



Council Agenda

NOTICE OF MEETING

Notice is hereby given that an ordinary meeting of Council will be held in the

**Council Chamber – Glenelg Town Hall
Moseley Square, Glenelg**

Tuesday 12 November 2013 at 7.00pm

Justin Lynch
CHIEF EXECUTIVE OFFICER

Ordinary Council Meeting Agenda

1. OPENING

His Worship the Mayor will declare the meeting open at 7:00pm.

2. KAURNA ACKNOWLEDGEMENT

We acknowledge Kurna people as the traditional owners and custodians of this land.

We respect their spiritual relationship with country that has developed over thousands of years, and the cultural heritage and beliefs that remain important to Kurna People today.

3. PRAYER

Heavenly Father, we pray for your presence and guidance at our Council Meeting.

Grant us your wisdom and protect our integrity as we carry out the powers and responsibilities entrusted to us on behalf of the community that we serve.

4. APOLOGIES

4.1 Apologies Received

4.2 Absent

5. ITEMS PRESENTED TO COUNCIL

6. DECLARATION OF INTEREST

If a Council Member has an interest (within the terms of the Local Government Act 1999) in a matter before the Council they are asked to disclose the interest to the Council and provide full and accurate details of the relevant interest. Members are reminded to declare their interest before each item.

7. CONFIRMATION OF MINUTES

Motion

That the minutes of the Ordinary Meeting of Council held on 12 November 2013 be taken as read and confirmed.

Moved Councillor _____, Seconded Councillor _____

Carried

8. QUESTIONS BY MEMBERS

8.1 **Without Notice**

8.2 **With Notice - Nil**

9. MEMBER'S ACTIVITY REPORTS

9.1 Mayor's Activity Report – August – October 2013 (Report No: 366/13)

10. PUBLIC PRESENTATIONS

10.1 **Petitions - Nil**

10.2 **Presentations**

10.2.1 Brighton Primary School
Brighton Primary School will make a short presentation for 5 minutes on the projects they have run as a result of funding they have received through Greening Our Community Grants.

10.3 **Deputations**

10.3.1 Chola South Indian Restaurant
Puspa Mala will make a 5 minute deputation to Council regarding the assignment of lease to the Chola South Indian Restaurant.

11. MOTIONS ON NOTICE

11.1 Council Boundary Adjustment– Councillor Looker (Report No: 371/13)

12. ADJOURNED MATTERS - Nil**13. REPORTS OF MANAGEMENT COMMITTEES, SUBSIDIARIES AND THE DEVELOPMENT ASSESSMENT PANEL**

13.1 Minutes – Jetty Road Mainstreet Management Committee – 2 October 2013 (Report No: 336/13)

13.2 Minutes – Audit Committee – 16 October 2013 (Report No: 364/13)

13.3 Minutes – Alwyndor Aged Care Management Committee – 15 October 2013 (Report No: 368/13)

14. REPORTS BY OFFICERS

14.1 Items in Brief (Report No: 355/13)

14.2 Glenelg East William Avenue– Lease to St John Ambulance SA Inc (Report No: 357)

14.3 2012-13 Financial Statements (Report No: 358/13)

14.4 2012-13 Annual Report (Report No: 359/13)

14.5 Appointments to the Development Assessment Panel (Report No: 360/13)

14.6 Green Our Community Grants 2013-14 (Report No: 362/13)

- 14.7 Buffalo Restaurant – Licence (Report No: 363/13)
- 14.8 Alwyndor Aged Care Facility – Redevelopment of Secure Dementia Unit (Report No: 365/13)
- 14.9 Review of Elected Member Benefits and Entitlements Policy (Report No: 372/13)
- 14.10 Elected Member Code of Conduct Complaints and Investigation Policy (Report No: 367/13)

15. RESOLUTIONS SUBJECT TO FORMAL MOTIONS

Presented for the information of Members is a listing of resolutions subject to formal resolutions, for Council and all Standing Committees, to adjourn or lay on the table items of Council business, for the current term of Council.

16. URGENT BUSINESS – Subject to the Leave of the Meeting

17. CONFIDENTIAL ITEMS

- 17.1 Glenelg Town Hall – Chola South Indian Restaurant Pty Ltd – Assignment of Lease (Report No: 356/13)

Motion

1. That under provisions of Section 90(2) of the Local Government Act 1999 an order be made that the public be excluded from attendance at this meeting with the exception of the Chief Executive Officer, General Managers and administrative staff in attendance in order to consider in confidence this item.
2. That the Chief Executive Officer is satisfied that it is necessary that the public be excluded to enable the Council to discuss and to consider the matter at the meeting on the following grounds:
 - a. information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of a person or persons (living or dead) in the matter of/in regards to Glenelg Town Hall – Chola South Indian Restaurant Pty Ltd – Assignment of Lease (Report No: 356/13).

Moved Councillor _____, Seconded Councillor _____ **Carried/Lost**

Glenelg Town Hall – Chola South Indian Restaurant Pty Ltd – Assignment of Lease (Report No: 356/13)

Order to Retain Documents in Confidence

Motion

1. That an order be made under the provisions of Section 91(7) and (9) of the Local Government Act 1999 that the documents relating to Report No: 356/13 including:

- Minutes
- Report
- Attachments

Relating to discussion of the subject matter of that document, having been dealt with on a confidential basis under Section 90 of the Act, should be kept confidential on the grounds of information contained in 90(3)(a).

2. That the Minutes, Report and Attachments are released from confidence once all of the parties involved have been formally informed of Council's decisions.

Moved Councillor _____, Seconded Councillor _____

Carried/Lost

18. CLOSURE

**JUSTIN LYNCH
CHIEF EXECUTIVE OFFICER**

Item No: **9.2**

Subject: **MAYOR'S ACTIVITY REPORT – AUGUST - OCTOBER 2013**

Date: 12 November 2013

Written By: Executive Assistant to CEO and Mayor

General Manager: Chief Executive Officer

SUMMARY

Presented for the information of Members is the Activity Report for the Mayor for August - October 2013.

RECOMMENDATION

That the Mayor's Activity Report for August - October 2013 report be received and noted.

REPORT

Date	Subject	Location
1/8/2013	Talk and wear robes to St. Mary's Memorial School	16 Milton Street, Glenelg
1/8/2013	Executive Committee Meeting	Mayor's Office, Brighton Civic Centre
2/8/2013	SALA - City of Holdfast Bay Youth Art Exhibition	Bay Discovery Centre
3/8/2013	Football v Eagles	Glenelg
4/8/2013	Dridan Exhibition	Bay Discovery
5/8/2013	SALA Launch	Sussex Street Art, Music & Books
7/8/2013	Jetty Rd Main St Meeting	Library
7/8/2013	Kingston House AGM	Kingston House
7/8/2013	JRMMC Meeting	Glenelg Library Meeting Room, Colley Terrace, Glenelg
9/8/2013	Dug Out Dinner	Brighton RSL
11/8/2013	Southern Expressway Aboriginal remains	Waarraparinga reserve
12/8/2013	Southern Holdfast Bay Residents Assoc	Holdfast Bay Community Centre
12/8/2013	Friends of Library AGM	Glenelg Library
12/8/2013	Ethnic Schools Celebrations	PAC St George College 73 Rose St Mile End
13/8/2013	Pre Council Meeting Workshop - Heritage and Character DPA briefing	Council Chamber, Glenelg Town Hall
14/8/2013	Brighton Secondary School - Music Spectacular Concert	Adelaide Uni Elder Hall Nth Tce Adel
15/8/2013	Seacliff Sports Assoc	Kauri Parade
15/8/2013	Coast FM	Coast FM
15/8/2013	Executive Committee Meeting	Mawson Room, Brighton Civic Centre
18/8/2013	Historical happy hour	Mediterranean
18/8/2013	Football v Norwood	Glenelg
21/8/2013	Meet with Paul Ashenden, Editor in Chief, Messenger Community News	Brighton Civic Centre
21/8/2013	Brass Band AGM	Glenelg Nth Com. Centre
25/8/2013	Winter Tea Dance	443 Tapleys Hill Rd Fulham Gdns
25/8/2013	Football v North	Prospect

Date	Subject	Location
26/8/2013	Holdfast Bay Residents Assoc meeting	Holdfast Bay Community Centre
26/8/2013	Meals on Wheels Glenelg Branch AGM	Glenelg Nth Com Centre
27/8/2013	Pre Council Meeting Workshop - Adelaide and Mt Lofty NRM	Council Chamber Glenelg Town Hall
30/8/2013	Citizenship Ceremony	Partridge House, Partridge Street, Glenelg
31/8/2013	Gala auction night	Glenelg Football Club
2/9/2013	Glenelg Ladies Probus Club morning tea	Glengowrie Uniting Church Beadnell Tce Glengowrie
3/9/2013	Workshop - iPad's for Elected Members	Kingston Room, Brighton Civic Centre
4/9/2013	Photo shoot for No Smoking Policy	Moseley Square
4/9/2013	Foreshore Liberal Offer	Moseley Square
4/9/2013	Bay Sports Festival	Spotless Group 290 South Road Hilton
5/9/2013	Coast FM	Coast FM
7/9/2013	Football v Port	Glenelg
8/9/2013	Brass Band performance	St Andrews Church
10/9/2013	Pre Council Meeting Workshop - Resilient South Update	Council Chamber, Glenelg Town Hall
11/9/2013	Fashion Parade Somerton Rotary	Sea Rescue
12/9/2013	Holdfast Bay Concert Band - media opportunity for grant funding for new uniforms	Holdfast Bay Music Centre - Lipson Avenue - off Scholefield Road
15/9/2013	City Bay Fun Run	Colley Reserve
17/9/2013	Elected Member Code of Conduct Training	Kingston Room, Brighton Civic Centre
17/9/2013	Pre Workshop Dinner - Code of Conduct Training	Mawson Room, Brighton Civic Centre
18/9/2013	Revegetation of Rail line	Kingston Room
20/9/2013	Meet with Events Team re Proclamation Day and New Year's Eve	Mayors Parlour
20/9/2013	Holdfast Bay Bowls Croquet Club Opening Night	Club rooms
20/9/2013	JRMMC awards night	Stamford Grand
24/9/2013	Pre Council Meeting Workshop - Bay Boomer Reserach	Council Chamber Glenelg Town Hall
26/9/2013	Launch of Lady Galway Gallery	Minda
27/9/2013	Brighton Bowling Club	Brighton Bowling Club
29/9/2013	Bay to Birdwood - guest at the Pavillion	National Motor Museum Birdwood
29/9/2013	Bay to Birdwood - Mayor Trainer to officiate the start	Barratt Reserve, West Beach Road, West Beach
1/10/2013	Every Generation Festival - State Launch	Mercury Cinema Morphett Street, Adelaide
1/10/2013	Shelter SA Majestic Hotel	55 Frome St, Adelaide
1/10/2013	Workshop - DPTI - Bus Layovers	Kingston Room, Brighton Civic Centre
2/10/2013	Public meeting	Community Centre
2/10/2013	Bay Sports Festival	Spotless South Rd
2/10/2013	JRMMC Meeting	Glenelg Library Meeting Room, Colley Terrace, Glenelg
3/10/2013	Minda Stage 1 Master Plan Turning of the Sod	Corner of Repton Road & King George Avenue
3/10/2013	Coast FM	Coast FM
4/10/2013	Season Softball Celebration	West Beach
5/10/2013	Eagles Volley ball Club Carnival	Brighton Stadium 305 Brighton Rd
6/10/2013	Glenelg Bowling Club	Open Day
6/10/2013	Kiwanis of Brighton	Somerton Bowling Club
8/10/2013	2013 LGA president's Luncheon Series - Hon Leon Bignell MP	Crowne Plaza Hindmarsh Square Adelaide
8/10/2013	Pre Council Meeting Workshop - Masonic Homes Planning Policy Framework	Council Chamber, Glenelg Town Hall
10/10/2013	SAJC Spring Carnival Launch	Diva Lounge Morphettville Racecourse
11/10/2013	Best and Fairest	Glenelg Football Club
12/10/2013	Opening Seacliff SLSC	Seacliff SLSC

Date	Subject	Location
12/10/2013	Opening of Somerton Yacht Club season	Somerton Yacht Club
12/10/2013	Opening Brighton and Seacliff Yacht Club	Brighton and Seacliff Yacht Club
13/10/2013	Brighton Calisthenics	85 Angas St City
13/10/2013	Opening Day	Adelaide Sailing Club
16/10/2013	Community Centre Opening	Glenelg Community Centre
17/10/2013	Channel 10 interview	Jetty Glenelg
17/10/2013	Brighton SLSC Sponsors night	BSLC
17/10/2013	South Metro Trade Schools for the Future Awards	Marion Cultural Centre
18/10/2013	Holdfast Ring Bowl Club Inc	Queen St Glenelg Nth
20/10/2013	Meet and Greet	Caravan Park
20/10/2013	Historical Society Happy hour	Football Club
20/10/2013	Navy BBQ	John Miller Reserve
21/10/2013	The Rotary Club of Holdfast Bay	Somerton Surf Life Saving Club
21/10/2013	Public Traders Meeting	Glenelg Community Centre, Colley Terrace, Glenelg
21/10/2013	Friends of the Library Palindrome	Partridge House
22/10/2013	Pre Council Meeting Workshop - Glenelg Jetty Concept	Council Chamber Glenelg Town Hall
23/10/2013	Brighton Secondary School - Year 12 Valedictory & Presentation Evening	Adelaide Convention Centre
24/10/2013	Filming for 2014 State Election - Holdfast Bay City Council	Adelaide Entertainment Centre
24/10/2013	Immanuel College 2013 Valedictory Service	Adelaide Town Hall
24/10/2013	Aussie Mortgage Choice opening	Cnr Brighton and Anzac Hwy
24/10/2013	West Torrens Biggest Business Breakfast	Thebarton Community Centre - cnr Ashwin Pde & South Road Torrensville
25/10/2013	LGA conference	Entertainment Centre
25/10/2013	LGFA Annual General Meeting	Adelaide Entertainment Centre
26/10/2013	Rotary Club Glenelg photo	Coles BBQ
26/10/2013	Somerton Surf Club Opening	Somerton Surf Club
27/10/2013	Every Generation Festival Opening - giving speech	Partridge House
27/10/2013	Down Under London to Brighton Veteran Car Club	Wattle Reserve
28/10/2013	Southern Producers Showcase	Moseley Room Stamford Grand Hotel in Glenelg

Item No: **11.1**

Subject: **MOTION ON NOTICE – COUNCIL BOUNDARY ADJUSTMENT –
COUNCILLOR LOOKER**

Date: 12 November 2013

PROPOSED MOTION

Councillor Looker proposed the following motion:

That the CEO initiate a conversation with the City of Marion regarding the desirability and practical implications of council a boundary adjustment to enable the proposed Seacliff Park development to be consolidated into one council area.

BACKGROUND

The Seacliff Park DPA has been underway for some time and at a briefing on Monday 4 November it became apparent that the project and its long term implications for the surrounding community may be better managed if the development was not spread over two council areas. The larger portion of the proposal is in the City of Marion however it seems the occupants of the estimated 700 new residences would more likely identify with Holdfast Bay and its facilities and services. The project can proceed without a boundary adjustment but in casual discussions with representatives from Marion there was consensus that the idea of a council boundary change needed exploring further.

Item No: **13.1**

Subject: **MINUTES – JETTY ROAD MAINSTREET MANAGEMENT COMMITTEE – 2 OCTOBER 2013**

Date: 12 November 2013

Written By: Manager, Jetty Road Development

General Manager: City Services, Ms R Cooper

SUMMARY

The Minutes of the Jetty Road Mainstreet Management Committee meeting held 2 October 2013 are attached and presented for Council's information.

RECOMMENDATION

That the minutes of the Jetty Road Mainstreet Management Committee held 2 October 2013 be received.

COMMUNITY PLAN

A Place to do Business
A Place that Welcomes Visitors
A Place that Provides Value for Money

COUNCIL POLICY

Not applicable

STATUTORY PROVISIONS

Not applicable

BACKGROUND

The Jetty Road Mainstreet Management Committee (JRMMC) has been established to undertake work to benefit the traders on Jetty Road Glenelg, using the separate rate raised for

this purpose. Council has endorsed the Committee's Terms of Reference and given the Committee delegated authority to manage the business of the Committee.

BUDGET

Not applicable

LIFE CYCLE COSTS

Not applicable

CITY OF HOLDFAST BAY

Minutes of the meeting of the Jetty Road Mainstreet Management Committee of the City of Holdfast Bay held in the Glenelg Library Meeting Room, Colley Terrace, Glenelg on Wednesday 2 October at 6.00 pm.

PRESENT

Elected Members

Mayor K Rollond
Councillor B Patton

Community Representatives

Chairman – Mr M Faulkner, Enve Hair & Beauty
The Changing Canvas – Mrs G Higgins
Noodle Box – Mr B Martin
Telstra Shop – Ms E Leenaerts
The Glenelg Florist – Ms V Corbell
Caruso's – Mr R Caruso
Don Maios Investments – Mr C Maios
Pure Espresso – Mr M Deare

Staff

Manager, Jetty Road Development – Ms L Johnson
Manager, Traffic and Transport

Guests

Jennie Bell Inc – Ms M Mudge
Premier Retail Marketing – Mr D West

1. OPENING

The Chairman declared the meeting open at 6.00 pm.

2. APOLOGIES

2.1 For Absence - None

2.2 Leave of Absence - None

3. DECLARATION OF INTEREST

Members were reminded to declare any interest before each item.

4. CONFIRMATION OF MINUTES**Motion**

That the minutes of the Jetty Road Mainstreet Management Committee held on 7 August 2013 be taken as read and confirmed.

Moved by Ms G Higgins, Seconded by Ms E Leenaerts

Carried

5. REPORTS/ITEMS OF BUSINESS**5.1 Lighting Update**

Manager, Jetty Road Development advised that the tender had been awarded to Rawsons Electrical. The lights have been ordered and will be installed prior to the Pageant which takes place on Sunday 17 November 2013

5.2 Budget Update**Motion**

That the Committee receive and note this report

Moved Ms V Corbell, Seconded Mr C Maios

Carried

5.3 Traffic Management, Pam Andritsakis

Ms P Andritsakis provided an overview on car park and traffic management and reports that had previously been conducted by Council. Manager, Jetty Road Development to email Committee out of session for comments/suggestions re car parking initiatives and table this at the next meeting.

5.4 Pageant Update, Ms M Mudge (Report 323/13)

Ms M Mudge provided an update on the Pageant planning.

Motion

That the Committee receive and note this report

Moved Mr R Caruso, Seconded Mr B Martin

Carried

5.5 Business Needs Survey, David West

Mr D West provided an overview of the results of the recent Business Needs Survey. This will be collated and presented at the Public Traders meeting on Monday 21 October 2013.

5.6 Property Council Awards Ball – 2nd November 2013

Manager, Jetty Road Development advised that we have entered for one of the awards for this event and requested names of Committee members to attend. It was agreed that Manager, Jetty Road Development and Chair, Mr M Faulkner will attend.

5.7 Mainstreet Awards Ball – 18th October 2013

Manager, Jetty Road Development advised that we have entered for one of the awards and requested names of Committee members to attend this event. It was agreed that Manager, Jetty Road Development and Chair, Mr M Faulkner will attend.

Mr M Faulkner left the meeting at 7.15 pm

Cllr Bob Paton took over Chair of the meeting

5.8 Treasure Hunt Update

Manager, Jetty Road Development advised that despite a slow start, we now have 28 businesses participating in the October event. The event will start in Moseley Square for the first time and we will monitor how this works and report back at the next meeting.

5.9 Open Mic Glenelg – Fringe Event (Report 324/13)

Motion

That the Committee receive and note this report

That the Committee approve this initiative

Moved Ms E Leenaerts, Seconded Mr B Martin

Carried

5.10 Jetty Proposal (verbal update)

Mike Deare advised that he is still waiting on the proposal to be submitted from the outside consultants. We will provide dates for them to present to Council.

5.11 Resignation, Carly Byron, Eclectik

Manager, Jetty Road Development advised that due to conflicting schedules, Ms Byron has tendered her resignation from the Jetty Road Mainstreet Management Committee.

Manager, Jetty Road Development to write to Ms Byron thanking her for her efforts.

6. URGENT BUSINESS – Subject to the leave of the meeting

6.1 Volleyball SA Sponsorship

Manager, Jetty Road Development tabled a request from Volleyball SA in the form of contra sponsorship as per the agreement for 2012.

Motion

That JRMMC sponsors Volleyball SA for the amount of \$2500.00 in Jetty Road vouchers as per sponsorship agreement for 2012/13

Moved Mr C Maios, Seconded Mr M Deare

Carried

7. DATE AND TIME OF NEXT MEETING

The next meeting of the Jetty Road Mainstreet Management Committee will be held on Wednesday 4 December 2013 in the Glenelg Library Meeting Room, Colley Terrace, Glenelg.

13. CLOSURE

The meeting closed at 7.35 pm.

CHAIRMAN

Item No: **13.2**

Subject: **MINUTES - AUDIT COMMITTEE – 16 OCTOBER 2013**

Date: 12 November 2013

Written By: Personal Assistant to the General Manager Corporate Services

General Manager: Corporate Services, Mr I Walker

SUMMARY

The minutes of the Audit Committee meeting held 16 October 2013 are presented to Council for information and endorsement.

RECOMMENDATION

That the minutes of the Audit Committee meeting held 16 October 2013 be received and noted.

COMMUNITY PLAN

A Place that Provides Value for Money

COUNCIL POLICY

Not applicable

STATUTORY PROVISIONS

Local Government Act 1999, Sections 41 and 126

BACKGROUND

The Audit Committee is established under Section 41 of the *Local Government Act 1999*, and Section 126 of the *Local Government Act 1999* defines the functions of the Audit Committee to include:

- reviewing annual financial statements to ensure that they present fairly the state of affairs of the council; and

- proposing, and providing information relevant to, a review of the council's strategic management plans or annual business plan; and
- proposing, and reviewing, the exercise of powers under section 130 A; and
- if the council has exempted a subsidiary from the requirement to have an audit committee, the functions that would, apart from the exemption, have been performed by the subsidiary's audit committee; and
- liaising with the council's auditor; and
- reviewing the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the council on a regular basis.

CITY OF HOLDFAST BAY

Minutes of the meeting of the Audit Committee of the City of Holdfast Bay held in the Mawson Room, Civic Centre, 24 Jetty Road, Brighton on Wednesday 16 October 2013 at 6.30 pm.

PRESENT

Members

Chairman - Councillor TD Looker
Councillor A Roe
Mr A Neville
Ms V Brown

Staff and Auditors

Mr I Painter, BDO
Mr S Hillbink, BDO
General Manager Corporate Services - Mr IS Walker
Manager Finance - Mr J Newton
Internal Auditor – Ms L Mirovitskaya
Manager Finance & Administration Alwyndor Aged Care - Ms P Warburton
Manager, Organisational Sustainability – Ms T Aukett

1. OPENING

The Chairman declared the meeting open at 6.30 pm.

2. APOLOGIES

- 2.1 For Absence - Mr J Wood
- 2.2 Leave of Absence - Nil

3. DECLARATION OF INTEREST

Members were reminded to declare any interest before each item.

4. CONFIRMATION OF MINUTES

Motion

That the minutes of the Audit Committee held on 7 August 2013 be taken as read and confirmed.

Moved by Mr A Neville, Seconded by Councillor A Roe

Carried

5. QUESTIONS BY MEMBERS - Nil**6. MOTIONS ON NOTICE - Nil****7. ADJOURNED ITEMS Nil****8. REPORTS BY OFFICERS****8.1 Standing Items – October 2013 (Report No: 337/13)**

The Committee is provided with a report on standing items at each scheduled meeting.

Motion

That the Audit Committee advises Council it has received and considered a Standing Items Report addressing:

- **Monthly financial statements**
- **Internal control**
- **Risk management**
- **Whistle blowing**
- **Internal audit**
- **Economy and efficiency audits**

Moved Councillor Roe, Seconded Ms V Brown

Carried

8.2 Preliminary 2012/13 Financial Statement and 2013/13 Budgets Carried Forward (Report No: 338/13)

This report provides preliminary unaudited financial statements for the 2012/13 financial year together with the final details of budget amounts for incomplete projects and programs as at 30 June 2013 to be carried forward. Council has received this report on 10 September 2013 and it is provided to the Audit Committee for reviewing and noting.

Motion

That the Audit Committee advise Council that it has reviewed and noted the preliminary 2012/13 financial statements and carried forward budgets.

Moved Mr A Neville, Seconded Councillor Roe

Carried

8.3 2012/13 Financial Statements (Report No: 339/13)

The financial statements for the year ended 30 June 2013 have been completed and audited. They are presented to the Audit Committee for review.

Mr I Walker, Mr J Newton, Ms T Aukett, Ms P Warburton left the meeting at 7.30 pm for the Committee to have a discussion with the external auditors.

Mr I Walker, Mr J Newton, Ms T Aukett, Ms P Warburton rejoined the meeting at 7.40 pm.

Motion

That the Audit Committee advises Council that:

- 1. It met with Council's external auditor, BDO, and received a report in relation to the audit of Council's 2012/13 financial statements.**
- 2. In accordance with paragraph (a) of sub-section 126(4) of the Local Government Act 1999, the Committee confirms that it has reviewed the financial statements for the year ended 30 June 2013 included at Attachment 1 to Report: 339/13 and is satisfied that they present fairly the state of affairs of Council.**
- 3. In accordance with regulation 22(3) of the Local Government (Financial Management) Regulations 2011, the Committee recommends that the Presiding Member of the Audit Committee co-sign with the Chief Executive Officer the following statement to be included with the financial statements for the year ended 30 June 2013:**

"To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the City of Holdfast Bay for the year ended 30 June 2013, the Council's Auditor, BDO, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act."

- 4. During the 2012/13 year, it has received regular reports on internal controls from the Internal Auditor and is satisfied that the internal controls provide a reasonable assurance that Council's financial records are complete, accurate and reliable and were effective throughout the financial year.**

Moved Mr A Neville, Seconded Ms V Brown

Carried

8.4 Three Year Internal Audit Plan Review (Report No: 340/13)

This report provides an update on the progress of recent internal audit recommendations.

Motion

That the Audit Committee advises Council that it has received and considered the Internal Audit Update Report of October 2013.

Moved Councillor Roe, Seconded Ms V Brown

Carried

8.5 **Risk Update** (Report No: 34/13)

This report provides a brief update on risk management.

Motion

That the Audit Committee advises Council it has received a Risk Management Update.

Moved Mr A Neville, Seconded Ms V Brown

Carried

8.6 **WHS “One System” Update** (Report No: 350/13)

The past 12 months have seen continuing legislative changes with the commencement of the Work, Health & Safety Act. The City of Holdfast Bay is in the process of reviewing and updating its WHS Management System “One System” to ensure it is compliant with this new legislation. This report aims to provide a comprehensive update on our progress and effectiveness to date.

Motion

That Audit Committee advises Council it has received and considered a report on the “One System” implementation.

Moved Councillor Roe, Seconded Ms V Brown

Carried

9. **REPORTS BY MEMBERS** - Nil

10. **ACTION ITEMS** - Nil

11. **URGENT BUSINESS – Subject to the leave of the meeting**

Nil

12. **DATE AND TIME OF NEXT MEETING**

The next meeting of the Audit Committee will be held on Wednesday 11 December 2013 in the Mawson Room, Civic Centre, 24 Jetty Road, Brighton.

13. CLOSURE

The meeting closed at 8.20 pm.

CONFIRMED Wednesday 11 December 2013

CHAIRMAN

Item No: **13.3**

Subject: **MINUTES – ALWYNDOR AGED CARE MANAGEMENT COMMITTEE –15 OCTOBER 2013**

Date: 12 November 2013

Written By: Governance Officer

General Manager: Alwyndor, Mr G Potter

SUMMARY

The Minutes of the Alwyndor Aged Care Management Committee for 15 October 2013 are provided for information.

RECOMMENDATION

That the Minutes of the Alwyndor Aged Care Management Committee for 15 October 2013 be noted.

COMMUNITY PLAN

- A Place with a Quality Lifestyle
- A Place for Every Generation
- A Place that Provides Value for Money
- A Place that Provides Choices and Enhances Life

COUNCIL POLICY

Not applicable

STATUTORY PROVISIONS

Not applicable

BACKGROUND

This report is presented following the Alwyndor Management Committee Meetings.

Refer Attachment 1

The Alwyndor Aged Care Management Committee was established to manage the affairs of Alwyndor Aged Care Facility. The Council has endorsed the Committee’s Terms of Reference and given the Committee delegated authority to manage the business of Alwyndor Aged Care Facility.



MEETING RECORD

of the Alwyndor Management Committee

**Tuesday 15 October 2013 at
6.30pm**

Travis Hill

Our Vision

*To honour the legacy, vision and intent of the **DOROTHY CHEATER TRUST** by providing high quality community and residential services, offering a viable and flexible mix of personalised care and support services to older people in the local community.*

AMC Minutes

ALWYNDOR AGED CARE

MANAGEMENT COMMITTEE

MINUTES

for the meeting to be held in the AAC Meeting Room on

TUESDAY 15 October 2013 at 6.30 pm

- | | | |
|-------------------------|---|---|
| 1. PRESENT | Mr T Bamford
Ms C Cotton
Mr M Bower | Mr D Royans
Cr S Lonie
I Pratt |
| 2. IN ATTENDANCE | Mr T Hill
Ms K Field
Ms S Wirth
Mr A Hook
Ms P Warburton | Act General Manager
Manager Community Services
Manager Residential Care
Clinical Nurse Manager
Manager Finance |

3. OPENING

The Vice-Chairman, Ms C Cotton declared the meeting open at 6:32 pm and welcomed all in attendance. Ms Cotton welcomed Susan Wirth, AAC's Manager Residential Care on the occasion of her inaugural attendance at the AMC meeting. At the invitation of the Chairperson Susan gave a précis of her career and previous areas of employment.

4. APOLOGIES

Ms K Stevens, Mr N Hakof, Cr R Clancy, Mr G Potter, Mr T Evans

5. DECLARATION OF INTEREST

If a Committee Member has an interest (within the terms of the Local Government Act 1999) in a matter before the AMC, they are asked to disclose the interest to the AMC and provide full and accurate details of the relevant interest. Members are reminded to declare their interest before each item.

6. CONFIRMATION OF MINUTES

6.1 Recommendation:

The minutes of the meeting held on 17 September 2013 were taken as read, approved and confirmed as a true record.

Moved: Cr S Lonie

Seconded: D Royans

CARRIED

7. BUSINESS ARISING FROM THE MINUTES

Nil

8. REPORTS

8.1 Correspondence Report

Nil

8.2 The National Report

Issues 315 & 316

8.3 Letters of Thanks

Nil

Information Reports (8.1 to 8.3) are noted by the AMC

9. ITEMS UNDER REVIEW

Item	Responsibility	Due	Status
Instrument Of Delegation	GM	Oct '13 TBC	Annual Review
Quality Improvement Plan	Ops Manager	Feb '14	Bi-Annual Review

Strategic Plan Review	GM	Feb '14	Bi-Annual Review
Governance Standard – Prudential Bond Statement	GM	Oct '13	Annual Review Tabled Refer Agenda Item 10.1
Investment Performance Report	GM + MFA	Oct '13	Annual Review Tabled Refer Agenda Item 10.2
AAC Investment Policy Review	AMC	Oct '14	Biennial Review
AAC Accommodation Bonds Policy Review	AMC	Oct '14	Biennial Review
AMC Strategic Planning Workshop Discussion	AMC / GM	December '13	Agree a date, focus and content of workshop event, to be held in 2014
Work Health & Safety	GM	Sept '13 - ongoing	Provide relevant training to the members of the Committee in regard to the major Legislative changes to the WHS Act that impact on the role of the AMC – Refer Agenda Item 12 Provide the Committee with key WHS Policies and Procedures for their information and review – 6 Cornerstone policies tabled 2 August '13

ITEMS IN CONFIDENCE

I Pratt moved and M Bower seconded that, pursuant to Section 90(2), 90(3)(a) and 90(3)(b) of the Local Government Act 1999 the Alwyndor Management Committee order that the public be excluded from attendance at the meeting, with the exception of Alwyndor officers and any other visitors permitted to remain, after taking into account the relevant considerations under Section 90(3), on the basis that it will receive, discuss or consider the following:

- **information or matter the disclosure of which –**
 - (i) could reasonably be expected to confer a commercial advantage on a person with whom the AMC is conducting, or proposing to conduct, business, or to prejudice the commercial position of AAC; and**
 - (ii) would on balance, be contrary to the public interest.**
 - (iii) Information, the disclosure of which, would involve the unreasonable disclosure of information concerning the personal affairs of a person or persons (living or dead).**

CARRIED

10. NEW and URGENT BUSINESS

10.1 AAC Accommodation Bond Governance Standard & Annual Liquidity Statement

Recommendation:

The AMC noted the annual AAC Accommodation Bond Governance Standard and:

1. adopts the Liquidity Management Statement for the 2013 /2014 financial year,
2. approves an increase in the “at call” Bond Liquidity Reserve from \$2,000,000 to \$3,000,000.

Moved: D Royans

Seconded: M Bower

CARRIED

10.2 Investment Performance Report 2013 / 2014

Recommendation:

The AMC notes and adopts the annual AAC Investment Performance Report (dated October 2013). A further report is to be tabled for mandatory annual review in October 2014

Moved: Cr S Lonie

Seconded: I Pratt

CARRIED

10.3 Unit 4 – Concept Plans / Project Cost & Draft Council Report

This paper was provided via email, prior to the meeting.

Recommendation:

The AMC notes and endorses the “DRAFT “ Council Report in regard to the redevelopment of Unit 4 (including revised five year cash flow projection and indicative project costs) and seeks Council approval to proceed with:

1. The formal engagement of the Brown Falconer Group to develop detailed architectural and construction plans and to
2. Coordinate the competitive tender process for the awarding of a resultant construction contract

Moved: Cr S Lonie

Seconded: D Royans

CARRIED

10.4 AAC Audited Statements 2012/2013 Financial Year

The AMC had before it the Independent Audit Report, together with the completed Financial Statements for the year ended 30 June 2013.

Recommendation:

That the Finalised Financial Statements for the year ended 30 June 2013 (awaiting audit certification) be received, noted and recommend to Council.

Moved: I Pratt

Seconded: D Royans

CARRIED

10.5 Accreditation Visit

Acting General Manager briefed the AMC on pending accreditation visit. The AMC extended their full support regarding additional resources as required.

Moved: C Cotton

Seconded: M Bower

CARRIED

11. CONFIDENTIAL REPORTS

11.1 Manager Community Service’s Report	October 2013
11.2 Manager Residential Care’s Report	October 2013
11.3 Building Sub Committee Chairman	Nil
11.4 General Manager’s Report	Nil
11.5 Finance Reports	September 2013

11.5.1. Bank Reconciliation for the Month of September 2013

11.5.2. “Year to Date” Budget / Actual Comparison by Department as at 30th September 2013

Recommendations:

1. That the Bank Reconciliation for the Month of September 2013 be confirmed.
2. That the “Year to Date” Budget / Actual Comparison by Department as at 30th September 2013 be confirmed

Moved: I Pratt

Seconded: D Royans

CARRIED

11.6 Formal Complaints

11.6.1 Colmer Family

The Act General Manager provided a verbal update on this issue

11.7 WH&S Committee - Minutes of the meeting held 25th September 2013

11.8 Quality Improvement Committee - Minutes of the meeting held 9th October 2013

Confidential Reports 11.1 to 11.8 are noted by the AMC

ORDER TO RETAIN DOCUMENTS IN CONFIDENCE:

M Bower moved and Cr S Lonie seconded that pursuant to Section 90(2), 90(3)(a) and 90(3)(b) and of the Local Government Act 1999:

- 1. The Alwyndor Management Committee orders that the documents and minutes relating to Report No: 11.1 to 11.8 with the exception of the Resolution for going into confidence be kept confidential and not available for public inspection on the basis that they deal with information relating to commercial advantage; contrary to public interest; or information involving the unreasonable disclosure of information concerning the personal affairs of a person or persons (living or dead), under Sections 90(2), 90(3)(a) and 90(3)(b) and of the Act.**
- 2. This resolution will be reviewed on or before 30 June 2014 by the Alwyndor Management Committee.**

CARRIED

RESUMPTION:

D Royans moved and Cr S Lonie seconded that the Alwyndor Management Committee resume as an open meeting of Alwyndor Aged Care at 8:11 pm

CARRIED

12. DATE OF NEXT MEETING

Next Ordinary Meeting of the AMC will be held 19th November 2013 at 6.30pm

Venue: Alwyndor Meeting Room

Noted by the Alwyndor Management Committee

Apologies:

Mr I Pratt

AMC Work Health & Safety Training

Venue: Alwyndor Meeting Room

Date: Monday 11th November 2013

Time: 6.30pm to 8.00pm (with dinner provided at 6.00pm)

Noted by the AMC

13. ALWYNDOR MANAGEMENT COMMITTEE MEETING DATES FOR 2013

Member	Term Expires	19 Feb	19 March	16 April	21 May	18 June	16 July	20 Aug	17 Sept	15 Oct	19 Nov	17 Dec
N.Hakof	July 2015		AP							AP		
I. Pratt	July 2015			AP							AP	
D.Royans	July 2015											
C.Cotton	July 2014											
T Bamford	July 2015											
K. Stevens	July 2014					AP		AP	AP	AP		
M.Bower	July 2014											
T. Evans	April 2015		AP		AP				AP	AP		
R.Clancy	NA						AP		AP	AP		
S Lonie	NA				AP							

Noted by the AMC

14. MEETING CLOSURE

The Vice-Chairman thanked all members for their contribution and declared the meeting closed at 8:15 p.m.

Mr Travis Hill
Acting General Manager

Ms Claire Cotton
Vice-Chairman

Distribution:

Mr N Hakof, Ms C Cotton, Mr I Pratt, Cr R Clancy, Cr S Lonie, Mr D Royans, Ms K Stevens, Mr M Bower, Mr T Evans, Mr T Bamford

Others:

General Manager, Manager Residential Care, Manager Community Services, Operations Manager, Chief Executive Officer-City of Holdfast Bay, Governance Officer CHB, Master File.

Item No: **14.1**

Subject: **ITEMS IN BRIEF**

Date: 12 November 2013

Written By: Personal Assistant

General Manager: Corporate Services, Mr I Walker

SUMMARY

These items are presented for the information of Members.

After noting the report any items of interest can be discussed and, if required, further motions proposed.

RECOMMENDATION

That the report be noted and items of interest discussed.

COMMUNITY PLAN

A Place that Provides Value for Money

COUNCIL POLICY

Not applicable

STATUTORY PROVISIONS

Not applicable

REPORT

14.1.1 Glenelg Tourism Product Development Cruise Ships 2014 – 2016

The City of Holdfast Bay has secured a Half Day Glenelg Tour from April 2014 until 2016 with Bob Wood Cruising Program. The Half Day Glenelg Tour will be included within the product offering for inbound visitors docking at Port Adelaide.

It is estimated that the new arrangement will encompass 10 cruise ships with a possible 420 persons booking the Half Day Tours. Additionally negotiations are continuing with AOT Group and Abercrombie & Kent to secure the Half Day Glenelg Tour within the respective touring programs to capture all cruise ships docking at Port Adelaide moving forward.

14.1.2 Brighton Performing Arts Centre Community Usage Update

As part of the Joint Use Agreement Council provides an annual amount based on a formula centred around the hours of community use. Council also provides eligible applicants with a donation toward the expense of hiring the theatre through the BPAC Hire subsidy Program. The Brighton Performing Arts Centre (BPAC) was utilised by the community for an estimated 119 hours over the last quarter, this period includes the traditionally 'quiet' third term period which is observed by a number of theatres. The projected community use for the fourth quarter is 198 hours.

