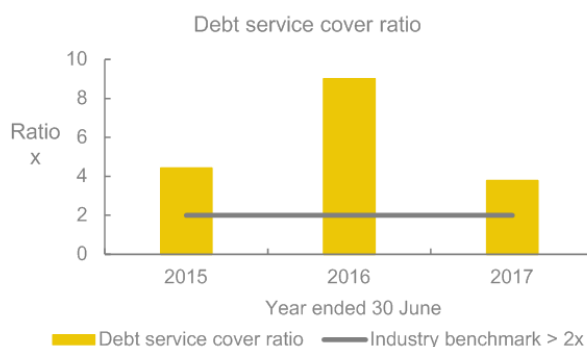
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Debt service cover ratio

- Council's debt service cover ratio of 3.78 times reflects the reduced operating cash result in the current year and exceeded the OLG benchmark of greater than two times
- The ratio decreased significantly in 2016-27 as a result of additional principal repayments made and a reduced operating surplus.
- Council's debt service cover ratio has varied substantially over the past three years as Council has recognised one-off items in revenue and made additional principal repayments.

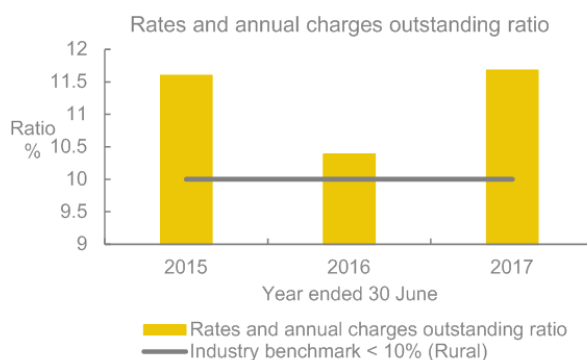
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



Rates and annual charges outstanding ratio

- Council's rates and annual charges outstanding ratio of 11.68 per cent did not meet the OLG benchmark of less than 10 per cent.
- The elevated ratio reflects time lags in the recovery of outstanding rates debtors from sales of property.
- The ratio has fluctuated between 10.5 to 11.7 per cent over the past three years, which was higher than the benchmark.

The 'rates and annual charges outstanding ratio' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for rural councils.



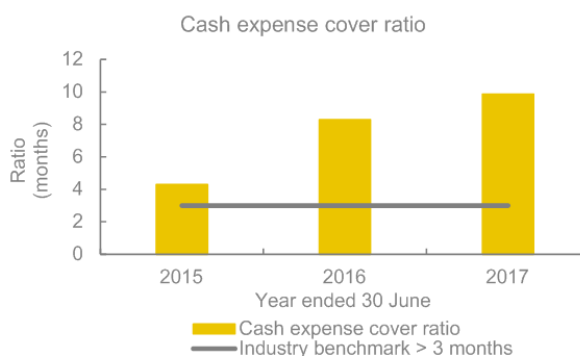
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Cash expense cover ratio

- Council's cash expense cover ratio of 9.86 months exceeded the OLG benchmark of greater than three months.
- This reflects the substantial building up of cash and investment securities made over a number of years.
- Council's cash expense cover ratio has increased over the past three years, reflecting ongoing operating cash surpluses.

This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.

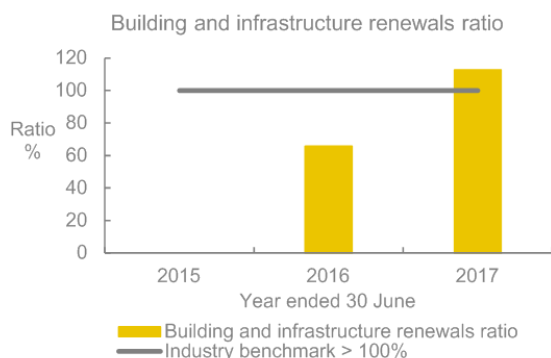


Building and infrastructure renewals ratio

- Council's building and infrastructure renewals ratio of 112.8 per cent exceeded the OLG benchmark of greater than 100 per cent.
- This reflected a high level of capital investment in asset renewals in respect of transport asset and building assets
- Council's building and infrastructure renewals ratio has increased since 2014-15 as a result of higher capital outlays.

The 'building and infrastructure renewals ratio assesses the rate at which these assets are being renewed against the rate at which they are depreciating. The benchmark set by OLG is greater than 100 per cent.

This ratio is sourced from information contained in council's Special Schedule 7 which has not been audited.



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OTHER MATTERS

New accounting standards implemented

AASB 124 'Related Party Disclosures'

Effective for annual reporting periods beginning on or 1 July 2016

AASB 2015-6 extended the scope of AASB 124 to include not-for-profit public sector entities. As a result, Council's financial statements disclosed the:

- compensation paid to their key management personnel
- nature of their related party relationships
- amount and nature of their related party transactions, outstanding balances and commitments and outstanding balances (including commitments).

Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements or a material deficiency in the Council's accounting records or financial reports. The Council's:

- accounting records were maintained in a manner and form to allow the general purpose financial statements to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.

Weini Liao
Director, Financial Audit Services

19 October 2017
SYDNEY

cc: James Roncon, General Manager
Jim Mitchell, Chair of Audit and Risk Committee
Tim Hurst, Acting Chief Executive of the Office of Local Government

Council of the City of Broken Hill

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2017



"... is a vibrant, prosperous and culturally rich Heritage City shared
with visitors from around the world."

SPFS 2017

Council of the City of Broken Hill

Special Purpose Financial Statements for the year ended 30 June 2017

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Background

(i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.

(ii) The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.

(iii) For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).

(iv) In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

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Council of the City of Broken Hill

Special Purpose Financial Statements
for the year ended 30 June 2017

Statement by Councillors and Management

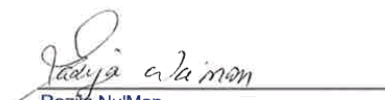
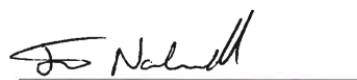
made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached Special Purpose Financial Statements have been prepared in accordance with:

- the NSW Government Policy Statement 'Application of National Competition Policy to Local Government',
- the Division of Local Government Guidelines 'Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality',
- the Local Government Code of Accounting Practice and Financial Reporting,
- the NSW Office of Water Best-Practice Management of Water and Sewerage Guidelines.

To the best of our knowledge and belief, these financial statements:

- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.**Signed in accordance with a resolution of Council made on 16 October 2017.**Darriea Turley
MayorMarion Browne
CouncillorRazija Nu'Man
Acting General managerJay Nankivell
Responsible accounting officer

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Council of the City of Broken Hill

Income Statement of Council's Other Business Activities for the year ended 30 June 2017

	Notes	Civic Centre (Entertainment centre) Category 2		Shorty O'Neil Village Category 2	
		Actual 2017	Actual 2016	Actual 2017	Actual 2016
\$ '000					
Income from continuing operations					
User charges		154	43	50	45
Other income		—	13	—	—
Total income from continuing operations		154	56	50	45
Expenses from continuing operations					
Employee benefits and on-costs		116	70	12	18
Materials and contracts		411	30	43	96
Depreciation, amortisation and impairment		495	495	1,036	255
Other expenses		137	71	54	141
Total expenses from continuing operations		1,159	666	1,145	510
Surplus (deficit) from continuing operations before capital amounts		(1,005)	(610)	(1,095)	(465)
Grants and contributions provided for capital purposes		3,430	—	—	—
Surplus (deficit) from continuing operations after capital amounts		2,425	(610)	(1,095)	(465)
Surplus (deficit) from all operations before tax		2,425	(610)	(1,095)	(465)
SURPLUS (DEFICIT) AFTER TAX		2,425	(610)	(1,095)	(465)
Plus opening retained profits		(1,932)	(1,502)	508	746
Add:					
— Subsidy paid/contribution to operations		9,190	180	542	227
Closing retained profits		9,683	(1,932)	(45)	508
Return on capital %		-5.6%	-7.4%	n/a	-7.8%
Subsidy from Council		1,430	788	1,095	595

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Council of the City of Broken Hill

Income Statement of Council's Other Business Activities for the year ended 30 June 2017

		Airport		Commercial waste	
		Category 2		Category 2	
\$ '000	Notes	Actual 2017	Actual 2016	Actual 2017	Actual 2016
Income from continuing operations					
User charges		720	646	826	816
Other income		5	5	–	5
Total income from continuing operations		725	651	826	821
Expenses from continuing operations					
Employee benefits and on-costs		293	267	102	135
Borrowing costs		20	22	18	–
Materials and contracts		255	233	451	485
Depreciation, amortisation and impairment		413	413	12	3
Other expenses		75	77	19	24
Total expenses from continuing operations		1,056	1,012	602	647
Surplus (deficit) from continuing operations before capital amounts		(331)	(361)	224	174
Surplus (deficit) from continuing operations after capital amounts		(331)	(361)	224	174
Surplus (deficit) from all operations before tax		(331)	(361)	224	174
Less: corporate taxation equivalent (30%) [based on result before capital]		–	–	(67)	(52)
SURPLUS (DEFICIT) AFTER TAX		(331)	(361)	157	122
Plus opening retained profits		587	904	1,064	730
– Corporate taxation equivalent		–	–	67	52
Add:					
– Subsidy paid/contribution to operations		(394)	44	(418)	160
Closing retained profits		(138)	587	870	1,064
Return on capital %		-2.2%	-3.1%	11.5%	17.7%
Subsidy from Council		646	577	–	–

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Council of the City of Broken Hill

Statement of Financial Position – Council's Other Business Activities
as at 30 June 2017