The Theatre Manager has been proactively campaigning the use of the theatre by the community, and expects growth over the coming years. The purpose built Recital Hall being built adjacent to BPAC will complement the function of the theatre and there is an opportunity to cross promote and possibly co-host events. BPAC will be hosting a number of Fringe events next year with the aim to make the theatre a Fringe Hub in the future. Incentives are in place for community groups to book more than one event per calendar year. Future aim is to run programs for primary school aged children during the school holidays.

14.1.3 117 Proclamation Day Commemoration

177 Proclamation Day Commemoration shall again take place at the Old Gum Tree Reserve, McFarlane Street, Glenelg North on Saturday 28 December from 9am – 12.30pm. The Old Tree Reserve is currently being upgraded and it is anticipated that approximately 700 people shall be in attendance at this year's event. Preparations continue with key features of operational and logistical requirements already secured. Internal stakeholder meetings have been scheduled with invitations due for distribution on 31 October. Parking conditions have changed and details shall be forwarded with official invitations and provision for light refreshments, tea and coffee have been arranged.

14.1.4 Australia Day Citizenship Award Ceremony

The Australia Day community based celebration is to occur on Brian Nadilo Reserve Ngutinilla, Glenelg Foreshore Sunday 26 January from 9.30 – 12 noon. Planning has commenced with operational requirement finalised and major equipment contractors secured. Official invitations are scheduled for distribution in early November.

14.1.5 Rodney Fox Exhibition

The City of Holdfast Bay was approached in early August 2013 to develop an exhibition in collaboration with Fox Shark Research Foundation & Rodney Fox Shark Expeditions. As a result of discussions it is proposed that the Mezzanine Gallery within the Bay Discovery Centre be occupied by the display over a 24 month period with an option to extend to a third year if both parties support the extension. A contemporary design has been agreed to incorporate narration on the History & Evolution, Protection & Observation, Ecology, Predator or Prey, Shark

Tagging & Tourism. Pivotal to the display is the retelling of these concepts within a contemporary setting to enhance the visitors experience whilst interacting with the displays. It is intended that the exhibition shall be open to the public once negotiations conclude in late December/January. The cost is funded within the operating budget and Rodney Fox is contributing \$7k.

14.1.6 Jetty Road Traders Business Needs Survey

In 2012, David West from Premier Retail Marketing was engaged to conduct the Business Needs Survey amongst the traders. As part of our ongoing engagement process with the traders, this has become an annual survey used to track the performance of the precinct. David recently returned to Glenelg to conduct the 2013 survey. The results of the survey were presented at a public traders meeting that took place on Monday 21 October 2013 and a copy of the entire presentation was included in the Jetty Road newsletter that was distributed on 24 October 2013.

The results of the survey are encouraging with improvements recorded in most areas, specifically the ratings for the toilets has improved significantly due to the installation of the new toilets in Hindmarsh Square. There was also a significant increase in the ratings for the rubbish bins and seats and furniture. The ratings for anti-social behaviour and crime deteriorated. However, when compared with the information from SAPOL, it is shown that this is not the case. In fact the SAPOL information show that anti-social behaviour and crime has decreased year on year. Jetty Road Mainstreet Management Committee is investigating anti-crime training for retailers.

Car parking is still rated as an issue and as a high priority with filling empty shops and business mix listed as the second highest priority.

14.1.7 Project Schedules

The City Assets- Infrastructure Unit's Monthly Updated Project Schedule is attached for Members information.

Refer Attachment 1

Item No: **14.2**

Subject: **GLENELG EAST WILLIAM AVENUE– LEASE TO ST JOHN AMBULANCE SA INC**

Date: 12 November 2013

Written By: Strategic Property Officer

General Manager: Corporate Services, Mr I Walker

SUMMARY

The St John Ambulance SA Inc. previously held a lease over the building located at William Street Glenelg East, for a period of one year from 1 July 2011 to 30 June 2012 and there was no option to renew. The lease has been continuing on a holding over basis since 1 July 2012.

St John Ambulance wants to remain in this location for the short term whilst it undertakes a strategic review of its property portfolio, and has therefore requested a lease for 12 months from 1 January 2014.

RECOMMENDATION

That a new lease for a period of 18 months from 1 July 2012 to 31 December 2014 be granted to St John Ambulance SA Inc. over the premises located at William Avenue Glenelg East, contained in portion of allotment 100, in DP 46662 and contained in Certificate of Title, Volume 5869 Folio 949.

COMMUNITY PLAN

A Place with a Quality Lifestyle
A Place for Every Generation
A Place that Welcomes Visitors
A Place that Provides Choices and Enhances Life

COUNCIL POLICY

Not Applicable

STATUTORY PROVISIONS

Local Government Act, 1999
Retail and Commercial Leases Act, (SA), 1995

BACKGROUND

The St John Ambulance SA Inc. has held a lease over this property, located at William Avenue, Glenelg East, since 1 July 1959, with the latest being for one year from 1 July 2011 to 30 June 2012.

Refer Attachment 1

REPORT

The St John Ambulance SA Inc. uses this site for training of staff and volunteers and also undertakes first aid courses for the community. The Building is also use by Child and Family Health Service in arrangement with the St John Ambulance SA Inc. when the building is not being used. Both organisations provide a valuable resource and support to the local community and to the City of Holdfast Bay when large public functions are held.

The renewal of this lease will enable the St John Ambulance SA Inc. flexibility to remain in this location whilst completing its strategic review.

The new term will commence on 1 July 2012 and continue until 31 December 2014.

Under the terms of the lease St John Ambulance SA Inc. will be responsible for all maintenance on the premises, with the exception of structural maintenance, as defined under the Retail and Commercial Leases Act (SA), 1995.

BUDGET

There are no budget implications in regard to this initiative. Rental will be \$10 per annum payable on demand.

LIFE CYCLE COSTS

Council is responsible for addressing structural issues in regard to this property.

About this Document

This map has been created for the purpose of showing basic locality information and is a representation of the data currently held by The City of Holdfast Bay. This information is provided for private use only.

Disclaimer

While every effort has been made to ensure the accuracy of the product, Council accepts no responsibility for any errors or omissions. Property boundary line network data is supplied by State Government.

Glenelg East - St John's Leased Area

Map Scale: 1:230.4
Created by user
Wednesday, 2 October



Imagery - January 2012



Item No: **14.3**

Subject: **2012/13 FINANCIAL STATEMENTS**

Date: 12 November 2013

Written By: Manager Finance

General Manager: Corporate Services, Mr I Walker

SUMMARY

The completed financial statements for the year ended 30 June 2013 have been reviewed by the Audit Committee and audited by Council's external auditors, BDO. They are presented to Council to be received, noted and authorised.

Council's consolidated operating result, including Alwyndor, is a deficit of \$596,000, compared with a surplus of \$438,000 in the original budget. Although this is a significant variation, the factors driving this have largely been reported to Council during the year and primarily reflect timing issues and a variety of external factors. Notwithstanding the operating deficit, Council has delivered a significant capital works program, including the Alwyndor re-development, and reduced its net financial liabilities. Council remains in a healthy financial position.

RECOMMENDATION

1. **That the financial statements for the City of Holdfast Bay for the year ended 30 June 2013 as contained in Attachment 1 to Report No: 358/13 be received and noted.**
2. **That the Mayor and the Chief Executive Officer be authorised to sign the following certification of the financial statements;**

In our opinion:

- (a) **the accompanying (2012/13) financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.**
 - (b) **the financial statements present a true and fair view of the Council's financial position at 30 June 2013 and the results of its operations and cash flows for the financial year.**
 - (c) **internal controls implemented by Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year.**
 - (d) **the financial statements accurately reflect the Council's accounting and other records.**
-

COMMUNITY PLAN

A Place that Provides Value for Money

COUNCIL POLICY

Note 1 to the Financial Statements details Council's significant accounting policies.

STATUTORY PROVISIONS

Local Government Act 1999

Local Government (Financial Management) Regulations 2011

BACKGROUND

The financial statements for the year ended 30 June 2013 have been prepared in accordance with Australian Accounting Standards, the Local Government Act 1999, Local Government (Financial Management) Regulations 2011 and Council policies. They have also been reviewed by the Audit Committee which has resolved that it is satisfied that they present fairly the state of affairs of Council.

Report No: 307/13 presented to Council at its meeting on 10 September 2013 included preliminary unaudited financial statements as at 30 June 2013. Subsequently, the financial statements have been completed and audited.

REPORT

Compliance with the Local Government Act and Regulations necessarily results in a detailed and lengthy report. It has been divided into four parts:

- Statutory requirements and audit
- Changes since the unaudited interim statements were presented to Council on 16 October
- Comparison with the 2012/13 original budget adopted by Council in June 2012
- Comparison with the prior year, 2011/12, audited financial statements

Statutory requirements

The Local Government Act 1999 ("the Act") and Local Government (Financial Management) Regulations 2011 ("the Regulations") provide for a number of requirements in relation to the preparation, presentation, audit and adoption of Council's financial statements.

Council's financial statements have been prepared in accordance with legislative requirements and Council policies and are provided at Attachment 1.

Refer Attachment 1

Consolidation

The consolidated financial statements include Alwyndor Aged Care Facility (“Alwyndor”) and Council’s equity interests in two regional subsidiaries, Southern Region Waste Resources Authority (“SRWRA”) and Western Region Waste Management Authority (“WRWMA”).

Alwyndor is not a separate entity to Council but is operated with reasonable autonomy with oversight by a committee of Council established under section 41 of the Local Government Act, comprising Elected Members and independent members with industry expertise.

SRWRA and WRWMA are established as regional subsidiaries under section 43 of the Local Government Act. Council has a 15% equity interest in SRWRA and a 5.91% equity interest in WRWMA.

Review by Audit Committee

Section 126(4) of the Act requires Council’s Audit Committee to review the annual financial statements to ensure that they present fairly the state of affairs of Council.

At its meeting on 16 October 2013, the Audit Committee received a report from Council’s external auditor, BDO. The minutes of the meeting of the Audit Committee held on 16 October 2013 are provided elsewhere in this agenda under Report No: 364/13.

Independence of Council’s Auditor

Regulation 16A requires that Council must not engage its auditor to provide services to Council outside the scope of the auditor’s functions under the Act. Furthermore, the Presiding Member of the Audit Committee and Chief Executive Officer are required to provide a statement that provides certification as to compliance with the auditor’s independence, such statements to accompany the financial statements.

Copies of the statements from the Presiding Member of the Audit Committee and Chief Executive Officer are contained at Attachment 2.

Refer Attachment 2

Certification by Chief Executive Officer and Mayor

The format of certification of the Annual Financial Statements is governed by Regulation 14 of the *Local Government (Financial Management) Regulations 2011*. This regulation specifies that the financial statements must be in accordance with the requirements set out in the Model Financial Statements as published by the Local Government Association and approved by the Minister. The certification statement is placed at the beginning of the statements requires the Mayor and the Chief Executive Officer to express an opinion as to statements legislative

compliance, current financial position, effectiveness of associated internal controls and accuracy of accounting records.

The Audit Committee has reviewed the statements and expressed an opinion on Council's internal controls. It has also meet with the external auditor who has indicated that an unqualified audit report will be given. It is proposed that the certification statement be authorised for signature as part of the final recommendation contained within this report.

Audit

The financial statements for the year ended 30 June 2013 have been audited by Council's auditor, BDO. The auditor has indicated that an unqualified audit report will be given after the final statements are signed by the Mayor and the Chief Executive Officer.

As part of the audit, the Chief Executive Officer and General Manager Corporate Services have both signed a letter to the auditor which provides certain representations in relation to the financial statements pursuant to Australia Auditing Standard ASA580, a copy of which is provided at Attachment 3.

Refer Attachment 3

Financial statements for the year ended 30 June 2013

Changes to previously reported interim operating result

The consolidated operating result before capital revenues is \$596,000 deficit comprising \$129,000 surplus from Alwyndor and \$725,000 deficit from Council's municipal operations. Contained in the Council operations result is a \$461,000 net surplus from Council's equity interest of the SRWRA (\$480,000 surplus) and WRWMA (\$19,000 deficit) operations.

The following table compares the interim operating surplus/(deficit) reported to Council on 10 September (Report 307/13) with the final audited statements.

	Municipal \$	Alwyndor \$	Consolidated \$
Interim operating result	(1,069,175)	129,398	(939,777)
+ Changes	344,175	6	344,181
= Audited financial statements	(725,000)	129,404	(595,596)

The major change since the interim results were reported is due to:

- Council's share of the operating surplus of SRWRA of \$480,000 offset by an increased provision for doubtful debts relating to outstanding infringements of \$112,000 and
- Council's share of the operating deficit of WRWMA of \$19,000.

Summary of key features

The financial statements presented in accordance with the Model Financial Statements are not readily digestible by most readers. Accordingly, the following section aims to discuss the key features with a focus on a comparison with the original budget in terms for non-accountants. More extensive detail is provided in Attachment 4.

Operating result

Council's consolidated operating result is a deficit of \$596,000 comprising an operating deficit of \$725,000 from Council's municipal operations and an operating surplus of \$129,000 from Alwyndor. The following table provides a comparison with the original budget:

	Municipal \$000	Alwyndor \$000	Consolidated \$000
Actual	(725)	129	(596)
Original Budget	29	409	438
Increase/(decrease)	(754)	(280)	(1,034)

The main factors for the operating deficit result are as follows:

Municipal operations

	\$000
Items separately reported to Council during 2012/13	
Reduced infrastructure depreciation	553
Additional sponsorship/contributions - Glenelg Pageant, Bay Sheffield, New Year's Eve	(37)
Environmental projects reallocations and grants to local groups	(38)
Write-off Buffalo Restaurant commercial rent	(78)
2011-12 operating expenditure brought forward – Jetty Road Mainstreet Programs, Healthy Community Initiative, Stormwater Management Plan	(136)
Write-off Liberty Towers encroachment fees	(195)
Other Items reported to Council via budget updates and monthly reporting during 2012/13	
Planning, cemetery, rate search fees and charges exceeded budget	73
Saving on insurances and higher rebate from LGA Workers Compensation scheme	72
Asbestos removal – Kingston House grounds	(40)
Lower caravan park revenue	(77)
Timing of street lighting invoices – additional expenditure	(82)
Professional Services - Property sales, property reviews and business review studies including the depot	(121)
Higher infrastructure repairs and maintenance – public spaces, boat lock, foreshore reserves	(156)

Reduced parking income – Fines and ticket machines	(362)
Other additional items accounted for at financial year-end	
Inclusion of Council's share of operating results from SRWRA and WRWMA	461
Additional provision for doubtful debts - parking infringements	(112)
Timing of additional fortnight payroll allocated to 2012/13	(487)

Alwyndor

	\$000
Items reported to Council via budget updates and monthly reporting during 2012/13	
Operational interest income omitted from original budget and additional income arising from improved cashflow and timing of redevelopment progress payments	363
Reduced grants for Aged Care Funding Instrument (ACFI) as criteria changed for residential care	(157)
Increased wages offset by reduction in contractual services	(33)
Revised café income – service outsourced	(23)
Other items finalised at financial year-end and reported to Council as part of interim result in September	
Increased residential client fee income	175
Final investment income exceeded revised budget	109
Reimbursements and other income exceeded revised budget due to increased services provided for Consumer Direct Care	56
Depreciation exceeded budget due to commencement and operation of new buildings, facilities and equipment	(99)
Increased nursing wages for residential care due to ACFI requirements	(113)
Reduced residential care grants as determined by ACFI	(233)
Final amounts for materials and contracts exceeded revised budget primarily due to increased maintenance, client service costs and utility charges	(316)

Capital expenditure

During 2012/13, Council undertook an extensive capital program. Consolidated capital expenditure for the year amounted to \$15.303m comprising \$9.347m on municipal assets and \$5.956m by Alwyndor. The following table provides a comparison with the original budget:

	Municipal \$000	Alwyndor \$000	Consolidated \$000
Actual	9,347	5,956	15,303
Original Budget	5,938	6,411	12,349
Increase/(decrease)	3,409	(455)	2,954

The main factors for the capital expenditure variances are as follows:

Municipal operations

	\$000
Unspent budgets from prior year 2011/12 on incomplete projects carried forward to 2012/13 (previously approved by Council) – major projects included; Coast Park \$1.33m, Mike Turtur Bike Path \$534k, Foreshore Lighting and CCTV \$339k, Plant & Equipment \$150k, McFarlane St Property \$100k, Environmental Projects \$108k.	3,028
Unspent budgets from 2012/13 on incomplete projects carried forward to next year 2013/14 (previously approved by Council) – major projects included Mike Turtur Bikeway \$614k, Street Lighting Glenelg \$154K, Barrage Gates/Walkway \$100k, Coast Park Design \$90k, Environmental Projects \$80k, Plant & Equipment \$80k	(1,262)
Capital items separately reported to Council during 2012/13	1,055
Projects included; additional grant funding for Mike Turtur bikeway \$750k, Hindmarsh Lane Exeloo \$250K, Tram re-location/shelter \$55k	
Other capital expenditure projects reported to Council via budget updates and monthly reporting during 2012/13	595
Projects included; Grant funded sand pumping stations infrastructure \$190k, road reseal program \$156k, open space projects \$79k, recreational clubs shed \$74k, major plant and vehicles \$122k	

Alwyndor

The variance relates to timing of progress payments towards to the Alwyndor redevelopment. As part of the end of the year asset accounting process 11/12 \$8.93m work-in-progress expenditure relating to the Alwyndor redevelopment was capitalised during 12/13.

Net financial liabilities

At 30 June 2013 consolidated net financial liabilities (ie. what is owed by Council less cash and what is owed to Council) was \$23.1 million compared with \$26.6 million projected in the budget (ie. \$3.5 million lower than budgeted).

The following table provides a comparison with the original budget (with the net financial liabilities ratio included):

	Municipal \$000	Alwyndor \$000	Consolidated \$000
Actual at 30 June 2013	12,276 (30%)	10,857 (81%)	23,133 (46%)
Original Budget	14,547	12,069	26,616
Projection	(39%)	(88%)	(53%)
Increase/(decrease)	(2,271)	(1,212)	(3,483)

The major reasons for the decrease are:

Municipal operations

	\$000
Updated opening balance sheet amounts from audited 11/12 financial statements – net financial liabilities reduced.	(5,498)
Funding unspent operational and capital budgets carried forward to 2012/13 – increased funding.	2,914
Budget Update to 30 September 2012 – increased funding requirements to meet reduced grants, fees and charges.	1,003
Budget update to 31 December 2012 – increased funding requirements for Hindmarsh Lane exeloo, and other offsetting variances.	243
Budget update to 31 March 2013 – decreased funding requirements including sale of Brighton Institute Library, portion of Old Gum Tree reserve offset by reduced fees and charges income and savings on completed projects.	(1,828)
30 June 2013 final principal on borrowings reduced due to additional sporting club principal repayment and minimal CAD borrowings.	(540)
30 June 2013 reduced current debtors result - including property settlement 25 Moseley St Glenelg, prior year debt write-offs and grant payments.	2,123
Net change in budgets carried forward to 2013/14 – decrease in funding.	(666)

This is a very good outcome as Council's municipal net financial liabilities ratio is under the 35% ceiling.

Alwyndor

	\$000
Updated opening balance sheet amounts from audited 11/12 financial statements – net financial liabilities reduced – higher cash holdings and reduced accommodation bond liability.	(872)
Budget Update to 30 September 2012 – increased in cash holdings interest on investments.	(303)
Budget update to 31 December 2012 – increased funding requirements due to reduced grants and increased employment costs.	170
Budget update to 31 March 2013 – decreased funding requirements reduced capital expenditure.	(352)
Final 30 June 2013 results – reduced accommodation bonds owing and cash holdings, offset by reduced trade creditors and accommodation bonds owed at year-end.	145

Comparison to prior year 2011/12

This section provides a comparison of the 2012/13 financial statements with the previous year 2011/12.

The key features affecting the overall operating result for 2012/13 compared to the previous year were:

Statutory Charges \$2,074,000 (2011/12 \$2,249,000)

Reduced fees across a range of areas including parking fines and expiations \$155,000, hoarding/encroachment fees \$119,000, offset by development and building fees \$57,000, rate searches \$31,000, and dog fees and fines \$11,000.

Grants, Subsidies and contributions \$12,638,000 (2011/12 \$14,090,000)

Municipal operating grants decreased by \$1,263,000. This is mainly due to receiving the final \$1,500,000 funding for the King St Bridge in 2011/12. Other prior year decreases arose with the timing and amount of advance payments of the Financial Assistance Grant \$300,000. These decreases were offset by other additional major program specific grants including HACC \$141,000, Healthy Communities \$326,000 and the timing of Roads to Recovery funding \$128,000.

Alwyndor grants and subsidies decreased by \$188,380. This was due to decreased residential care funding received as determined by the Aged Care Funding Instrument.

Reimbursements \$651,000 (2011/12 \$562,000)

The majority of this variance is due the Alwyndor Consumer Directed Care program clients reimbursing Alwyndor from their budgeted allocation from the Commonwealth.

Net gain – equity accounted Council businesses \$480,000 (2011/12 \$116,000)

This refers to Council's 15% share in the SRWRA. For 2012/13 the authority made a \$3,149,000 operating surplus (\$747,000 in 2011/12). The result included a \$2m movement in landfill capping liabilities in 2012/13. This was the result of a review conducted of all estimated capping and post closure rehabilitation costs. An alternate capping design was approved by the EPA and the liability was reduced by \$2m. The reduction in the liability is a non-cash transaction which is reflected in the income statement.

Employee Costs \$23,771,000 (2011/12 \$21,626,000)

Municipal employee costs increased by \$1,395,000 and included an additional \$480,000 fortnights payroll costing due the timing of the end of the financial year. The remaining variance was due to 4% enterprise agreement increase of approximately \$500,000, incremental increases and approved additional staff. New positions included part-time employment contracts in internal audit and learning and development and full-time contracts in information technology

and customer experience co-ordination. Further grant funded contract positions were approved under the healthy community program.

Alwyndor employment costs increased by \$751,000 and the major contributors to this variance were enterprise agreement increases, and an increase in nursing and training wages to provide for increased residential care services.

Materials, contracts and other expenses \$19,801,000 (2011/12 \$19,242,000)

Municipal expenses increased by \$845,000. This comprised numerous items either included in the original budget or varied throughout the year. The major prior year variances included electricity \$212,000, repairs and maintenance \$187,000, water costs \$137,000, increase in provision for doubtful debts relating to infringements \$112,000, approved debt write-offs including liberty towers and the buffalo restaurant \$103,000 and increase in NRM levy remitted \$72,000.

Alwyndor expenses reduced by \$286,000 primarily due to a reduction in contractual services.

Net loss – equity accounted Council businesses \$16,000 (2011/12 nil)

This refers to Council's 5.91% share in the WRWMA. For 2012/13 the authority made a \$318,712 operating loss (\$80,402 surplus in 2011/12). The result included a \$389,275 increase in landfill capping liabilities in 2012/13. This was the result of a review conducted of all estimated capping and post closure rehabilitation costs. The increase in the liability is a non-cash transaction which was reflected in the income statement.

Asset disposal and fair value adjustments \$209,000 loss (2011/12 \$198,000 loss)

This item refers to plant and equipment and a property sale. The variance between years is minor however during 2012/13 Council sold the Brighton Institute Library for \$425,000 resulting in a book value loss of \$136,000.

Amounts received for new/upgraded assets \$1,240,000 (2011/12 \$1,970,000)

This income line comprises specific grant funded capital projects. During 2011/12 \$1.09m was accounted for the Brighton- Kingston Park Coast Park upgrade project, \$680,000 for the Mike Turtur Bikeway and \$100,000 toward the Glenelg CCTV project. During 2012/13 additional funding was received for the Mike Turtur Bikeway \$762,000, CCTV funding \$250,000 and sand pumping infrastructure funding \$190,000.

Physical resources received free of charge Nil (2011/12 \$1,893,000)

There were no physical resources received of charge in 2012/13. The prior year amount refers to the substantial redevelopment of the Seacliff Surf Lifesaving Club building. The project was jointly funded by the club, the State government and Council.

Change in revaluation surplus - (\$1,327,000) decrease (2011/12 \$14,260,000 increase)

As at 1 July 2012, Maloney Field Services revalued Council land, buildings, open space/coastal asset classes. Library lending materials were revalued as at 30 June 2013 by the Library Services Manager. This has resulted in the following net revaluation movements as follows:

- Land – \$6,165,000 decrease;
- Buildings - \$1,100,000 decrease;

- Open Space/Coastal – \$6,383,000 increase;
- Library Lending Materials - \$68,000 increase.

Comprehensive valuation reports have been provided by Maloney Field Services and are available for review on request.

Impairment expense offset to asset revaluation reserve - (\$2,720,000) expense (2011/12 (\$624,000) expense.

This expense refers to building and infrastructure assets that were disposed before their remaining useful life had expired. The amount specifically refers to buildings and infrastructure replaced as part of major capital works including the Alwyndor building redevelopment (\$2,286,000) and Coast Park projects (\$434,000). These assets were previously revalued and under accounting standard AASB116 Aus61.1 the impairment loss can be offset against the revaluation surplus for the asset class.

Trade and other receivables –Current \$1.825m (2011/12 \$3.948m)

Major reductions occurred in general debtors during 2012/13. Major debtors paid during 2012/13 included the property sale of 25 Moseley St Glenelg \$1.25m and grant payment for the CCTV project \$110,000. Council also approved the settlement of the Liberty Towers encroachment fees \$465,000 and the Buffalo restaurant commercial income \$78,000.

Capital expenditure

In 2012/13 consolidated capital expenditure totaled \$15.303 with a further \$7.771m transferred from the previous year work-in-progress account the majority of which referred to the Alwyndor redevelopment. Capital expenditure for municipal activities comprised \$9.347m and for Alwyndor activities \$5.956m.

End of year capital work-in-progress totaled \$2.8548m comprising \$1.476m for the Alwyndor redevelopment and \$1.378 on other incomplete municipal capital projects.

Aged Care Facility Deposits – accommodation bonds

The liability for Alwyndor accommodation bonds has decreased by \$669,000 from the previous year. The overall liability is \$20.248m.

Borrowings

Borrowings have decreased by \$2.882m to \$12.610m. In accordance with Council's treasury management policy Council utilized LGFA cash advance debenture (CAD) facilities and available cash backed reserves during the year. As at 30 June 2013, \$300,000 CAD remained outstanding, and this has been fully repaid during August 2013.

Loans to community organisations

Council's procedure with respect to such loans is to normally borrow from the Local Government Finance Authority for larger amounts and on-lend to the community organisation on similar terms along with an additional 0.5% credit margin to cover administrative costs. The leases for the organisations include the repayment of the loans.

During 2012/13 the Somerton Bowling Club made an additional \$200,000 repayment on its loan. Other renewal loans for the Keelara Centre and the Glenelg Football Club were rolled-over. In June 2013 a new \$30,000 Council funded loan was arranged for the Glenelg Cricket Club. In December 2012 Council approved a request by the Glenelg Football Club to restructure their loans on an interest only basis for two years. The total amount of principal owing from community organisations is \$2.159m.

As at 30 June 2013, all loans to community organisations were unsecured, however the loans have all been advanced to provide funding to upgrade or develop buildings and infrastructure on land owned by Council and leased to the relevant community organisation. Loans have been reviewed as at 30 June 2013 and there were no grounds for impairment

Reserve Funds

All reserve funds required by legislation to be maintained have been maintained in the accounting records of the Council. All remaining cash backed reserve funds with the exception of the Glenelg Access Strategy Fund have been recouped and closed in accordance with the Treasury Management Policy.

Equity

Council's net equity decreased \$3.612m during the year as a result of:

- (\$.596m) operating loss
- (\$0.209m) loss on disposal of assets
- \$1.240m capital revenue received specifically for new or upgraded assets
- (\$4.047m) net decrease of assets on revaluation

Regional subsidiaries

As already noted, Council has an equity interest in two regional subsidiaries, SRWRA and WRWMA. The subsidiaries provided a \$464,000 net gain to Council.

Cash flow

As at 30 June 2013, cash and cash equivalents amounted to \$13.088m. This comprises \$2.912m of municipal funds and \$10.176m of Alwyndor funds as shown in the cash flow statements.

Municipal cash has reduced by \$1.129m reflecting substantial capital expenditure during the year including \$2.777m of capital works carried forward from 2011/12.

Alwyndor funds have reduced by \$5.139m during 2012/13 primarily due to the facility redevelopment. Alwyndor funds also include monies received and invested for accommodation bonds. Accommodation bonds total \$20.248m and are subject to externally imposed restrictions with the requirement to be used for aged care purposes. This item is detailed in Note 10 of the statements.

Comparison to 2012/13 budget

During 2012/13 three budget updates detailing budget variances have been approved by Council (Reports 479/12, 40/13, 169/13). A report covering the interim results and budget variations was also received by Council (Report 307/13).

Regulation 10 of the Local Government (Financial Management) Regulations 2011 requires a final report to be prepared on the aggregated audited financial results relative to the estimated results set out in the original and revised budgets. The report must include the four principal financial statements (excluding notes) presented in the same format as the Model Financial Statements. Separate funding statements and the four comparative consolidated statements and detailed explanatory notes are provided as attachment 4.

Refer Attachment 4

Report on Financial Results – Consolidated Financial Indicators

The following summary financial indicators are provided.

Financial Indicator	Original Budget \$'000	Revised Budget \$'000	Actual Result \$'000
Operating Surplus / (Deficit)	\$438	\$406	(\$596)
Operating Surplus Ratio			
Operating Surplus (a)	438	(584)	(596)
General and Other Rates (net of rebates and NRM Levy) (b)	27,789	27,816	27,712
Operating Surplus Ratio = (a) divide (b)	2%	(2%)	(2%)
Net Financial Liabilities Ratio			
Net Financial Liabilities (c)	26,616	22,093	23,133
Operating Revenue (excluding NRM Levy) (d)	50,673	50,294	50,359
Net Financial Liabilities Ratio = (c) divide (d)	53%	44%	46%
Interest Cover Ratio			
Interest Expense (e)	921	908	1,038
Investment Income (f)	471	819	915
Operating Revenue (excluding NRM Levy and Investment Income) (g)	50,202	49,475	49,444
Interest Cover Ratio = (e) – (f) divide (g)	0.9%	0.18%	0.25%
Asset Sustainability Ratio	44%	56%	61%

BUDGET

This report has no direct budget implications.

LIFE CYCLE COSTS

This report has no direct implication for life cycle costs.

CITY OF HOLDFAST BAY

General Purpose Financial Reports for the year ended 30 June 2013

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CITY OF HOLDFAST BAY

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2013

	Notes	2013 \$'000	2012 \$'000
INCOME			
Rates	2	28,776	27,208
Statutory charges	2	2,074	2,249
User charges	2	4,904	4,915
Grants, subsidies and contributions	2	12,638	14,090
Investment income	2	915	1,546
Reimbursements	2	651	562
Other income	2	1,361	1,344
Net gain - equity accounted Council businesses	19	480	116
Total Income		<u>51,799</u>	<u>52,030</u>
EXPENSES			
Employee costs	3	23,771	21,626
Materials, contracts & other expenses	3	19,801	19,242
Depreciation, amortisation & impairment	3	7,766	8,108
Finance costs	3	1,038	1,047
Net loss - equity accounted Council businesses	19	19	-
Total Expenses		<u>52,395</u>	<u>50,023</u>
OPERATING SURPLUS / (DEFICIT)		(596)	2,007
Asset disposal & fair value adjustments	4	(209)	(198)
Amounts received specifically for new or upgraded assets	2	1,240	1,970
Physical resources received free of charge	2	-	1,893
NET SURPLUS / (DEFICIT)		<u>435</u>	<u>5,672</u>
transferred to Equity Statement			5,672
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	(1,327)	14,260
Impairment (expense) / recoupments offset to asset revaluation reserve	9	(2,720)	(624)
Total Other Comprehensive Income		<u>(4,047)</u>	<u>13,636</u>
TOTAL COMPREHENSIVE INCOME		<u>(3,612)</u>	<u>19,308</u>

This Statement is to be read in conjunction with the attached Notes.

CITY OF HOLDFAST BAY

BALANCE SHEET

as at 30 June 2013

ASSETS	Notes	2013 \$'000	2012 \$'000
Current Assets			
Cash and cash equivalents	5	13,088	19,356
Trade & other receivables	5	2,959	6,472
Inventories	5	12	16
Total Current Assets		<u>16,059</u>	<u>25,844</u>
Non-current Assets			
Financial assets	6	1,927	1,865
Equity accounted investments in Council businesses	6	2,411	1,931
Infrastructure, property, plant & equipment	7	603,302	592,951
Other non-current assets	6	2,854	10,798
Total Non-current Assets		<u>610,494</u>	<u>607,545</u>
Total Assets		<u>626,553</u>	<u>633,389</u>
LIABILITIES			
Current Liabilities			
Trade & other payables	8	26,277	26,805
Borrowings	8	2,027	3,499
Provisions	8	1,737	1,618
Total Current Liabilities		<u>30,041</u>	<u>31,922</u>
Non-current Liabilities			
Borrowings	8	10,583	11,993
Provisions	8	415	367
Liability - Equity accounted Council businesses	8	68	49
Total Non-current Liabilities		<u>11,066</u>	<u>12,409</u>
Total Liabilities		<u>41,107</u>	<u>44,331</u>
NET ASSETS		<u>585,446</u>	<u>589,058</u>
EQUITY			
Accumulated Surplus		164,139	162,750
Asset Revaluation Reserves	9	412,895	416,942
Other Reserves	9	8,412	9,366
TOTAL EQUITY		<u>585,446</u>	<u>589,058</u>

This Statement is to be read in conjunction with the attached Notes.

CITY OF HOLDFAST BAY

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2013

2013	Notes	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Other Reserves \$'000	Total Council Equity \$'000	TOTAL EQUITY \$'000
Balance at end of previous reporting period		162,750	416,942	9,366	589,058	589,058
Restated opening balance		162,750	416,942	9,366	589,058	589,058
Net Surplus / (Deficit) for Year		435			435	435
Other Comprehensive Income						
Loss on revaluation of infrastructure, property, plant & equipment		-	(1,327)	-	(1,327)	(1,327)
Impairment (expense) / recoupments offset to asset revaluation reserve		-	(2,720)	-	(2,720)	(2,720)
Transfers between reserves		954	-	(954)	-	-
Balance at end of period		164,139	412,895	8,412	585,446	585,446
2012						
Balance at end of previous reporting period		156,724	403,306	9,720	569,750	569,750
Restated opening balance		156,724	403,306	9,720	569,750	569,750
Net Surplus / (Deficit) for Year		5,672			5,672	5,672
Other Comprehensive Income						
Changes in revaluation surplus - infrastructure, property, plant & equipment		-	14,260	-	14,260	14,260
Impairment (expense) / recoupments offset to asset revaluation reserve		-	(624)	-	(624)	(624)
Transfers between reserves		354	-	(354)	-	-
Balance at end of period		162,750	416,942	9,366	589,058	589,058

This Statement is to be read in conjunction with the attached Notes

CITY OF HOLDFAST BAY

CASH FLOW STATEMENT for the year ended 30 June 2013

	Notes	2013 \$'000	2012 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Rates - general & other		28,715	27,162
Fees & other charges		2,239	2,428
User charges		5,386	4,750
Investment receipts		958	1,919
Grants utilised for operating purposes		12,897	14,325
Reimbursements		711	614
Other revenues		4,856	6,540
<u>Payments</u>			
Employee costs		(23,497)	(21,655)
Materials, contracts & other expenses		(21,557)	(26,143)
Finance payments		(1,052)	(843)
Net Cash provided by (or used in) Operating Activities		9,656	9,097
 CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		1,240	1,970
Sale of replaced assets		275	60
Sale of surplus assets		425	-
Repayments of loans by community groups		270	169
Distributions received from equity accounted Council businesses		-	37
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(4,992)	(7,631)
Expenditure on new/upgraded assets		(10,952)	(15,909)
Loans made to community groups		(30)	-
Net Cash provided by (or used in) Investing Activities		(13,764)	(21,304)
 CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Proceeds from borrowings		-	3,400
Proceeds from aged care facility deposits		5,992	7,580
<u>Payments</u>			
Repayments of borrowings		(1,882)	(1,419)
Repayment of aged care facility deposits		(5,270)	(5,512)
Net Cash provided by (or used in) Financing Activities		(1,160)	4,049
Net Increase (Decrease) in cash held		(5,268)	(8,158)
Cash & cash equivalents at beginning of period	11	18,056	26,214
Cash & cash equivalents at end of period	11	12,788	18,056

This Statement is to be read in conjunction with the attached Notes

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011*

1.2 Historical Cost Convention

Except as stated below, these financial statements have been prepared in accordance with the historical cost convention.

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying Council's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

2 The Local Government Reporting Entity

City Of Holdfast Bay is incorporated under the SA Local Government Act 1999 and has its principal place of business at 24 Jetty Road, Brighton. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3 Income recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Council obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as incomes in a previous reporting period which were obtained in respect of the Council's operations for the current reporting period.

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2013

Note 1 - Significant Accounting Policies (cont)

In the month of June in recent years the Federal Government has paid amounts of untied financial assistance grants, which are recognised on receipt, in advance of the year of allocation. In June 2011, one quarter of the 2011/12 allocation amounting to \$281,000 was paid in advance; in June 2012, two quarters of the 2012/13 allocation: \$580,000; and in June 2013, again two quarters of the 2013/14 allocation: \$586,000. It is anticipated that these amounts in advance will be adjusted at some future time, but details of the timing of this are not currently available.

The actual amounts of untied grants received during the reporting periods (including the advance allocations) are disclosed in Note 2.

4 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at Council's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables for rates and annual charges are secured over the subject land, and bear interest at rates determined in accordance with the Local Government Act 1999. Other receivables are generally unsecured and do not bear interest.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 13.

5 Inventories

Inventories held in respect of stores have been valued by using the weighted average cost on a continual basis, after adjustment for loss of service potential. Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

All assets are initially recognised at cost. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Capital works still in progress at balance date are recognised as other non-current assets and transferred to *infrastructure, property, plant & equipment* when completed ready for use.

6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are given in Note 7. No capitalisation threshold is applied to the acquisition of land or interests in land.

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2013

Note 1 - Significant Accounting Policies (cont)

6.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Further detail of existing valuations, methods and valuers are provided at Note 7.

6.4 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of Council, best reflects the consumption of the service potential embodied in those assets.

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually.

Major depreciation periods for each class of asset are shown in Note 7. Depreciation periods for infrastructure assets have been estimated based on the best information available to Council, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

6.5 Impairment

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets that are subject to depreciation are reviewed 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 (which is the higher of the present value of future cash outflows or value in use).

For assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, the value in use is the depreciated replacement cost. In assessing impairment for these assets, a rebuttable assumption is made that the current replacement cost exceeds the original cost of acquisition.

Where an asset that has been revalued is subsequently impaired, the impairment is first offset against such amount as stands to the credit of that class of assets in Asset Revaluation Reserve, any excess being recognised as an expense.

6.6 Borrowing Costs

Borrowing costs in relation to qualifying assets (net of offsetting investment revenue) have been capitalised in accordance with AASB 123 "Borrowing Costs". The amounts of borrowing costs recognised as an expense or as part of the carrying amount of qualifying assets are disclosed in Note 3, and the amount (if any) of interest revenue offset against borrowing costs in Note 2.

7 Payables

7.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

7.2 Payments Received in Advance & Deposits

Amounts received from external parties in advance of service delivery, and security deposits held against possible damage to Council assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 1 - Significant Accounting Policies (cont)

8 Borrowings

Loans are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables". Interest free loans are carried at their nominal amounts; interest revenues foregone by the lender effectively being a reduction of interest expense in the period to which it relates.

9 Employee Benefits

9.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods.

9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Council also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

10 Leases

Lease arrangements have been accounted for in accordance with Australian Accounting Standard AASB 117.

In respect of operating leases, where the lessor substantially retains all of the risks and benefits incident to ownership of the leased items, lease payments are charged to expense over the lease term.

11 Joint Ventures and Associated Entities

Council participates in cooperative arrangements with other Councils for the provision of services and facilities. Council's interests in cooperative arrangements, which are only recognised if material, are accounted for in accordance with AASB 128 and set out in detail in Note 19.