		Civic Centre (Entertainment centre) Category 2		Shorty O'Neil Village Category 2	
		Actual 2017	Actual 2016	Actual 2017	Actual 2016
\$ '000	Notes				
ASSETS					
Current assets					
Receivables		1	44	–	1
Total Current Assets		1	44	–	1
Non-current assets					
Infrastructure, property, plant and equipment		17,840	8,214	–	5,993
Total non-current assets		17,840	8,214	–	5,993
TOTAL ASSETS		17,841	8,258	–	5,994
LIABILITIES					
Current liabilities					
Payables		3	2	45	45
Total current liabilities		3	2	45	45
Non-current liabilities					
Nil					
TOTAL LIABILITIES		3	2	45	45
NET ASSETS		17,838	8,256	(45)	5,949
EQUITY					
Retained earnings		9,683	(1,932)	(45)	508
Revaluation reserves		8,155	10,188	–	5,441
Council equity interest		17,838	8,256	(45)	5,949
Non-controlling equity interest		–	–	–	–
TOTAL EQUITY		17,838	8,256	(45)	5,949

SPFS 2017

Council of the City of Broken Hill

Statement of Financial Position – Council's Other Business Activities as at 30 June 2017

	Airport		Commercial waste	
	Category 2		Category 2	
\$ '000	Actual 2017	Actual 2016	Actual 2017	Actual 2016
ASSETS				
Current assets				
Cash and cash equivalents	–	–	271	–
Receivables	23	45	85	112
Total Current Assets	23	45	356	112
Non-current assets				
Infrastructure, property, plant and equipment	14,091	10,980	2,113	982
Total non-current assets	14,091	10,980	2,113	982
TOTAL ASSETS	14,114	11,025	2,469	1,094
LIABILITIES				
Current liabilities				
Nil				
Non-current liabilities				
Provisions	–	–	1,599	–
Total non-current liabilities	–	–	1,599	–
TOTAL LIABILITIES	–	–	1,599	–
NET ASSETS	14,114	11,025	870	1,094
EQUITY				
Retained earnings	(138)	587	870	1,064
Revaluation reserves	14,252	10,438	–	30
Council equity interest	14,114	11,025	870	1,094
Non-controlling equity interest	–	–	–	–
TOTAL EQUITY	14,114	11,025	870	1,094

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Council of the City of Broken Hill

Special Purpose Financial Statements for the year ended 30 June 2017

Contents of the notes accompanying the financial statements

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Council of the City of Broken Hill

Notes to the Special Purpose Financial Statements for the year ended 30 June 2017

Note 1. Significant accounting policies

A statement summarising the supplemental accounting policies adopted in the preparation of the Special Purpose Financial Statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these Special Purpose Financial Statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these Special Purpose Financial Statements have been prepared in accordance with the Local Government Act 1993 (NSW), the Local Government (General) Regulation, and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, current values of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 NSW government policy statement titled 'Application of National Competition Policy to Local Government'.

The Pricing and Costing for Council Businesses, A Guide to Competitive Neutrality issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to

activities and provide a standard for disclosure requirements.

These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, return on investments (rate of return), and dividends paid.

Declared business activities

In accordance with *Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

Nil

Category 2

(where gross operating turnover is less than \$2 million)

a. Civic Centre (Entertainment Centre)

Venue for the conduct of shows, festivals, civic activities & significant events.

b. Shorty O'Neil Hostel

Aged Care Retirement Village

c. Broken Hill Airport

Facility for aircraft arrivals & departures, aircraft accommodation, workshop & associated activities.

d. Commercial Garbage Service

Garbage collection & disposal service provided to the business & commercial sector.

Monetary amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest thousand dollars.

Council of the City of Broken Hill

Notes to the Special Purpose Financial Statements for the year ended 30 June 2017

Note 1. Significant accounting policies (continued)

(i) Taxation-equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs.

However, where Council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in Special Purpose Financial Statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate – 30%

Land tax – the first \$549,000 of combined land values attracts 0%. For the combined land values in excess of \$549,001 up to \$3,357,000 the rate is 1.6% + \$100. For the remaining combined land value that exceeds \$3,357,000 a premium marginal rate of 2.0% applies.

Payroll tax – 5.45% on the value of taxable salaries and wages in excess of \$750,000.

Income tax

An income tax equivalent has been applied on the profits of the business activities.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level - gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

Income tax is only applied where a gain/ (loss) from ordinary activities before capital amounts has been achieved.

Since the taxation equivalent is notional – that is, it is payable to Council as the 'owner' of business operations - it represents an internal payment and has no effect on the operations of the Council. Accordingly, there is no need for disclosure of internal charges in the SPFS.

The rate applied of 30% is/is not the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

A calculation of the equivalent rates and charges payable on all category 1 businesses has been applied to all land assets owned or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that council business activities face 'true' commercial borrowing costs in line with private sector competitors.

In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council's borrowing rate for its business activities.

(ii) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed.

Subsidies occur when Council provides services on a less-than-cost-recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations.

Accordingly, 'subsidies disclosed' (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by Council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of each reported business activity.

SPFS 2017

Council of the City of Broken Hill

Notes to the Special Purpose Financial Statements for the year ended 30 June 2017

Note 1. Significant accounting policies (continued)

(iii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses 'would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field'.

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The actual rate of return achieved by each business activity is disclosed at the foot of each respective Income Statement.

The rate of return is calculated as follows:

Operating result before capital income + interest expense

Written down value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 2.38% at 30/6/17.

(iv) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.



INDEPENDENT AUDITOR'S REPORT

Report on the special purpose financial statement

Broken Hill City Council

To the Councillors of the Broken Hill City Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Broken Hill City Council's (the Council) Declared Business Activities, which comprise the statement of financial position of each Declared Business Activity as at 30 June 2017, the income statement of each Declared Business Activity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information for the Business Activities declared by Council, and the Statement by Councillors and Management.

The Declared Business Activities of the Council are:

- Civic Centre (Entertainment centre)
- Shorty O'Neil Village
- Airport
- Commercial waste

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2017, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting (LG Code).

My opinion should be read in conjunction with the rest of this report and in particular, the Emphasis of Matter referring to the basis of accounting.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to Note (1) to the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling Council's financial reporting responsibilities under the LG Code. As a result, the financial statements may not be suitable for another purpose.

Other Matter

The financial statements of the Council for the year ended 30 June 2016 were audited by another auditor who expressed an unmodified opinion on that financial statement on 17 October 2016.

The Councillors' Responsibility for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements and for determining that the accounting policies, described in Note 1 to the financial statements, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors must assess the Council's ability to continue as a going concern except where the Council will be dissolved or amalgamated by an Act of Parliament. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting, as it affects the Council's Declared Business Activities.

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

The description forms part of my auditor's report.

My opinion does not provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Weini Liao
Director, Financial Audit Services

19 October 2017
SYDNEY

Council of the City of Broken Hill

SPECIAL SCHEDULES

for the year ended 30 June 2017



"... is a vibrant, prosperous and culturally rich Heritage City shared
with visitors from around the world."

Council of the City of Broken Hill

Special Schedules for the year ended 30 June 2017

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Special Schedules¹

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¹ Special Schedules are not audited (with the exception of Special Schedule 8).

Background

(i) These Special Schedules have been designed to meet the requirements of special purpose users such as;

- the NSW Grants Commission
- the Australian Bureau of Statistics (ABS),
- the NSW Office of Water (NOW), and
- the Office of Local Government (OLG).

(ii) The financial data is collected for various uses including;

- the allocation of Financial Assistance Grants,
- the incorporation of Local Government financial figures in national statistics,
- the monitoring of loan approvals,
- the allocation of borrowing rights, and
- the monitoring of the financial activities of specific services.

Special Schedules 2017

Council of the City of Broken Hill

Special Schedule 1 – Net Cost of Services
for the year ended 30 June 2017

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Governance	1,164	12	–	(1,152)
Administration	6,059	220	–	(5,839)
Public order and safety				
Fire service levy, fire protection, emergency services	560	–	–	(560)
Beach control	–	–	–	–
Enforcement of local government regulations	110	18	–	(92)
Animal control	193	42	–	(151)
Other	–	–	–	–
Total public order and safety	863	60	–	(803)
Health	155	22	–	(133)
Environment				
Noxious plants and insect/vermin control	3	6	–	3
Other environmental protection	–	–	–	–
Solid waste management	2,707	3,280	–	573
Street cleaning	213	–	–	(213)
Drainage	–	–	–	–
Stormwater management	39	–	–	(39)
Total environment	2,962	3,287	–	325
Community services and education				
Administration and education	–	–	–	–
Social protection (welfare)	–	–	–	–
Aged persons and disabled	6,544	1,177	–	(5,367)
Children's services	18	–	–	(18)
Total community services and education	6,562	1,177	–	(5,385)
Housing and community amenities				
Public cemeteries	280	183	–	(97)
Public conveniences	37	–	–	(37)
Street lighting	412	105	–	(307)
Town planning	418	220	–	(198)
Other community amenities	–	–	–	–
Total housing and community amenities	1,147	508	–	(639)
Water supplies	–	–	–	–
Sewerage services	–	–	–	–

page 2

Special Schedules 2017

Council of the City of Broken Hill

Special Schedule 1 – Net Cost of Services (continued)
for the year ended 30 June 2017