12 GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax"

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

13 Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2013 reporting period and have not been used in preparing these reports.

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 1 - Significant Accounting Policies (cont)

AASB 7	Financial Instruments – Disclosures
AASB 9	Financial Instruments
AASB 10	Consolidated Financial Statements
AASB 11	Joint Arrangements
AASB 12	Disclosure of Interests in Other Entities
AASB 13	Fair Value Measurement
AASB 119	Employee Benefits
AASB 127	Separate Financial Statements
AASB 128	Investments in Associates and Joint Ventures
AASB 132	Financial Instruments: Presentation

Standards containing consequential amendments to other Standards and Interpretations arising from the above - AASB 2010-7, AASB 2011-7, AASB 2011-8, AASB 2011-10, AASB 2012-2, AASB 2012-3, AASB 2012-5, AASB 2012-6 and AASB 2012-10.

(Standards not affecting local government have been excluded from the above list.)

Council is of the view that none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

The Australian Accounting Standards Board is currently reviewing AASB 1004 *Contributions*. It is anticipated that the changes resulting from this review may have a material effect on the timing of the recognition of grants and contributions, but the financial consequences cannot be estimated until a revised accounting standard is issued.

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 2 - INCOME

	Notes	2013 \$'000	2012 \$'000
RATES REVENUES			
<u>General Rates</u>		27,808	26,203
Less: Mandatory rebates		(289)	(260)
Less: Discretionary rebates, remissions & write offs		(325)	(294)
		27,194	25,649
<u>Other Rates</u> (including service charges)			
Natural Resource Management levy		960	887
Separate and Special Rates		518	596
		1,478	1,483
<u>Other Charges</u>			
Penalties for late payment		67	55
Legal & other costs recovered		37	21
		104	76
		28,776	27,208
 STATUTORY CHARGES			
Development Act fees		403	339
Animal registration fees & fines		166	153
Parking fines / expiation fees		1,130	1,285
Other licences, fees, & fines		375	472
		2,074	2,249
 USER CHARGES			
Cemetery/crematoria fees		164	151
Commercial Leases/Caravan Park		950	967
Aged Care Residential Fees and Rentals		2,726	2,758
Parking fees		972	954
Sundry		92	85
		4,904	4,915
 INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		380	805
Banks & other		535	725
Unwinding of premiums & discounts		-	16
		915	1,546

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

NOTE 2 - INCOME (continued)

	Notes	2013 \$'000	2012 \$'000
REIMBURSEMENTS			
- for private works		17	12
- other		634	550
		651	562
OTHER INCOME			
Insurance & other recoupments - infrastructure, property, plant & equipment		6	1
Aged Care Facility		565	575
Rebates received		238	217
Sundry		552	551
		1,361	1,344
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		1,240	1,970
Other grants, subsidies and contributions		12,638	12,590
Individually significant item - King Street Bridge Replacement		-	1,500
		13,878	16,060
<i>The functions to which these grants relate are shown in Note 2.</i>			
Sources of grants			
Commonwealth government		10,333	9,200
State government		3,526	6,837
Other		19	23
		13,878	16,060
Individually Significant Item			
Council received \$4.5m from 2009-10 to 2011-12 from the Department of Planning and Local Government towards the King Street Bridge replacement. This grant has materially affected Council's operating results during these periods		-	1,500
PHYSICAL RESOURCES RECEIVED FREE OF CHARGE			
Buildings - Seacliff Surf Lifesaving Club		-	1,893
TOTAL PHYSICAL RESOURCES RECEIVED		-	1,893

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 3 - EXPENSES

	Notes	2013 \$'000	2012 \$'000
EMPLOYEE COSTS			
Salaries and Wages		19,950	18,198
Employee leave expense		1,566	1,386
Superannuation - defined contribution plan contributions	18	840	757
Superannuation - defined benefit plan contributions	18	929	857
Workers' Compensation Insurance		840	762
Less: Capitalised and distributed costs		(354)	(334)
Total Operating Employee Costs		23,771	21,626
 Total Number of Employees		 298	 309.4
<i>(Full time equivalent at end of reporting period)</i>			
 MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		19	20
Elected members' expenses		249	240
Election expenses		15	9
Operating Lease Rentals - non-cancellable leases	18		
- minimum lease payments		173	116
- contingent rentals		29	3
Subtotal - Prescribed Expenses		485	388
 <u>Other Materials, Contracts & Expenses</u>			
Contractors		8,549	8,638
Energy		881	669
Water		431	293
Maintenance		2,069	1,943
Legal Expenses		488	587
Levies paid to government - NRM levy		947	876
- Other Levies		31	28
Materials		1,951	1,791
Professional services		998	1,051
Insurances		453	465
Sundry		2,518	2,513
Subtotal - Other Materials, Contracts & Expenses		19,316	18,854
		19,801	19,242

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 3 - EXPENSES (cont)

	Notes	2013 \$'000	2012 \$'000
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Buildings & Other Structures		2,040	2,127
Infrastructure - Drains		335	599
Infrastructure - Transport		3,256	3,514
Infrastructure - Open Space & Coastal		1,195	895
Plant & Equipment		657	657
Furniture, Fittings, Office Equipment		133	140
Library Lending Materials		150	176
Impairment			
Infrastructure - Buildings		2,286	129
Infrastructure - Drains/Transport		434	495
		<u>10,486</u>	<u>8,732</u>
Less: Impairment expense offset to asset revaluation reserve	9	<u>(2,720)</u>	<u>(624)</u>
		<u>7,766</u>	<u>8,108</u>
FINANCE COSTS			
Interest on Loans		889	925
Interest on Accommodation Bonds		108	81
Unwinding of present value discounts		41	41
		<u>1,038</u>	<u>1,047</u>

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	2013 \$'000	2012 \$'000
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	275	60
Less: Carrying amount of assets sold	<u>348</u>	<u>5</u>
Gain (Loss) on disposal	<u>(73)</u>	<u>55</u>
 <i>Assets surplus to requirements</i>		
Proceeds from disposal	425	1,250
Less: Carrying amount of assets sold	<u>561</u>	<u>1,503</u>
Gain (Loss) on disposal	<u>(136)</u>	<u>(253)</u>
 NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	 <u>(209)</u>	 <u>(198)</u>

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 5 - CURRENT ASSETS

	Notes	2013 \$'000	2012 \$'000
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		426	611
Deposits at Call		3,482	4,785
Short Term Deposits & Bills, etc		9,180	13,960
		<u>13,088</u>	<u>19,356</u>
 TRADE & OTHER RECEIVABLES			
Rates - General & Other		398	341
Rates postponed for State Seniors		12	8
Accrued Revenues		149	204
Debtors - general		963	2,813
GST Recoupment		217	356
Prepayments		191	131
Loans to community organisations		232	534
Aged Care Facility Deposits		931	2,107
Total		3,093	6,494
 Less: Allowance for Doubtful Debts		 134	 22
		<u>2,959</u>	<u>6,472</u>
 INVENTORIES			
Stores & Materials		12	16
		<u>12</u>	<u>16</u>

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 6 - NON-CURRENT ASSETS

FINANCIAL ASSETS	Notes	2013 \$'000	2012 \$'000
Receivables			
Loans to community organisations		<u>1,927</u>	<u>1,865</u>
TOTAL FINANCIAL ASSETS		<u>1,927</u>	<u>1,865</u>
EQUITY ACCOUNTED INVESTMENTS IN COUNCIL BUSINESSES			
<i>Southern Region Waste Resource Authority</i>	19	<u>2,411</u>	<u>1,931</u>
		<u>2,411</u>	<u>1,931</u>
OTHER NON-CURRENT ASSETS			
Capital Works-in-Progress		<u>2,854</u>	<u>10,798</u>
		<u>2,854</u>	<u>10,798</u>

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2012 \$'000				2013 \$'000			
	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT
Land	311,668	3,317	-	314,985	308,476	99	-	308,575
Buildings & Other Structures	119,605	3,655	(52,958)	70,302	112,435	15,128	(47,776)	79,787
Infrastructure - Drains	48,768	-	(20,936)	27,832	48,754	98	(21,261)	27,591
Infrastructure - Transport	218,969	-	(68,035)	150,934	217,611	2,845	(70,876)	149,580
Infrastructure - Open Space & Coastal	35,066	1,883	(13,561)	23,388	44,730	3,033	(16,154)	31,609
Plant & Equipment	-	6,694	(2,887)	3,807	-	7,139	(3,353)	3,786
Furniture, Fittings, Office Equipment	-	5,752	(5,037)	715	-	6,458	(5,169)	1,289
Library Lending Materials	-	1,476	(488)	988	2,049	-	(964)	1,085
TOTAL PROPERTY, PLANT & EQUIPMENT	734,076	22,777	(163,902)	592,951	734,055	34,800	(165,553)	603,302
Comparatives	706,379	12,061	(150,512)	567,928	734,076	22,777	(163,902)	592,951

This Note continues on the following pages.

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	CARRYING AMOUNT MOVEMENTS DURING YEAR							2013 \$'000
	2012 \$'000	\$'000						
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Net Revaluation	
	New/Upgrade	Renewals						
Land	314,985	99	-	(344)	-	-	(6,165)	308,575
Buildings & Other Structures	70,302	14,656	472	(217)	(2,040)	(2,286)	(1,100)	79,787
Infrastructure - Drains	27,832	98	-	-	(335)	(4)	-	27,591
Infrastructure - Transport	150,934	937	1,908	-	(3,256)	(430)	(513)	149,580
Infrastructure - Open Space & Coastal	23,388	2,566	467	-	(1,195)	-	6,383	31,609
Plant & Equipment	3,807	-	985	(349)	(657)	-	-	3,786
Furniture, Fittings, Office Equipment	715	-	707	-	(133)	-	-	1,289
Library Lending Materials	988	-	179	-	(150)	-	68	1,085
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	592,951	18,356	4,718	(910)	(7,766)	(2,720)	(1,327)	603,302
Comparatives	567,928	10,043	10,960	(1,508)	(8,108)	(624)	14,260	592,951

This Note continues on the following pages.

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 7 (cont) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Valuation of Assets

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB 1.19 to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent additions at cost, this remains as the basis of recognition of non-material asset classes.

Land & Land Improvements

Council being of the opinion that it is not possible to attribute a value sufficiently reliably to qualify for recognition, land under roads has not been recognised in these reports. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

Freehold land and land over which Council has control, but does not have title, is recognised on the cost basis. No capitalisation threshold is applied to the acquisition of land or interests in land.

Land improvements, including bulk earthworks with an assessed unlimited useful life were valued as at 1 July 2012 by Maloney Field Services at fair value

Buildings & Other Structures

Buildings and other structures were valued as at 1 July 2012 by Maloney Field Services at fair value.

Infrastructure – Drains

Stormwater drains were valued as at 30 June 2012 by consulting engineers, Tonkin Engineering.

Infrastructure – Transport

Roads, kerb and gutter, traffic control devices, car parks and footpaths were valued as at 30 June 2012 by consulting engineers, Tonkin Engineering. Bridges were valued as at 30 June 2012 by Maloney Field Services.

Infrastructure – Open Space and Coastal

Open space and coastal infrastructure were valued as at 1 July 2012 by Maloney Field Services.

Plant, Furniture & Equipment

These assets are recognised on the cost basis.

Library Lending Materials

Library lending materials were valued as at 30 June 2013 by Council senior library officers.

All other assets

These assets are recognised at cost.

Capitalisation Thresholds

Capitalisation thresholds used by Council for a representative range of assets are shown below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture & Fittings	\$500
Equipment	\$500
Buildings	\$10,000
Roads	\$10,000
Other Infrastructure	\$6,500

City Of Holdfast Bay (excluding Alwyndor Aged Care)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 7 – Property, Plant & Equipment (cont)

Estimated Useful Lives

Useful lives are estimated for each individual asset. In estimating useful lives, regard is had to technical and commercial obsolescence, as well as legal and other limitations on continued use. The range of useful lives for a representative range of assets is shown below, although individual assets may have an estimated total useful life of greater or lesser amount:

Plant, Furniture & Equipment	
Office Furniture & Equipment	3 to 15 years
Vehicles and Road-making Equip	6 to 9 years
Building & Other Structures	
Based on the estimated life of each major structure	
Infrastructure	
Sealed Roads – Surface	15 to 40 years
Sealed Roads – Structure	60 to 90 years
Sealed Roads – Kerbing	20 to 100 years
Bridges	80 to 100 years
Paving & Footpaths	20 to 60 years
Drains/Culverts	80 to 100 years
Playground Equipment	10 to 20 years
Benches, seats etc	10 to 20 years
Other Assets	
Library Lending Materials	10 years

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 8 - LIABILITIES

		2013 \$'000		2012 \$'000	
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Goods & Services		3,940		3,732	
Payments received in advance		176	-	364	-
Accrued expenses - employee entitlements		1,506	-	1,372	-
Accrued expenses - other		333	-	374	-
Aged Care Facility Deposits		20,248		20,917	
Deposits, Retentions & Bonds		4	-	2	-
Other		70	-	44	-
		26,277	-	26,805	-
BORROWINGS					
Short term draw down facility		300		1,300	
Loans		1,727	10,583	2,199	11,993
		2,027	10,583	3,499	11,993
<i>All interest bearing liabilities are secured over the future revenues of the Council.</i>					
PROVISIONS					
Employee entitlements (including oncosts)		1,737	415	1,618	367
		1,737	415	1,618	367
LIABILITY - EQUITY ACCOUNTED					
COUNCIL BUSINESSES					
Negative Equity in Western Region Waste Management Authority	19		68		49
			68		49

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2012	Net Increments (Decrements)	Transfers, Impairments	30/6/2013
Notes	\$'000	\$'000	\$'000	\$'000
Land	261,592	(6,165)	-	255,427
Buildings & Other Structures	35,524	(1,100)	(2,286)	32,138
Infrastructure - Drains	12,712	-	(4)	12,708
Infrastructure - Transport	94,556	(513)	(430)	93,613
Infrastructure - Open Space & Coastal	11,281	6,383	-	17,664
Library Lending Materials	832	68	-	900
Joint Ventures - Other	445	-	-	445
Comprehensive Income				
TOTAL	416,942	(1,327)	(2,720)	412,895
<i>Comparatives</i>	<i>403,306</i>	<i>14,260</i>	<i>(624)</i>	<i>416,942</i>

OTHER RESERVES	1/7/2012	Transfers to Reserve	Transfers from Reserve	30/6/2013
Plant and Equipment	321	-	(321)	-
Furniture and Equipment	310	-	(310)	-
Property Development	53	-	(53)	-
Glenelg Access Strategy	2,101	-	-	2,101
Brighton Caravan Park	134	-	(134)	-
Committed Expenditure	136	-	(136)	-
Alwyndor General Reserve	6,311	-	-	6,311
TOTAL OTHER RESERVES	9,366	-	(954)	8,412
<i>Comparatives</i>	<i>9,720</i>	<i>136</i>	<i>(490)</i>	<i>9,366</i>

PURPOSES OF RESERVES

Asset Revaluation Reserve

The asset revaluation reserve is used to record increments and decrements arising from changes in fair value of non-current assets (less any subsequent impairment losses, where applicable).

Glenelg Access Strategy Reserve

To provide for improved off-street car parking and improved access throughout the Glenelg Precinct. Specific developers contributions towards car parking are held within this fund.

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 10 - ASSETS SUBJECT TO RESTRICTIONS

The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.

	Notes	2013 \$'000	2012 \$'000
CASH & FINANCIAL ASSETS			
Developer Contributions - Open Space		69	69
Aged Care Accommodation Bonds		<u>19,317</u>	<u>18,810</u>
		<u>19,386</u>	<u>18,879</u>
RECEIVABLES			
Aged Care Accommodation Bonds		<u>931</u>	<u>2,107</u>
		<u>931</u>	<u>2,107</u>
TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS		<u>20,317</u>	<u>20,986</u>

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

	Notes	2013 \$'000	2012 \$'000
Total cash & equivalent assets	5	13,088	19,356
Less: Short-term borrowings	8	(300)	(1,300)
Balances per Cash Flow Statement		12,788	18,056

**(b) Reconciliation of Change in Net Assets to Cash
from Operating Activities**

Net Surplus (Deficit)	435	5,672
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	7,766	8,108
Equity movements in equity accounted investments (increase) decrease	(461)	(116)
Net increase (decrease) in unpaid employee benefits	241	90
Premiums & discounts recognised & unwound	60	57
Change in allowances for doubtful debts	112	-
Non-cash asset sales	-	(1,893)
Non-cash asset acquisitions	-	1,250
Grants for capital acquisitions treated as Investing Activity	(1,240)	(1,970)
Net (Gain) Loss on Disposals	209	198
	7,122	11,396
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(2,893)	(7,191)
Net (increase) decrease in inventories	4	1
Net increase (decrease) in trade & other payables	5,423	4,891
Net Cash provided by (or used in) operations	9,656	9,097

(c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:

- Physical resources received free of charge	3	-	1,893
		-	1,893

(d) Financing Arrangements

Unrestricted access was available at balance date to the following lines of credit:

Corporate Credit Cards	100	100
LGFA Cash Advance Debenture facility	7,081	7,081

Council has immediate access to a short-term draw-down facility, and variable interest rate borrowings under a cash advance facility from the Local Government Finance Authority of SA.

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 12 - FUNCTIONS

INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES												
FUNCTIONS & ACTIVITIES	INCOME		EXPENSES				OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	2012	2012	2013	2012	2013	2012
	2013	2012	2013	2012	2013	2012	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Business Undertakings	1,891	1,887	1,441	1,023	450	864	-	-	-	11,916	-	12,180
Community Services	15,344	15,613	20,342	19,878	(4,998)	(4,265)	10,746	10,491	10,491	144,840	-	150,024
Culture	468	561	4,436	4,613	(3,968)	(4,052)	294	378	378	18,234	-	18,567
Economic Development	481	563	1,876	1,715	(1,395)	(1,152)	-	-	-	361	-	336
Environment	149	108	8,165	7,707	(8,016)	(7,599)	13	2	2	28,879	-	29,820
Recreation	303	284	2,682	2,474	(2,379)	(2,190)	-	-	-	258,477	-	254,203
Regulatory Services	1,962	2,086	6,635	6,439	(4,673)	(4,353)	32	-	32	427	-	336
Transport & Communication	383	243	3,227	3,042	(2,844)	(2,799)	341	1,701	1,701	146,104	-	150,970
Unclassified Activities	-	-	-	-	-	-	-	-	-	3,595	-	3,681
Council Administration	30,338	30,569	3,572	3,132	26,766	27,437	1,214	1,518	1,518	13,720	-	13,272
TOTALS	51,319	51,914	52,376	50,023	(1,057)	1,891	12,640	14,090	14,090	626,553	633,389	633,389

Revenues and expenses exclude net gain (loss) on disposal or revaluation of assets, net gain (loss) from joint ventures & associated entities, amounts received specifically for new or upgraded assets and physical resources received free of charge.

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 12 (cont) - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

Business Undertakings

Caravan Parks, Off-Street Car Parks, Private Works, Commercial Property, Commercial Activities

Community Services

Crime Prevention, Public order and Safety, Nursing Homes, Health Services, Elderly Citizens Facilities, Home Assistance Scheme, Aged and Disabled Services, Youth Services, Community Bus, Community Amenities including Cemeteries and Public Conveniences

Culture

Library Services, Heritage and Museum facilities and services

Economic Development

Tourism and Local Business support

Environment

Domestic and Green Waste, Recycling, Coastal Protection, Stormwater and other Drainage, Street cleaning and lighting

Recreation

Jetties and Marine facilities, Parks and Gardens, Sporting Facilities

Regulatory Services

Dog control, Building Control, Town Planning, Health Inspection, Litter and Parking Control

Transport

Construction and Maintenance of Roads, Footpaths, Traffic Control, Streetscape, Kerb and Water Table, Bridges

Council Administration

Administration, Elected Members, Organisational support services, Rate Revenue

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 13 - FINANCIAL INSTRUMENTS

All financial instruments are categorised as *loans and receivables*.

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Terms & conditions: Deposits are returning fixed interest rates between 2.75% and 4% (2012: 3.5% and 5.15%). Short term deposits have an average maturity of 93 days and an average interest rates of 3.81% (2012: 35 days, 3.82%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Rates & Associated Charges (including legals & penalties for late payment) Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Secured over the subject land, arrears attract interest of 0.71% (2012: 0.77%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - Fees & other charges	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - other levels of government	<p>Accounting Policy: Carried at nominal value.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.</p> <p>Carrying amount: approximates fair value.</p>
Receivables - Retirement Home Contributions	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Retirement Home Contributions	<p>Accounting Policy: To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.</p> <p>Terms & conditions: Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy.</p> <p>Carrying amount: approximates fair value for short tenancies; may be non-materially over-stated for longer tenancies.</p>
Liabilities - Interest Bearing Borrowings	<p>Accounting Policy: Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p>Terms & conditions: secured over future revenues, borrowings are repayable half yearly; interest is charged at fixed rates between 4.2% and 8.1% (2012: 4.2% and 8.1%)</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Finance Leases	<p>Accounting Policy: accounted for in accordance with AASB 117.</p>

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 13 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2013	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Cash & Equivalents	13,085			13,085	13,088
Receivables	2,234	1,459	730	4,423	4,610
Other Financial Assets	-	-	-	-	-
Total	15,319	1,459	730	17,508	17,698
Financial Liabilities					
Payables	24,512	-	-	24,512	24,438
Current Borrowings	2,788	-	-	2,788	2,027
Non-Current Borrowings	-	8,242	5,097	13,339	10,583
Total	27,300	8,242	5,097	40,639	37,048

2012	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Cash & Equivalents	19,356			19,356	19,356
Receivables	6,485	-	-	6,485	8,010
Other Financial Assets	-	1,404	927	2,331	1,865
Total	25,841	1,404	927	28,172	29,231
Financial Liabilities					
Payables	25,056	-	-	25,056	25,059
Current Borrowings	4,228	-	-	4,228	3,499
Non-Current Borrowings	-	9,222	6,529	15,751	11,993
Total	29,284	9,222	6,529	45,035	40,551

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

	30 June 2013		30 June 2012	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$'000	%	\$'000
Overdraft				
Other Variable Rates	4.34	10,176	5	15,315
Fixed Interest Rates	6.31	12,610	6.3	15,492
		<u>22,786</u>		<u>30,807</u>

Net Fair Value

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Council.

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any allowance for doubtful debts. All Council investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Council's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of Council's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor **currency risk** apply.

Liquidity Risk is the risk that Council will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. Council also has available a range of bank overdraft and standby borrowing facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Council has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 14 - COMMITMENTS FOR EXPENDITURE

	<u>Notes</u>	2013 \$'000	2012 \$'000
Capital Commitments			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Buildings		3,179	9,765
Roads & Footpaths		768	-
Plant & Equipment		79	175
		<u>4,026</u>	<u>9,940</u>
These expenditures are payable:			
Not later than one year		4,026	5,346
Later than one year and not later than 5 years		-	4,594
		<u>4,026</u>	<u>9,940</u>
Other Expenditure Commitments			
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:			
Audit Services		71	93
Waste Management Services		17,692	16,176
Employee Remuneration Contracts		4,422	3,851
Property maintenance contracts		692	-
Other		1,810	503
		<u>24,687</u>	<u>20,623</u>
These expenditures are payable:			
Not later than one year		5,992	5,061
Later than one year and not later than 5 years		16,232	15,562
Later than 5 years		2,463	-
		<u>24,687</u>	<u>20,623</u>

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 15 - FINANCIAL INDICATORS

	2013	2012	2011
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These Financial Indicators have been calculated in accordance with *Information Paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia. Detailed methods of calculation are set out in the SA Model Statements.

Operating Surplus Ratio

<u>Operating Surplus</u>	(2%)	8%	11%
Rates - general & other less NRM levy			

This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.

Adjusted Operating Surplus Ratio

	(2%)	8%	11%
--	------	----	-----

In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. The Adjusted Operating Surplus Ratio adjusts for the resulting distortion in the disclosed operating result for each year.

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	46%	33%	20%
Total Operating Revenue less NRM levy			

Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue (excluding NRM levy).

Asset Sustainability Ratio

<u>Net Asset Renewals</u>	61%	93%	80%
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Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 16 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.

All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances

	2013 \$'000	2012 \$'000
Income	51,799	52,030
<i>less</i> Expenses	<u>52,395</u>	<u>50,023</u>
Operating Surplus / (Deficit)	(596)	2,007
<i>less</i> Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	4,992	7,631
<i>less</i> Depreciation, Amortisation and Impairment	7,766	8,108
<i>less</i> Proceeds from Sale of Replaced Assets	<u>275</u>	<u>60</u>
	(3,049)	(537)
<i>less</i> Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	10,952	15,909
<i>less</i> Amounts received specifically for New and Upgraded Assets	1,240	1,970
<i>less</i> Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	<u>425</u>	<u>-</u>
	9,287	13,939
Net Lending / (Borrowing) for Financial Year	<u>(6,834)</u>	<u>(11,395)</u>

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 17 - OPERATING LEASES

Leases providing revenue to the Council

Council owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable) in accordance with the published revenue policy. Rentals received from such leases are disclosed as rent and hire of non-investment property in Note 2.

Investment Property

Rentals received, and outgoings reimbursed, in relation to Investment Property are also disclosed in Note 2. These lease agreements, all of which are classified as operating leases, are made on a non-cancellable basis wherever practicable.

Lessees commitments under all non-cancellable lease agreements, including those relating to Investment Property, are as follows:

	2013 \$'000	2012 \$'000
Not later than one year	371	282
Later than one year and not later than 5 years	1,331	970
Later than 5 years	<u>2,727</u>	<u>2,672</u>
	<u>4,429</u>	<u>3,924</u>

Lease payment commitments of Council

Council has entered into non-cancellable operating leases for various items of computer and other plant and equipment.

No lease imposes any additional restrictions on Council in relation to additional debt or further leasing.

Leases in relation to computer and office equipment permit Council, at expiry of the lease, to elect to re-lease, return or acquire the equipment leased.

No lease contains any escalation clause.

Commitments under non-cancellable operating leases that have not been recognised in the financial statements are as follows:

	2013 \$'000	2012 \$'000
Not later than one year	227	236
Later than one year and not later than 5 years	<u>184</u>	<u>394</u>
	<u>411</u>	<u>630</u>

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 18 – SUPERANNUATION

The Council makes employer superannuation contributions in respect of its employees to Statewide Super (formerly Local Government Superannuation Scheme). There are two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 have the option to contribute to Marketlink and/or Salarylink. All other employees (including casuals) have all contributions allocated to Marketlink.

Marketlink (Accumulation Fund) Members

Marketlink receives both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation (9% in 2012/13; 9% in 2011/12). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2011/12) of "superannuation" salary.

In addition, Council makes a separate contribution of 3% of salary for Salarylink members to their Marketlink account. Employees also make member contributions to the Fund. As such, assets accumulate in the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Salarylink section is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by each employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Scheme's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2011. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

Contributions to Other Superannuation Schemes

Council also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the net assets of the scheme, and no further liability attaches to the Council.

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 19 - EQUITY ACCOUNTED COUNCIL BUSINESSES

All equity accounted Council businesses are required to prepare Annual Financial Statements that comply with the SA Local Government Model Financial Statements.

Southern Region Waste Resource Authority

Established under Section 43 of the Local Government Act, 1999 to provide operate services for the management of waste and the management of waste facilities under its control on behalf of the constituent Councils, being the City of Holdfast Bay, City of Marion and City of Onkaparinga. The Authority made a provision of \$21m in the accounts for landfill restoration which is considered reasonable.

	2013 \$'000	2012 \$'000
Southern Region Waste Resource Authority		
Council's respective interests are:		
- interest in the operating result	15%	15%
- ownership share of equity	15%	15%
- the proportion of voting power	33%	33%
<u>Movements in Investment in Joint Operation</u>	<u>\$'000</u>	<u>\$'000</u>
Opening Balance	1,931	1,857
Share in Operating Result	480	111
Distributions Received	-	(37)
Share in Equity of Joint Operation	<u>2,411</u>	<u>1,931</u>

Expenditure Commitments

Expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:

Capital Expenditures payable

Not later than one year	<u>330</u>	<u>341</u>
	<u>330</u>	<u>341</u>

Operating Expenditures payable

Not later than one year	3	3
Later than one year and not later than 5 years	1	4
	<u>4</u>	<u>7</u>

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 19 (cont) - EQUITY ACCOUNTED COUNCIL BUSINESSES

Western Region Waste Management Authority

Established under Section 43 of the Local Government Act, 1999 to provide and operate services for the management of waste and management of waste facilities under its control on behalf of the constituent Councils, being the City of Holdfast Bay, City of Port Adelaide Enfield, City of West Torrens and City of Charles Sturt. The waste management site was closed on 28 February 2001 and is being rehabilitated in accordance with Environment Protection Authority and Land Management Corporation Plans. In 2008/09 the Authority made a provision of \$14.3m in their accounts for landfill restoration which was considered reasonable. Since 2008/09, \$11.3m has been expensed against the provision. In 2012/13 the non-current provision was increased by \$386,000 to reflect an independent engineering report. Of the \$3.4m provision remaining, \$1.7m has been recognised as a current liability and this is considered to be reasonable.

	2013	2012
	\$'000	\$'000
Western Region Waste Management Authority		
Council's respective interests are:		
- interest in the operating result	5.91%	5.91%
- ownership share of equity	5.91%	5.91%
- the proportion of voting power	25%	25%
<u>Movements in Investment in Joint Operation</u>	<u>\$'000</u>	<u>\$'000</u>
Opening Balance	(49)	(54)
Share in Operating Result	(19)	5
Share in Equity of Joint Operation	<u>(68)</u>	<u>(49)</u>

CITY OF HOLDFAST BAY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2013

Note 20 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE BALANCE SHEET

The following assets and liabilities do not qualify for recognition in the Balance Sheet but knowledge of those items is considered relevant to user of the financial report in making and evaluating decisions about the allocation of scarce resources.

1. LAND UNDER ROADS

As reported elsewhere in these Statements, Council is of the opinion that it is not possible to attribute a value sufficiently reliably for these assets to qualify for recognition, and accordingly land under roads has not been recognised in these reports. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

At reporting date, Council controlled 176 km of road reserves of average width 18 metres.

2. SOUTHERN REGION WASTE RESOURCE AUTHORITY

Council has a 15% interest in Southern Region Waste Resource Authority. The authority describes contingent liabilities in Note 15 to their Financial Statements for the year ended 30 June 2013.

3. WESTERN REGION WASTE MANAGEMENT AUTHORITY

Council has a 5.91% interest in Western Region Waste Management Authority. The Authority describes contingent liabilities in Note 7 and Note 12 to their Financial Statements for the year ended 30 June 2013.

Note 21 - CONTINGENCIES

No material post balance date events have occurred prior to sign-off of these accounts.

CITY OF HOLDFAST BAY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2013

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City Of Holdfast Bay for the year ended 30 June 2013, the Council's Auditor, BDO, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.


.....
J.F. LYNCH
CHIEF EXECUTIVE OFFICER


.....
T.D. LOOKER
PRESIDING MEMBER
AUDIT COMMITTEE

Date: 16/10/2013



holdfast.sa.gov.au

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Glenelg Customer Service Centre and Library

2 Colley Terrace, Glenelg SA 5045

Ian Painter

BDO Audit Partnership (SA)

Level 7, BDO Centre

420 King William Street

Adelaide SA 5000

12th November 2013

Dear Ian

AUDIT FOR YEAR ENDED 30 JUNE 2013 OF CITY OF HOLDFAST BAY

This representation letter is provided in connection with your audit of the financial statements of the City of Holdfast Bay for the year ended 30 June 2013, for the purpose of you expressing an opinion as to whether the financial statements are, in all material respects, presented fairly in accordance with Australian Accounting Standards, the Local Government Act 1999, and the Local Government (Financial Management) Regulations 2011.

We acknowledge our responsibility for ensuring that the financial statements are in accordance with Australian Accounting Standards, the Local Government Act 1999, and the Local Government (Financial Management) Regulations 2011 and confirm that the financial statements are free of material misstatements, including omissions.

We confirm to the best of our knowledge and belief, the following representations made to you during your audit.

Internal Controls

1. We have established and maintained adequate internal controls to facilitate the preparation of reliable financial statements and adequate records have been maintained.
2. All material transactions have been properly recorded in the accounting records underlying the financial statements.

Accounting Policies

3. We confirm that there have been no changes to the accounting policies applied in the previous annual financial statements or the methods used in applying them.

Balance Sheet

Assets - General

4. We have no plans or intentions that may materially affect the carrying values, or classification, of assets and liabilities.
5. The entity has satisfactory title to all assets, and there are no liens or encumbrances on such assets that have not been disclosed, nor has any asset been pledged as collateral.

Property, Buildings, Plant & Equipment

6. Rates of depreciation applied to reduce book values of individual assets to their estimated residual values, reflect the probable useful lives of those assets to the entity. Allowances for depreciation have been adjusted for all items of property, plant and equipment that have been abandoned or are otherwise unusable.
7. The valuation for land and buildings represents the most recent valuation of 30 June 2012. This has been prepared on the basis of an independently provided valuation, which does not exceed recoverable amount at the date of the financial statements.
8. The entity has no "make good" obligations in respect of its property, plant and equipment for which it would be required to make a restoration provision under AASB 137.
9. Property, plant and equipment is appropriately recorded at the lower of amortised cost or its recoverable amount.
10. Only those items allowed to be capitalised under AASB 116 *Property, Plant and Equipment* have been recorded as additions during the period.
11. All borrowing costs incurred on qualifying assets have been capitalised during the period (except for borrowing costs on qualifying assets whose construction commenced before 1 January 2009).
12. All property under construction will be used as owner-occupied property on completion and not investment property.

Impairment of Assets

13. We have determined that a potential impairment event occurred in respect of 5 units undergoing renovation at Alwyndor Aged Care.
Following on from this potential impairment event, impairment testing resulted in a write-down of \$2,268,493.
In addition a potential impairment event occurred in respect of Council infrastructure that was replaced as part of the Coast Park development.
Following on from this potential impairment event, impairment testing resulted in a write-down of \$434,000.

Receivables

14. Adequate allowance has been made, in the opinion of management, against receivables owing to the entity at the end of the reporting period. Such allowance has been made in accordance with AASB 139.

Cash

15. There are no arrangements including restrictions on cash balances, compensating balances and line-of-credit or similar arrangements.

Liabilities

16. All liabilities have been taken up in the financial statements.
17. No asset of the entity was or is pledged as security for any liability.

Statement of Comprehensive Income

Revenue

18. Revenue has been recognised in accordance with AASB 118 and Interpretation 13.

General

Related Party Transactions

19. We have provided you with details of the identity of all related party relationships and transactions.
20. Details of all material related party transactions have been properly recorded and disclosed in the notes to the financial statements.

Contingent Liabilities

21. We are not aware of any actual or possible litigation and claims involving this entity, other than the matters disclosed in the notes to the financial statements.
22. Unasserted claims or assessments that our lawyers have advised us are probable of assertion have been recorded in the financial statements.
23. All contingent liabilities have been provided or noted in the financial statements.

Commitments

24. There are no other commitments other than as disclosed in the notes to the financial statements.

Segment Disclosures

25. All segment disclosures are based on operating segment information that is regularly evaluated by the chief operating decision maker when deciding how to allocate resources and to assess the performance of the entity.

Books, Records and Documentation

26. We have made available to you all financial records and related data, other information, explanations and assistance necessary for the conduct of the audit.

Minutes

27. All minutes of meetings held since the end of the previous reporting period have been given to you for your inspection.

Compliance with Laws and Regulations

28. We have disclosed to you all known actual or possible non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
29. There have been no instances of non-compliance of laws and regulations involving management or employees who have a significant role in internal control.
30. There have been no communications from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statements.

Subsequent Events

31. No events have occurred subsequent to the end of the reporting period that would require adjustment to, or disclosure in, the financial statements.
32. No events have occurred subsequent to the end of the reporting period that are not sufficiently material to require disclosure in the notes to the financial statements, but should be disclosed through some other medium.

Fraud

33. We acknowledge our responsibility for the design, implementation and maintenance of accounting and internal control systems that are designed to prevent and detect fraud and error.
34. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
35. We have disclosed to you all significant facts relating to any frauds or suspected frauds known to us that may have affected the entity and which involved management, employees who have significant roles in internal control or others where the fraud could have a material effect on the financial statements.
36. We have disclosed to you any knowledge we have of allegations of fraud or suspected fraud which has been communicated to us by employees, former employees, regulators etc., and which may have affected the entity's financial statements.

Electronic Presentation of Financial Statements

37. We are responsible for the electronic presentation of the financial statements.
38. We will ensure that the electronic version of the audited financial statements and the auditor's report on the web site will be identical to the final signed hard copy version.
39. We will clearly differentiate between audited and unaudited information in the construction of the entity's web site as we understand the risk of potential misrepresentation.
40. We have assessed the controls over the security and integrity of data on the web site and that adequate procedures are in place to ensure the integrity of the information published.
41. We will not present the auditor's report on the full financial statements with extracts only of the full financial statements.

Yours faithfully

A handwritten signature in blue ink that reads "J. Lynch".

Justin Lynch

Chief Executive Officer

City of Holdfast Bay

A handwritten signature in black ink that reads "I Walker".

Ian Walker

General Manager Corporate Services

City of Holdfast Bay

CITY OF HOLDFAST BAY
FINANCIAL STATEMENTS
2012/13 BUDGET FUNDING STATEMENT - MUNICIPAL

	<u>ORIGINAL</u> <u>FULL YEAR</u> <u>BUDGET</u> \$'000	<u>REVISED</u> <u>FULL YEAR</u> <u>FORECAST</u> \$'000	<u>ACTUAL TO</u> <u>30 JUNE</u> \$'000	<u>NOTE</u>
Rates - General	27,270	27,297	27,297	
Rates - Jetty Road Glenelg	455	455	455	
Rates - Patawalonga Marina	64	64	64	
Rates - NRM Levy	959	959	960	
Statutory Charges	2,321	2,109	2,074	1
User Charges	2,367	2,194	2,178	2
Operating Grants & Subsidies	3,328	2,832	3,472	3
Investment Income	251	237	225	4
Reimbursements	392	513	359	5
Other	550	521	797	6
SRWRA Net Gain	-	-	480	7
Operating Revenue	37,957	37,181	38,361	
Employee Costs - Salaries & Wages	14,254	14,238	14,623	8
Materials, contracts and other expenses	15,235	16,206	16,633	9
Finance Charges	921	908	930	10
Depreciation	7,872	7,319	7,235	11
Less full cost attribution - % admin costs capitalised	(354)	(354)	(354)	
WRWMA Net Loss	-	-	19	12
Less Operating Expenditure	37,928	38,317	39,086	
= Operating Surplus/(Deficit)	29	(1,136)	(725)	
Depreciation	7,872	7,319	7,235	
EOY Movements in employee entitlements/non-cash provisions	199	199	92	13
Plus Non-Cash items in Operating Surplus/Deficit	8,071	7,518	7,327	
= Funds Generated from Operating Activities	8,100	6,382	6,602	
Amounts received for new/upgraded assets	-	1,245	1,240	14
Asset Disposal/Proceeds from disposal of assets	-	2,642	635	15
Plus funds sourced from Capital Activities	-	3,887	1,875	
Capital Expenditure-Asset Renewal and Replacement	(3,120)	(3,884)	(4,112)	16
Capital Expenditure-New and Upgraded Assets	(2,165)	(6,117)	(3,429)	17
Capital Expenditure-Full Cost Attribution	(354)	(354)	(354)	
Capital Expenditure-Environmental Projects	(300)	(262)	(289)	18
EOY Movements in capital work-in-progress	-	-	(990)	19
Less total capital expenditure	(5,939)	(10,617)	(9,174)	
Plus: Repayments of loan principal by sporting groups	151	151	270	20
Less: Loans made to community groups	-	-	(30)	21
Plus/(less) funds provided (used) by Investing Activities	151	151	240	
= FUNDING REQUIREMENT	2,312	(197)	(457)	
Funded by:				
Increase/(Decrease) in cash and cash equivalents	669	(1,211)	(129)	22
Non-cash changes in Current Assets & Current Liabilities	-	-	(1,910)	23
Less: New Borrowings carried forward 30/6/12 - report 334/12	-	(629)	(300)	24
Plus: Principal repayments of borrowings	1,643	1,643	1,882	25
	2,312	(197)	(457)	

CITY OF HOLDFAST BAY
FINANCIAL STATEMENTS
2012/13 BUDGET FUNDING STATEMENT - ALWYNDOR

	<u>ORIGINAL</u> <u>FULL YEAR</u> <u>BUDGET</u> \$'000	<u>REVISED</u> <u>FULL YEAR</u> <u>FORECAST</u> \$'000	<u>ACTUAL TO</u> <u>30 JUNE</u> \$'000	<u>NOTE</u>
User Charges	3,071	3,165	2,726	1
Operating Grants & Subsidies	9,556	9,399	9,166	2
Investment Income	219	582	690	3
Reimbursements	249	249	292	4
Other	581	557	564	5
Operating Revenue	13,676	13,952	13,438	
Employee Costs - Salaries & Wages	9,468	9,644	9,503	6
Materials, contracts and other expenses	3,368	3,325	3,276	7
Depreciation	431	431	530	8
Less Operating Expenditure	13,267	13,400	13,309	
= Operating Surplus/(Deficit)	409	552	129	
Depreciation	431	431	530	
EOY Movements in employee entitlements/non-cash provisions	194	194	76	9
Plus Non-Cash items in Operating Surplus/Deficit	625	625	606	
= Funds Generated from Operating Activities	1,034	1,177	735	
plus cash proceeds from disposal of assets	-	-	65	10
Capital Expenditure-Asset Renewal and Replacement	(227)	(227)	(837)	11
Capital Expenditure-New and Upgraded Assets	(6,184)	(5,842)	(14,053)	12
EOY Movements in capital work-in-progress	-	-	8,934	13
Less total capital expenditure	(6,411)	(6,069)	(5,956)	
= FUNDING REQUIREMENT	(5,377)	(4,892)	(5,156)	
Funded by:				
Increase/(Decrease) in cash and cash equivalents	(5,377)	(4,892)	(5,139)	
Non-cash changes in Net Current Assets	-	-	(17)	
	(5,377)	(4,892)	(5,156)	

CITY OF HOLDFAST BAY
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2013

	<u>ORIGINAL</u> <u>FULL YEAR</u> <u>BUDGET</u>	<u>CURRENT</u> <u>FULL YEAR</u> <u>FORECAST</u>	<u>ACTUAL TO</u> <u>30 JUNE</u>
	\$'000	\$'000	\$'000
REVENUES			
Rates - General	27,270	27,297	27,298
Rates - Jetty Road Glenelg	455	455	455
Rates - Patawalonga Marina	64	64	64
Rates - NRM Levy	959	959	959
Statutory Charges	2,321	2,109	2,074
User Charges	5,438	5,358	4,904
Operating Grants & Subsidies	12,884	12,232	12,638
Investment Income	471	819	915
Reimbursements	641	762	651
Other	1,130	1,078	1,361
SRWRA - net gain	-	-	480
TOTAL REVENUES	51,633	51,133	51,799
EXPENSES			
Employee Costs	23,367	23,529	23,771
Materials, contracts and other expenses	18,603	19,531	19,801
Finance Charges	922	907	1,038
Depreciation	8,303	7,750	7,766
WRWMA - net loss	-	-	19
TOTAL EXPENSES	51,195	51,717	52,395
OPERATING SURPLUS/(DEFICIT)	438	(584)	(596)
Asset disposal & fair value adjustments	-	-	(209)
Amounts specifically for new or upgraded assets	-	1,245	1,240
NET SURPLUS/(DEFICIT) - tfr to Equity Statement	438	661	435
Other Comprehensive Income			
Changes in revaluation surplus - IPPE	-	-	(1,327)
Impairment (expense) offset to revaluation reserve	-	-	(2,720)
TOTAL COMPREHENSIVE INCOME	438	661	(3,612)

**CITY OF HOLDFAST BAY
CONSOLIDATED BALANCE SHEET
AS AT 30TH JUNE 2013**

	<u>ORIGINAL</u> <u>FULL YEAR</u> <u>BUDGET</u> \$'000	<u>CURRENT</u> <u>FULL YEAR</u> <u>FORECAST</u> \$'000	<u>ACTUAL TO</u> <u>30 JUNE</u> \$'000
CURRENT ASSETS			
Cash and cash equivalents	12,150	13,253	13,088
Trade and Other Receivables	7,035	6,472	2,959
Inventory	17	16	12
TOTAL CURRENT ASSETS	<u>19,202</u>	<u>19,741</u>	<u>16,059</u>
NON-CURRENT ASSETS			
Financial Assets	1,570	1,714	1,927
Equity accounted investments-Council businesses	1,857	1,931	2,411
Land, Infrastructure, Property, Plant & Equipment	598,432	610,043	603,302
Other non-current assets - capital work-in-progress	-	-	2,854
TOTAL NON-CURRENT ASSETS	<u>601,859</u>	<u>613,688</u>	<u>610,494</u>
TOTAL ASSETS	<u>621,061</u>	<u>633,429</u>	<u>626,553</u>
CURRENT LIABILITIES			
Trade and Other Payables	26,198	26,804	26,277
Borrowings	3,364	3,499	2,027
Short-term Provisions	2,225	2,011	1,737
TOTAL CURRENT LIABILITIES	<u>31,787</u>	<u>32,314</u>	<u>30,041</u>
NON-CURRENT LIABILITIES			
Long-term Borrowings	15,273	10,979	10,583
Long-term Provisions	257	367	415
Other Non-current Liabilities	54	49	68
TOTAL NON-CURRENT LIABILITIES	<u>15,584</u>	<u>11,395</u>	<u>11,066</u>
TOTAL LIABILITIES	<u>47,371</u>	<u>43,709</u>	<u>41,107</u>
NET ASSETS	<u>573,690</u>	<u>589,720</u>	<u>585,446</u>
EQUITY			
Accumulated Surplus	166,693	169,111	164,139
Asset Revaluation Reserve	403,306	416,942	412,895
Other Reserves	3,691	3,667	8,412
TOTAL EQUITY	<u>573,690</u>	<u>589,720</u>	<u>585,446</u>

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CITY OF HOLDFAST BAY
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2013

	<u>ORIGINAL</u> <u>FULL YEAR</u> <u>BUDGET</u>	<u>CURRENT</u> <u>FULL YEAR</u> <u>FORECAST</u>	<u>ACTUAL TO</u> <u>30 JUNE</u>
	\$'000	\$'000	\$'000
ACCUMULATED SURPLUS			
Balance at beginning of period	160,878	162,752	162,750
Net Surplus/(Deficit)	438	661	435
Transfers from reserves	5,377	5,698	954
Balance at end of period	<u>166,693</u>	<u>169,111</u>	<u>164,139</u>
ASSET REVALUATION RESERVE	403,306	416,942	412,895
PLANT AND MACHINERY RESERVE			
Balance at beginning of period	321	321	321,000
Transfers to reserve	-	-	-
Transfers from reserve	-	(321)	(321,000)
PLANT AND MACHINERY RESERVE	<u>321</u>	<u>-</u>	<u>-</u>
FURNITURE AND EQUIPMENT RESERVE	279	309	-
PROPERTY DEVELOPMENT RESERVE	53	53	-
GLENELG ACCESS STRATEGY/OFF ST CARPARK DEV.	2,100	2,100	2,101
BRIGHTON CARAVAN PARK	3	134	-
COMMITTED EXPENDITURE RESERVE	-	136	-
ALWYNDOR RESERVE			
Balance at beginning of period	6,311	6,311	6,311
Transfers to reserve	-	-	-
Transfers from reserve	(5,376)	(5,376)	-
Balance at end of period	<u>935</u>	<u>935</u>	<u>6,311</u>
TOTAL RESERVES CLOSING BALANCE	<u>406,997</u>	<u>420,609</u>	<u>421,307</u>
TOTAL EQUITY	<u>573,690</u>	<u>589,720</u>	<u>585,446</u>

CITY OF HOLDFAST BAY
BUDGETED STATEMENT OF CASH FLOWS - CONSOLIDATED
FOR THE YEAR ENDED 30TH JUNE 2013

	<u>ORIGINAL</u> <u>FULL YEAR</u> <u>BUDGET</u> \$'000 (OUTFLOWS)	<u>CURRENT</u> <u>FULL YEAR</u> <u>FORECAST</u> \$'000 (OUTFLOWS)	<u>ACTUAL TO</u> <u>30 JUNE</u> \$'000 (OUTFLOWS)
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Operating Receipts	51,633	51,133	55,762
<u>Payments</u>			
Operating payments to suppliers and employees	(41,577)	(42,666)	(45,054)
Finance Payments	(922)	(907)	(1,052)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>9,134</u>	<u>7,560</u>	<u>9,656</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts received for new assets	-	1,245	1,240
Sale of replaced assets	-	216	275
Sale of surplus assets	-	2,425	425
Repayments of loans (principal) by community groups	151	151	270
<u>Payments</u>			
Expenditure on renewal/replacement of assets	(3,647)	(4,373)	(4,992)
Expenditure on new/upgraded assets	(8,703)	(12,313)	(10,952)
Loans made to community groups	-	-	(30)
NET CASH (USED IN) INVESTING ACTIVITIES	<u>(12,199)</u>	<u>(12,649)</u>	<u>(13,764)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Aged Care Facility Deposits	-	-	5,992
Repayments of Aged Care Facility Deposits	-	-	(5,270)
Proceeds from new borrowings	-	629	300
Repayments of Borrowings - External	(1,643)	(1,643)	(1,882)
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>(1,643)</u>	<u>(1,014)</u>	<u>(860)</u>
NET INCREASE (DECREASE) IN CASH HELD	(4,708)	(6,103)	(4,968)
CASH AND CASH EQUIVALENTS AT BEGINNING OF			
REPORTING PERIOD	16,858	19,356	18,056
CASH AND CASH EQUIVALENTS AT END OF			
REPORTING PERIOD	<u>12,150</u>	<u>13,253</u>	<u>13,088</u>

CITY OF HOLDFAST BAY
UNIFORM PRESENTATION OF FINANCES - CONSOLIDATED FUNDS
FOR THE YEAR ENDED 30TH JUNE 2013

	<u>ORIGINAL</u> <u>FULL YEAR</u> <u>BUDGET</u> \$'000	<u>CURRENT</u> <u>FULL YEAR</u> <u>FORECAST</u> \$'000	<u>ACTUAL TO</u> <u>30 JUNE</u> \$'000
Operating Revenues	51,633	51,133	51,799
less Operating Expenses	(51,195)	(51,717)	(52,395)
Operating Surplus/(Deficit) before Capital Amounts	438	(584)	(596)
Less net outlays on Existing Assets			
Capital Expenditure on renewal & replacement of existing assets	3,647	4,373	4,992
Less Depreciation	(8,303)	(7,750)	(7,766)
Less Proceeds from Sale of Replaced Assets	-	-	(275)
	(4,656)	(3,377)	(3,049)
Less outlays on New and Upgraded Assets			
Capital Expenditure on new & upgraded assets	8,703	12,313	10,952
Less Amounts received for new/upgraded assets	-	(1,245)	(1,240)
Less Proceeds from Sale of Surplus Assets	-	-	(425)
	8,703	11,068	9,287
Net lending/(borrowing) for financial year	(3,609)	(8,275)	(6,834)

CONSOLIDATED FINANCIAL INDICATORS
FOR THE YEAR ENDED 30TH JUNE 2013

	<u>ORIGINAL</u> <u>FULL YEAR</u> <u>BUDGET</u> \$'000	<u>CURRENT</u> <u>FULL YEAR</u> <u>FORECAST</u> \$'000	<u>ACTUAL TO</u> <u>30 JUNE</u> \$'000
OPERATING SURPLUS RATIO (Operating surplus/(deficit) before capital amounts as % of general and other rates, net of NRM Levy)	2%	-2%	-2%
NET FINANCIAL LIABILITIES - (Total liabilities less financial assets)	26,616	22,270	23,133
NET FINANCIAL LIABILITIES RATIO (Total liabilities less financial assets as % of total operating revenue, net of NRM Levy)	53%	44%	46%
INTEREST COVER RATIO (Net interest expense as % of total operating revenue less NRM Levy less investment income)	2%	2%	2%
ASSET SUSTAINABILITY RATIO (Capital expenditure on renewal/replacement of existing assets, excluding new capital expenditure as % of depreciation expense)	44%	56%	64%

The following summary budget variation notes on material variances in operations are provided to support these statements.

Municipal Activities

Operating Revenue

Note 1 – Statutory Charges

Parking fines income. The original budget was \$1.405m and was revised down to \$1.215m during 2012/13. The final actual amount is \$1.156m.

Planning and encroachment permit fees. The original budget was \$469,000 and was revised down to \$424,000. The final amount is \$444,000.

Dog registrations fines and costs. The original budget was \$155,000 and the final amount is \$165,000.

Rate Search Fees. The original budget was \$54,000 and was revised up to \$77,000. The final amount is \$76,000.

Note 2 – User Charges

Parking ticket machine income. The original budget was \$1.145m and was revised down to \$1.05m due to reduced patronage. The final amount is \$973,000.

Caravan Park income. The original budget was \$774,000 and was revised down to \$714,000 due to reduced patronage. The final amount is \$697,000.

Commercial Leases. The original budget was \$158,000 and the final amount is \$135,000.

Cemetery Fees. The original budget was \$93,000 and was revised up to \$136,000. The final amount is \$164,000.

Note 3 – Operating Grants and Subsidies

Commonwealth Financial Assistance Grant. The original budget was \$1.258m. The budget was revised down to \$628,000 on the understanding that the Commonwealth Government practice of making advance payments would cease in 2012/13. However in June 2013 an advance amount of \$585,608 was received. The final actual amount received in 2012/13 is \$1.213m.

Stormwater Management Plan Grant. The original budget was \$120,000 and when this project is completed the actual grant funds will be received. This item is listed as a carried forward budget.

Healthy Community Initiative Grant. The original budget was \$516,042 and \$376,042 has been received. The remaining funds totalling \$140,000 are due to be received in 2013/14 and this item is listed as a carried forward budget.

Home and Community Care – Variation. This is an additional grant of \$70,000 which was received late in 2012/13. The balance of unspent funds have been listed as a carried forward budget.

Roads to Recovery. The original budget was \$271,300 and the final amount received is \$329,560.

Note 4 – Interest on Investments

Interest on Investments. The original budget was \$251,500 and this was revised down to \$237,500 due to falling interest rates and reduced positive cash flow. The final amount was \$224,669 and the budget variance was offset by savings on finance charges and timing of short-term borrowings.

Note 5 – Reimbursements

Workers Compensation Rebate/Mutual Liability Scheme. The original budget was \$200,000 and was increased by \$37,500 due to a higher rebate received. This amount was budgeted as a reimbursement however the correct treatment is other income.

Various Other items. Includes increased amounts for training subsidies, fuel tax rebates, contributions for memorial seats.

Note 6 – Other

Workers Compensation Rebate/Mutual Liability Scheme. This amount was budgeted as a reimbursement however the correct treatment is other income \$237,500.

Note 7 – SRWRA Net Gain

Councils 15% share of the gain on operations of the Southern Regional Waste Resource Authority accounted for at year-end.

Note 8 – Employee Costs

Original budget was revised during year to allow for vacancies and temporary staff. Final amount exceeded revised budget by \$425,982 primarily due to an additional fortnight of employee costs allocated to 2012/13 due the timing of the financial year-end date.

Note 9 – Materials, contracts and other expenses

Original budget was increased during the year in accordance with Council resolutions including encroachment fee write-off Liberty Towers \$136,000; Commercial tenancy income write-off Buffalo \$78,000; additional event funding Glenelg Pageant \$10,000 and New Year's Eve \$25,000.

Other major variations approved during the year included public spaces repairs and maintenance \$113,000; asbestos removal Kingston House \$40,000; Boat Lock and foreshore repairs and maintenance \$43,000; professional services support \$93,000; Street Lighting

\$58,000. These costs were part offset by savings in insurances, planning legal costs and corporate training \$57,000.

The final amount is \$310,362 (2%) over the revised budget. The major variations have occurred in legal fees \$129,000; temporary staff \$117,000 (part offset by savings in employee costs); final public spaces repairs and maintenance costs \$213,000; final electricity and water costs \$112,000.

Unspent grant funds include the Healthy Communities Initiative \$237,000 and HACC variation \$44,500 which are listed in the carried forward budgets.

Note 10 – Finance Charges

Interest on borrowings was lower than budget due to the timing of drawing down and repaying short-term cash advance debentures when funds permitted.

Note 11 – Depreciation

Budget was revised during year to reflect depreciation on updated asset valuations as at 30 June 2012 and approved changes in the useful lives of infrastructure. The amount is to yet to be finalised for 30 June 2013 due to revaluation of infrastructure, buildings and library lending materials that is currently being undertaken.

Note 12 – WRWMA Net Loss

Councils 5.91% share of the loss on operations of the Western Region Waste Management Authority accounted for at year-end.

Note 13 – Other non-Cash provisions

Net result in movements in employee entitlements lower than original budget estimate.

Note 14 – Amounts received for new/upgraded assets

Budget was revised during year to allow for capital funding for the following projects; Glenelg Foreshore CCTV \$250,000; sand pumping stations reserve reinstatements and improvements \$190,000; Mike Turtur Bikeway \$762,314; Bus shelters and reserve improvements \$42,860. The majority of this budget has been received.

Note 15 – Proceeds for disposal of assets

Amount refers to the sale of property (Brighton Institute Library) \$425,523 and trade-in of major plant and vehicles throughout the year \$217,712.

Note 16 – Capital Expenditure – Asset Renewal and Replacement.

The classification types of capital expenditure have been reviewed and adjusted. Due to the nature of completed capital works many projects have been reclassified as upgraded asset

expenditure. The overall capital expenditure variance is \$1.47m. The amount of capital expenditure to be carried forward is \$1.262m as listed below.

The difference is due to savings on completed projects, project deferrals or minor unspent projects not required to be carried forward.

The original budget for renewed and replaced assets was revised during the year for incomplete projects carried forward to 2012/13 (Report 334/12) and included Lifelinks capital \$50,000, vehicles \$25,000, Colley Terrace Rotunda \$36,000, and building works.

The budget was also increased during the year for new and revised projects including the Hindmarsh Lane Exeloo \$250,000, major plant and vehicles \$255,000, roads reseal program \$153,000 and depot and reserve improvements.

Note 17 – Capital Expenditure – Asset New and Upgraded

The original budget for new and upgraded assets was revised during the year for incomplete projects and included the Coast Park projects \$1.336m, Mike Turtur bikeway \$534,264, foreshore lighting \$338,691, major plant and equipment \$150,000 and various other projects. The budget was increased during the year for extending or created new projects including further funding for the Mike Turtur bikeway \$749,814, Glenelg historic tram shelter \$55,000, sand pumping station surrounding infrastructure \$190,000, and sporting club buildings \$74,000.

Note 18 – Environmental Projects

This environmental capital project budget is fully committed and the balance has been approved by Council as a carried forward budget.

Note 19 – Capital Expenditure – Work in Progress

This expenditure refers to capital expenditure for projects that have commenced but are yet to be completed. It includes the bike path project \$737,449, Old Gum Tree reserve \$220,000 and various reserve and building projects. These projects and budgets have been approved as carried forward items.

Note 20 – Repayments of Loans by Sporting Groups

This budget variance refers to the additional principal repayment made of \$200,000 by the Somerton Bowling Club less the deferred principal repayments as arranged with the Glenelg Football Club.

Note 21 – Loans made to Community Groups.

In June 2013 a new \$30,000 Council funded loan was arranged for the Glenelg Cricket Club report (171/13).

Note 22 – Movement in cash and cash equivalents

Final movement which reconciles with the cash flow statement in the model financial statements.

Note 23 – Changes in non-cash items

Net change in non-cash items at end of year including movement in debtors and creditors. This included a significant reduction in general debtors during 2012/13 including the payment for the property sale of 25 Moseley St Glenelg \$1.25m and grant payment for the CCTV project \$110,000.

Note 24 – New Borrowings

New borrowings are made in accordance with Councils treasury management policy. Loan funds are drawn down only when required. The budget was varied during the year to meet capital projects carried forward from the 2011/12 \$2.78m less proposed funding savings including assets sales during 2012/13 \$2.15m net. As at 30 June 2013 an amount of \$300,000 remained outstanding on a cash advance debenture. There were no major new borrowings during 2012/13 as there was sufficient short term cash available to meet expenditure commitments.

Note 25 – Principal repayments of borrowings

The variance refers to the additional \$200,000 principal repayment by the Somerton Bowling Club.

Alwyndor Activities

Note 1 – User Charges

Budget was increased during the year for income received. Overall client income received for residential care services was over budget due to the nature of fees paid which are means tested and are offset by grants. Community client's income received was over budget due to a reduction in fee waivers. Fee waivers are processed as per the Department of Health and Ageing guidelines.

Note 2 – Operating Grants and Subsidies

Reduction in grants applicable to residential care as determined by the Aged Care Funding Instrument (ACFI).

Note 3 – Investment Income

Additional income received due to improved cash flow as a result of the timing of progress payments toward the facility redevelopment. Interest received on unpaid accommodation bonds also exceeded original estimate.

Note 4 – Reimbursements

The increased amount is the income received for services provided for Consumer Directed Care.

Note 5 – Other

The budget was decreased during the year to allow for the closing of the café and therefore the reduction in sales. Consumer Directed Care administration fees were increased due to a shift of clients from Extended Aged Care at Home to Consumer Directed Care. Final result exceeded revised estimate.

Note 6 – Employee Costs

Budget was increased during the year to provide for wages for services for residential care due to the outcome of Aged Care Funding Instrument (ACFI). The final result reflects is due to an increase in nursing and training wages. A further increase occurred in long service leave paid which is offset by a reduction in provisions.

Note 7 – Materials, contracts and other expenses

Major budget variances occurred in general repairs and maintenance of existing facilities, increased in all utility charges, chemist supplies, registration and licenses, fuel costs, incontinence products, and interest on bonds repaid.

Note 8 – Depreciation

An increase in depreciation is due to the new building (stage 1B) opening December 2012.

Note 9 – Other non-cash provisions

Decrease in end of year employee entitlements.

Note 10 – Proceeds from disposal of assets

Trade-in proceeds from sale of motor vehicles which were replaced during the year.

Note 11 - Capital Expenditure – Asset Renewal and Replacement

The budget variance is due to the upgrade of the Fire Alarm System.

Note 12 – Capital Expenditure – New/Upgraded Assets

Budget result is due to the timing of payments for the major redevelopment. Overall project is currently on budget and due for completion in 2013.

Note 13 – Movement in Capital work in progress

This item refers to the Alwyndor redevelopment which was not completed at the end of the prior year and has now been accounted for as a completed asset during 2012/13.

Item No: **14.4**

Subject: **2012-13 ANNUAL REPORT**

Date: 12 November 2013

Written By: Corporate Planning Officer

General Manager: Corporate Services, Mr Ian Walker

SUMMARY

Council's Annual Report is an important document providing legislators and the community with assurance that the City of Holdfast Bay is meeting all its strategic and governance requirements. The 2012-13 Annual Report has been prepared to meet all statutory requirements and will be made available in both hard copy and electronic forms by the end of December 2013.

RECOMMENDATION

That Council adopts the 2012-13 Annual Report, subject to minor changes, design and the inclusion of the audited financial statements.

COMMUNITY PLAN

A Place that Provides Value for Money

COUNCIL POLICY

The annual report is a legislative requirement

STATUTORY PROVISIONS

Section 131 of the Local Government Act 1999 requires Council to prepare and adopt an Annual Report each year that reflects the progress in reaching its strategic and financial goals. The Annual Report must be adopted by 30 November each year.

A copy of this Annual Report must be submitted by Council to the Presiding Members of both Houses of Parliament and to the SA Local Government Grants Commission by 31 December.

BACKGROUND

Council has not previously considered the 2012-13 Annual Report.

REPORT

The draft 2012-13 Annual Report meets all the requirements of the Local Government Act and provides an overview of some notable achievements.

Attachment 1 forwarded to Elected Members under separately cover

These achievements include:

- The completion of the second stage of the Alwyndor Aged Care facility redevelopment
- The refurbishment of playgrounds at Susan Grace Benny Park, Seacliff and Graymore Park , North Glenelg.
- The siting of the H-class Tram in purpose build display in Wrigley Reserve.
- The upgrade of the walking path and lighting around the Patawalonga Lake, and the installation of improved CCTV coverage in Moseley Square and Glenelg foreshore.
- The installation of solar panels and energy saving systems at the Brighton Civic Centre.
- The construction of the Brighton to Kingston Park Coast Park from Jetty Road, Brighton to Edwards Street, Kingston Park.
- The development of the first stages of Mike Turtur Bikeway and Sturt River Linear Park Bikeway.
- The installation of Exeloo toilets in Hindmarsh Lane Glenelg.

The attached draft report does not include the audited financial statements. These statements are presented for endorsement by Council in Report No 358/13 in this agenda. These statements will be included in the Annual Report for publication, as well as the annual reports of Council's two regional subsidiaries, Southern Region Waste Resource Authority and Western Region Waste Management Authority.

As in previous years, this year's Annual Report will be provided in an electronic format on the Council's web page with a limited number of printed copies produced for Elected Members and other stakeholders.

BUDGET

The cost of design and printing of the Annual Report is incorporated in the 2013-14 budget.

LIFE CYCLE COSTS

There are no full life cycle cost implications.



OUR PLACE
2012-13
ANNUAL REPORT



OUR VISION

We are guided by our vision to be 'A sustainable, well serviced, safe and cohesive seaside community that enjoys an outstanding quality of life, welcomes visitors, and values the City's distinctive history and open spaces'.

ACHIEVING OUR VISION

We believe that inclusiveness and diversity in decision making allows for better outcomes for our community. We are committed to providing an opportunity for people to influence the decisions we make and the services we provide to enhance quality of life within our City.

When we reviewed our Strategic Plan in 2011, we sought and welcomed community input. Many people shared their views and thoughts on the City, and the new Community Plan, *Our Place (2012 – 2015)* reflected that input. *Our Place* was adopted by Council in January 2012. It provided the scaffolding for our *2012–13 Annual Business Plan*, which, in turn, guided the programs, projects and activities we have reported on in this Annual Report.

***Our Place* has four key goals:**

1. Building a Strong Community
2. Creating a Sustainable Environment
3. Delivering Economic Prosperity
4. Enhancing City Design and Function



OUR TRADITIONAL CUSTODIANS

We acknowledge the Kurna people as the traditional owners of this land. We respect their spiritual relationship with the country that has developed over thousands of years and the cultural heritage and beliefs that remain important to the Kurna people today.

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OUR PLACE

ADELAIDE'S FAVOURITE COASTAL DESTINATION

Located 11 kilometres south-west of the Adelaide Central Business District, Holdfast Bay is regarded as a progressive and lively seaside community. With our rich heritage, sandy beaches and exciting attractions, we are widely celebrated as Adelaide's favourite coastal destination.

With a footprint of just under 14 square kilometres, our City includes the suburbs of Brighton, North Brighton, South Brighton, Glenelg, Glenelg East, Glenelg North, Glenelg South, Hove, Kingston Park, Seacliff, Seacliff Park and Somerton Park.

Our City is predominantly residential, with thriving retail precincts in Glenelg, Brighton and along Brighton Road and a light industrial base at Somerton Park. The 2011 Commonwealth Census data shows a residential population of 36,035 of which 37 per cent are under the age of 34; 29.1 per cent are aged between 45 and 64; and 21.6 per cent are aged over 64. Comparisons with the 2006 Census show a slight decline in the number of older residents, a relatively stable number of younger people and a significant increase in people aged 45 to 64 years.



FROM THE MAYOR

The old saying, 'God is in the details' holds a high degree of relevance for us at Council. It speaks of the importance of attending to the details, big and small, as we plan and execute our vision for our City. It is about approaching our responsibilities with passion, diligence, expertise and effort. And most importantly, it is about care – about caring for our place, for our people, for our community.

As Council's Elected Members and staff move through our City we see evidence everywhere of the care we bring to our respective roles.

We see beach-goers – young and old, locals and visitors – holding the handrails on the stairs from our new Coast Park down to our famous, clean, white beaches and we know Council planned, budgeted for and installed those handrails. They are a small detail – like the footpaths and roads we maintain, the waste we collect and process and the street trees we plant: easily taken for granted, but playing their part in our big-picture vision of delivering a safe, well-designed, family-friendly place where people thrive and visitors feel welcome.

We see families enjoying the upgraded playgrounds facilities at the Susan Grace Benny Park and Graymore Park and watch as our crews start work on expanding and redeveloping the Old Gum Tree Reserve. We know what it means to our residents and visitors to have thoughtfully designed and maintained open spaces and play facilities.

We see joggers, strollers and people with prams and dogs, enjoying the pathway around the Patawalonga Lake, and others 'out on the town' at Glenelg's entertainment precinct and we know that the new lighting and other security measures we have put in place contribute to their sense of safety.

We see the old 'Red Rattler' H-Class tram settled at Wigley Reserve and we know we brought it home to the Bay, where it reminds us of our history, contributes to our City's unique character and enhances our collective sense of place.

And we see people participating in our City's community life: using our community facilities as members of sports, arts and recreational clubs; maintaining an independent lifestyle with support from our community services team; embracing lifelong learning opportunities as library users; and learning new ways to live well as participants in our Healthy Holdfast Bay events and programs.

This Annual Report outlines just some of the details, big and small, that Council has planned, funded and delivered during the 2012–13 year to enhance the way people live, work and play in our place. We're proud of these achievements and look forward to continuing our work in the year ahead.

Dr Ken Rollond



FROM THE CEO

Against a broad backdrop of economic, social and environmental change, the seemingly relentless impact of technological advances and significant political instability, Council has risen to the challenges set by our Elected Members' bold business plan to deliver an impressive set of achievements – while containing our rates increase to a modest 3.7 per cent.

Highlights of our ambitious agenda for asset renewal include completing the second stage of our three-year \$19.6 million redevelopment of the Alwyndor Aged Care facility. The new, purpose-built suites and facilities are now enhancing the range of experiences available to residents and their families and visitors, and better supporting our staff in caring for residents and clients. The new design also fosters greater community contact: in the spirit of our City, it looks outward to the broader community and invites people in.

Other asset renewal projects invite people to go outdoors, and stay out longer in our City's public spaces: the upgraded lighting along the Patawalonga Lake and throughout the Glenelg tourism and entertainment precinct, together with expanded CCTV camera coverage and crime-prevention initiatives, improve safety for locals and visitors alike. Our continuing work on the Coast Park – with its wide level path, benches and public art – makes jogging, walking and cycling along our beautiful foreshore a free, easily accessible pleasure for the thousands of people who use it every week.

These larger projects took place alongside a long list of smaller upgrades. We installed five new bus shelters, a new toilet block in Glenelg's Hindmarsh Lane and new playground facilities in Seacliff and Glenelg North, completed another section of the Mike Turtur Bikeway, and commenced with constructing a section of the Sturt River Linear Park – all while maintaining and improving our roads and footpaths.

Our responsibility to our natural environment remains a top priority and we achieved some significant goals this year. We installed sand-drift fencing along the Glenelg, Brighton and Seacliff sand dunes, new solar energy systems at the Brighton Civic Centre and the new Alwyndor development (above) and several water-sensitive road designs. We planted 551 street trees and worked in partnership with local schools and community volunteers to plant and care for indigenous plants in our sand dunes and reserves, and ran a series of Green Living workshops to share skills and information with our residents.

While the 2012–13 year saw Council address and work through the ramifications of some tough decisions, we also focused on celebrating and promoting all that's good about our place. Our Proclamation Day, Glenelg Christmas Pageant, Jetty Road Treasure Hunts and New Year's Eve events, together with our tourism and marketing strategies, drew thousands of visitors to our City, raising our tourism profile, boosting local business and maintaining the vibrant community culture that draws people back.

As we look towards the implementation of the ICAC legislation next year, I am confident that we will continue to improve our governance and decision-making processes, safeguarding the expectations of our community, now and into the future.

Justin Lynch



2012–13 HIGHLIGHTS

DID YOU KNOW THAT IN 2012–13?

1,500
residents received in-house community therapy and 226 received HACC services in their homes through our Alwyndor Aged Care Facility

101,893
kWh were saved on electricity when we installed a solar electric system and more efficient lighting at our Brighton Civic Centre in September 2012, representing a saving of \$14,750

12,000
people followed our Jetty Road social media streams

3,010 immunisations were administered by our Environmental Health team

5.5km
of additional bike lanes were added to our City

7,519
tonnes of green waste and recyclable household waste was diverted from landfill

980
health-related complaints and enquiries were received and addressed by our Regulatory Services team

19,000
people attended the Glenelg Christmas Pageant, which involved more than 2,000 local participants

12,741
hours of support were provided to our 1,450 Home Assist and Community Care (HACC) clients through our Community Services team

936
development applications were assessed for developments totalling \$171 million

40,511
people and 60 school groups visited the Bay Discovery Centre, where we held 12 exhibitions

85,300
hours of community service were provided by our volunteers (worth an estimated \$2.34 million)

4,440
dogs were registered in our City (105 more than in 2011–12)

66%
fewer contaminants were placed in recycling bins following the expansion of our Recycle Right campaign

391.5
kilometres of footpaths, 178.3 kilometres of roads and 70 hectares of reserves were maintained by our City Assets team

5,917
babies, toddlers and parents enjoyed 147 Wriggle 'n' Rhyme sessions at our Brighton and Glenelg libraries



BUILDING A STRONG COMMUNITY

Building a strong community involves providing an environment where people feel valued and safe; where cultural diversity is respected; where people can participate in social activities; and where they can live with dignity and a sense of 'place'.

A place with a quality lifestyle

COMMUNITY DEVELOPMENT

We promote an active, healthy and socially-connected lifestyle for all members of our community by providing high-quality sporting and recreational hubs; a network of community centres; opportunities for performing and visual arts; programs for youth; support for our local clubs and community groups; and initiatives that celebrate and showcase our Indigenous history and diverse culture. This year's highlights include:

- involving 1,165 participants in our eight-week 'Be active @ the Bay' program on Colley Reserve
- involving 108 young people in our National Youth Week program
- involving about 80 participants and countless spectators in our Stitch for Summer project
- supporting 24 local not-for-profit organisations with funding totalling \$44,930 for community projects through our Community Donations program
- providing \$5,350 to help 45 local young people represent the state or nation in their chosen sporting and/or cultural activities through our Youth Achievement Sponsorship program.



Led by community artist, Irmina Van Niele, our Stitch for Summer project saw about 80 volunteers contributing their knitting/crocheting expertise and/or materials to a large-scale yarn-bombing project for the Adelaide Fringe Festival, temporarily transforming the Greg Johns Rhythm Sculpture at the Glenelg foreshore.

A place for every generation

ALWYNDOR AGED CARE REDEVELOPMENT

This year, in addition to providing 1,500 residents with community therapy services and 222 clients with community care services, we completed the second stage of our three-year \$19.6 million redevelopment of the Alwyndor Aged Care facility. This included replacing 48 low-care bedrooms with 44 new suites and associated dining and recreational facilities; building new suites for rehabilitation, medical, dental and allied health services plus staff training; and building a new multi-purpose hall, chapel, café, shop and hairdressing salon. The upgraded facilities boast solar electricity, storm water retention and emergency power generation systems.

COMMUNITY SERVICES

Our Home and Community Care (HACC) Services, Life Links and Community Transport programs aim to enhance wellbeing, promote independence and maintain quality of life for older people, people with disabilities and carers who live at home and still manage independently with most things, but need basic support in one or two areas. This year we provided 10,490 hours of social support and 1,630 transport trips to 167 residents living in supported residential facilities; 12,741 hours of practical support to 1,450 HACC-registered residents and 7,020 passenger trips to local shopping centres and community venues via our community bus service.

PLAYGROUNDS AND RESERVES UPGRADE

To meet the needs of families with young children in Seacliff, we upgraded the playground at the Susan Grace Benny Park. In Glenelg North, we upgraded the playground at Graymore Park and commenced a two-year expansion and redevelopment of the Old Gum Tree Reserve. On completion in December 2013 (in time for the official Proclamation Day ceremony) this historically significant reserve will offer two new lawned areas, a playground, more trees, improved landscaping and more off-street parking.

A place that celebrates culture

H-CLASS TRAM NO 361 INSTALLATION

To celebrate its strong historic link with our City, an authentic 'red rattler' (H-Class Tram, No 361) was transported from the St Kilda Tram Museum to Wigley Reserve and installed in a purpose-built protective shelter adjacent to HMS Buffalo.

LIBRARY SERVICES

Through our two branches at Brighton and Glenelg and our Home Library service, we aim to provide accessible and progressive library services that meet our community's informational and recreational reading needs while fostering a love of lifelong learning. This year, more than 424,000 items were borrowed and over 233,800 visitors used our libraries.

A place that is safe and secure

PATAWALONGA WALKWAY UPGRADE

Following on from upgrading the walkway around the Patawalonga Lake in 2011–12, we completed this two-year project by installing new LED lighting along the length of the walkway – to create a safer, more attractive and accessible place for people to enjoy.

GLENELG FORESHORE 'SAFER SUBURBS' UPGRADE

This year, we completed a two-year project funded by a \$350,000 Commonwealth Government 'Safer Suburbs' grant. The project involved expanding Closed Circuit TV (CCTV) coverage within the Glenelg Precinct in 2011–12, and replacing 22 Lights in Moseley Square and along the Glenelg foreshore in 2012–13. The upgraded lighting increases illumination while reducing our energy consumption and, in conjunction with the CCTV cameras, works to improve safety for the many residents and visitors who enjoy the area

REGULATORY SERVICES

We continue to keep our community safe and healthy through our services in environmental health; public safety and security monitoring; animal management; parking, and immunisation. This year's highlights include:

- registering 4,440 dogs
- issuing 3,005 fewer parking notices than last year
- conducting 343 school patrols and 448 beach patrols
- returning 135 dogs to their owners and dealing with 125 complaints about dogs and cats
- administering 3,010 immunisations
- inspecting 450 food premises and responding to 980 health-related complaints.



CREATING A SUSTAINABLE ENVIRONMENT

Environmental sustainability ensures we are protecting and enhancing our natural physical environment for current and future generations.

A place that values its natural environment

COMMUNITY PARTNERSHIPS IN EDUCATION

Our work in rehabilitating our sand dune ecosystems offers a practical opportunity for community collaboration and education to come together. Our environmental team has established many strong, ongoing partnerships with local schools and community groups to foster a sense of responsibility, ownership and care for this important part of 'Our Place'. In 2012–13, working alongside our Coast and Biodiversity staff, students from Seacliff Primary helped us plan, plant and maintain a new Seacliff Biodiversity Corner.

SAND-DRIFT FENCING

As part of our ongoing efforts to address sand drift and protect coastal indigenous plantings and seafront properties, we constructed fencing along the Glenelg, Brighton and Seacliff sand dunes. This was achieved with funding support from the State Government through the Department of Environment, Water and Natural Resources' Coast Protection Board.

A place that manages its environmental impacts

BRIGHTON CIVIC CENTRE ENERGY-SAVING SYSTEMS

Following an energy review conducted in early 2012, a 46 kW solar system and more efficient lighting were installed at the Brighton Civic Centre. Since they were commissioned in September 2012, we have saved 101,893 kWh of electricity (usage), an estimated 80 tonnes of CO₂ and \$14,750 in electricity supply charges.