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Recreation and culture				
Public libraries	954	183	200	(571)
Museums	417	84	—	(333)
Art galleries	799	247	—	(552)
Community centres and halls	1,353	1	—	(1,352)
Performing arts venues	—	—	—	—
Other performing arts	—	—	—	—
Other cultural services	61	10	—	(51)
Sporting grounds and venues	724	9	—	(715)
Swimming pools	1,207	14	—	(1,193)
Parks and gardens (lakes)	2,256	5	410	(1,841)
Other sport and recreation	—	—	—	—
Total recreation and culture	7,771	553	610	(6,608)
Fuel and energy	—	—	—	—
Agriculture	—	—	—	—
Mining, manufacturing and construction				
Building control	—	—	—	—
Other mining, manufacturing and construction	—	—	—	—
Total mining, manufacturing and const.	—	—	—	—
Transport and communication				
Urban roads (UR) – local	4,460	2,147	247	(2,066)
Urban roads – regional	75	219	—	144
Sealed rural roads (SRR) – local	—	—	—	—
Sealed rural roads (SRR) – regional	—	—	—	—
Unsealed rural roads (URR) – local	—	—	—	—
Unsealed rural roads (URR) – regional	—	—	—	—
Bridges on UR – local	—	—	—	—
Bridges on SRR – local	—	—	—	—
Bridges on URR – local	—	—	—	—
Bridges on regional roads	—	—	—	—
Parking areas	47	—	—	(47)
Footpaths	326	—	—	(326)
Aerodromes	1,146	725	—	(421)
Other transport and communication	204	—	—	(204)
Total transport and communication	6,259	3,092	247	(2,920)
Economic affairs				
Camping areas and caravan parks	—	—	—	—
Other economic affairs	10,129	1,164	3,430	(5,535)
Total economic affairs	10,129	1,164	3,430	(5,535)
Totals – functions	43,071	10,095	4,287	(28,689)
General purpose revenues ⁽¹⁾		22,451		22,451
Share of interests – joint ventures and associates using the equity method	—	—	—	—
NET OPERATING RESULT ⁽²⁾	43,071	32,546	4,287	(6,238)

(1) Includes: rates and annual charges (including ex gratia, excluding water and sewer), non-capital general purpose

(2) As reported in the Income Statement

grants, interest on investments (excluding externally restricted assets) and interest on overdue rates and annual charges

page 3

Council of the City of Broken Hill

Special Schedule 2(a) – Statement of Long Term Debt (all purpose) for the year ended 30 June 2017

\$'000

Classification of debt	Principal outstanding at beginning of the year			New loans raised during the year	Debt redemption during the year		Transfers to sinking funds	Interest applicable for year	Principal outstanding at the end of the year		
	Current	Non- current	Total		From revenue	Sinking funds			Current	Non- current	Total
Loans (by source)											
Commonwealth Government	–	–	–							–	–
NSW Treasury Corporation	–	–	–							–	–
Other State Government	–	–	–							–	–
Public subscription	–	–	–							–	–
Financial institutions	731	5,126	5,857	–	1,547	–	–	422	734	3,576	4,310
Other	–	–	–							–	–
Total loans	731	5,126	5,857	–	1,547	–	–	422	734	3,576	4,310
Other long term debt											
Ratepayers advances	–	–	–							–	–
Government advances	–	–	–							–	–
Finance leases	–	–	–							–	–
Deferred payments	–	–	–							–	–
Total long term debt	–	–	–	–	–	–	–	–	–	–	–
Total debt	731	5,126	5,857	–	1,547	–	–	422	734	3,576	4,310

Notes: excludes (i) internal loans and (ii) principal inflows/outflows relating to loan re-financing.

This schedule is prepared using the **face value** of debt obligations, rather than **fair value** (which are reported in the GPFS).

Council of the City of Broken Hill

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2017

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2016/17 Required maintenance ^a	2016/17 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Buildings	Administration Centre	1,835	1,835	149	413	3,730	9,614	62%	3%	15%	20%	0%
	Council Works Depot	58	58	33	234	871	3,678	7%	21%	29%	36%	7%
	Libraries	155	155	99	109	1,021	3,270	22%	0%	78%	0%	0%
	Museums	145	145	21	76	1,813	4,014	26%	29%	26%	14%	5%
	Film Studio	–	–	–	41	–	–					
	Public Halls	282	282	32	136	1,953	9,426	18%	32%	32%	9%	9%
	Civic Centre	147	147	63	97	11,831	16,560	62%	0%	38%	0%	0%
	Amenities	98	98	18	30	288	726	25%	25%	50%	0%	0%
	Shorty O'Neil & HACC	99	99	9	119	2,811	6,808	13%	52%	13%	22%	0%
	Airport	2,198	2,198	83	146	3,776	8,059	11%	0%	79%	10%	0%
	Art Gallery	285	285	55	99	3,084	5,368	78%	22%	0%	0%	0%
	Tourist and Travellers	103	103	77	164	1,831	4,719	17%	75%	8%	0%	0%
	Parks & Reserves	950	950	615	667	7,439	28,166	11%	16%	35%	30%	8%
	Cemetery	79	79	29	126	238	417	10%	40%	50%	0%	0%
	Waste Site	623	623	7	28	1,181	1,702	53%	6%	29%	12%	0%
	Other	361	361	80	47	597	2,492	0%	33%	67%	0%	0%
	Sub-total	7,418	7,418	1,370	2,532	42,464	105,019	29.5%	18.4%	33.9%	14.9%	3.4%
Other structures	Other structures	–	–	–	–	4,315	14,005	5%	10%	66%	19%	0%
	Sub-total	–	–	–	–	4,315	14,005	5.0%	10.0%	66.0%	19.0%	0.0%

Council of the City of Broken Hill

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2017 (continued)