GREENING OUR COMMUNITY

Our Greening our Community program provides grant funding of up to \$5,000 to local community groups to assist them in implementing a diverse range of environmental projects. This year we supported 10 community groups, including schools and kindergartens, with projects including establishing a butterfly garden, building a veggie patch, creating an indigenous garden plus installing rainwater tanks and solar panels.

RECYCLE RIGHT CAMPAIGN

A joint venture between Solo, Visy and Holdfast Bay, our 2011–12 Jetty Road Glenelg Recycle Right campaign was the first of its kind in South Australia and has since been used as a model by other local governments. The campaign involves visually inspecting and tagging recycling bins to educate their owners (business and residential) about the suitability of the contents. This year, we ran the campaign along Jetty Road, Brighton, resulting in a 66 per cent reduction in contaminants in the targeted bins.

OPEN SPACE AND COASTAL ASSETS

To protect and conserve our natural environment, we provide and maintain high quality, well-serviced open spaces, streetscapes, and foreshore areas including 70 hectares of reserves and 8 kilometres of coastline. We support strong, environmentally appropriate design and landscaping in public and private developments, incorporate climate change planning in the way we manage our community assets and work in partnership with the State Government and regional partners to maintain the City's beaches and coastal environment.

WASTE MANAGEMENT

We provide a safe, efficient and sustainable service for removing, recycling and disposing of our City's domestic rubbish, recyclables and green waste plus litter, e-waste and hard rubbish. This year we collected 3,673 tonnes of green waste and 3,846 tonnes of recyclable waste from Holdfast Bay households.





DELIVERING ECONOMIC PROSPERITY

Economic prosperity builds a thriving business environment, which, in turn, supports a vibrant community and local employment opportunities and provides an attractive location for visitors.

A place to do business

TOURISM AND BUSINESS MARKETING SERVICES

We work to promote and strengthen our City's tourism profile by building and enhancing our brand and developing tourism opportunities with the aim of increasing the number of visitors to our City, extending the length of their stay, increasing the amount they spend in our retail precincts and encouraging them to return. During 2012–13 our City hosted 824,653 visitors (11,953 international, 141,000 domestic and 672,000 day trippers); sold 400,000 accommodation room nights (representing over \$30 million); and saw a tourism expenditure in excess of \$113 million.

We support our marketing strategies by hosting and running community events. This year we sourced over \$155,000 in sponsorship and partnered with 19 organisations to support the delivery of 195 events including the Bay Sheffield, Sunday Mail City to Bay Fun Run, Brighton Jetty Classic Sculptures Festival and the 14-day Rescue 2012 World Lifesaving Championships. Our Council-run family-friendly News Year Eve events at Brighton and Glenelg attracted over 60,000 attendees, while our Jetty Road Glenelg Christmas Pageant attracted 19,000 attendees and involved 2,000 local participants.



We host Proclamation Day every year on 28 December at the Old Gum Tree Reserve in Glenelg North. This year, more than 550 people were welcomed by Young Australian of the Year 2011, Vincent "Jack" Bucksin. Attendees included the Prime Minister of Australia, the Honourable Julia Gillard; Governor of South Australia His Excellency Rear Admiral Kevin Scarce AC CSC RANR; and the Deputy Premier of South Australia the Honourable John Rau. A community celebration featuring live music, complimentary food and refreshments followed the formalities.

A place that welcomes visitors

GLENELG JETTY ROAD PRECINCT PROMOTIONS

Through the efforts of the Jetty Road Mainstreet Management Committee, we continued to support the economic development of Jetty Road Glenelg by promoting the precinct as a vibrant shopping, leisure and recreational area with year-round appeal to residents and visitors. We commenced the 2013–14 financial year with a low vacancy rate of 4.9 per cent. Our efforts included supporting the Jetty Road Glenelg Christmas Pageant, which involved more than 2,000 local participants and attracted over 19,000 attendees; two Jetty Road treasure hunts, which involved over 3,500 children and their families; and a highly successful Mother's Day Campaign, which involved more than 3,000 shoppers. We also supported an Easter Fun Day, school holiday activities, the Random Arts project, Summer Sundays at the Bay, Open Mic Nights and South Australian Living Artists (SALA) Festival.

A place that provides value for money

CUSTOMER SERVICE UPGRADE

In response to community feedback we upgraded the Brighton Service Counter foyer to create a one-stop shop for all customer enquiries. The new service area features a disability-friendly counter and new call centre. We also upgraded our PABX phone system and implemented an integrated customer request system. This year, our customer experience team answered 41,730 phone calls and dealt with 5,280 enquiries in person and 3,734 enquiries online.

CORPORATE SERVICES

We deliver services in an accountable, transparent way that meets legislative requirements and provides the best value for money. The broad business areas delivering corporate services to support Council administration include:

- Governance and policy
- Business planning
- Planning policy
- Procurement
- Human resources
- Risk management
- Occupational health, welfare and safety
- Property management and leases
- Elected member and CEO support
- Records management
- Information and technology services
- Finance
- Rates administration.



ENHANCING CITY DESIGN AND FUNCTION

A well-planned accessible and safe City provides a variety of movement, transport, employment, recreational and housing choices. A City with well-connected public spaces supports our community and strikes a balance between the natural and built environment.

A place that is well planned

BRIGHTON TO KINGSTON PARK COAST PARK

This shared pedestrian and cyclist pathway boasts wide, level footpaths, upgraded street lighting, litter bins, drinking fountains, beach access points and perfectly positioned benches – enabling our community and visitors to enjoy the foreshore of our popular beaches. When it is completed, the Coast Park will provide unbroken access to the foreshore from North Haven to Sellicks Beach. In 2012–13, we completed the Brighton to Kingston Park section (stretching from Jetty Road, Brighton to Edwards Street, Kingston Park) with funding assistance from the State Government through Planning SA.

HINDMARSH LANE PUBLIC TOILETS

In response to community demand for improved facilities in Glenelg's Jetty Road Precinct, we installed new unisex, disability-friendly, self-cleaning, Exeloo toilets in Hindmarsh Lane.

MIKE TURTUR BIKEWAY

Almost 10 kilometres in length, this recreational linear park follows the Glenelg Tramway Corridor between Brighton Road, Glenelg and South Terrace, Adelaide and includes an off-road, shared-use path for pedestrians and cyclists plus links to adjoining paths, tram stops, local destinations and open-space facilities. With funding assistance from the State Government in 2011–12 and 2012–13, completing the section between Brighton Road and Morphett Road involves constructing a sealed shared-use path, seating, bike rack and storage facilities; installing drinking fountains, public lighting and artwork; and planting native vegetation.

STURT RIVER LINEAR PARK

An off-road, shared-use path between Dunbar Terrace and Anzac Highway in Glenelg East, our section of the Sturt River Linear Park joins the existing Sturt River Linear Park to provide continuous public open space from the Patawalonga River in Glenelg North to Frank Smith Park in Coromandel Valley. It also intersects with the Mike Turtur Bikeway. With funding assistance from the State Government, the project will be completed by December 2013.

ASSET MANAGEMENT

We manage, maintain and develop our community's assets and infrastructure in an environmentally and financially sustainable way. This includes building and maintaining a user-friendly network of bikeways; cleaning our streets and foreshore; operating and maintaining our North Brighton and St Jude's cemeteries; and providing appropriate street lighting. This year we maintained 178.3kms of roads and 391.5kms of footpaths and developed 5.5kms of additional bike lanes.

A place that provides choice and enhances life

STRATEGIC PLANNING

In 2012–13 we progressed a number of planning policy initiatives which support and promote development that is sensitive to our City's character and heritage. Our achievements include:

- submitting our Strategic Directions Report to the Minister for Planning
- completing community consultation on our Heritage and Character Development Plan Amendment (DPA) following ministerial approval
- completing community consultation on our Brighton and Hove DPA
- commencing community consultation on our Better Development Plan (BDP) Conversion DPA
- receiving ministerial approval for a Statement of Intent in collaboration with the City of Marion to investigate rezoning the former cement works site through a Seacliff Park Residential and Centre DPA; and
- establishing a Deed of Agreement to work with Minda Inc. on a DPA process for the Minda Homes North Brighton campus.



STRATEGIC MANAGEMENT

HOW WE MEASURE OUR PERFORMANCE

Our financial performance is assessed against measures established in our *Long-Term Financial Plan*. We prepare a range of reports each financial year, including monthly financial statements, budget updates, four annual comprehensive budget reviews and the preparation of audited financial statements, as required under the *Local Government Act 1999*.

Our City Scorecard (below) measures our progress towards achieving community objectives and a Corporate Scorecard is used to improve our internal services. Information for these scorecards comes from a range of sources, including a comprehensive annual Community Satisfaction and Quality of Life Survey conducted by the Ehrenberg-Bass Institute at the University of South Australia.

City Scorecard

BUILDING A STRONG COMMUNITY

INDICATOR	TARGET	ACTUAL	PERFORMANCE
Community's satisfaction with quality, accessibility and availability of open space (Ehrenberg Bass Community Panel Survey)	80%	87%	●
Community's perception that services and facilities provided by Holdfast Bay Council enhance Quality of Life (Ehrenberg Bass Community Panel Survey)	80%	82%	●
Community's satisfaction with the range and quality of services provided by the City of Holdfast Bay (Ehrenberg Bass Community Panel Survey)	85%	80%	●
Community's perception of personal safety and security (Ehrenberg Bass Community Panel Survey)	80%	76%	●
Community's Quality of Life rating (Ehrenberg Bass Community Panel Survey)	85%	82%	●
Number of volunteers in participating in community activities (Community Engagement – Community Development)	400	410	●

CREATING A SUSTAINABLE ENVIRONMENT

INDICATOR	TARGET	ACTUAL	PERFORMANCE
Community's satisfaction with our management of the environment and promotion of environmental sustainability (Ehrenberg Bass Community Panel Survey)	80%	80%	●
Progress of environmental projects (Assets and Environmental Services)	95%	90%	●
Amount of household waste diverted from landfill (recycled or reprocessed) (tonnes/household) (Assets and Environmental Services)	0.12 tonnes	0.45 tonnes	●
Number of people attending environmental education programs (Assets and Environmental Services)	250	126	●
Number of trees planted in streets and open spaces (Public Spaces)	200	551	●

DELIVERING ECONOMIC PROSPERITY

INDICATOR	TARGET	ACTUAL	PERFORMANCE
Community's satisfaction with our Bay's community consultation and information activities (Ehrenberg Bass Community Panel Survey)	80%	75%	●
Community's satisfaction with our delivery of quality services and asset maintenance (Ehrenberg Bass Community Panel Survey)	85%	80%	●
Community's satisfaction with the promotion of tourism, events and the local economy (Ehrenberg Bass Community Panel Survey)	80%	81%	●
Number of events we support (Business and Visitor Marketing)	170	195	●
Progress of capital projects, plans and service initiatives (Business and Visitor Marketing)	95%	92%	●
Operating result (Finance Department)	Surplus \$438,000	Deficit (\$596,000)	●
Consolidated operating ratio (rolling average over five years) (Finance Department)	0–10%	4.4%	●
Net financial liabilities ratio (Finance Department)	<35%	46%	●
Asset sustainability ratio (rolling average over 5 years) (Finance Department)	100%	65%	●

ENHANCING CITY DESIGN AND FUNCTION

INDICATOR	TARGET	ACTUAL	PERFORMANCE
Community's satisfaction with the provision and maintenance of public toilets (Ehrenberg Bass Community Panel Survey)	80%	60%	●
Community's satisfaction with the provision and maintenance of walking and cycling trails (Ehrenberg Bass Community Panel Survey)	80%	81%	●

Key:

- Target Achieved
- On-Track
- Not Achieved
- Statistic Not Recorded

STRATEGIC MANAGEMENT (Continued)

ANNUAL PERFORMANCE

Each year we prepare an annual business plan that determines the programs, projects and outcomes that support our City's Strategic Vision of maintaining a socially, environmentally and financially sustainable future for our community.

COMPLETED PROGRAMS

Approximately 77 per cent of the programs and projects identified in the *2012–13 Annual Business Plan* were completed, including:

- 2012–13 road and footpath maintenance program
- park upgrade at the Glenelg Oval
- detailed maintenance assessment of 144 council-owned buildings
- upgrades to open space fencing, lighting and facilities
- development of a master plan for Kauri Parade Reserve and Sports Centre Community Hub
- upgrade of playgrounds at Susan Grace Benny Reserve, Seacliff Park and Graymore Park, Glenelg
- upgrade of stormwater drainage in Wattle Street and Edwards Street
- upgrade of the Somerton Park Industrial Park Street Scape (Part 1) along Paringa Avenue from Brighton Road to Vincent Street, replacing kerbs, gutters and footpaths and providing indented car parking.

The remaining 23 per cent of projects identified in the *2012–13 Annual Business Plan* are either underway, staged over several years or delayed because of circumstances beyond our control. These include:

- **Mike Turtur Bikeway**
The bike paths, which are being constructed along the Sturt River between Maxwell Terrace and Anzac Highway and along the Glenelg tramline, provide safe routes for pedestrians and cyclists to ride and walk to Glenelg. In 2012–13, construction of the pathway and lighting was completed, and in 2013–14, street furniture including seats, shade shelters and public art will be installed.
- **Improved shade structures at John Miller Reserve**
Installation of shade shelters has been deferred pending the outcome of an appeal in the Environment Resource and Development (ERD) Court.
- **Street lighting along Jetty Road Glenelg**
The upgrade and replacement of street lighting is progressing and is expected to be completed in December 2013.
- **Brighton Oval Sporting and Community Hub and Kauri Parade Recreational and Sporting Hub**
We committed \$100,000 to the successful completion of master plans for these upgrades in 2012–13. Implementation of the master plans is subject to securing Commonwealth and State Government funding.
- **Glenelg and Brighton Libraries upgrade**
Concept plans have been developed to upgrade our libraries and the Glenelg Town Hall. Implementation is subject to securing Commonwealth and State Government funding.

COUNCIL OF THE CITY OF HOLDFAST BAY

COMPOSITION OF COUNCIL

Our Council consists of the Principal Member (Mayor) and 12 Councillors. Our City is made up of four wards, each electing three Councillors, with the Mayor elected by the whole City. Elections are held every four years, with the next election scheduled for November 2014. During 2012–13 the Council met 22 times and no special meetings were held.

ELECTED MEMBERS

MAYOR



Dr Ken Rollond

BRIGHTON WARD



Rosemary Clancy,
Deputy Mayor



Karen Donaldson



Susan Lonie

SEACLIFF WARD



Jim Huckstepp
OAM



Anthony Roe



Lynda Yates

GLENELG WARD



Peter Dixon



Bob Fisk



Bob Patton

SOMERTON WARD



Rosalina (Mikki)
Bouchee



Tim Looker
OAM



Stephen
Patterson

COUNCIL OF THE CITY OF HOLDFAST BAY (Continued)

ALLOWANCES

In 2012–13 Elected Members received the following allowances:

- Mayor \$60,780
- Deputy Mayor \$18,996
- Presiding Member of the Audit Committee \$18,996
- Councillors \$15,196.

Each Independent Member of the Audit Committee received \$367 per meeting. The Presiding Member of the Development Assessment Panel received \$400 per meeting and other panel members received \$360 each, per meeting.

The Chairman of the Alwyndor Aged Care Management Committee received an honorarium of \$350 per meeting and other Independent Members received \$250 each, per meeting.

TRAINING AND DEVELOPMENT

To assist Elected Members in the discharge of their functions and duties, we provide an annual budget allocation to fund general training and development activities, such as information sessions, briefings, workshops, skills development and external training opportunities.

2012–13 Elected Member Training and Development Activities

Mayor Ken Rollond	
LGA Showcase and General Meeting	\$192.50
Australian Local Government Association National Conference, Canberra	\$2,322.65
TOTAL	\$2,515.15
Councillor Jim Huckstepp	
Attendance at LGA Showcase Dinner	\$286.00
TOTAL	\$286.00
Councillor Lynda Yates	
Membership of the Murray Darling Association	\$1,668.84
Kelley Jones Webinar Series	\$270.00
TOTAL	\$1,938.84
Councillor Tim Looker	
Draft Members Code of Conduct Workshop	\$44.00
Kelley Jones Webinar Terms of Reference	\$90.00
Norman Waterhouse Conference	\$380.00
TOTAL	\$514.00

DECISION-MAKING STRUCTURE

PROVISIONS FOR MEETING PROCEDURES

All Council and committee meetings are conducted in accordance with the *Local Government Act 1999* (Procedures of Meetings) Regulations 2000. The Act is the primary legislation for the operation of Local Government in South Australia and its provisions are supported by *Local Government General Regulations 1999*. Meetings for the Development Assessment Panel are convened under the *Development Act 1993*.

COMMITTEES

Throughout 2012–13 our Council met twice a month (on the second and fourth Tuesdays of the month) with the exception of December and January, when only one meeting per month was held.

Council was supported by a number of committees. These are:

1. Two management committees:

- Alwyndor Management
- Jetty Road Mainstreet Management

2. Two statutory committees:

- Audit
- Strategic Planning and Development Policy (from January 2012)

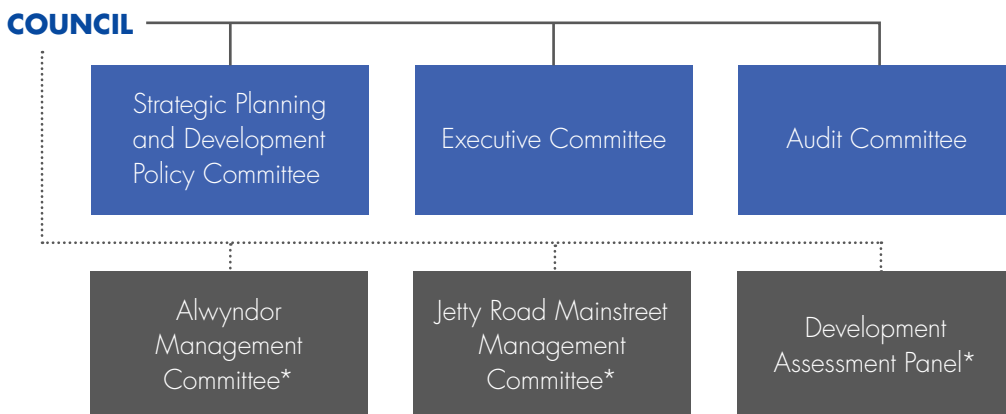
3. Two advisory committees:

- Environmental Advisory (operated until December 2012)
- Executive

An Executive committee met on an as-needs basis to consider complaints against Elected Members and conduct the Chief Executive Officer's annual performance review. The Development Assessment Panel met on the fourth Wednesday of the month as required.

All meetings were open to the public, with notices of meetings, agendas, reports and minutes available at www.holdfast.sa.gov.au.

Council's current committee structure is shown below:



*Delegated Authority from Council to make decisions within budget and terms of reference.

DECISION-MAKING STRUCTURE

(Continued)

DELEGATIONS

In accordance with Sections 44 and 101 of the *Local Government Act 1999*, our Council delegated relevant powers and duties to the Chief Executive Officer, who may sub-delegate to individual officers or committees. Council also delegated power to the Alwyndor Management Committee and Jetty Road Mainstreet Management Committee to make decisions within their terms of reference. Delegations and individual sub-delegations are reflected in the Delegations Schedule and are reviewed every financial year.

STRATEGIC PLANNING AND DEVELOPMENT POLICY COMMITTEE

The Strategic Planning and Development Policy Committee is formed under Section 41 of the *Local Government Act 1999* and is a requirement of the *Development Act 1993* to provide advice to Council on Strategic Planning and Development Policy issues. The Committee comprises all members of Council and convenes as required.

EXECUTIVE COMMITTEE

The Executive Committee manages Elected Member code of conduct complaints and the Chief Executive Officer's annual performance appraisal. No allowances were paid.

In 2012–13 the Executive Committee comprised:

- Mayor Ken Rollond
- Deputy Mayor, Councillor Rosemary Clancy
- Councillor Jim Huckstepp
- Councillor Stephen Patterson
- Councillor Bob Fisk
- Councillor Karen Donaldson.

ENVIRONMENTAL ADVISORY COMMITTEE

The Environment Advisory Committee provided advice on environmental issues and the development of our Eco City Plan. No allowances were paid to the committee. This committee comprised the following four elected members and seven community members:

- Councillor Susan Lonie, Chairman
- Councillor Karen Donaldson
- Councillor Lynda Yates
- Councillor Stephen Patterson
- Councillor Bob Patton
- Mr Dennis Knight
- Ms Erin Barber
- Mr Ivan Winter
- Ms Monina Gilbey
- Mr Russell Glenn
- Mr Stuart Hocking
- Mr Tim Dendy.

The committee concluded its meetings and was disbanded in December 2012.

AUDIT COMMITTEE

The Audit Committee operates under Section 126 of the *Local Government Act (1999)* and oversees our risk management and internal control frameworks. The Committee reports to the Council on a regular basis to confirm that these frameworks are in place and operating effectively, and review our annual financial statements, annual business plan and *Long-term Financial Plan*.

In 2012–13 the committee comprised two Elected Members, plus three independent members (who each received an allowance of \$367 per meeting):

- Councillor Tim Looker, Chair
- Councillor Anthony Roe
- Mr Mike Kosonen (until March 2013)
- Ms Vicki Brown
- Mr Andrew Neville
- Mr John Wood (from April 2013).

ALWYNDOR MANAGEMENT COMMITTEE

The Alwyndor Management Committee oversees the management of the Alwyndor Aged Care Facility, which provides a range of care and accommodation options. During 2012–13, the committee consisted of two elected members and eight independent members:

- Mr Nick Hakof, Chair
- Ms Claire Cotton
- Mr Ian Pratt
- Mr Darryl Royans
- Mr Michael Bower
- Ms Kathleen Stevens
- Mr Terry Evans
- Ms Maria Barbaroli (until December 2012)
- Councillor Rosemary Clancy
- Councillor Susan Lonie.

The Chair of the Alwyndor Aged Care Management Committee received an honorarium of \$350 per meeting, while independent members received \$250 per meeting.

JETTY ROAD MAINSTREET MANAGEMENT COMMITTEE

The Jetty Road Mainstreet Management Committee is funded through the collection of a separate rate to assist Council to enhance and promote Glenelg's Jetty Road as a vibrant shopping, leisure and recreational precinct. In 2012–13, the committee comprised two elected members and eight independent members who represent traders in the precinct, with no allowances paid:

- Reverend Bruce Grindlay, Chair (until December 2012)
- Mr Mark Faulkner (Chair from January 2013)
- Mayor Ken Rollond
- Councillor Bob Patton
- Mr Rocco Caruso
- Ms Gill Higgins
- Ms Sharon La Pira (until November 2012)
- Mr Brian Martin
- Mr Dave Foy (until November 2012)
- Ms Vanessa Corbell (from January 2013)
- Ms Carly Byron (from January 2013)
- Ms Eve Leenaerts (from January 2013)
- Mr Con Maios (from January 2013)
- Mr Mike Deane (from January 2013).

DEVELOPMENT ASSESSMENT PANEL

The Development Assessment Panel is an autonomous authority that considers development applications and makes development decisions. It was established in accordance with the *Development Act 1993* and has delegated powers that are administered in accordance with the Act's statutory requirements. It comprises four elected members and three independent members who are appointed by Council. The Presiding Member of the Development Assessment Panel received an allowance of \$400 per meeting, and other members received \$360 per meeting. At 30 June 2013 the panel comprised:

- Mr Graham Goss, Presiding Member
- Councillor Rosemary Clancy
- Councillor Jim Huckstepp (until November 2012)
- Councillor Peter Dixon
- Councillor Tim Looker (from December 2012)
- Ms Jenny Newman
- Mr Ivan Winter
- Mr Nathan Sim.

CORPORATION OF THE CITY OF HOLDFAST BAY

ORGANISATIONAL STRUCTURE

As at June 2013 our organisation structure was:



OUR VALUES

Our Values represent the way we achieve our Vision.

Achievement We meet the needs of our community today and in the future.

Respect We appreciate the ideas and values of others.

Innovation We constantly seek new and better ways.

Simplicity We are honest, open and direct.

Engagement We communicate and collaborate with all stakeholders.

SENIOR LEADERSHIP TEAM

Council is supported in its decision making by our Senior Leadership Team, which comprises:

- Chief Executive Officer, Mr Justin Lynch
- General Manager Alwyndor Aged Care, Mr Greg Potter
- General Manager City Assets, Mr Steve Hodge
- General Manager City Services, Ms Rachel Cooper
- General Manager Corporate Services, Mr Ian Walker
- Manager Organisational Sustainability, Ms Trish Aukett.

Senior executive salary packages include the following benefits:

- competitive salary
- fully maintained vehicle or novated vehicle lease
- superannuation contributions.

REMUNERATION PROFILE

As at 30 June 2013 we employed 293 females and 127 males.

Total remuneration	Male	Female
< \$25,000	17	55
\$25,000 – \$35,000	5	68
\$35,001 – \$45,000	8	60
\$45,001 – \$55,000	21	37
\$55,001 – \$65,000	25	25
\$65,001 – \$75,000	15	28
\$75,001 – \$85,000	17	7
\$85,001 – \$95,000	8	7
\$95,001 – \$105,000	2	1
\$105,001 – \$115,000	0	3
\$115,001 – \$125,000	2	1
\$125,001 – \$150,000	3	0
> \$150,001	4	1
TOTAL	127	293

CORPORATION OF THE CITY OF HOLDFAST BAY (Continued)

WORKPLACE HEALTH AND SAFETY

Incident reports received	144
Hazard reports received	20
Injuries reported	82
Injuries resulting in lost time	28
New claims for this period	20
Ongoing claims carried over	14
New rehabilitation programs	6
Ongoing rehabilitation programs	9

FLEXIBLE WORKING ARRANGEMENTS

Flexible working arrangements have been accommodated where possible to enable the retention of employees. These have included flexible hours of work and part-time working arrangements for employees who:

- are returning from parenting leave
- are transitioning to retirement
- have caring responsibilities
- have disabilities
- are undertaking study.

Voluntary employee turnover for Council’s municipal operations was 9.7 per cent and for the Alwyndor Aged Care Facility 8 per cent.

TRAINING AND DEVELOPMENT

Approximately \$150,000 was spent on developing workforce skills to meet current and future needs, and this included mandatory training to meet legislative requirements such as workplace health and safety as well as governance obligations. Leadership development coaching was undertaken in groups and individual settings.



TRANSPARENCY

COMMUNITY ENGAGEMENT

It is important that the people who live, work and visit the City of Holdfast Bay are invited to share their views on the issues that shape and impact our City. Feedback helps to inform Council's decisions and ensure that services are tailored to local requirements and delivered where they are most needed. Community views were regularly sought through the *YourViewHoldfast.com* online hub about planned events and activities as well as through the annual Satisfaction and Lifestyle Survey conducted by the Ehrenberg-Bass Institute at the University of South Australia. We conducted 19 community engagements in 2012–13 to canvass the views of the community on specific plans, projects and policies and received 5,069 individual responses.

COMMUNICATIONS AND MEDIA ACTIVITIES

In the interest of providing our services in a transparent manner, we aim to address all media enquiries promptly and honestly. This year, in addition to proactive media advice supplied to journalists and editors, over 190 written media responses were provided by email (an average of four responses per week), most of which included between two and five separate questions. This does not include media enquiries handled directly by the Mayor, Elected Members and the CEO.

COMMUNITY LAND MANAGEMENT PLANS

Community Land Management Plans identify the purpose and objectives of land held for community use and operate in accordance with Section 196 of the *Local Government Act 1999*.

In February 2013 the Minister responsible for the *Local Government Act 1999* granted approval for Council to revoke the Community Land status on the 11 titles that make up Council's Cowper/Milton Street car park on the western side of Partridge St, Glenelg. Council is considering revoking the status to progress a proposed development on the land that is currently subject to negotiation.

REGISTERS AND CODES

The following documents are available to the public:

Registers

- Register of Interests (Elected Members)
- Register of Allowances and Benefits
- Register of Remuneration, Salaries and Benefits
- Register of Interests (staff)
- Register of Community Land
- Register of Public Roads
- Register of By-Laws

Codes

- Code of Conduct (Member of Council)
- Code of Practice for access to Meetings/Documents
- Code of Conduct (staff)
- Code of Meeting Practice.



TRANSPARENCY (Continued)

INTERNAL REVIEW OF COUNCIL ACTIONS – SECTION 270 OF THE LOCAL GOVERNMENT ACT 1999

We recognise the importance of transparency in decision making and the need to provide a fair procedure for the review of Council decisions, including matters relating to the impact of rates and service charges on ratepayers.

In accordance with the provisions of Section 270 of the *Local Government Act 1999* – Internal review of Council actions, the City of Holdfast Bay reviewed six decisions in 2012–13 regarding rating, development matters, the Brighton Caravan Park and the process of appointing members to the Jetty Road Mainstreet Management Committee.

Year	Number of reviews
2003–04	3
2004–05	0
2005–06	1
2006–07	1
2007–08	1
2008–09	2
2009–10	3
2010–11	2
2011–12	1
2012–13	6

INDEPENDENT AUDITORS

The *Local Government Act 1999* provides that auditors will be appointed on the recommendation of the Audit Committee for a term no longer than five years. Following the recommendation of the Audit Committee, PKF Business Advisors Pty Ltd was appointed as our independent auditor until 30 June 2016.

In January 2013, PKF Business Advisors Pty Ltd advised that it merged with BDO (SA) Pty Ltd. BDO therefore assumed the roles and responsibilities as the independent auditor to Council. In 2012–13, BDO was paid \$21,600 (excluding GST) for external auditing services.

FREEDOM OF INFORMATION APPLICATIONS

During 2012–13, 12 requests were made to release information under the *Freedom of Information Act 1982*. While all requests were resolved, nine were granted in full, two were exempt and one was a request for information that was unable to be provided.

NATIONAL COMPETITION POLICY

Competitive neutrality is one of the key principles of the National Competition Policy. The principle is based on the concept of a level playing field for people competing for business and relates to any situation where there is, or there is the potential for, competition between the private and public sectors.

Councils are required to identify their business activities and disclose those in Category One (annual gross operating income greater than \$2 million per year) and Category 2 (annual gross operating income less than \$2 million per year.)

In 2012–13 the City of Holdfast Bay continued to maintain the following significant business activities:

- Alwyndor Aged Care Facility
- Brighton Caravan Park.

COMPETITIVE TENDERING

Tenders are called for contracts in excess of \$50,000, provided the Chief Executive Officer is of the reasonable opinion that a competitive process is practicable and will deliver greater benefit than through other methods. All tendering is managed within the following procurement principles:

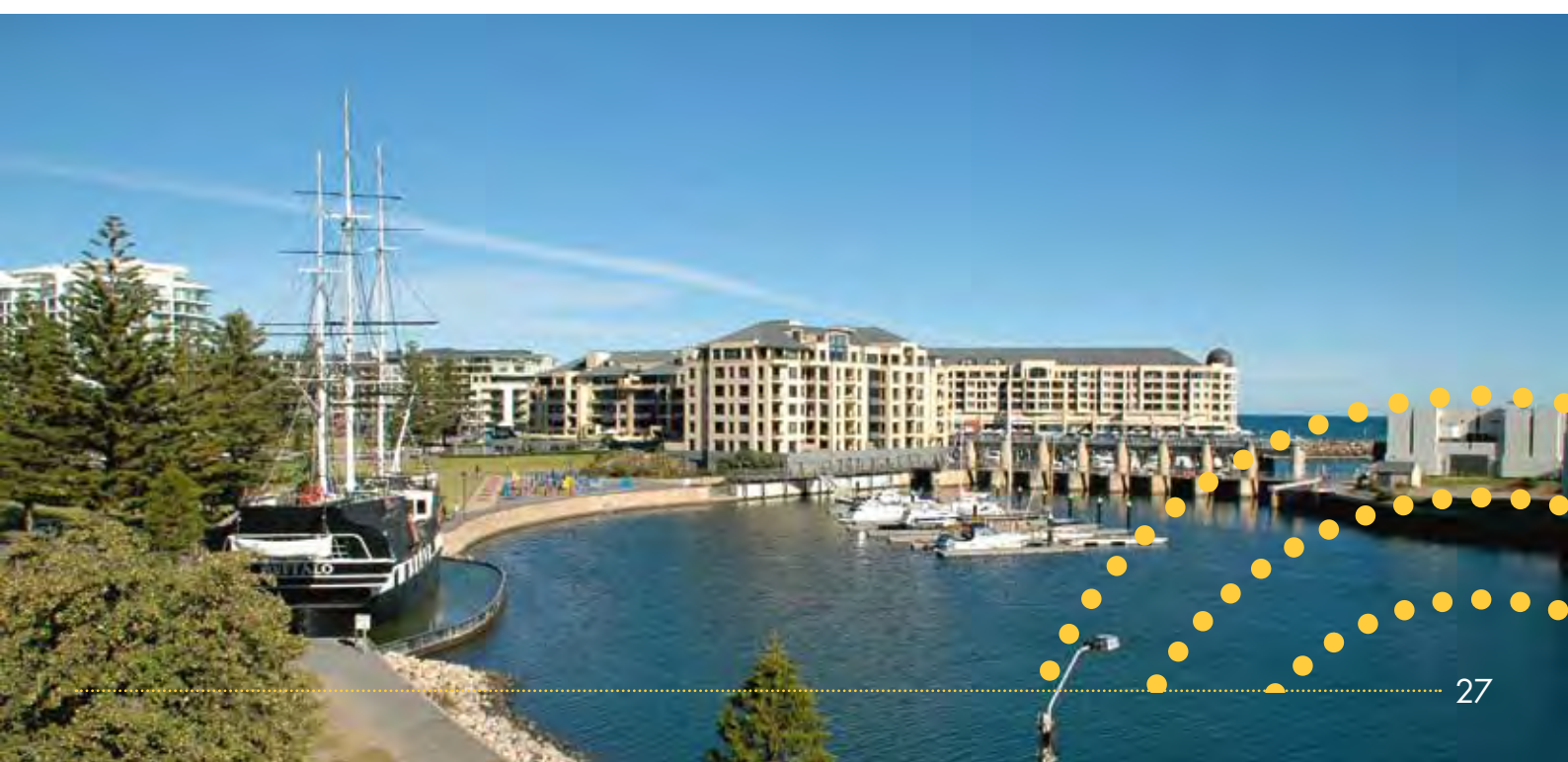
- it offers value for money
- it is transparent, accountable, fair and ethical
- it is environmentally sustainable
- it supports local economic development
- it conforms with our workplace health and safety policies.

REPRESENTATION QUOTA

The number of electors represented by each City of Holdfast Bay elected member and comparative data for similar councils is shown below:

Council	Number of Members (including the Mayor)	Number of Electors	Elector/Representation Ratio
Burnside	13	31,366	1:2412
Campbelltown	11	33,407	1:3037
Holdfast Bay	13	25,863	1:1989
Mitcham	14	46,246	1:3303
Norwood, Payneham and St Peters	14	24,137	1:1724
Unley	13	26,368	1:2028
West Torrens	15	38,117	1:2541
Average	13	32,215	1:2541

A representation review was conducted in 2012–13. The results of this review are currently under consideration by Council and will be reported in 2013–14.



TRANSPARENCY (Continued)

NUMBER OF ITEMS DISCUSSED IN CONFIDENCE

Of the 20 confidential orders made in 2012–13, 14 were fully or partially revoked as the conditions requiring confidentiality changed.

	Orders made – S91(7) LG Act 1999					Minutes released and reports retained in confidence
	Orders made – S90(2) LG Act 1999	Orders expired	Ceased to apply	Revoked	Remained operative	
(a) Personal affairs	6			4		2
(b) Commercial advantage	1					1
(c) Trade secret						
(d) Commercial information not a trade secret	6		2	3		1
(e) Security/safety						
(f) Maintenance of Law						
(g) Breach of Law	1				1	
(h) Legal Advice						
(i) Litigation	6		1		5	
(j) Minister of the Crown						
(k) Tenders for the supply of goods						
(m) Amendment to Development Plan						
(n) Freedom of Information Act 1982						

ITEMS RELEASED FROM PREVIOUS YEARS

A total of 20 items from previous years were released from confidence in 2012–13.

	2006	2007	2008	2009	2010	2011	2012	2013
(a) Personal affairs					1	2	2	1
(b) Commercial advantage				1	1	2	1	
(c) Trade secret								
(d) Commercial information not a trade secret							1	1
(e) Security/safety							1	
(f) Maintenance of Law								
(g) Breach of Law								
(h) Legal advice	1			1				
(i) Litigation								
(j) Minister of the Crown			1					
(k) Tenders for the supply of goods						1		
(m) Amendment to the Development Plan			1	1				
(n) Freedom of Information Act 1982								

AUDITED FINANCIAL STATEMENTS (TO COME)



LINKS TO SUBSIDIARY REPORTS (TO COME)





holdfast.sa.gov.au

Brighton Civic Centre 24 Jetty Road, Brighton SA 5048
PO Box 19 Brighton SA 5048

P 08 8229 9999 F 08 8298 4561

E mail@holdfast.sa.gov.au

Item No: **14.5**

Subject: **APPOINTMENTS TO THE DEVELOPMENT ASSESSMENT PANEL**

Date: 12 November 2013

Written By: Manager Development Services

General Manager: City Services, Ms R Cooper

SUMMARY

The current term for Elected Members serving on the City of Holdfast Bay Development Assessment Panel (the Panel) expires on 30 November 2013. This report recommends that Council appoint three Elected Members to the Panel to serve for a period of 11 months, due to the Local Government Election in November 2014.

RECOMMENDATION

That Councillors _____, _____ and _____ be appointed to serve as Council Members of the City of Holdfast Bay Development Assessment Panel in accordance with the Code of Conduct and Terms of Reference for the Panel for the period commencing 1 December 2013 and ending 31 October 2014.

COMMUNITY PLAN

A Place that is Well Planned

COUNCIL POLICY

Development Assessment Panel Terms of Reference

STATUTORY PROVISIONS

Development Act, 1993

BACKGROUND

Not applicable.

REPORT

The City of Holdfast Bay Development Assessment Panel (the Panel) currently consists of Councillors Rosemary Clancy, Peter Dixon and Tim Looker, and Independent Members Graham Goss (Presiding Member) Jenny Newman, Nathan Sim and Ivan Winter. The current term for the three Elected Members serving on the Panel expires on 30 November 2013.

The appointment of Panel members is done in accordance with the provisions of the Development Act, 1993 and the Council's Terms of Reference for the Development Assessment Panel, which state that:

- Elected Members are appointed to the Panel for a maximum period of one calendar year.
- Each Member of the Panel is appointed at the discretion of the Council in accordance with the provisions of the Development Act, which includes adherence to a Ministerial Code of Conduct.

Copies of the Terms of Reference and Ministerial Code of Conduct for the City of Holdfast Bay Development Assessment Panel are provided as Attachment 1 and 2 to this report.

Refer Attachments 1 and 2

BUDGET

The payment of sitting fees to Elected and Independent Members serving on the Development Assessment Panel is factored into the 2013/14 Annual Business Plan. There is also a budget allocation for training new Members appointed on the Panel.

LIFE CYCLE COSTS

There are no life cycle costs associated with the appointment of Elected Members to the Development Assessment Panel.

CITY OF HOLDFAST BAY

DEVELOPMENT ASSESSMENT PANEL

TERMS OF REFERENCE

Interpretation:

- 1 In these Terms of Reference:
 - **Act** means the Development Act, 1993.
 - **Administration** means City of Holdfast Bay employees.
 - **Chief Executive Officer** means the Chief Executive Officer of the City of Holdfast Bay.
 - **Consensus** means the general agreement of the Panel.
 - **Council** means the City of Holdfast Bay.
 - **General Manager Corporate Services** means the General Corporate Services of the City of Holdfast Bay.
 - **General Manager City Services** means the General Manager City Services of the City of Holdfast Bay.
 - **Member** means a member of the Panel.
 - **Panel** means the City of Holdfast Bay Council Development Assessment Panel established by the Council pursuant to the provisions of the Act.
 - **Presiding Member** means the Member of the Panel who is appointed as its Presiding Member.

Purpose and Role of the Council Development Assessment Panel:

- 2 The Panel is the body established by Council to be the relevant authority appointed pursuant to Section 56A of the Development Act, 1993.
- 3 The functions of the Panel are:
 - Determine Development Applications in accordance with the powers and functions delegated to the Panel by the Council, pursuant to Section 20 of the Development Act 1993 (as amended) and the Terms of Reference; and
 - to provide advice and reports to Council on trends, issues and other matters relating to planning or development that have become apparent or arisen through its assessment of applications under the Development Act; and
 - to perform other functions (other than functions involving the formulation of policy) assigned to the Panel by the Council.
- 4 The Panel shall exercise, perform and discharge the following responsibilities on behalf of the Council:
 - The consideration of matters submitted by the Administration relating to assessment and determination of applications for planning consent.
 - The provision of comment or advice to the Development Assessment Commission on major matters submitted to the Council by the Commission.

- The consideration of proposals for settlement on matters subject to appeal to the Environment, Resources and Development Court.
 - The consideration of such other assessment matters as may be referred to the Panel by the Administration.
- 5 The creation and operation of the Panel shall occur in a manner that confirms and reinforces its independence from the functions of the Elected Council.
- 6 The Local Government Act 1999 does not apply to, or in relation to, the Panel (including with respect to its members when acting under Section 56A or its processes or procedures).

Membership of the Panel:

- 7 The Membership of the Panel shall be comprised of:
- one (1) independent Presiding Member (who is not a member of Council or council staff),
 - three (3) other independent members (who are not members of Council or council staff), and
 - three (3) elected Council Members.
- 8 There are no proxy members on the Panel.
- 9 The Presiding Member will be appointed by the Council taking into account the following requirements:
- the Presiding Member must not be a member or officer of the Council; and
 - the Presiding Member must be a fit and proper person to be a member of the Panel; and
 - the Presiding Member must be a person who is determined by Council to have a reasonable knowledge of the operation and requirements of the Development Act, 1993 and appropriate qualifications or experience in a field that is relevant to the activities of the Panel.
- 10 The Independent Members of the Panel shall be appointed by the Council taking into account the following requirements:
- each must be a fit and proper person to be a member of the Panel; and
 - each must be a person who is determined by Council to have a reasonable knowledge of the operation and requirements of the Development Act, 1993 and appropriate qualifications or experience in a field that is relevant to the activities of the Panel; and
 - the qualifications and experience of these members, when considered in conjunction with the qualifications and experience of the Presiding Member, must provide a reasonable balance across the fields that are relevant to the activities of the Panel; and
 - that at least one (1) member of the Panel is a woman and at least one (1) member is a man; and
 - that, as far as practicable, the Panel consists of equal numbers of men and women.

11 The following have been appointed as current Members of the City of Holdfast Bay Development Assessment Panel:

- Presiding Member:
 - Graham Goss
- Independent Members:
 - Nathan Sim
 - Jenny Newman
 - Ivan Winter
- Council Members:
 - Rosemary Clancy
 - Peter Dixon
 - Tim Looker

12 A vacancy on the Panel occurs when a member:

- dies; or
- completes a term of office and is not reappointed; or
- resigns from the Panel by written notice addressed to Council; or
- is a member holding the position of Councilor of the City of Holdfast Bay, and is not re-elected to the Council in periodic elections; or
- is removed from office by Council for contravention of the requirement to declare a conflict of interest in accordance with Section 56A(7) and (9) of the Development Act 1993; or
- is removed from office by Council for contravention of the Development Assessment Panel Code of Conduct as resolved by Council; or
- is removed from office by resolution of the Council (providing on so doing the Council defines the grounds for removal, and appoints a new member to complete the term of the removed member); or
- becomes bankrupt or applies to take the benefit of a law for the relief of insolvent debtors; or
- is convicted of an indictable offence punishable by imprisonment.

13 On the office of a member of the Panel becoming vacant, a person will be appointed in accordance with the provisions of the Development Act, 1993 and the Council's Membership and Conditions of Appointment in the Terms of Reference.

14 Council may reappoint all or any members of the Panel for a further term of office at their term's expiry.

15 A member of the Panel whose term of office expires may nevertheless continue to act as a Member, for a period of up to 6 months, until he or she is reappointed or a successor is appointed (as the case may be).

Conditions of Appointment to the Panel:

16 The Presiding Member is appointed to the Panel for a maximum period of two (2) calendar years.

17 Independent Members are appointed to the Panel for a maximum period of two (2) calendar years.

- 18 Council Members are appointed to the Panel for a maximum period of one (1) calendar year.
- 19 Each Member of the Panel is appointed at the discretion of the Council in accordance with the provisions of the Development Act.
- 20 Appointment to the Panel for all Members has an associated payment of \$360 per meeting for attendance at Panel meetings. Appointment to the Panel for the Presiding Member has an associated payment of \$400 per meeting for attendance at Panel meetings.
- 21 A member of the Panel who is not a member of the Council must disclose his or her financial interests.
- 22 The Council may remove a member of the Panel from office for:
 - breach of, or failure to comply with, the conditions of appointment;
 - misconduct;
 - neglect of duty;
 - incapacity to carry out satisfactorily the duties of his or her office;
 - non-compliance with the Development Assessment Panel Code of Conduct;
 - non-compliance with Section 56A(7) of the Development Act 1993; or
 - failure to carry out satisfactorily the duties of his or her office.
- 23 Pursuant to Section 56A of the Development Act 1993, a member of the Panel incurs no liability for an honest act done in the exercise or performance, or purported exercise or performance, of powers or function under Division 4 Part 4 of the Act.

Responsibilities of the Presiding Member:

- 24 The role of the Presiding Member will include, but will not be limited to:
 - the conduct of the business of the Panel at meetings and ensuring appropriate meeting procedures are followed, including matters relating to the Panel's Code of Conduct and Terms of Reference; and
 - ensuring the Panel properly considers matters in terms of the Development Act 1993 in an efficient and timely manner; and
 - ensuring that members are aware of their role and responsibilities as a Panel member under the Development Act 1993 and do not confuse that role with any other role or a role as an Elected Members under the Local Government Act 1999.

Responsibilities of Panel Members:

- 25 The Panel will ensure that procedures:
 - are fair and contribute to open, transparent and informed decision-making; and
 - reflect the levels of formality appropriate to the nature and scope of responsibilities exercised at that meeting; and
 - are sufficiently certain to give the community and decision makers confidence in the deliberations undertaken at the meeting.

- 26 The members of the Panel will appoint the Deputy Presiding Member of the Panel.
- 27 In the absence of the Presiding Member and Deputy, the Panel will select another Panel Member to preside at a meeting.
- 28 The Panel shall hold meetings in a place open to the public.
- 29 The Panel shall determine its ordinary meeting schedule, unless determined by the Council.
- 30 The Panel will determine the distribution and presentation requirements for Agendas and Reports for Members of the Panel and determine the distribution requirement for Agendas and Reports to the Public.
- 31 The Panel shall ensure that accurate minutes are kept of its proceedings.
- 32 The Panel shall provide reasonable access to both the Agenda for and Minutes of a meeting of the Panel to the public.

General Operating Procedures:

- 33 The Panel shall meet at 7.00pm on the fourth Wednesday of each month in the Kingston Room, Brighton Civic Centre, 24 Brighton Road, Brighton, unless the Panel determines that an alternative venue is more suitable for the consideration of particular Agenda items, subject to there being business to consider. In all cases, the Agenda must state the venue of the meeting, and a minimum of five (5) days notice must be given to applicants and representors of the date, time and venue of the meeting.
- 34 All meetings of the Panel shall remain open to the public at all stages of assessment unless resolved by the Panel to be confidential pursuant to Section 56A(12) of the Development Act 1993.
- 35 Pursuant to Section 56A(12) of the Development Act 1993, the Panel may exclude the public from attendance:
 - during so much of a meeting as is necessary to receive, discuss or consider on a confidential basis any of the following information or matters
 - information that would, if disclosed, confer a commercial advantage on a person with whom a council is conducting (or proposes to conduct) business, or prejudice the commercial position of a council;
 - commercial information of a confidential nature that would, if disclosed:
 - (A) prejudice the commercial position of the person who supplied it; or
 - (B) confer a commercial advantage on a third party; or
 - (C) reveal a trade secret;
 - matters affecting the security of any person or property;
 - matters that must be considered in confidence in order to ensure that the Panel does not breach any law, order or direction of a court or tribunal constituted by law, any duty of confidence, or other legal obligation or duty;
 - legal advice, or advice from a person who is providing specialist professional advice; or

- information provided by a public official or authority (not being an employee of a council, or a person engaged by a council) with a request or direction by that public official or authority that it be treated as confidential.
- 36** A quorum for meetings of the Panel is ascertained by dividing the total number of members of the Panel by two (2), ignoring any fraction resulting from the division, and adding one (1). If either a Council Member or an Independent Member is unable to attend, provided a quorum is achieved, the meeting must continue as scheduled.
- 37** In the event that a quorum is not present, within 30 minutes of the commencement time for a meeting, business listed on the Agenda will be dealt with at the next meeting of the Panel.
- 38** In the absence of the Presiding Member, the Deputy shall preside.

Representations:

- 39** The Panel will hear only as follows:
- All Category 3 representors who request to be heard (or their nominees);
 - All Category 2 representors who request to be heard (or their nominees);
 - In any case where representors are heard, the Panel will give the applicant (or nominee) the opportunity to respond.
- 40** Representors and applicants will be allowed five (5) minutes each to address the Panel, unless a longer time is allowed by the Presiding Member. The Panel will have the opportunity to question and seek clarification from representors and applicants at the conclusion of their address to the Panel, but not to debate issues with individual representors or applicants.
- 41** Only those members of the Panel who are present at any verbal representation made by representors and the applicant shall participate in the consideration of and decision of that application. The absence of a Panel member who was present for the verbal representation of an application does not preclude the remaining members present from proceeding to consider and determine the application.
- 42** All applicants of Development Application Agenda item(s) and persons who have lodged a representation will be invited to the Panel meeting no less than five (5) business days prior to the scheduled meeting.
- 43** At its discretion, the Panel may call for and hear specialist technical/professional advice related to the assessment of any application. Clarification or comment from staff members present at the meeting, can be sought by any Member of the Panel prior to discussion on any matter.

Decision Making:

- 44 The Panel must use the Holdfast Bay (City) Development Plan as the basis for its decisions, having had regard to any written and verbal representations made in accordance with the provisions of the Act.
- 45 The Panel decision making shall be based on consensus, following open discussion, with a formal motion to be moved in the event of failure to reach consensus. Voting shall be by a show of hand..
- 46 In the event of failure to reach consensus, each member of the Panel present at a meeting of the Panel is entitled to one (1) vote and, if the votes are equal, the member presiding at the meeting is entitled to a second or casting vote.
- 47 The Panel should only defer a decision if it considers that the additional time allowed will create benefits in allowing a thorough decision to be made and provided that the reasons for the deferral are clear to the applicant and any representors that may be involved. Panel Members, however should be aware of the time frames within which certain decisions are required to be made under the Development Act.
- 48 When moving to refuse an application, members of the Panel will be required to provide reasons for refusal including reference to the relevant Objectives and Principles of Development Control within the Holdfast Bay (City) Development Plan.
- 49 The Panel shall conduct its meetings without the practice of ‘calling of divisions’.

Minutes of the Meeting:

- 50 The decisions of the Panel will be recorded in the Minutes of the meeting.
- 51 The Minutes of the proceedings of a meeting will record:
 - the names of the Panel members present;
 - the name and time of a Panel member entering or leaving;
 - the name of a person who has made a verbal representation to the Panel at the meeting;
 - the consensus decision of the Panel;
 - in the absence of a consensus decision, each motion (and amendment) moved and the outcome of the vote;
 - any disclosure of interest made by a Panel member;
 - the decision of the Panel to exclude public attendance; and
 - a notation, describing the confidential nature of the information and matter, in the event that a matter has been excluded from the Minutes.
 - Any other matter which in the opinion of the Presiding Member warrants recording.
- 52 The Panel may, before it releases a copy of any minutes to the public, exclude from the minutes information about any matter dealt with on a confidential basis by Members of the Panel.

- 53 Minutes shall not be formal Minutes of a meeting until adopted by the Panel at the next meeting of the Panel. However, this does not preclude the issue of Decision Notification under the Development Act 1993 advising of the determination of the Panel of Development Applications immediately after a meeting at which the Panel determined the particular application.
- 54 Upon adoption of the Minutes, the Presiding Member shall authorise the Minutes by signature and date of adoption and by initialing each page of the minutes and sign and date the last page of the Minutes.
- 55 Copies of the Draft Minutes of meeting will be available to the public at the Brighton Civic Centre at least five (5) working days after the date of the meeting.

Notice of Meetings:

- 56 Public notice of the Panel scheduled meetings will be provided at the Brighton Civic Centre and on the Council's website.
- 57 A minimum of five (5) working days notice of meetings shall be given to Panel members.
- 58 A copy of the Agenda for every meeting of the Panel shall be available for viewing by the public at the Brighton Civic Centre, Council Libraries and on the Council's web site (web site without attachments) at least five (5) working days before the Panel meeting.

Special Meetings:

- 59 Special meetings of the Panel may be held at any time.
- 60 A Special meeting of the Panel may be called at the request of:
 - the Presiding Member of the Panel;
 - the Chief Executive Officer; or
 - the General Manager City Services.
- 61 A Special meeting will only deal with the business for which the meeting has been called.
- 62 A request to call a Special meeting must be accompanied with an Agenda stating the item(s) of business for which the Panel is being requested to convene. If an Agenda is not provided at the time of the request, the Special meeting will not be called.
- 63 Each Member of the Panel will be provided verbal and/or sent a notice of a Special meeting at least four (4) hours before the commencement of the meeting, accompanied by the Agenda for the meeting.

Appeal Matters:

- 64 Should an appeal be lodged in the relation to a decision of the Panel, the Panel will determine whether any "compromise proposal" is appropriate.

- 65** Any decision of the Panel to reach a compromise with an appellant will not require ratification by the full Council. Should no compromise be reached the normal processes associated with defending a decision before a Hearing of the Environment, Resources and Development Court will remain.
- 66** To reinforce its primary responsibility to evaluate Development Applications in accordance with their compliance with the Holdfast Bay (City) Development Plan, the Panel will not call for reports based on the individual cost of appeals to the ERD Court.
- 67** The budget for appeals is a matter for the City of Holdfast Bay Council, not the Panel.

Review and Reporting of Delegated Power & Function:

- 68** Pursuant to section 56(A)(2) of the Development Act 1993, Council delegates to the Panel the power to determine its operating procedures provided they are not inconsistent with these Terms of Reference, including but not restricted to the following:-
- Meeting procedures;
 - Meeting venue;
 - Meeting schedule;
 - Quorum;
 - Content of Minutes and policy on availability;
 - Notice of meetings;
 - Voting rights;
 - Access of public to the meetings;
 - Hearing of parties; and
 - Basis for decision making.
- 69** The Panel shall report annually to the Council in a form that allows Council to fulfill its review requirements under Section 56A(3) of the Development Act 1993, and specifically, will detail:
- the extent to which it will delegate its powers and functions in order to facilitate the expeditious assessment of applications made to the Council;
 - the conditions of appointment of members of the Panel (including as to term of office and the grounds on which a member may be removed);
 - the level of attendance of Panel members;
 - the Panel's activity and performance in making decisions; and
 - comment or analysis of policy or process that are relevant to the Panel's assessment functions, and suggesting improvements.

Public Officer:

- 70** The Panel must have a public officer (who must not be a member of the Panel) appointed by the Council. The functions of the public officer include ensuring that the proper investigation of complaints about the conduct of a member the Panel occurs, should a complaint be received. The public officer role does not however preclude further or concurrent review by the Ombudsman. Consistent with responsibility for governance related matters, including code of conduct issues, the General Manager Corporate Services has been appointed as the public officer for the City of Holdfast Bay Development Assessment Panel.

Development Assessment Panel Code of Conduct Section 21A of the *Development Act 1993*

This Code has been adopted pursuant to the provisions of the *Development Act 1993* as a Code of Conduct to be observed by Members of the Development Assessment Commission, Members of Regional Development Assessment Panels, Members of Council Development Assessment Panels and delegates.

In order to foster the respect of applicants, representors and the community, panel members and delegates must uphold the highest standards of behaviour and ensure that they act in accordance with the provisions of the Act at all times.

This Code is binding on all panel members and delegates exercising their powers and functions as members of a panel or as a delegate.

This Code must be read in conjunction with the Act.

1. Interpretation

Act means the Development Act 1993.

closed meeting means a panel meeting, or a part of a panel meeting where the public is excluded in accordance with the Act :

Code means a code of conduct established under section 21A of the Act.

confidential information includes but is not limited to:

- (a) information derived from a document marked by the presiding member to clearly show that the information in the document is confidential or not to be disclosed;
- (b) information you acquired in a closed meeting ; and
- (c) any other information which would be considered confidential and not generally available to members of the public.

delegate means a person who is authorised to act as a delegate under sections 20 or 34(23) of the Act but does not include a panel member.

disclosure of financial interest means disclosing a pecuniary interest as set out in Schedule 2 of the Act.

interest has the same meaning as in Section 56A (7)&(8) of the Act.

Minister means the Minister responsible for the administration, from time to time, of the Act.

panel means an assessment panel as defined in Schedule 2 of the Act.

panel information means information that is disclosed at a panel meeting or in the course of a panel member's duties.

panel member means a person who is a member of a panel under the Act.

presiding member means a panel member appointed as presiding member under the Act.

public officer means a person appointed as a public officer under the Act .

2. Panel Member Behaviour

Panel information

2.1 As a panel member, you hold a position of trust and must not misuse or derive undue benefit from your position. As such, you must treat panel information appropriately by:

- (a) Not using information gained by virtue of your membership of the panel for any purpose than to exercise your role as a panel member;
- (b) Respecting the panel's procedures in relation to public comments and communications with the media;
- (c) Not releasing confidential information;
- (d) Ensuring that you take care and maintain the integrity and security of confidential documents or information in your possession, or for which you are responsible; and
- (e) Recognising that information may be subject to the requirements of the Privacy Act 2000 and abiding by the principles of that legislation.

However, nothing in this Code prevents you from disclosing information:

2.2 At a closed meeting;

- (a) To the extent specified by the panel and subject to such other conditions as the panel determines;
- (b) That is already in the public domain; or
- (c) If the disclosure is required by law.

Conflict of Interest

2.3 You must make all decisions impartially and in accordance with the requirements of the Act. You must recognise the importance of fully observing the requirements of the Act in regard to disclosure of financial interests and disclosure of any other interest which may affect your ability to fulfil your duties on a panel.

- 2.4 If you consider that you have, or might reasonably be perceived to have an interest in the matter before the panel, you must clearly state the nature of that interest in writing to the presiding member before the matter is considered.
- 2.5 If you consider that you have a personal interest which may be in conflict with your public duty to act impartially and in accordance with the principles of the Act, you must declare a conflict of interest as above.
- 2.6 If you have an interest in a matter, you must not partake in any of the assessment processes involving the matter. You must leave the room at any time in which the matter is discussed by the panel including during the hearing of any representations or during any vote on the matter. You must not vote on the matter and you must not move or second any motion or participate in any discussion through the consensus process.
- 2.7 If an interest has been declared by any member of the panel, the presiding member must record the nature of the interest in the minutes of meeting.

Relations with State/local government employees and applicants/representors

- 2.8 In your role as panel member, you must not (other than in accordance with the provisions of the Act):
 - (a) Direct a person who is a local government employee to do or not to do anything in the person's capacity as a local government employee;
 - (b) In the case of members of the Development Assessment Commission, direct a person who is a State government employee to do or not do anything in the person's capacity as a State government employee;
 - (c) Attempt to influence the conduct of a person who is a local government employee in the person's capacity as a local government employee;
 - (d) Approach or discuss with an applicant or representor any application which is either before the panel or will come before the panel at some future time, except during the course of a panel meeting where the application forms part of the agenda and the applicant or representor has a right to be heard by the panel; and
 - (e) Except where required as part of the assessment of a particular decision such as a formal panel viewing of a development site, you should not enter a development site, even if invited by the land owner or a neighbouring property owner or any other person.

Development Assessment Conduct

- 2.9 You acknowledge that the assessment of development by the panel requires that you act impartially and limit yourself to assessing an application strictly in accordance with the Act. Panel members must determine whether or not to grant development plan consent by assessing the development against the provisions of the appropriate Development Plan without reference to extraneous matters but with due regard to relevant matters such as representations made in accordance with the provisions of the Act.

- 2.10 You must not:
- (a) Engage in consultation outside of the panel process with any party on a proposed development application that is likely to be heard by the panel;
 - (b) Give advice to an applicant or other third party on a development application after it has been lodged outside of a panel meeting;
 - (c) Speak at a public meeting for or against a proposal where the purpose of the meeting is to discuss either a proposed development or a development application unless required by the Act;
 - (d) Express an opinion on a development application or a proposed development outside of a panel meeting; and
 - (e) Engage in any other act or omission which may give rise to a reasonable presumption that you have prejudged a development proposal or application.
- 2.11 In regard to attendance of a public meeting as set out in point 2.10 (c) above, you must inform the panel that you have attended such a meeting and confirmed that you have not made representations to the meeting, discussed the matters raised at the meeting with any person or given an indication as to the merits of a particular development application or proposed development application outside of a panel meeting.

Note that nothing in this Code prevents you from properly seeking clarification or comment from staff members prior to or during the discussion of any matter in a panel meeting.

Public Comment

- 2.12 Only the presiding member or another person determined by the panel is permitted to speak publicly to the media and address the public on behalf of the panel. No other panel member may make comment to the media or the public in relation to any matter before the panel or any decision of the panel.

3. Breaches of the Code, Complaints and Sanctions (Panel Members)

3.1 You have an obligation to act honestly and diligently as a panel member. You should report any instances of suspected breach of the Act, this Code or any other misconduct by other panel members immediately to the public officer in writing and refrain from discussing those matters at future panel meetings.

- 3.2 Upon receipt of this information the public officer may:
- (a) Seek legal advice; and/or
 - (b) Require an investigation into the allegations by an appropriate person; and/or
 - (c) Refer the matter to the police; and/or

- (d) Take any other action which the public officer deems appropriate and which accords with the Act.

Note that nothing in this Code prevents you, or any other person from making a complaint under the Ombudsman Act 1972.

- 3.3 Where an investigation is undertaken in accordance with this Code, the person to whom the allegation of misconduct relates must be given by the public officer:
 - (a) Full particulars of the alleged misconduct in advance of the investigation (at least 7 days prior to the date of the meeting at which the complaint will be investigated);
 - (b) An opportunity to respond to the allegations; and
 - (c) The right to have a representative attend any hearing with them (including legal counsel).
- 3.4 Where an allegation of misconduct is made out, the Minister (in regard to the Development Assessment Commission), the relevant Councils (in regard to a Regional Development Assessment Panel) and the relevant Council (in regard to a Council Development Assessment Panel or a Regional Development Assessment Panel) may:
 - (a) Remove the person from the panel;
 - (b) Suspend the person from the panel for a period of time; or
 - (c) Take any other reasonable action deemed appropriate.

4. Delegate Behaviour

- 4.1 In order to foster the respect of applicants, representors and the community, delegates must uphold the highest standards of behaviour and ensure that they act in accordance with the provisions of the Act at all times.

Development application information

- 4.2 As a delegate, you hold a position of trust and must not misuse or derive undue benefit from your position. As such, you must treat development application information appropriately by:
 - (a) Not using information gained by virtue of your role as delegate for any purpose than to exercise that role;
 - (b) Not releasing confidential information;
 - (c) Ensuring that you take care and maintain the integrity and security of confidential documents or information in your possession, or for which you are responsible; and

- (d) Recognising that information may be subject to the requirements of the *Privacy Act 2000* and abiding by the principles of that legislation.

Conflict of Interest

- 4.3 You must make all decisions impartially and in accordance with the requirements of the Act. You must recognise the importance of fully observing the requirements of the Act in regard to disclosure of any interest which may affect your ability to fulfil your duties as a delegate:
 - (a) If you consider that you have, or might reasonably be perceived to have an interest in the matter before you as delegate, you must clearly state the nature of that interest in writing and must not proceed to exercise your delegation; and
 - (b) If you consider that you have a personal interest which may be in conflict with your public duty to act impartially and in accordance with the principles of the Act, you must declare a conflict of interest as above and must not proceed to exercise your delegation.

Development Assessment Conduct

- 4.4 You acknowledge that the exercising of a delegation by you in relation to the assessment of development requires that you act impartially and limit yourself to assessing an application strictly in accordance with the Act. Delegates must determine whether or not to grant development plan consent by assessing the development against the provisions of the appropriate Development Plan without reference to extraneous matters but with due regard to relevant matters such as representations made in accordance with the provisions of the Act.
- 4.5 You must not:
 - (a) Exercise a delegation to make a decision on an application for development plan consent, or issue an instruction in relation to the exercise of a delegation held by another person, where you have assisted the applicant in the preparation of the application, to the extent that it leads to an expectation that if the applicant followed this advice you would grant delegated consent to the application;
 - (b) Speak at a public meeting for or against a proposal where the purpose of the meeting is to discuss either a proposed development or a development application where you hold a delegation other than to outline process and/or requirements of the Act or Regulations or, unless required by the Act; and
 - (c) Engage in any other act or omission which may give rise to a reasonable presumption that you have prejudged a development proposal or application.

5. Breaches of the Code (Delegates)

- 5.1 Breaches of this code by a delegate are to be reported to either the chief executive of the relevant council or the chief executive of the relevant

government department. The responsible chief executive will take the appropriate action as required.

Hon John Rau
Minister for Planning

Item No: **14.6**

Subject: **GREENING OUR COMMUNITY GRANTS 2012-13**

Date: 12 November 2013

Written By: Coordinator Environmental and Coastal Assets and Waste & Environmental Education & Projects Officer

General Manager: City Assets, Mr S Hodge

SUMMARY

The Greening Our Community Grants are being conducted for a third year. Twelve applications were received when the assessment panel met on 1st October 2013. The twelve applications heavily oversubscribed the \$20,000 worth of funding available, with the total amount applied for being \$40,565.00. After careful and thorough assessment of all applications, the panel recommended that ten of the twelve groups receive full or partial funding applied for. Two of the applications were deemed ineligible.

RECOMMENDATION

That the Report be received and that Council approves funding for 10 Greening Our Community grant applications for the 2013-2014 financial year.

COMMUNITY PLAN

A Place with a Quality Lifestyle
A Place that Values its Natural Environment
A Place that Manages its Environmental Impacts
A Place that Provides Choices and Enhances Life

COUNCIL POLICY

Not Applicable

STATUTORY PROVISIONS

Not Applicable

BACKGROUND

In 2011-12 and 2012-13 Council supplied Greening Our Community Grants totalling \$20,000 / yr. to the community. These were granted to not for profit community groups who matched the funding on a dollar for dollar basis and were investing in environmentally themed projects.

In the past two years the Greening Our Community grants have helped fund:

- Six vegetable gardens

- Installation of six water tanks
- Three indigenous plant gardens
- Installation of two solar panel systems
- One Butterfly garden
- One new best practice waste system

These projects took place across six Primary Schools, four Kindergartens and three Community Groups/Centres within Holdfast Bay.

Brighton Primary School – Produce Garden

In 2011 Brighton Primary School received a major Greening Our Community grant of \$5000 towards the establishment of a sustainable vegetable garden with permanent fruit trees, garden beds and infrastructure. The garden has been a huge success with all students benefiting from valuable lessons about growing food locally. The produce being grown is sold to the school families and the money made is put back into the garden.



Figure 1: Wooden garden beds being installed for Brighton Primary School's produce garden

Figure 2: The completed produce garden at Brighton Primary School

St Teresa's School Brighton – Butterfly Garden



In 2012 St Teresa's School Brighton received a major Greening Our Community grant of \$5000 toward the creation of a butterfly garden which consisted of indigenous plants, natural rocks and stones and a water stream.

Figure 3 (left): The Greening Our Community grant sign displayed at all projects sites with butterfly garden in the background.

REPORT DETAILS

As endorsed by Council in the 2012/13 Budget, funding has been allocated to the Eco City Plan 2012-15 project 1.2.1 promoting improved environmental knowledge and action amongst our ratepayers, community groups and schools, in the form of Greening Our Community Grants.

Greening Our Community Grants provide financial assistance to help community groups and schools to make our city more ecologically sustainable and responsible.

This program will, in the long term assist residents, school and community groups to reduce utility bills, waste to landfill, food kilometers, increase local native biodiversity and invest in environmental educational opportunities across the city.

Greening Our Community Grants are available for projects which involve:

- biodiversity conservation
- water conservation
- energy reduction or renewable energy generation
- waste reduction
- educational programs focusing on sustainability themes.

Grants are given on a one-off basis and will not be given to approved projects on a repeat basis. This is the third year Greening Our Community Grants have been offered to community groups. Successful applicants are required to match the funding which they receive, a small proportion can be through in kind contributions.

Applications for grants opened at the beginning of August and closed on Friday 20 September. Eighty six clubs, schools and organisations in the city were contacted directly regarding the grants and information was provided in Councils Messenger column and flyers placed in council buildings and local cafes. Twelve applications were received from a variety of organisations including two Kindergartens, two Primary Schools, one sporting club and two community groups. Of a total of \$20,000 available in grant money, \$40,565 was applied for.

A Greening our Community Grant Assessment Panel was formed which consisted of four council employees; these being the Environmental Education and Projects Officer, the Coordinator for Environmental and Coastal Assets, the Manager for Regulatory Services and the Strategic Property Officer.

Applications were assessed and scored against selection criteria by each panel member prior to the Panel meeting on 1 October 2013. At this meeting one application was given outright principle support for full funding, two were given in principle support for full funding subject to minor additional information being sought and seven applications were given partial funding in principle support subject to additional information being supplied. Sufficient additional information has since been supplied by all eligible applicants and in principle support has now being given to ten applications.

Two applications were not recommended for grant funding, these being the Brighton Eco-Community Garden Inc (Glenelg Community Garden) and the Brighton District Table Tennis Club. Communications with Brighton District Table Tennis Club prior to the application closing indicated that the project would be going ahead prior to moneys being granted by Council (ie. Retrospective funding), this therefore making the project ineligible as per conditions outlined in the Greening Our Community Guidelines and Application form. The Brighton Eco-Community

Garden Inc has yet to be granted a lease for the Glenelg Community Garden as previous works undertaken at the site are in breach of plans developed through council and community consultation. On these grounds the panel did not recommend funds be granted.

Below are listed all ten applicants who were given in principle support, with the total funding allocated being \$20,000.

Applicant	Project	Project total Cost	Funding amount applied for	Funding amount recommended	Grant topic
ACH Group Kapara	Sensory garden with indigenous plants and water tank	\$8,000	\$3,190	\$2,000	Biodiversity conservation Water conservation
Baden Patterson Kindergarten	upgrade of lawned area and new native garden	\$10,753	\$5,000	\$2,000	Biodiversity conservation Water conservation Educational programs
Brighton Bowling Club	Installation of rainwater tanks	\$4,000	\$2,000	\$2,000	Water reduction
Brighton Primary School	Coastal garden	\$35,000	\$5,000	\$3,900	Biodiversity conservation Educational programs
Brighton Secondary School	Restoration of school pond and vegetable garden	\$7,815	\$5,000	\$2,000	Biodiversity conservation Educational programs
Dover Kindergarten	Chook coup and chooks	\$10,000	\$5,000	\$2,000	Waste Reduction Educational Programs
Glenelg Community Childcare Centre	Vegetable and Indigenous garden	\$4,500	\$2,250	\$2,250	Biodiversity conservation Water conservation Waste conservation Educational programs
Holdfast Bay Community Centre	Nature play & indigenous planting	\$3,000	\$1,500	\$1,500	Educational programs Biodiversity conservation

Marymount College	Waste reduction – new bin systems	\$10,000	\$5,000	\$2,000	Waste reduction Educational programs
St Peters Woodlands Primary School	Waste reduction - composting	\$700	\$500	\$350	Waste reduction
TOTALS		\$93,768	\$34,440	\$20,000	

BUDGET

The total budgeted expenditure (not including staff time or promotion) for the Greening Our Community Grants is \$20,000.

This represents a \$20,000 investment by Council in our community for a total of \$93,768 worth of project works in environmental improvement.

Each grantee is required to provide photos, promote Council and provide a Project Budget Acquittal at the end of financial year.

LIFE CYCLE COSTS

It is not necessary for Council to expend any additional costs in regards to the lifecycle of the program, however this program will, in the long term assist schools, kindergartens and community groups to reduce utility bills, waste to landfill, food miles, increase local native biodiversity and invest in environmental educational opportunities across the city.

Item No: **14.7**

Subject: **BUFFALO RESTAURANT - LICENCE**

Date: 12 November 2013

Written By: General Manager

General Manager: City Assets, Mr S Hodge

SUMMARY

Following several formal deputations to Council by Mr Richard Finlayson on behalf of Buffin Pty Ltd (owner and licensee of the Buffalo Restaurant) Council resolved to:

1. Fund a building condition audit report on the Buffalo building.
2. That subject to the outcomes of the condition report that Buffin Pty Ltd be encouraged to conduct an Expression of Interest process for the purchase of the Buffalo and that the current rental agreement would continue to apply to any new purchasers.

Tonkin Consulting were recommended to undertake the Building Condition Audit and the report was provided to members under separate cover.

Refer Attachment 1

In recent times there have been several expressions of interest put forward in relation to the Buffalo.

The Makris Group have expressed a desire to relocate the vessel to a site within the Holdfast Shores Marina.

Over the last two weeks another private company has expressed an interest in looking at developing the site as 'The Glenelg Wine Centre' operating 7 days a week under a General Facilities Licence with a charter to:

1. Offering tastings and sales of South Australian wines.
2. Conducting Wine appreciation courses.
3. Conducting responsible drinking courses particularly focussing on the 18-25 age groups.
4. Creating hospitality training concentrating on older people who want/need to re-enter the workforce.

However it should be acknowledged that Council has no part to play in this process as it has no interest in the building. Council simply owns the land on which the building is sited.

RECOMMENDATION

1. That Council has no desire to take ownership of the Buffalo.
 2. That Buffin Pty Ltd be encouraged to actively seek Expressions of Interest for the sale of the Buffalo.
 3. That the owner of the Buffalo be advised of the obligation to maintain the building in an acceptable state for the life of the licence (Section 4 Licence Agreement).
 4. That should the licensee choose to cease the operation of the Buffalo Restaurant that in accordance with the licence agreement (Section 4A) the licensee remove the vessel from Council land.
 5. That if the decision is made to cease the operation then rent would apply until such time as the building is removed and the site made good.
-

COMMUNITY PLAN

A Place with a Quality Lifestyle
A Place that is Safe and Secure
A Place to do Business
A Place that Welcomes Visitors
A Place that Provides Value for Money
A Place that is Well Planned

COUNCIL POLICY

Leasing Policy
Buffalo Licence and Lease

STATUTORY PROVISIONS

Not Applicable

REPORT

Council have discussed the issue of the future of the Buffalo restaurant on several occasions, however, the building is currently owned and operated by a licenced owner whose licence expires on 31 December 2021.

On this basis any current decisions regarding the future of the building rest with the licenced owner. If however something were to change with the ownership or the licence agreement then Council may be in a position to influence the future of the building.

Council commissioned a building audit report which identified the structural integrity of the building and provided condition assessments for the elements that make up the structure and compare the structures compliance with the current Building Code of Australia (BCA) and Disability Discrimination Act (DDA). The scope of the report also asked that the auditors identify any items that require remedial works or replacement and to include budget estimates for the cost of such work, purely as a guide as to how much it would cost for the ongoing current use of the structure to continue.

The list of recommended works is itemised on page 6 of the report and an estimate of the work to be undertaken over the next 5 – 7 years amounts to \$335,200.

It should be noted that these figures are based on current prices with no projection for future escalation and don't include GST, associated builders work or attendance, after hours work, staged work design or construction contingency or professional fees.

Structural Condition

It was noted that there were no structural concerns that require any immediate remedial work. However basically nothing on the structure complies with the current Building Code of Australia requirements ie., doorways are too narrow, toilet for disabled too small and there is no access to the upper floor. If someone were to lodge a complaint concerning access for the disabled under the DDA (Disability Discrimination Act) then the Human Equal Right Commission would require anything up to full compliance with the current BCA.

It has been reported in the media and anecdotally that several companies have expressed an interest in the building either to dismantle it and relocate it elsewhere or remain on site for an alternative use. However any such changes would need to be agreed by Buffin Pty Ltd as the licenced owner.

Change of Use

If there were to be an interest in subleasing the facility for an alternative use, then, that would trigger a Development Approval which would give rise to the need to bring the building up to Building Code of Australia (BCA) Specifications and DDA (Disability Discrimination Act) compliance which would appear in some instances to be not feasible and/or cost prohibitive.

On this basis it should be acknowledged that if the structure remains on site it can only be utilised as a restaurant without requiring a major upgrade.

There has been some thought to Council assuming ownership of the building. If this were to be considered by Council then negotiations would need to be entered into with the licenced owner to either purchase the building or enter into a sub lease with Buffin Pty Ltd.

However as a minimum Council would need to budget the \$325,000 for routine maintenance and cover such costs as insurance etc. This is assuming the building was to be maintained as a restaurant with Council as the land lord, which clearly has not been viable in the past.

A development approval process for a change of use would incur some major expenditure to comply with Building Code of Australia (BCA) and DDA (Disability Discrimination Act) which would need to be further explored in detail.

BUDGET

Council expended \$8,500 engaging a consultant to undertake a structural and services report.

LIFE CYCLE COSTS

There are no life cycle costs attributed to this report or its outcomes as Council has no ownership of this building.

CONCLUSION

Following several deputations and discussions in Council around the current and future options for the Buffalo Restaurant Council resolved to commission a Condition Audit in conjunction with this it should be noted that:

- The owner is the only person at liberty to decide the future of the business and the facility.
- The Condition Audit had identified a total of \$335,200 in maintenance costs.
- The building does not comply with BCA (Building Code of Australia) requirements.
- The building is not DDA (Disability Discrimination Act) compliant.
- Further damage has been caused to the building since the condition report was provided.
- If any change of use of the facility was to be negotiated then Development Approval would need to be granted.
- Any change of use would trigger the need for the building to be upgraded to comply with current BCA (Building Code of Australia) and DDA (Disability Discrimination Act) requirements.
- If the lease were to be reassigned to another operator then Council as owner of the land would need to agree to such assignment.
- The current lease expires on 31 December 2021 but is subject to reasonably prescriptive licence conditions around maintenance and eventual removal of which the owner is fully aware.