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2016/17 Required maintenance ^a	2016/17 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Roads	Sealed Roads Surface	24,888	24,888	485	651	16,915	36,912	3%	32%	60%	3%	2%
	Sealed Roads Structure	–	–	30	26	57,105	105,756	2%	18%	78%	0%	0%
	Unsealed roads	450	450	60	56	1,740	2,515	33%	50%	18%	0%	0%
	Footpaths	–	–	–	65	7,013	12,817	1%	99%	0%	0%	0%
	Kerb & Gutter	7,375	7,375	245	236	18,068	30,730	1%	75%	20%	4%	0%
	Airport	1,196	1,196	422	409	9,849	13,009	46%	24%	26%	4%	0%
	Carparks	150	150	20	–	1,316	2,052	45%	15%	33%	7%	0%
	Roundabouts	690	690	15	13	761	1,132	56%	39%	0%	5%	0%
	Other road assets	–	–	–	–	109	124	100%	0%	0%	0%	0%
	Sub-total	34,749	34,749	1,277	1,456	112,876	205,047	6.1%	35.2%	56.4%	1.7%	0.6%
Stormwater drainage	Stormwater drainage	1,500	1,500	201	–	8,406	13,510	5%	43%	47%	5%	0%
	Sub-total	1,500	1,500	201	–	8,406	13,510	5.0%	43.0%	47.0%	5.0%	0.0%
Open space/recreational assets	Swimming pools	1,709	1,709	1,046	909	14,153	17,714	9%	70%	4%	4%	13%
	Other	1,378	1,378	1,267	1,380	1,060	2,759	17%	33%	33%	17%	0%
	Sub-total	3,087	3,087	2,313	2,289	15,213	20,473	10.1%	65.0%	7.9%	5.8%	11.2%
	TOTAL – ALL ASSETS	46,754	46,754	5,161	6,277	183,274	358,054	13.1%	31.3%	47.1%	6.6%	2.0%

Notes:

a Required maintenance is the amount identified in Council's asset management plans.

Infrastructure asset condition assessment 'key'

1	Excellent	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Average	Maintenance work required

4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

Special Schedules 2017

Council of the City of Broken Hill

Special Schedule 7 – Report on Infrastructure Assets (continued)
for the year ended 30 June 2017

\$ '000	Amounts 2017	Indicator 2017	Benchmark	Prior periods 20162015	
Infrastructure asset performance indicators * consolidated					
1. Infrastructure renewals ratio					
Asset renewals ⁽¹⁾	7,739	112.80%	>= 100%	65.75%	0.00%
Depreciation, amortisation and impairment	6,861				
2. Infrastructure backlog ratio					
Estimated cost to bring assets to a satisfactory standard	46,754	25.51%	< 2%	16.05%	17.68%
Net carrying amount of infrastructure assets	183,274				
3. Asset maintenance ratio					
Actual asset maintenance	6,277	1.22	> 1.00	0.93	1.00
Required asset maintenance	5,161				
4. Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	46,754	13.06%		9.85%	10.92%
Gross replacement cost	358,054				

Notes

* All asset performance indicators are calculated using the asset classes identified in the previous table.

⁽¹⁾ Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Special Schedules 2017

Council of the City of Broken Hill

Special Schedule 7 – Report on Infrastructure Assets (continued)
for the year ended 30 June 2017

<p>1. Infrastructure renewals ratio</p> <p>Benchmark: — Minimum $\geq 100.00\%$ Source for benchmark: Code of Accounting Practice and Financial Reporting #25</p>	<p>Purpose of asset renewals ratio</p> <p>To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.</p>	<p>Commentary on 2016/17 result</p> <p>2016/17 Ratio 112.80%</p> <p>This is a significant improvement in Council's capital works renewal program, due to a commitment to reach a 1.1 year renewal ratio. A majority of this years expenditure is related to the Civic Centre Refurbishment project as well as road renewals.</p> <p>Ratio achieves benchmark Ratio is outside benchmark</p>
<p>2. Infrastructure backlog ratio</p> <p>Benchmark: — Maximum $< 2.00\%$ Source for benchmark: Code of Accounting Practice and Financial Reporting #25</p>	<p>Purpose of infrastructure backlog ratio</p> <p>This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.</p>	<p>Commentary on 2016/17 result</p> <p>2016/17 Ratio 25.51%</p> <p>The infrastructure backlog ratio has increased due to valuations occurring in 2016/17 which reduced the fair value of Council's asset. Council is continuing to assess the entirety of Council's asset that are required to be brought up to a satisfactory service standard. This has also contributed to the increase, as the full extent of the renewals required comes to light.</p> <p>Ratio achieves benchmark Ratio is outside benchmark</p>
<p>3. Asset maintenance ratio</p> <p>Benchmark: — Minimum > 1.00 Source for benchmark: Code of Accounting Practice and Financial Reporting #25</p>	<p>Purpose of asset maintenance ratio</p> <p>Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.</p>	<p>Commentary on 2016/17 result</p> <p>2016/17 Ratio 1.22 x</p> <p>Council achieved the benchmark of asset maintenance in 2016/17. It was also higher than normal due to the storm event in November 2016, which attributed out of the ordinary maintenance and operation works to be carried out.</p> <p>Ratio achieves benchmark Ratio is outside benchmark</p>
<p>4. Cost to bring assets to agreed service level</p> <p>Benchmark: — Minimum > 1.00 Source for benchmark: Code of Accounting Practice and Financial Reporting #25</p>	<p>Purpose of agreed service level ratio</p> <p>This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.</p>	<p>Commentary on 2016/17 result</p> <p>2016/17 Ratio 13.06%</p> <p>This ratio reduced due to the increase in the "at cost" values of Council's assets due to the valuations as at 30 June 2017. This was partially offset due to the working being done to assess the full extent of the renewals works required on Council's asset to bring them up to a satisfactory standard.</p> <p>Ratio achieves benchmark Ratio is outside benchmark</p>