Buffalo Restaurant

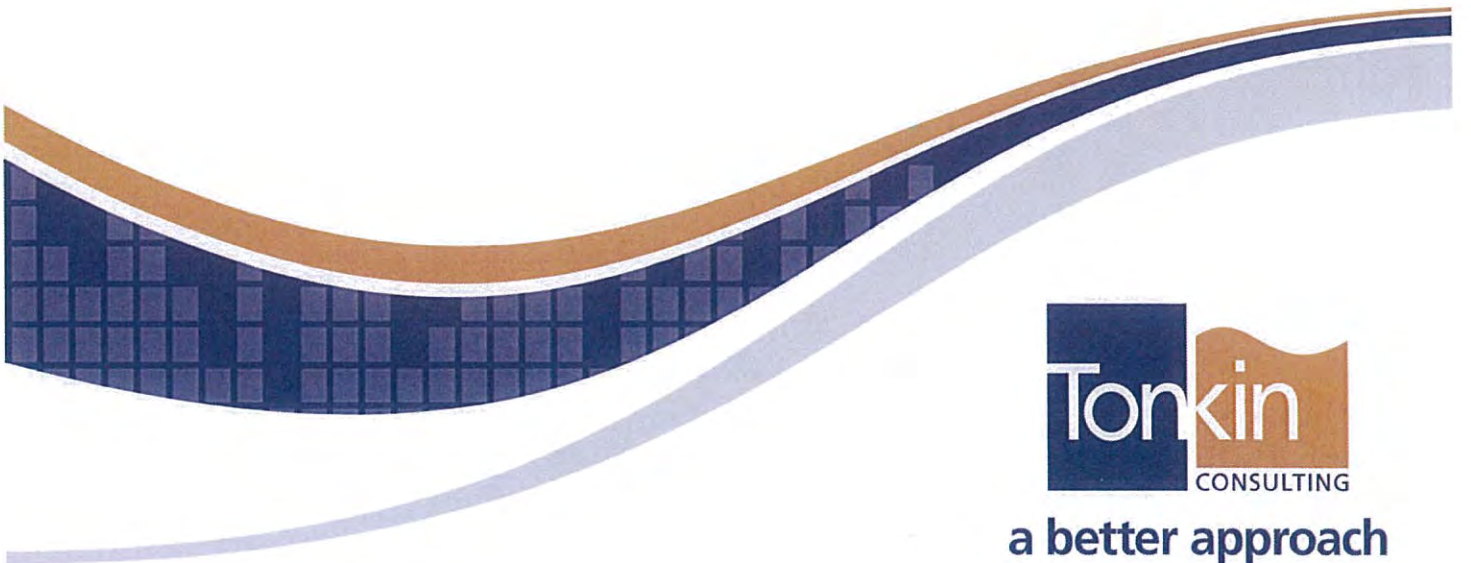
Building Condition Audit

City of Holdfast Bay

October 2013

Ref No. 20131056

Client Ref No. CIVC009747



a better approach

Document History and Status

Rev	Description	Author	Reviewed	Approved	Date
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1 Introduction

As per the request of the City of Holdfast Bay the Buffalo Restaurant at Glenelg was initially inspected on 2 September 2013 with an additional inspection on 30 September 2013 to identify any structural concerns, provide condition assessments for the elements that make up the structure and compare the structure's compliance with the current Building Code of Australia (BCA) and Disability Discrimination Act (DDA). The later inspection was to collect additional information regarding items noted at the first inspection.

In addition it was requested that the auditors identify any items that require remedial works/ replacement and to include estimates of the costs for such works in the report so the Council has a guide as to how much should be spent on the structure for its ongoing use to continue.

The inspection was undertaken by Mr David Nash of Tonkin Consulting and Gascoigne Consultants.

Mr Nash a structural engineer and building surveyor focussed on identifying structural concerns and except for the services, condition rating all elements and comparing the structure for compliance with the BCA and DDA.

Gascoigne Consultants focussed their assessment of the structure on the services provided. These included electrical, lighting and power, hydraulic, hot and cold water and sewage, mechanical, air conditioning and kitchen equipment and fire services, hydrants, fire hose reels, fire extinguishers and smoke detection.

The condition ratings for the various elements are presented in part 3 of the report.

In part 4 all remedial works and/or replacement works considered necessary have been listed with an estimate of the cost for each one included. It is not recommended that all of the works be done immediately but they should all be completed within 5 to 7 years.

A full copy of Gascoigne Consultants' report regarding the services has been attached in Appendix A. All of their condition ratings and remedial/replacement works have also been included in the main body of the report. Their report has been attached so additional information regarding their reasons for the ratings given and the remedial/replacement works recommended can be sourced if necessary.

The cost estimate to undertake all of the recommended remedial/replacement works is \$335,200.

2 Existing Construction of the Buffalo Restaurant

The Buffalo Restaurant is a replica of the ship the Buffalo that sailed to South Australia.

As a replica it has been built so that it at least from the outside it resembles the original ship.

Its main structural and cladding components both inside and out are constructed of timber.

The ship has two main levels. The main restaurant, toilets and kitchen are located on what could be called the ground level that is accessed via a ramp from the foreshore. Above this level there is an office and training room at the southern end of the ship, an additional small restaurant area with its own bar to the northern end with an open deck between these two areas.

Above the small restaurant area on the second level is another open deck.

Two timber staircases, one at each end of the ship provide access from the main restaurant level to the office and training room and small second level restaurant area. A ladder/stair provides access from the deck on the second level to the deck on the third/top level. There is also a metal stair from the foreshore to the office and training room foyer.

The ship is supported by timber piles that have been driven/placed/concreted in the sand below. The ship does not float on the water but due to a moat provided around the base of the ship it appears from the outside that it is sitting in the water. The piles directly under the centre portion of the ship are in dry sand whereas the outer piles are partially submersed in water so that the external covering of the ship just continues below the controlled water line.

All the floors are constructed of timber joist and bearers with either timber decking, tongue and groove flooring or sheet flooring on top. The restaurant, office and training room areas were generally carpeted with the outside deck covered with timber decking boards. Obviously to prevent water from entering the ceilings below the decks there must be some additional sheet flooring provided to collect and drain water to drains or over the side of the ship.

The two upper most decks including the roof above the office and training room and plant room are presumably covered with a sheet flooring material with a waterproof membrane installed on top.

The walls and ceilings to the restaurant areas and office and training room consisted generally of timber panelling.

The toilets had plasterboard linings with tiled floors and walls.

The bar areas have timber panelled ceilings and walls with a vinyl floor to the main bar and a non slip rubber type coating to the second level bar.

The kitchen had plasterboard ceilings and walls with a vinyl floor.

The cladding to the external face of the ship is horizontal timber panelling that has been nailed to presumably timber stud framing or similar. In addition to the western face of the ship a rubber/cloth membrane has been fixed over the timber panelling, most likely to provide additional protection to the timber panelling that is exposed to the direct sea air.

3 Condition Rating of Existing Elements

It has been chosen to assign condition ratings for the various elements that make up the Buffalo Restaurant structure.

The ratings are:

- Poor- beyond useful life and hence requires replacement
- Fair- approaching the end of its useful life, no more than 5 to 7 years life left
- Good- still in reasonable condition, should last another 7 to 12 years
- As New- in as good as new condition

The condition ratings are as per the following table. For some of the elements photographs have been taken that are referenced in the table and appear attached to this report in Appendix B.

Table 3.1 Condition Ratings

Element	Condition Rating	Comments	Photograph/s
Water proof membrane to upper decks and above the office and training room	Fair to Good	Worn but there appear to be no leaks inside the ship so is performing as required	1,2,3
External timber cladding	Fair to Poor	Some of the panelling has rotted, other panels have been replaced and the panelling to the western face is protected by a cloth/rubber material coating	4 to 9
Timber decking to top deck and second level deck	Good to Fair	Decking is worn and there are a few minor splits to some boards, a polyurethane coating could be applied to extend life	
Windows and doors	Good		
Timber panelled ceilings and walls	Good	Small section of rotting panelling to northern end of main restaurant area due to water leakage	
Plasterboard wall panelling to second level restaurant	Fair	Hole in panelling and minor displacement of some panels	10
Plasterboard ceilings and walls to kitchen	Fair to Good	Dirty in parts and could be repainted	
Plasterboard ceilings and walls to toilets	Good	Could be painted	
Carpet	Fair to poor	Worn at joins, lifted and stretched in parts and looks in need of replacement/renewal	11, 12,13

Table 3.1 continued

Element	Condition Rating	Comments	Photograph/s
Vinyl floor covering to bar and kitchen areas and non slip rubber coating to second level bar	Good to second level, Fair to Poor to kitchen and main bar	Has been patched to the main bar area and kitchen.	14
Tiling to walls and floors of toilets	Fair to Good		15
Internal timber staircases	Good		
External metal staircase to office and training room	Good	Decking is worn and there are a few minor splits to some boards	16
Ladder/Stair to top deck	Poor	Balustrade is corroded and loose and one step is broken, needs replacement or removal to prevent access to upper deck	17
Flooring, floor framing and piles to the ground level	Good	Very minor surface corrosion on some bolts	18,19, 20
Fixed leather seating to main restaurant area	Poor	The seats have ripped leather that has been taped up	21
Decorative structure to front of boat	Poor	The decorative structure was blown off in a storm	22,23
Main electrical distribution board	Good	Upgraded in 199 but lacks required residual current device protection and emergency lighting discharge test facilities	
Lighting	Poor	Domestic globes have been used to replace original globes and bare tube fluorescent fittings provided to kitchen which is now not considered good practice	
Exit and Emergency Lighting	Poor	Exits not clearly identified and some lights not working	
Fire Hydrant	As new		
Fire hose reels, fire extinguishers and fire blanket	Good, FHR to deck Fair	Fire hose reels and fire extinguisher not installed correctly and signage not compliant	
Wet chemical suppression system	Fair	Provided to kitchen exhaust hood, operated manually	

Table 3.1 continued

Element	Condition Rating	Comments	Photograph/s
Thermal detection system including fire indicator panel	Poor	Smoke detectors are more appropriate and very old fire indicator panel fitted	
Sanitary ware and tap ware to toilets	Good in public toilets, Poor to staff toilets		
Hot water heaters	Fair	No tempering valve provided	
Air conditioning units	Fair to Poor	Many past their economic life and do not provide outside air as required	
Toilet exhaust fans	Poor	One fan missing and they are not provided with self closing dampers	
Kitchen exhaust hood and fan	Poor	Discharge does not comply and no make air provided in kitchen	

4 Remedial/Replacement Works Including Cost Estimates

The following lists the recommended remedial/replacement works for the Buffalo Restaurant with estimates of the costs for each item included.

The costs do not include

- GST
- Associated builder's work and attendance
- After hours work
- Staged work
- Design or construction contingency
- Professional fees

These are works that it is recommended be undertaken with the next 5 to 7 years to enable the ongoing use of the Buffalo as a restaurant for at least the next 25 to 30 years.

Replace all timber external cladding	\$75,000
Provide new polyurethane coating to upper deck	\$5,000
Cleaning, patching and repainting of plasterboard walls to kitchen and dining areas	\$4,000
New carpet to entire boat	\$20,000
New vinyl floor coverings to kitchen and bar areas	\$5,000
Refurbishment of toilets to comply with access for disabled requirements excluding new exhaust fans, included below	\$40,000
New balustrade to external staircase	\$1500
Removal of upper stair to roof above northern upper floor dining area	\$200
Clean off corrosion to bolts to under floor area	\$1500
Replace ripped/torn leather seating	\$6000
Changes to door hardware to exit doors to comply with Part D2.21 of the BCA	\$1000
Replacement of decorative structure to front of boat	\$4000
Upgrade to electrical and lighting	\$20,000
Upgrade of Fire services	\$23,000
Upgrade of hydraulic services	\$14,000
Upgrade of air conditioning and exhaust fans	\$115,000
TOTAL	\$335,200

5 Structural Condition

The timber piles and ground floor framing and flooring that was inspected from underneath the ground level was in good condition including the bolts used with only some very minor surface corrosion noted to some of the bolts.

The ground floor flooring, timber floor joists and bearers were all checked structurally for the loadings they must support. All were found to be structurally adequate.

The piles were checked conservatively for the loading they should support and were also found to be structurally adequate.

Although not all of the floor framing to the second and third levels could be seen there was no evidence to suggest that any structural concerns with this framing. The exposed beams were in good condition.

As the external cladding is rotted in parts there is a possibility that some of the stud or other framing to which the cladding is fixed may be rotted in parts. This may affect some of the vertical supporting members for the upper floors but until the cladding is removed one cannot identify any problems. The stability of the upper floors suggests that if there are any structural problems with the vertical supports then they are most likely only of a minor concern at present.

In summary there were no structural concerns that require remedial works noted.

6 Building Code of Australia and Disability Discrimination Act Non Compliances

6.1 Type of Fire Resisting Construction

The ship would be classified as a class 6 restaurant. There is an office component, class 5 and a training room, class 9b but the areas of these would be less than 10% of the total floor area so it is considered to be a class 6 building only. It is considered to only be 2 storeys high with the upper deck so small and outside the building and not used for anything other than to support an air conditioning unit as not being a storey.

The Building Code of Australia (BCA) requires the building to have a fire resisting construction Type C. This is the least fire resisting construction required by the BCA.

The ship would comply with Type C construction as it is located well away from any fire source features such as other buildings or boundaries.

6.2 Emergency Egress

The exit light to the second level restaurant area directs patrons out onto the second level deck. However once on the deck there is no direction as to where one goes to exit the ship. Logic says you would head towards the training room and office at the southern end of the ship but it is likely the door from the deck to this area will be locked. With its location allowing outside entry to the ship it cannot be set up as an unlocked door from the outside.

The more appropriate exit route would be via the internal stair to the ground level and then out the main entrance/exit door. The exit light should be relocated to direct patrons down the internal stair.

Occupants in the office and training room are directed by exit lights to the door that leads to the external staircase. This is okay but the door is lockable from the inside. The door hardware must be changed so it complies with Part D2.21 of the BCA.

Exit from the kitchen is via the door at the northern end of the kitchen which is less than 20m from the back of the kitchen, hence complies with the BCA.

For the dining area exit lights direct patrons to the external northern door and to the stairs that lead up to the training area. There is no exit light directing people up the stairs so there is a possibility that patrons will proceed into the rear southern dining area pass the toilets and then find there is no exit. Two exits are required and the only option is to use the stairs as a second exit even though patrons will have to go up before they can escape from the boat. The distance of travel complies with the BCA.

However the exit doors from the kitchen and main restaurant area do not strictly comply with Part D2.21 of the BCA. Complying door hardware should be fitted so these doors can be opened at all times from the inside with a free handle single handed lever type action.

Both stairs only have balustrades above the landings that are 900mm high. The balustrades above the stair treads are about 770 to 790. The BCA today requires the balustrade above landings to be 1m high and above stair nosings 865mm. Although the heights are lower than currently required they are not considered low enough to require alterations. They would have complied with the building regulation requirements when first built. The gaps in the balustrade are only 80mm less than the required 125mm and the riser and going lengths of the steps comply with the BCA.

The external stairs from the upper floor office/training room comply except for the gaps between the ropes to the side which are 200mm much wider than the 125mm allowed. The balustrade to this stair will need to be altered so it complies with the BCA.

6.3 Access for the disabled (compliance with the BCA and DDA)

There have been significant changes for access for the disabled since the boat was first constructed. Today if one complies with the BCA it is equivalent to complying with the Access to Premises- Building Standards under the DDA.

As a result basically nothing on the boat complies with the current BCA. The doors are too narrow, the toilet for the disabled too small and there is no access to the upper floor even via stairs that comply with the BCA.

There is a ramp that provides access to the main entrance door with no step at the door that would comply but the door's clear opening width is only 800mm less than the now required 850mm.

If no changes internally or to the front entrance are made then no upgrade works to comply with the BCA are triggered.

It is recommended that the toilets be refurbished and if this is done then the toilet for the disabled will need to be upgraded to comply with the current BCA. Toilets for the ambulant disabled for both sexes would also need to be included.

Please note however that if someone lodges a complaint concerning access for the disabled under the DDA then the Human Equal Rights Commission could require anything up to full compliance with the current BCA.

6.4 Fire Services

Refer to Services report in Appendix A.

6.5 Sanitary Facilities

Based on the current number of toilet pans, urinals and wash basins there are enough facilities to cater for 50 males and 100 females. The addition of one extra male wash basin would increase the male figure to 150.

Even without the additional hand basin the numbers would be close enough to cover the number of patrons catered for by the restaurant.

6.6 Light and Ventilation

Refer to Services report in Appendix A.

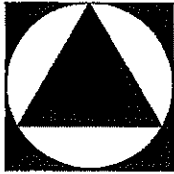
6.7 Energy Efficiency

When the boat was constructed there were no requirements for energy efficiency.

If for example the air conditioning is upgraded or new lights fitted these items would need to comply with the current BCA. Similarly if the external cladding is removed then new wall insulation would need to be provided.

Appendix A

Services Report Prepared By Gascoigne Consultants



**BUFFALO RESTAURANT
1 ADELPHI TERRACE, GLENELG NORTH**

BUILDING SERVICES AUDIT

1. INTRODUCTION

Gascoigne Consultants were engaged to undertake an inspection and audit of the existing building services at Buffalo Restaurant located at 1 Adelphi Terrace, Glenelg North.

The intent of the audit was to determine the condition of existing building services, identify any rectification work necessary to restore plant and equipment to reliable long term operation, identify any plant and equipment that is beyond its economical service life, determine if plant and equipment complies with current Regulations and Australian Standards, and to identify where modifications are required to upgrade plant and equipment to a standard of service appropriate to current commercial standards.

This report is based on a walk through inspection of the premises. No measurements of performance were taken and no equipment was dismantled for internal inspection.

Our report does not address the building structure, fabric, stormwater or asbestos.

All existing equipment and services in the report are rated by 4 ratings. They are as follows:

1. Poor- requires replacement.
2. Fair- approaching the end of its useful life, no more than 5 to 7 years left.
3. Good- in reasonable condition, should last another 7 to 12 years.
4. As new - in good as new condition.

2. ELECTRICAL SERVICES

Condition of equipment

The existing power supply to the site comes from a SA Power Networks stobie pole in Adelphi Terrace, with underground consumers mains to a SA Power Networks meter inside the front entry door to the kitchen. The meter panel then supplies a main distribution board in the bar area directly above.

The meter panel is located in an exit path, and as such, requires smoke seals to ensure that the integrity of the fire exit is maintained.

The main distribution board was upgraded in 1999 and is in relatively good condition, however it lacks the required residual current device (RCD) protection on most of the general power and lighting circuits, and lacks the required emergency lighting discharge test facilities. There are only 8 spare poles in the 96 pole capacity of the main distribution board.

Main distribution board rating: 3

Lighting is generally provided by downlights, originally fitted with incandescent lamps, but now fitted with self ballasted compact fluorescent lamps. The fittings themselves are basic "domestic" standard with poor light distribution. Many of the fittings are poorly located in the ceiling, with many partially dislodged.

Lights in the kitchen are bare tube fluorescent fittings, which are normally considered unsatisfactory for kitchens due to crevices where dirt can lodge, and risk of glass in food if the lamp breaks (unlikely, but possible).

Lighting rating: 1

Self contained emergency lights and exit signs are provided throughout, but the arrangement of lights is poor, with paths of travel to exits inadequately covered, and the arrangement of exit signs not clearly indicating the shortest path of travel to an exit. For instance, the private dining areas at the stern of the upper floor have an exit sign leading onto the open deck, from where the exit route is not identified, whereas the exit sign should be directing people down the stairway to the front door on the lower floor.

Some emergency lights were faulty, indicating that regular testing is not being carried out.

Exit signs are the older text based signs rather than the latest "running man" pictograph.

Although beyond the ambit of electrical services, door hardware on exit doors does not comply with current Regulations, as it allows dead-locking of the door from inside, impeding free exit. The upstairs exit door swings in, contrary to current Regulations.

Emergency lighting rating: 1

Recommended upgrades and budgets:-

The electrical installation is in reasonable condition, but some upgrades to current standards are required to ensure occupant safety.

For the electrical services we recommend the following upgrades:

- Replace electrical meter panel with one fitted with necessary smoke seals.
Budget: \$2,000
- Fit RCD to circuits not currently equipped.
Budget: \$3,000
- Fit emergency lighting discharge test facility.
Budget: \$2,000
- Replace downlights generally with LED or fluorescent type.
Budget: \$6,000
- Replace light fittings in kitchen with fully enclosed fluorescent fittings.
Budget: \$2,000
- Re-arrange emergency lights and exit signs to suit exit paths and replace exit signs with running man type.

3. FIRE PROTECTION SERVICES

Condition of equipment

The site is provided with an external fire hydrant which provides coverage for the whole building. Existing fire hydrant on site appears to be in good condition. Regular testing and maintenance appears to be undertaken according to the tag attached to the hydrant. Fire hydrant is located approx. 10m from the building and complies with current Regulations and Australian Standards.

Fire hydrant rating is 4.

The building is provided with two fire hose reels. One fire hose reel is located in the kitchen and a second fire hose reel is located upstairs externally on the deck. Existing fire hose reels location does not comply with current Regulations and Australian Standards. Fire hose reels must be located within 4m of an exit.

Existing fire hose reels are not provided with required signage and do not comply with AS 2441. Fire hose reel located on the deck is not provided with a cabinet or heavy duty vinyl cover and it is constantly exposed to the weather and sunlight.

We can't confirm if fire hose reels are connected to the metered water supply to the building or dedicated fire hydrant and hose reel water supplies. If fire hose reels are connected to the metered water supply then testable double check valves are required to be installed on each fire hose reel stand pipe, and the water meter stop valve must be locked and labelled.

Existing fire hose reels appear to be in reasonable condition. Regular testing and maintenance appears to be undertaken according to the tag attached to the hose reel in the kitchen. The fire hose reel on deck doesn't have services tag.

Fire hose reel in the kitchen rating is 3 and fire hose reel on the deck rating is 2.

Water, dry chemical powder and wet chemical portable fire extinguishers are installed throughout the building. Fire blanket is installed in the kitchen. Most of the fire extinguishers signs are installed incorrectly and do not comply with AS 2444. Signs shall be mounted not less than 2m above the floor level.

Existing fire extinguishers appear to be in reasonable condition. Regular testing and maintenance appears to be undertaken according to the tags attached.

Fire extinguishers and fire blanket rating is 3.

A fixed wet chemical suppression system is fitted to kitchen exhaust hood, activated by manual push buttons.

Wet chemical suppression system rating is 2.

Thermal detectors are installed throughout the building and connected to the fire indicator panel located in the kitchen. Two smoke detectors are installed at the top of the two stairways, and in the sub-floor space. The fire detection system is monitored by the SA Metropolitan Fire Service.

Thermal detectors rating is 1.

The fire indicator panel is an original installation, with individual fire alarm zone indicators and isolating switches. The fire indicator panel will suffer an increasing incidence of faults. Parts are no longer available for this type of fire indicator panel, so faulty components need to be repaired, or replaced with second-hand parts salvaged from other panels, with the inherent risk of further failure and protracted time for repair.

Thermal detectors are no longer considered acceptable for effective early warning fire detection.

There appears to be no building occupant warning system to current standards, only a fire alarm bell.

Fire indicator panel rating is 1.

Recommended upgrades and budgets:-

The fire protection systems (fire hydrants, fire hose reels and fire extinguishers) appear to be in good condition.

The fire detection system is old and requires replacement to ensure effective early warning fire detection, on-going reliable operation and minimize maintenance costs.

For the fire services we recommend the following upgrades:

- Relocate existing fire hose reels to within 4m of exits. Provide required signage.
Budget: \$2,000

- Install correct signage for fire extinguishers.
Budget: \$1,000

- Replace existing fire indicator panel with new including smoke detectors throughout and building occupant warning system.
Budget: \$20,000

4. HYDRAULIC SERVICES

Condition of equipment

The existing water supply to the building comes from an SA Water meter located in the paving adjacent the building.

There is no backflow prevention on the water meter, required by current regulations.

There is a trade waste arrestor located in the paving adjacent the building. The arrestor appears to have a capacity of 1,750 L, which is satisfactory for a restaurant with up to 200 seating capacity. We did not see any SA Water trade waste approvals, but assume they are in place. We did not see any maintenance records, but assume that regular emptying and clean-out is carried out.

Sanitary-ware and tap-ware in the public toilets appear to have been replaced recently, and are in good condition. Sanitary-ware and tap-ware in the staff toilets are old and worn. Toilets and tap-ware in staff toilets would not comply with current water efficiency requirements. Toilets in staff toilets are single flush type.

Sanitary-ware and tap-ware in the public toilets rating is 3.

Sanitary-ware and tap-ware in the staff toilets rating is 1.

Hot water is provided from two gas fired storage heaters located in the plantroom on the top deck. The heaters were installed in 2000, and are most likely near the end of their economic life.

Hot water heaters rating is 2.

There is no tempering of hot water supply to basin taps, as required under current regulations.

Recommended upgrades and budgets:-

The hydraulic systems are old and worn, in condition commensurate with their age.

For the hydraulic services we recommend the following upgrades:

- Fit backflow prevention valve at water meter.
Budget: \$2,000
- Replace sanitary-ware and tap-ware in staff toilets with latest water efficiency type.
Budget: \$5,000
- Replace hot water units when they fail.
Budget: \$5,000
- Fit tempering valves at each hand basin.
Budget: \$2,000

5. MECHANICAL SERVICES

Condition of equipment

The existing air conditioning system consists of number of split, reverse cycle, wall mounted, under ceiling type or floor console type air conditioning units installed throughout the building.

Some of the air conditioning units are 20-25 years old and past their economic life. The expected operating life for this type of equipment is approx. 10 years and increased incidence of failures and break downs can be expected, especially for components.

Most of the air conditioning units utilise R22 refrigerant.

The air conditioning units installed throughout the building are as follows:

- Upper deck north side foyer – split, reverse cycle, floor console air conditioning unit of "Daikin" manufacture utilises R22 refrigerant. Rating 1.
- Upper deck north side first dining cabin – split, reverse cycle, wall mounted air conditioning unit of "National" manufacture utilises R22 refrigerant. Rating 1.
- Upper deck north side second dining cabin – split, reverse cycle, wall mounted air conditioning unit of "Emailair" manufacture utilises R22 refrigerant. Rating 2.

- Upper deck north side large dining room – split, reverse cycle, wall mounted air conditioning unit of "Daikin" manufacture utilises R22 refrigerant. Rating 2.
- Upper deck north side large dining room – split, reverse cycle, wall mounted air conditioning unit of "Daikin" manufacture utilises R22 refrigerant. Rating 2.
- Upper deck north side large dining room – split, reverse cycle, under ceiling type air conditioning unit of "Daikin" manufacture utilises R22 refrigerant. Rating 2.
- Upper deck south side foyer – split, reverse cycle, wall mounted air conditioning unit of "Fujitsu" manufacture utilises R22 refrigerant. Rating 2.
- Upper deck south side large room – split, reverse cycle, wall mounted air conditioning unit and of "Daikin" manufacture utilises R22 refrigerant. Rating 2.
- Upper deck south side large room – split, reverse cycle, under ceiling type air conditioning unit and of "Daikin" manufacture utilises R22 refrigerant. Rating 2.
- Lower deck main entry / foyer – split, reverse cycle, under ceiling type air conditioning unit of "Daikin" manufacture utilises R22 refrigerant. Rating 2.
- Lower deck main dining area – split, reverse cycle, wall mounted air conditioning unit of "Carrier" manufacture utilises R22 refrigerant. Rating 2.
- Lower deck main dining area – split, reverse cycle, under ceiling type air conditioning unit and of "Hitachi" manufacture utilises R22 refrigerant. Rating 1.
- Lower deck main dining area – split, reverse cycle, under ceiling type air conditioning unit of "Daikin" manufacture utilises R22 refrigerant. Rating 2.
- Lower deck south side dining room – split, reverse cycle, wall mounted air conditioning unit and of "General Air" manufacture utilises R22 refrigerant. Rating 1.
- Lower deck south side dining room – split, reverse cycle, under ceiling type air conditioning unit and of "Daikin" manufacture utilises R22 refrigerant. Rating 2.
- Lower deck kitchen – split, inverter, reverse cycle, wall mounted air conditioning unit of "Daikin" manufacture. Rating 2.

All outdoor units are mounted on Upper deck north and south roofs and on the roof of deck plant enclosure. One of the outdoor units is installed in plant enclosure.

The existing air conditioning units do not have capability to provide outdoor air to the areas served. Windows are not openable, so ventilation of the occupied areas does not comply with current regulations.

The toilets are provided with individual wall mounted exhaust fans for each cubicle. Most of the exhaust fans are not provided with self-closing dampers. One fan in the male toilet is missing.

All toilet exhaust fans rating is 1.

The kitchen is provided with low sidewall kitchen exhaust hood incorporating grease removal filters. The design, construction and installation of the hood do not comply with current standards.

There were some gaps between grease filters which may allow grease falling back onto food.

Three in-line exhaust fans are mounted on the facade of the building and discharge air from hood exhaust plenum horizontally from the building. The external shutters of exhaust fans are covered in black grease which drips down. This shows the lack of

maintenance and cleaning. The exhaust fans are very difficult to access for maintenance and cleaning as water surrounds the building.

The exhaust air discharge does not comply with current standards. The exhaust air should be discharged vertically above the highest point of the building. The horizontal discharge is only permitted for the kitchen hoods provided with special odour filtration.

There is no allowance for make-up air in the kitchen for kitchen exhaust hood.

The kitchen exhaust hood and fans rating is 1.

Recommended upgrades and budgets:-

The mechanical plant is old and approaching the end of serviceable life and ongoing expenditure to maintain operation in a reliable condition is required.

Most of the air conditioning units utilise R22 refrigerant which was banned from manufacture in January 2010 due to ozone depleting potential. This refrigerant is in the process of being phased out, and servicing of machines that use this refrigerant will become increasingly expensive. The current Australian Government guideline states that Australia will largely phase out import of R22 from 2016.

The existing toilet exhaust does not comply with current Regulations and Australian Standards.

The existing kitchen exhaust hood, air discharge and make-up air do not comply with current Regulations and Australian Standards.

For the mechanical services we recommend the following upgrades:

- Supply and install new split, reverse cycle, inverter, wall mounted air conditioning unit of 7 kW nominal capacity for Upper deck north side foyer. Install outdoor unit on Upper deck north side roof.
Budget: \$5,000
- Supply and install new multi-split, reverse cycle, inverter type air conditioning unit with two wall mounted units of 2.5 kW cooling capacity each for the Upper deck north side first and second dining cabins. Install outdoor unit on Upper deck north side roof.
Budget: \$4,000
- Supply and install 2 new split, reverse cycle, inverter, wall mounted air conditioning units of 7 kW nominal capacity for Upper deck north side large dining room. Install outdoor units on Upper deck north side roof.
Budget: \$10,000
- Supply and install ducted energy recovery ventilation unit for outdoor air supply for Upper deck north side dining cabins and large dining room. Install energy recovery ventilator on Upper deck north side roof and drop duct with supply air outlets to each dining area.
Budget: \$6,000
- Supply and install new split, reverse cycle, inverter, wall mounted air conditioning unit of 7 kW nominal capacity for Upper deck south side foyer. Install outdoor unit on Upper deck south side roof.

Budget: \$5,000

- Supply and install 2 new split, reverse cycle, inverter, wall mounted air conditioning units of 7 kW nominal capacity for Upper deck south large room. Install outdoor units on Upper deck south side roof.

Budget: \$10,000

- Supply and install ducted energy recovery ventilation unit for outdoor air supply for Upper deck south side foyer and large room. Install energy recovery ventilator on Upper deck south side roof and drop duct with supply air outlets to each area.

Budget: \$5,000

- Supply and install new split, reverse cycle, inverter, wall mounted air conditioning unit of 5 kW nominal capacity for Lower deck main entry / foyer. Install outdoor unit on Upper deck north side roof.

Budget: \$4,500

- Supply and install 3 new split, reverse cycle, inverter, wall mounted air conditioning units of 7 kW nominal capacity for Lower deck main dining area. Install outdoor units on Upper deck north and south side roofs.

Budget: \$15,000

- Supply and install 2 wall mounted energy recovery ventilation units for outdoor air supply for Lower deck main dining area.

Budget: \$6,000

- Supply and install new split, reverse cycle, inverter, wall mounted air conditioning unit of 10 kW nominal capacity for Lower deck south side dining room. Install outdoor unit on Upper deck south side roofs.

Budget: \$5,500

- Supply and install wall mounted energy recovery ventilation unit for outdoor air supply for Lower deck south side dining room.

Budget: \$3,000

- Supply and install evaporative cooler for kitchen make up air. Install evaporative cooler above the kitchen on main deck and duct direct over kitchen hood.

Budget: \$5,000

- Supply and install new exhaust fans for each toilet cubicle, complete with self-closing shutters

Budget: \$4,000

- Supply and install new kitchen exhaust hood, complete with in-line exhaust fan and vertical flue.

Budget: \$9,000

Mechanical services budgets include removal and disposal of existing equipment.

6. BASIS OF BUDGETS

Budgets are at current day rates, based on work in the Adelaide metropolitan area, but exclude:

- GST
- Associated builder's work and attendance
- After-hours work
- Staged work
- Design or construction contingency
- Professional fees

Appendix B

Photographs



Photograph 1



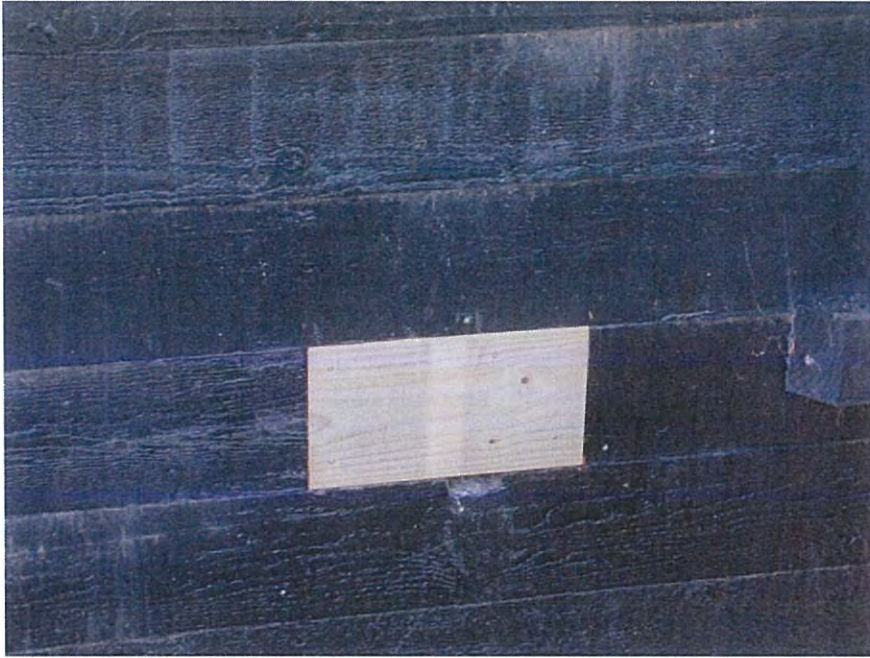
Photograph 2



Photograph 3



Photograph 4



Photograph 5



Photograph 6



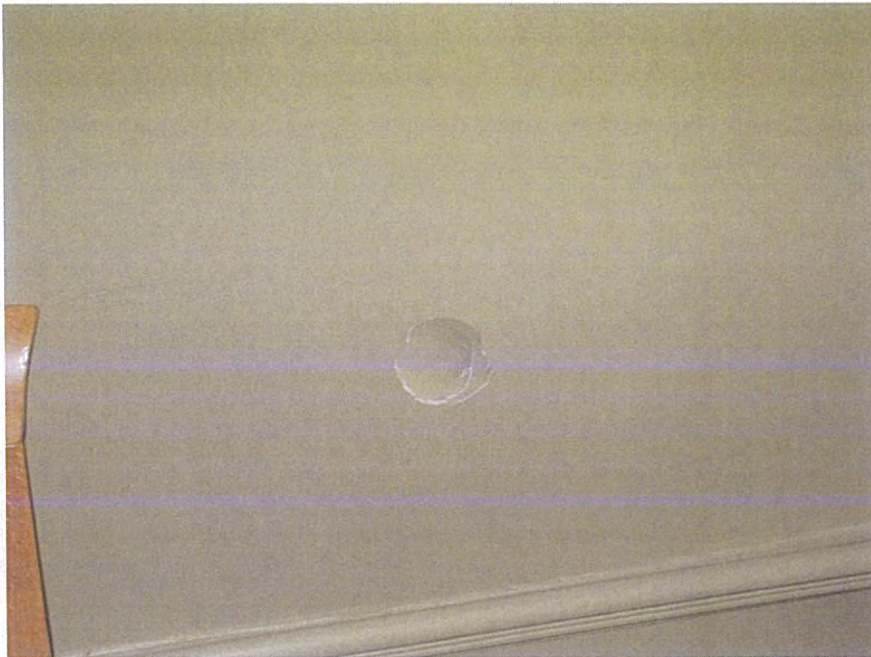
Photograph 7



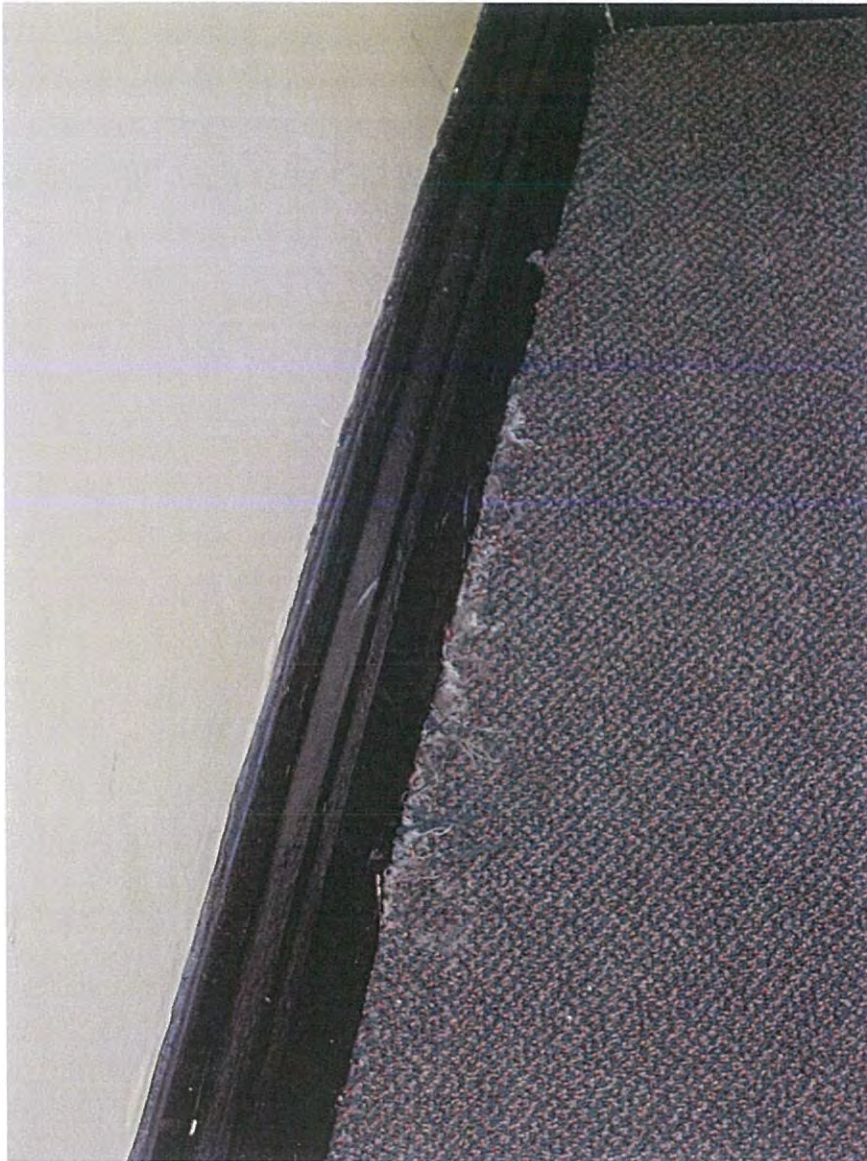
Photograph 8



Photograph 9



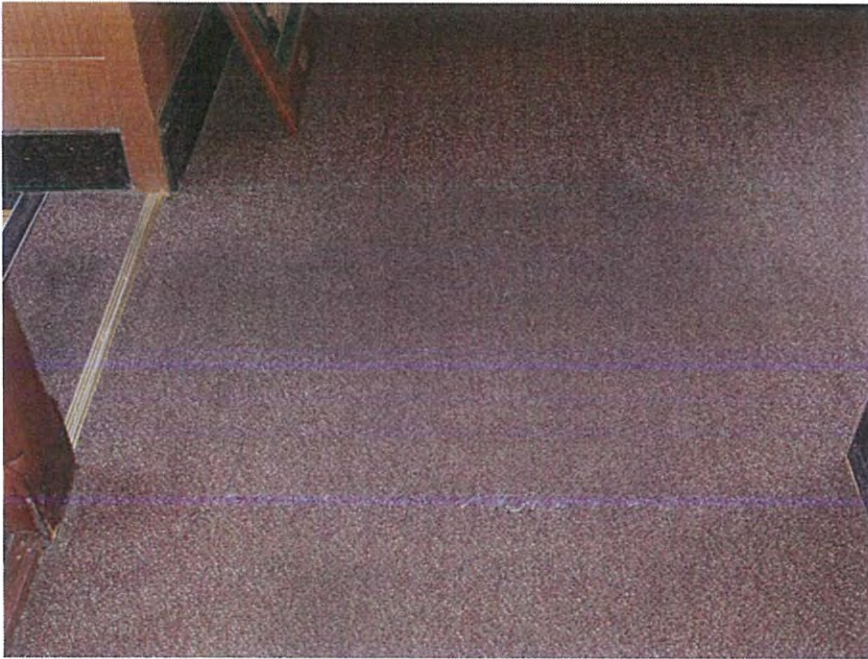
Photograph 10



Photograph 11



Photograph 12



Photograph 13



Photograph 14



Photograph 15



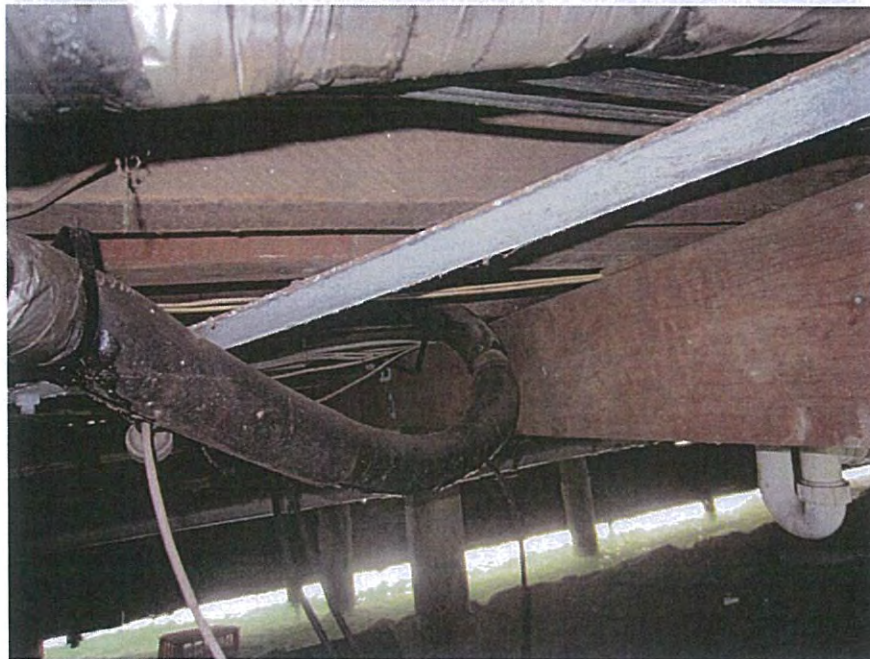
Photograph 16



Photograph 17



Photograph 18



Photograph 19



Photograph 20



Photograph 21



Photograph 22



Photograph 23

Item No: **14.8**

Subject: **ALWYNDOR AGED CARE FACILITY - REDEVELOPMENT OF SECURE DEMENTIA UNIT**

Date: 12 November 2013

Written By: General Manager

General Manager: Alwyndor Aged Care, Mr G Potter

SUMMARY

In 2010 and 2011 Council approved major capital redevelopments of the Alwyndor Aged Care facility at a combined cost of \$19.663 million. The three stage project is due for completion on the 13 December 2013. At the time of Council's initial approval, independent financial analysis contained within the LGA Section 48 Prudential Report indicated that Alwyndor would retain a minimum cash investment portfolio of \$4.02 million at the completion of the building program.