Special Schedules 2017

Council of the City of Broken Hill

Special Schedule 8 – Permissible Income Calculation
for the year ended 30 June 2018

\$'000		Calculation 2016/17	Calculation 2017/18
Notional general income calculation ⁽¹⁾			
Last year notional general income yield	a	14,439	14,689
Plus or minus adjustments ⁽²⁾	b	(2)	76
Notional general income	c = (a + b)	14,437	14,765
Permissible income calculation			
Special variation percentage ⁽³⁾	d	0.00%	0.00%
Or rate peg percentage	e	1.80%	1.50%
Or crown land adjustment (incl. rate peg percentage)	f	0.00%	2.14%
Less expiring special variation amount	g	—	—
Plus special variation amount	h = d x (c - g)	—	—
Or plus rate peg amount	i = c x e	260	—
Or plus Crown land adjustment and rate peg amount	j = c x f	—	316
Sub-total	k = (c + g + h + i + j)	14,697	15,081
Plus (or minus) last year's carry forward total	l	6	14
Less valuation objections claimed in the previous year	m	—	—
Sub-total	n = (l + m)	6	14
Total permissible income	o = k + n	14,703	15,095
Less notional general income yield	p	14,689	15,157
Catch-up or (excess) result	q = o - p	14	(62)
Plus income lost due to valuation objections claimed ⁽⁴⁾	r	—	213
Less unused catch-up ⁽⁵⁾	s	—	—
Carry forward to next year	t = q + r - s	14	151

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916*.
- (3) The 'special variation percentage' is inclusive of the rate peg percentage and where applicable Crown land adjustment.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (5) Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.
- (6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the *Local Government Act 1993*. The OLG will extract these amounts from Council's Special Schedule 8 in the financial data return (FDR) to administer this process.

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INDEPENDENT AUDITOR'S REPORT

Special Schedule No. 8

Broken Hill City Council

To the Councillors of Broken Hill City Council

Opinion

I have audited the accompanying special purpose financial statement comprising the reconciliation of total permissible general income (Special Schedule No. 8) of Broken Hill City Council (the Council) for the year ending 30 June 2018.

In my opinion, Special Schedule No. 8 of Broken Hill City Council for 30 June 2018 is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting (LG Code) issued by the Office of Local Government (OLG), and is in accordance with the books and records of the Council.

My opinion should be read in conjunction with the rest of this report, and in particular the Emphasis of Matter paragraph, which describes the basis of accounting.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of Special Schedule No.8' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the notes and explanations in Special Schedule No. 8 that instruct councils in its preparation so it complies with OLG's requirements as described in the LG Code. As a result, Special Schedule No. 8 may not be suitable for another purpose.

Other Matter

Special Schedule No.8 of the Council for the year ended 30 June 2017 was audited by another auditor who expressed an unmodified opinion on Special Schedule No. 8 on 17 October 2016.

Councillors' Responsibility for Special Schedule No. 8

The Councillors of the Council are responsible for the preparation of Special Schedule No. 8 in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of Special Schedule No. 8 that is free from material misstatement, whether due to fraud or error.

In preparing Special Schedule No.8, the Councillors must assess the Council's ability to continue as a going concern except where the Council will be dissolved or amalgamated by an Act of Parliament. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

Auditor's Responsibility for the Audit of Special Schedule No. 8

My objectives are to:

- obtain reasonable assurance whether Special Schedule No. 8 as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on Special Schedule No.8.

A description of my responsibilities for the audit of Special Schedule No.8 is located at the Auditing and Assurance Standards Board website at http://www.auasb.gov.au/auditors_responsibilities/ar8.pdf. The description forms part of my auditor's report.

My opinion does not provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Special Schedule No.8 on any website where they may be presented
- about any other information which may have been hyperlinked to/from Special Schedule No. 8.



Weini Liao
Director, Financial Audit Services

19 October 2017
SYDNEY

BROKEN HILL
CITY COUNCIL

www.brokenhill.nsw.gov.au

ORDINARY MEETING OF THE COUNCIL

October 18, 2017

ITEM 4BROKEN HILL CITY COUNCIL REPORT NO. 203/17

SUBJECT: AUDIT RISK AND IMPROVEMENT COMMITTEE MINUTES FROM
MEETING HELD 13 OCTOBER 2017 13/19

Recommendation

1. That Broken Hill City Council Report No. 203/17 dated October 18, 2017, be received.
2. That the minutes of the Audit, Risk and Improvement Committee meeting held 13 October 2017 be adopted.

Executive Summary:

The Charter of the Broken Hill Audit Committee, as endorsed by Council at its meeting on 29 March 2017, requires the Audit, Risk and Improvement Committee to refer the minutes and recommendations of the Audit, Risk and Improvement Committee to the next scheduled Ordinary Council Meeting.

The Broken Hill City Council Audit, Risk and Improvement Committee met on Friday, 13 October 2017 and the minutes of this meeting are provided as an attachment to this report.

Report:

The Audit Committee considered the following items:

2016/2017 Annual Financial Statements
Management Letter on the Audit for the year ended 30 June 2017

The next meeting of the Audit, Risk and Improvement Committee will be held Thursday, 14 December 2017.

Strategic Direction:

Key Direction:	4	Our Leadership
Objective:	4.1	Openness and Transparency in Decision Making
Function:		Leadership and Governance
DP Action:	4.1.1.13	Maintain good governance and best practice methods and ensure compliance with various guidelines and legislation

Attachments

1. [↓](#) Audit, Risk and Improvement Committee Minutes 13 October 2017

RAZIJA NU'MAN
ACTING GENERAL MANAGER

AUDIT COMMITTEE

13 OCTOBER 2017

**MINUTES OF THE AUDIT COMMITTEE MEETING HELD FRIDAY, OCTOBER 13,
2017 (1.30PM)**

PRESENT:

Mr Jim Mitchell (Chairperson),
Mr Damian Pulgies
Darriea Turley Mayor
Razija Nu'man, Acting General Manager
Jay Nankivell, Finance Manager
Weini Liao - Audit Office NSW
Martin Sabanos - UHY
Councillor Jim Nolan (late attendance)

APOLOGIES:

James Roncon, General Manager
Councillor Dave Gallagher

CONFLICT OF INTEREST

Nil

**ITEM 1 - BROKEN HILL CITY COUNCIL REPORT NO. 16/17 - DATED OCTOBER 12, 2017 -
2016/2017 ANNUAL FINANCIAL STATEMENTS**

13/19

Recommendation

1. That Broken Hill City Council Report No. 16/17 dated October 12, 2017, be received.
2. That the 2016/2017 Annual Financial Statements be received.
3. That the Management Letter on the Audit for the year ended 30 June 2017 be received.

Variation to the financial statement reviewed by the committee in September.

Revenue

- Rates and annual charges of \$1045,000 - recognition of rates paid in advance as income, as per AASB Contributions and the OLG Code. This has previously been recognised as a liability.
- Reversal in Civic Centre Grant Income (\$481,000) as it is not unconditional funding and has not been received. Receivable also reversed.

Expenses

- Impairment of remaining 12 Shorty O'Neil Units that will be gifted to Legacy - \$887,000
- Other expenses – (\$112,000) reclassification of capital works.

Assets – Current

- Reclassification of investments. Investments at call within 3 months removed - \$7970,000.

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- Reclassification of investments. Investments at call within 3 months removed – (\$7970,000)
- Reversal in Civic Centre Grant Receivable as it is not unconditional and therefore not recognised as an asset. GST Receivable recognised. Previously was recognised as a decreasing payable. (\$145,000).

Assets – Non Current

- Impairment of 12 remaining units at SOV. Increase in WIP due to transfer of operational expenditure to capital – (\$443,000)

Current Liabilities

- Increase in payables by removing GST receivable. Two additional invoices recognised that came in late for pre 30 June works - \$530,000
- Recognition of rates paid in advance as income as per AASB Contributions and the OLG Code. This has previously been recognised as a liability – (\$1045,000)
- Increase in provision due to likelihood of litigation payments for a Refurbishment Project – \$807,000

Client Service Report for the year ended 30 June 2017

The Client Service Plan identified key issues affecting the Council and how the audit team planned to respond to them. These audit issues and risks were addressed during the audit.

Councillor Nolan joined the meeting

To improve the efficiency of next year's audit, the Audit Office have provided the following five key area's for the committee to consider.

- Ensuring critical external experts reports are provided to the auditors in advance of the auditors' onsite attendance.
- Ensuring supporting documentation is prepared prior to the onsite visit by the auditors.
- Liaising with external parties providing third party confirmations to ensure confirmations are provided promptly.
- Conducting a thorough review of financial statements prior to the submission to auditors.
- Ensuring management timely informs the auditors of significant matters, including active assets divestment plans and any actual or possible fraud instances came to management's knowledge.

Action: Jay to include on the agenda for the December Audit, Risk and Improvement Committee meeting.

Special Purpose Financial Statements

The Audit Office provided opinion of the Special Purpose Financial Statements. The Client Service Report captured the general purpose and the special purpose financial statements.

Schedule Seven across all Council is not being audited as yet due to the Office of Local Government finalising the framework around special schedule seven therefore the Audit Office cannot provide assurance only an opinion.

Meeting closed at 2.30pm.

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The foregoing minutes were read and confirmed at the Audit, Risk and Improvement Committee meeting held on 14 December 2017.

Chairperson

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