The forecast residual capital reserves have been continually revised throughout the ensuing three year period. The residual cash reserve figure is now forecast to be \$7.18 million, based on a further independent five year cash flow analysis by Momentum Business Advisors. This significant additional positive balance sheet variance (\$3.16 million), is due primarily to the building program being delivered both on time and under budget; to realising a higher than original conservative estimate of entry bond levels; and achieving higher interest rate returns on enhanced investment levels particularly during the 2010 and 2011 financial years.

As our newer buildings have become available to residents it has created issues in take up by potential residents of our one remaining aged building (Unit 4 – a 12 bed secure dementia ward constructed in 1976). As such and as part of future strategic planning, the Alwyndor Management Committee (AMC), have determined that the organisation's immediate priority should be to complete the capital renewal initiative for the entire site. Based on the preferred concept plan, the bed numbers in Unit 4 will decrease from twelve to eleven, however the total number of beds across the whole facility will have increased by six when compared to the accommodation capacity at the commencement of the building project in 2010 (134 to 140).

The refurbishment can be completed with minimal disruption to residents, with a six month temporarily relocation to be achieved on-site (within the Stage 2 complex). The forecast construction cost of the preferred Unit 4 refurbishment (as distinct from rebuild) is \$1.36m. When this additional cost is taken into account, the positive additional cash flow balance in comparison to the 2010 estimate will be approximately \$1.80 million and the cash investment balance of the organisation \$5.82 million.

RECOMMENDATION

The Alwyndor Management Committee seeks Council's "in-principle" approval:

1. to commit up to an additional \$1.36 million from the financial reserves of Alwyndor Aged Care to upgrade the facilities secure dementia unit (Unit 4);
 2. to formally engage the Brown Falconer Group to develop detailed architectural and construction plans and to coordinate the competitive tender process for the awarding of a resultant construction contract;
 3. with Councils final approval subject to the further tabling and endorsement of the Construction Contract (including confirmed costs), arising from the competitive tender process.
-

COMMUNITY PLAN

A Place with a Quality Lifestyle
A Place for Every Generation
A Place that Provides Value for Money
A Place that is Well Planned
A Place that Provides Choices and Enhances Life

COUNCIL POLICY

Not Applicable

STATUTORY PROVISIONS

Not Applicable

BACKGROUND

Report Number: 409/10 **Date:** 24 August 2010 **Resolution Number:**
Stage 1A - Council approval of the Client & Construction Contract Agreement between the City of Holdfast Bay and The Mossop Group Pty Ltd.

Report Number: 154/11 **Date:** 10 May '11 **Resolution Number:** C100511/004
Stage 1B and Stage 2 Council redevelopment approval and the awarding of the contract to Tagara Builders Pty Ltd.

REPORT

Alwyndor Aged Care is owned by the City of Holdfast Bay, operated in accordance with the Dorothy Cheater Trust by the Alwyndor Management Committee, providing a wide range of care, support and accommodation services for older people.

Alwyndor provides some 134 permanent residential beds, across high and low care, dementia and respite care, complimented by on-site rehabilitation / allied health programs (1,500 clients) and community aged care packages (225), that operate on an out-reach basis within the local community.

In 2010 and again in 2011, Council approved major capital redevelopments of the Alwyndor Aged Care facility. In total, the building program, delivered over three stages, has an approved budget cap of \$19.663 million, funded from the cumulative capital reserves of Alwyndor. Stages 1A & 1B have been completed at a cost \$1.03 million and \$14.29 million respectively. Stage 2, due for completion in December 2013 at a cost of \$4.18 million, is progressing in-line with the budget forecast and within the allocated financial approvals.

All stages of the redevelopment are forecast to be delivered, with a surplus to the approved financial cap of approximately \$250,000 (19.66m – 19.41m).

The AMC has the responsibility to implement both short and long term planning that ensures that the building fabric and property is well maintained and fit for the purpose. In the three years since the initial 2010 Council approval, the AMC have been actively engaging with management in researching the future strategic imperatives of the organisation, post redevelopment.

They have determined that the number one priority is to complete the capital renewal initiative across the entire site, by including the sole remaining twelve bed unit (Unit 4 – secure dementia ward), which was constructed in 1976 and has been the subject of only minor refurbishments over the ensuing years (although four new en-suites were constructed in 2005 – to facilitate an ageing in place model for that limited number of residents).

A series of concept plans for Unit 4 have been developed by architectural company, The Brown Falconer Group, together with indicative construction cost estimates provided by the Quantative Surveyors Chris Sale Consulting PTY LTD.

The AMC have determined, in consultation with management and clinical staff, that Concept Plan A, at an estimated cost of \$1.36m, is the preferred option, given that it:

- Achieves the desired purpose of a compliant “ageing in place” design, through the construction of appropriately sized en-suites to all bedrooms
- Requires only a one bedroom reduction in the Units current accommodation capacity
- Significantly increases open space common dining and lounge room areas, including a central kitchen area for activity and interactive resident programs
- Provides a separate lounge for private family events

- Provides increased (and safe) storage of equipment
- Provided enhanced vistas and ease of access to the secure garden precinct

The following resolution was subsequently carried at the 15 October meeting of the AMC:

“Recommendation:

The AMC notes and endorses the “DRAFT “ Council Report in regard to the redevelopment of Unit 4 (including revised five year cash flow projection and indicative project costs) and seeks Council approval to proceed with:

1. **The formal engagement of the Brown Falconer Group to develop detailed architectural and construction plans and to**
2. **Coordinate the competitive tender process for the awarding of a resultant construction contract**

Moved Cr S Lonie, **Seconded** D Royans

The concept plan is included at Attachment 1.

Refer Attachment 1

BUDGET

A major consideration for Council in determining the initial capital redevelopment proposal and subsequent approval, centered on Alwyndor’s residual capital reserves at the completion of the building project. That figure was conservatively forecast to be \$4.02 million (comprising \$1.72 million in investments/a \$2 million accommodation bond liability contingency fund and a further \$300,000 set aside for employee long service leave provisions).

The forecast residual capital reserves have been continually revised throughout the three year building program. That figure is now expected to be approximately \$7.18 million, based on a further independent five year cash flow analysis by Momentum Business Advisors, with this significant positive balance sheet variance due primarily to a higher than original conservative entry bond contribution estimate and higher interest rate returns on enhanced investment levels (particularly during the 2010 and 2011 calendar years).

Based on an approval of a further \$ 1.36 million being expended on the capital redevelopment of Unit 4, the positive additional cash flow balance when compared to the 2010 estimate will be approximately \$1.80 million and the residual cash investment balance of the organisation \$5.82 million.

Momentum has further indicated that the forecast net cash position of Alwyndor Aged Care at 30 June 2018 will be \$10,687,610.

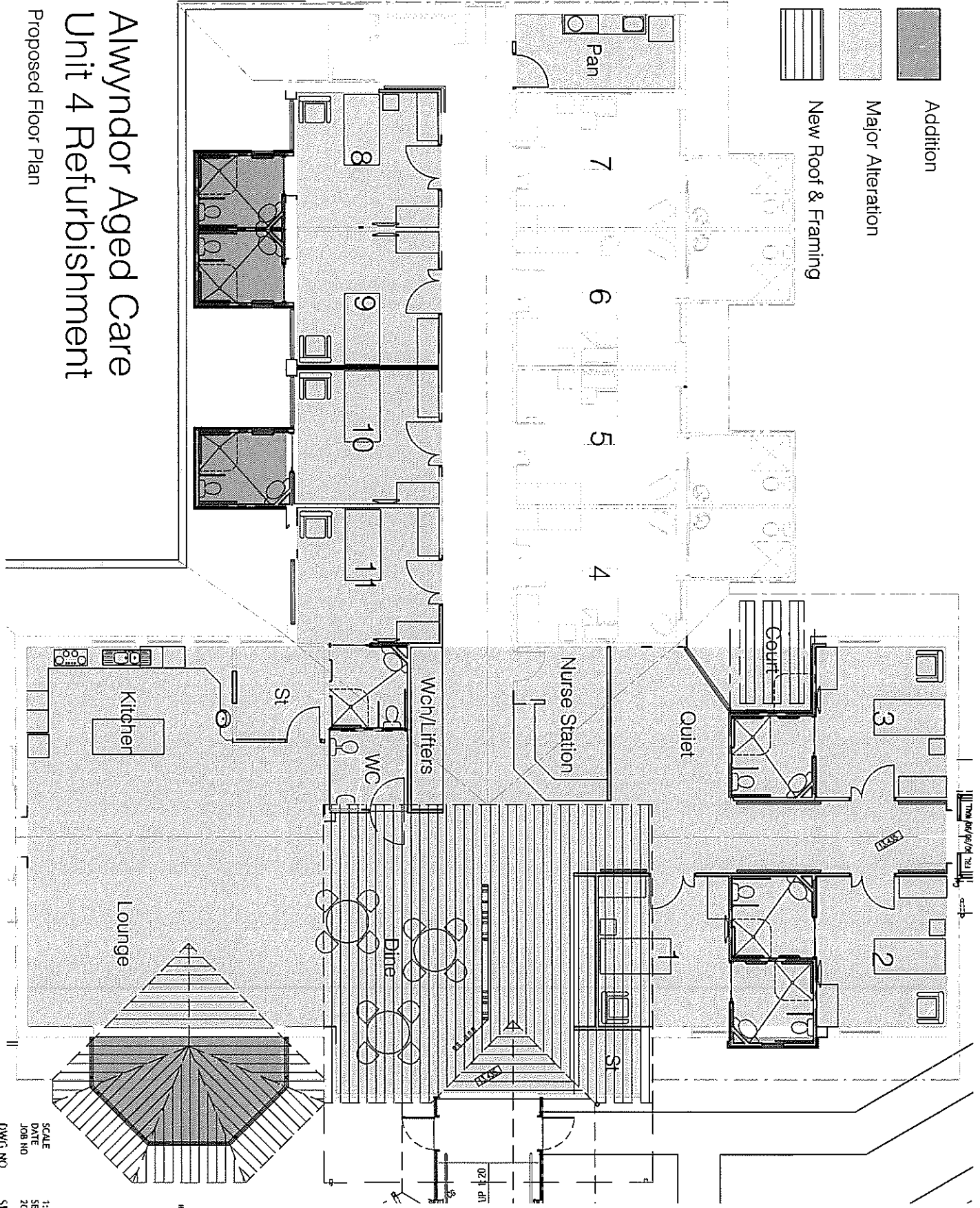
	2010 Forecast S 48 Prudential Report	September 2013 Forecast
“At Call” Cash Reserves at Completion of current three stage redevelopment	1,723,000	4,860,492
Bond Liquidity Account	2,000,000	2,000,000

Staff Long Service Leave Reserve	298,000	318,000
TOTAL	4,021,000	7,178,492
Cost of proposed Unit 4 refurbishment	NA	(1,360,000)
Total Cash Reserves at Completion	4,021,000	5,818,492
Net Cash Position June 2018		10,687,610

LIFE CYCLE COSTS

There are no financing costs associated with the redevelopment of Unit Four, with the total building and associated project costs being met from the existing financial resources of Alwyndor Aged Care.

Alwyndor Aged Care Unit 4 Refurbishment Proposed Floor Plan



- Addition
- Major Alteration
- New Roof & Framing

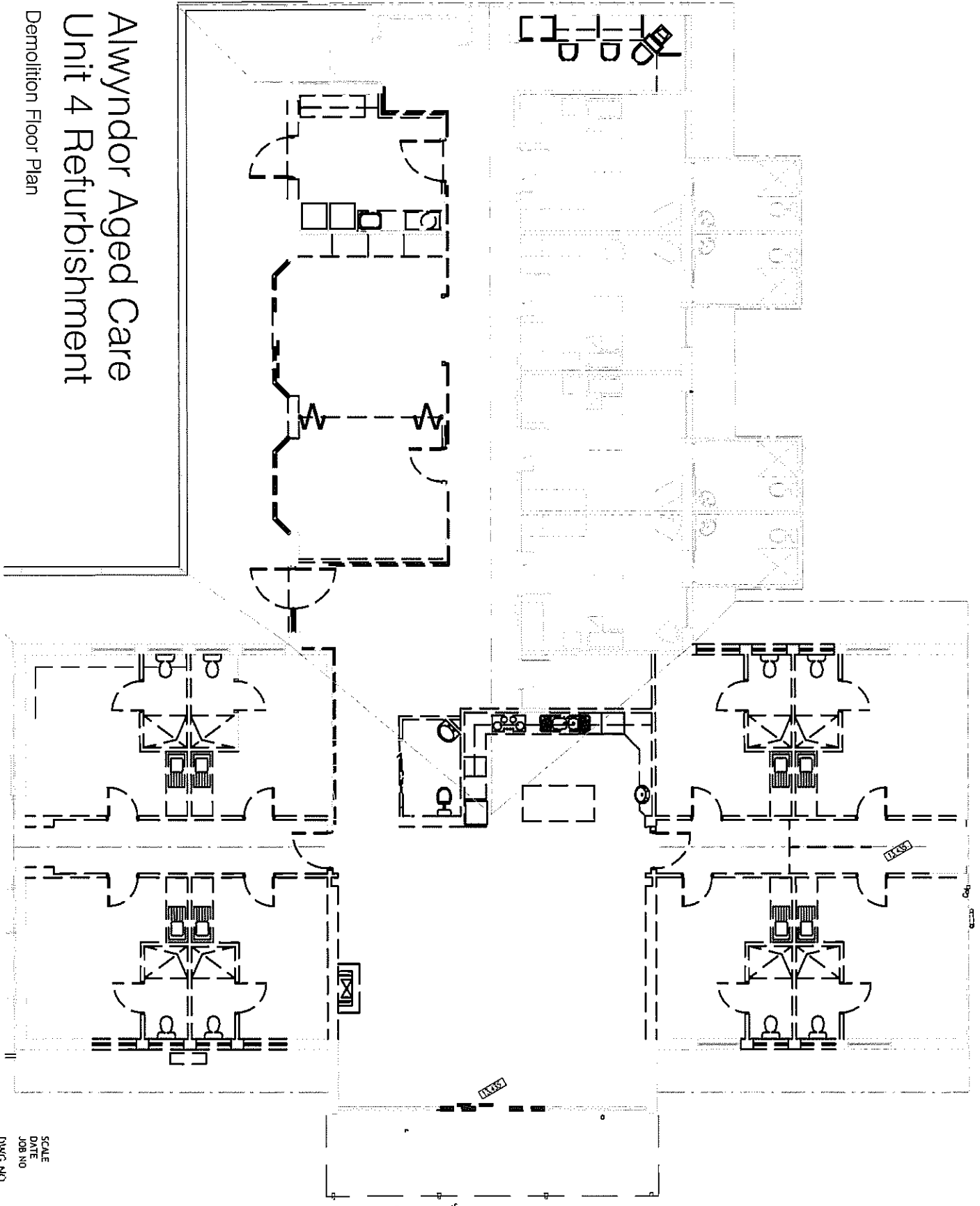
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DATE SEP 2013
JOB NO 2013057
DWG NO SK 04

ARCHITECTURE
INTERIOR DESIGN
BUILDING SERVICES

BROWN FALCONER GROUP P/L
ABN 69 097 846 585
1 - 61 8 8337 9693
F - 61 8 8333 2142

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Alwyndor Aged Care Unit 4 Refurbishment Demolition Floor Plan



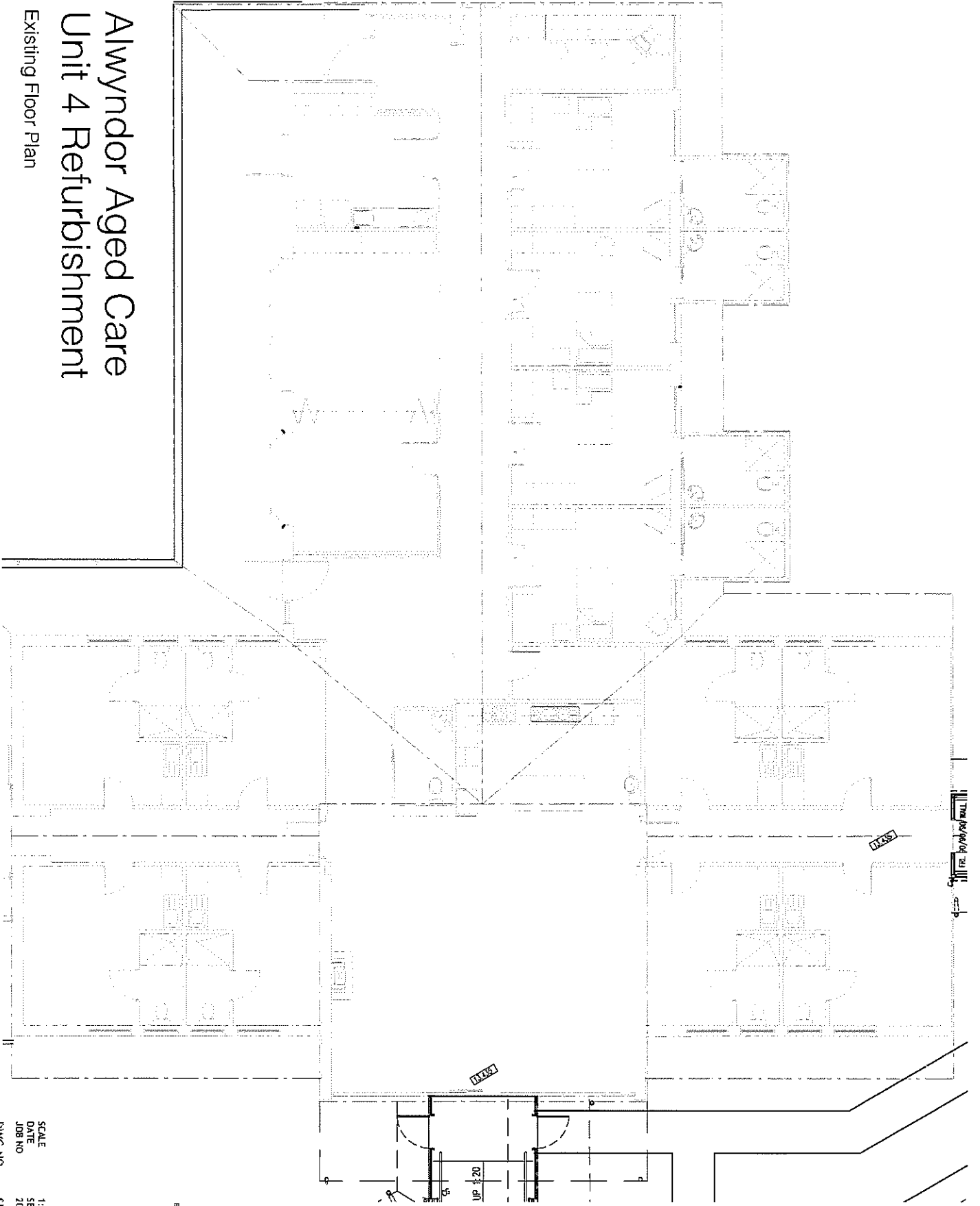
SCALE 1:100
DATE SEP 2013
JOB NO 2013057
DWG NO SK 03

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Alwyndor Aged Care Unit 4 Refurbishment Existing Floor Plan



SCALE 1:100
 DATE SEP 2013
 JOB NO 2013057
 DWG NO SK 02

A3 SHEET

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ARCHITECTURE
 INTERIOR DESIGN
 BUILDING SERVICES

Item No: **14.9**

Subject: **REVIEW OF ELECTED MEMBER BENEFITS AND ENTITLEMENTS POLICY**

Date: 12 November 2013

Written By: Manager Organisational Responsibility

General Manager: Corporate Services Mr I Walker

SUMMARY

The Elected Member Benefits and Entitlements Policy has been reviewed to incorporate the requirements of the new mandatory Code of Conduct for Elected Members.

RECOMMENDATION

- 1. That the Elected Member Benefits and Entitlements Policy as reviewed and attached to this report is adopted by Council.**
 - 2. That financial support for legal costs provided in accordance with this policy is limited to \$500 per any one matter.**
-

COMMUNITY PLAN

A Place that Provides Value for Money

COUNCIL POLICY

Code of Conduct for Elected Members

STATUTORY PROVISIONS

Local Government Act 1999
Independent Commissioner Against Corruption Act (ICAC) 2013
Local Government (Elections) Act 1999
Local Government (Members Allowances and Benefits) Regulations 1999
Code of Conduct for Elected Members 2013

BACKGROUND

The recently introduced mandatory Code of Conduct for Elected Members along with changes to the Local Government Act 1999 have affected both the receipt and recording by Elected Members of gifts received in the course of their role. Additionally the new Independent Commissioner Against Corruption Act (ICAC) 2013 has made reporting of all suspected breaches of Part 3 of the Elected Member Code of Conduct a compulsory requirement. The Local Government Act has acknowledged this (s 78(a)) and now requires Councils to make provision for legal advice for Members to assist them in performing their official functions and duties. Council may establish a policy which establishes limitations and imposes conditions on such a provision.

REPORT

In response to the changes mentioned above, the City of Holdfast Bay Elected Member Benefit and Entitlements policy has been amended to incorporate a number of additions.

Refer Attachment 1

As well as minor changes to format and language to improve readability, it now includes

- provisions relating to the ability of Members to access legal advice in the event that a complaint is made against them. It provides for access only to law firms which are included in Council's legal panel and limits the value to be spent on any one matter, to be determined by Council resolution. (clause 2.18)
- the addition of provisions relating to gifts and benefits to ensure alignment with the new mandatory Code of conduct for Elected members (clauses 2.22 and 2.23); and
- updated provisions dealing with technology and support (clause 2.10)

It should be noted that the Elected Members Gifts and Benefits Register is a public documents which is now required to be published quarterly on Council's website. To facilitate reporting of gifts and benefits a form has been developed and this is attached for Member's information.

Refer Attachment 2

BUDGET

An additional allocation has been made of \$2000 in the 2013 – 2014 budget to accommodate Elected Member legal costs.

LIFE CYCLE COSTS

There are no life cycle costs associated with this report.

Classification:	Statutory Policy.
Trim Container	B2037
Trim Document Number:	
First Issued / Approved:	
Last Reviewed:	
Next Review:	
Responsible Officer:	Manager Organisational Sustainability
Date Placed on Web:	

1. PREAMBLE

1.1 Background

Section (a) 77(1)(b) of the local Government Act (the Act) provides that councils may approve the reimbursement of certain prescribed expenses incurred by Elected Members, either on an individual basis or under a policy adopted by the council. Regulation 6 sets out the types of expenses that may be reimbursed under Section 77 (1) (b)

Elected members should not be “out of pocket” as a result of performing and discharging their Council functions and duties.

1.2 Purpose

This Policy specifies the types of expenses incurred by Elected Members that will be reimbursed without specific approval of Council.

The adoption of this policy provides authority for Elected Members to obtain reimbursement of those expenses.

1.3 Scope

This policy applies to all Elected Members

1.4 Definitions

A Function means:

- An official Council function including mayoral receptions, opening ceremonies, dinners, citizenship ceremonies and official visits.
- Attendance at meetings of community groups and or organisations as a Council appointed delegate (but not attending meetings of community groups or organisations when fulfilling the role of local representative).

The Act shall mean the Local Government Act 1999.

ELECTED MEMBERS ENTITLEMENTS POLICY

Elected Member Code of Conduct (the Code) is the Code of Conduct for Council Members as prescribed for the purpose of Section 63 of the Local Government Act 1999, as gazetted by the Minister from time to time.

Eligible Journey as defined in Regulation 3 means a journey (in either direction) between the principal place of residence, or a place of work, of a member of the council and the place of a prescribed meeting.

Prescribed Meeting in relation to a member of council, means a meeting of council or council committee or an informal gathering, discussion workshop, briefing, training course or similar activity which is directly or closely related to the discharge of the roles or duties of the member.

Regulations shall mean the Local Government (Members Allowance and Benefits) Regulations

1.5 **Strategic Reference**

A Place that provides Value for Money

2. **POLICY STATEMENT**

2.1 The City of Holdfast (Council) will ensure that the payment of Elected Member allowances and the reimbursement of expenses is accountable, transparent and in accordance with Chapter 5, Part 5 of the Local Government, 1999 and Local Government (Members Allowances and Benefits) Regulations, 1999.

2.2 The Chief Executive Officer is responsible for:

- a. Implementing expense reimbursement procedures in accordance with this policy;
- b. Maintaining a Register of Allowances and Benefits as prescribed in Section 76 of the Act and Regulation 7;
- d. Ensuring that a copy of this policy is available for inspection and/or purchase by the public
- e. Ensuring that a Gifts Register is maintained and available on the Council's website.

2.3 Elected Members are entitled to an allowance as provided by Section 76 of the Act and Regulation 4:

- a. Allowances will be reviewed by the Remuneration Tribunal on a 4 yearly basis.
- b. Allowances will be adjusted annually by CPI (Consumer Price Index) in accordance with the decision with the Remuneration Tribunal.
- c. Allowances will be paid quarterly.

2.4 Elected Members are entitled to receive reimbursements for travelling within the area of the Council associated with attending a prescribed meeting:

ELECTED MEMBERS ENTITLEMENTS POLICY

- a. Reimbursement is restricted to eligible journeys by the shortest or most practicable route and to the part of the journey within council area.
 - b. Where an Elected Member travels by private motor vehicle, the rate of reimbursement is as stated in the Local Government Association Council Member Vehicle Reimbursement Circular released annually.
 - c. Travel by taxi, bus or other means of public transport is reimbursed on the basis of expenses “actually and necessarily incurred” but is still limited to eligible journeys by the shortest or most practicable route and to the part of the journey that is within the Council area;
- 2.5** Elected Members are entitled to receive reimbursement for expenses actually and necessarily incurred in travelling to a function or activity on the business of Council, if the journey is outside the Council area.
- 2.6** Travel related to attendance at prescribed meetings or functions outside of the Council area:
- a. Reimbursement is restricted to the shortest or most practicable route.
 - b. Where an Elected Member travels by private motor vehicle, the rate of reimbursement is as stated in the Local Government Association Council Member Vehicle Reimbursement Circular released annually.
 - c. Travel by taxi, bus or other means of public transport is reimbursed on the basis of expenses “actually and necessarily incurred”.
- 2.7** Pursuant to Section 77(1)(b) of the Act, Council also approves reimbursement of:
- a. Expenses incurred for the care of a child of the Elected Member or a dependant of the Member requiring full time care as a consequence of the Elected Member’s attendance at a prescribed meeting, function or activity on the business of Council.
 - b. Expenses incurred by the member as a consequence of the Elected Member’s attendance at a conference, seminar, training course or other similar activity that is directly or closely related to the performance or discharge of the roles or duties of the Member.

The following types of expenses will be reimbursed:
 - Airfares
 - Registration fees
 - Taxi fares
 - Car parking
 - Incidentals (up to a daily maximum of \$50.00 per day)
 - Expenses incurred in the use of a telephone, internet, facsimile or other communication device on the business of Council.
 - c. Travel by taxi, bus, plane or other means of public transport is reimbursed on the basis of expenses “actually and necessarily incurred”, and is still limited to the shortest or most practicable route.

ELECTED MEMBERS ENTITLEMENTS POLICY

- 2.8** Child /dependent care expenses are not reimbursed if the care is provided by a relative of the Member who ordinarily resides with the Member.
- 2.9** Any reimbursement claimed by Elected Members must be for expenses actually and necessarily incurred in performing and discharging their official Council functions and duties.
- 2.10** Pursuant to Section 78 of the Act, Council resolves to make available to Elected Members the following facilities and support to assist them in performing or discharging their official duties and which are considered to have a direct benefit to the effectiveness and efficiency of Councillors:
- a. IT Support and appropriate resources including:
 - A leased laptop or desk top computer or similar device with appropriate software and peripheral devices installed or the ability to claim reimbursements for use of personal device for costs associated with official duties up to a value established by Council.
 - Broadband connection with appropriate installation and service or the ability to claim for use of private broad band up to a value established by Council.
 - Multi-function printer with 1 box of plain copier paper, and 1 set of replacement toner/cartridges per annum (upon request).
 - iPad with a 4GB/month wifi/cellular plan for the purpose of receiving council information.
 - b. Telecommunication resources provided to enhance elected members ability to perform their functions and duties as a councillor, being either:
 - A mobile phone with monthly call limits established annually by Council; or
 - Ability to claim reimbursement for telephone costs associated with official functions or duties (to the value of the monthly call limits established by Council for mobile phones). All claims for reimbursements must certify that the expenses incurred were necessarily in relation to the business of Council.
 - c. Council's IT staff will only provide technical support for Council supplied equipment, software and applications which are being used for Council business.

ELECTED MEMBERS ENTITLEMENTS POLICY

- 2.11** Limited private use of electronic equipment provided by Council is afforded to Elected Members in accordance with:
- a. The provisions in Council's Electronic Communications Policy
 - b. Additional costs associated with private use is borne by the Elected Member
- 2.12** Section 80 of the Act requires that Council insure its Members. Members are covered under the following insurance policies on a 24 hour basis, while discharging their duties. This includes attendance at meetings of external bodies as Council's official representative:
- a. Personal Accident Insurance – Elected Members (and accompanying spouses) are provided with benefits should they sustain bodily injury whilst engaged in any activity directly or indirectly connected with, or on behalf of Council.
 - b. Public/Professional Liability – indemnifies Members of Council but only in connection with their role as Members of Council
 - c. Personal Effects – Council provides coverage for damage to Elected Members personal effects whilst on Council business.
- 2.13** Upon appointment each Elected Member is provided with the following:
- a. 1 x name badge
 - b. 1 x name badge for partner (optional)
 - c. 1 x box of printed business cards.
- 2.14** A meal and drinks will be provided where appropriate while attending Council meetings, Committee meetings, briefings and workshops.
- 2.17** In addition to the above, Council has resolved to make available the following facilities and support to the Mayor; in performing and discharging official duties:
- a. Mobile Telephone
 - b. Office Space
 - c. Administrative support for Council business only in accordance with Council's budget
- 2.18** Elected Members may in accordance with the following scheme established under Section 78A (3) directly obtain legal advice at the expense of the Council to assist in performing or discharging official functions and duties, subject to:
- a. The legal advice is sought from a legal firm that is included in the Council's Legal Panel up to a limit determined annually by Council; and
 - b. The legal advice is limited to Elected Member Code of Conduct matters.
- 2.19** Elected members are required to provide details of kilometres travelled and or evidence of expenses incurred, to support all reimbursements claimed and procedures have been established to support this.

ELECTED MEMBERS ENTITLEMENTS POLICY

- 2.20** All claims for reimbursement must be submitted to the Chief Executive Officer on the Elected Member's Claim Form.
- 2.21** Where an Elected Member receive a gift or benefit of more than a value published in the Government Gazette by the Minister from time to time, details of each gift must be declared and recorded within the Elected Member gifts and benefits register. An Elected Member must not:
- a. Seek gifts or benefits of any kind.
 - b. Accept any gift or benefit that may create a sense of obligation on their part or may be perceived to be intended or likely to influence them in carrying out their public duty.
 - c. Accept any gift or benefit from any person who is in, or who seeks to be in, any contractual relationship with the council.
 - d. Fail to declare any gift or benefit, or election donation.
- 2.22** Elected Members may accept hospitality provided in context of and invitation to attend at, local social and sporting events. This is limited to events held within the City of Holdfast Bay, by non-professional sporting clubs and community organisations. All other invitations that include hospitality accepted by an Elected Member, over the gazetted amount, must be declared on an *Elected Members Gifts and Benefits Form*.
- 2.23** All gifts and benefits received by an Elected Member above the gazetted value by the Minister from time to time must be declared on an Elected Members Gifts and Benefits Form.
- 2.24** It is the responsibility of the Elected Member to ensure that the form is completed, accurate and lodged within 30 days of receipt of the gift or benefit.
- 2.25** Elected Members may accept donations and gifts as provided for and in accordance with the provisions of Part 14 of the *Local Government (Elections) Act, 1999*. All such donations and gifts must be declared in a campaign donations return within 30 days of the conclusion of an election.
- 2.26** A register of Elected Member campaign donations returns shall be maintained in accordance with Part 14 Division 2 of the *Local Government (Elections) Act 1999* and made available for public scrutiny upon request.
- 2.27** Pursuant to Section 79 of the Act, the Chief Executive Officer will maintain a record of:
- a. The annual allowances paid to Elected Members under Section 76 of the Act.
 - b. Any expenses reimbursed to a Member under Section 77(1)(b) of the Act.
 - c. Any other benefits paid or provided to a Member with the exception of reimbursements paid under Section 77 (1)(a) of the Act
- 2.28** An Elected Members Gift register shall be maintained and updated quarterly on the Council's website.

ELECTED MEMBERS ENTITLEMENTS POLICY

2.29 An Elected Member who:

- a. Makes a false claim for reimbursement or makes a claim for expenditure which they are not entitled.
- b. Fails to provide a campaign donations return or declare a gift or benefit

may be investigated for a breach of Part 3 of the Elected Member Code of Conduct.

3. REFERENCES

3.1 Legislation

- Local Government Act, 1999
- Local Government (Elections) Act, 1999.
- Local Government (Members Allowances and Benefits) Regulations, 1999
- Independent Commissioner Against Corruption (ICAC) Act, 2013.
- Elected Members (Mandatory) Code of Conduct

3.2 Other References

- City of Holdfast Bay's Investigations Policy
- Elected Member Code of Conduct 2013
- Elected Members Code of Conduct Complaints Investigations Procedure.
- Elected Members Gifts and benefits Form.



holdfast.sa.gov.au

Brighton Civic Centre 24 Jetty Road, Brighton SA 5048

PO Box 19 Brighton SA 5048

P 08 8229 9999 F 08 8298 4561

Glenelg Customer Service Centre and Library

2 Colley Terrace, Glenelg SA 5045

Elected Member Gifts and Benefits Reporting Form

Gifts and Benefits are covered under Part 3 – Misconduct of the Code of Conduct for Council Members and the City of Holdfast Bay’s Elected Member Benefits and Entitlements Policy.

The Code of Conduct for Council Members states:

Gifts and benefits

- 3.7 Council members must not:
- 3.7.1 Seek gifts or benefits of any kind;
 - 3.7.2 Accept any gift or benefit that may create a sense of obligation on their part or may be perceived to be intended or likely to influence them in carrying out their public duty;
 - 3.7.3 Accept any gift or benefit from any person who is in, or who seeks to be in, any contractual relationship with the Council.
- 3.8 Notwithstanding Code 3.7, Council members may accept campaign donations as provided for in the Local Government (Elections) Act 1999.
- 3.9 Notwithstanding Code 3.7.3, Council members may accept hospitality provided in the context of performing their duties, including:
- 3.9.1 Free or subsidised meals, beverages or refreshments of reasonable value provided in conjunction with:
 - 3.9.1.2 Council work related events such as training, education sessions workshops and conferences;
 - 3.9.1.3 Council functions or events;
 - 3.9.1.4 Social functions organised by groups such as Council committees and community organisations.
 - 3.9.2 Invitations to, and attendance at, local social, cultural or sporting events.
- 3.10 Where Council members receive a gift or benefit of more than a value published in the Government Gazette by the Minister from time to time, details of each gift or benefit must be recorded within a gifts and benefits register maintained and updated quarterly by the Council’s Chief Executive Officer. This register must be made available for inspection at the principal office of the Council and on the Council website.

The Minister has gazetted the value of a gift or benefit which needs to be declared and recorded on the register as **\$100.00**.

“Local social, cultural or sporting events” are defined to be events held within the City of Holdfast Bay, by non-professional sporting clubs and community organisations.

It is the responsibility of the Elected Member to ensure that this form is completed, accurate and lodged within 30 days of receipt of the gift or benefit.

Name:

Date:

Received from:

Description of Gift/Benefit:

**Value:
(approximate)**

Signature: _____

Please return this form to the Governance Officer for inclusion in the Gifts and Benefits register.



Item No: **14.10**

Subject: **ELECTED MEMBER CODE OF CONDUCT COMPLAINTS AND INVESTIGATION POLICY**

Date: 12 November 2013

Written By: Corporate Planning Officer

General Manager: Corporate Services, Mr I Walker

SUMMARY

The Council is committed to acting in the best interest of the community and to upholding the principles of honesty, integrity and transparency which are all key components of good governance.

The control of fraud, corruption and maladministration is an important feature within the systems and procedures of a responsible council. Critical to maintaining these standards are clear investigation policies and procedures which reflect legislative requirements and ensure consistent and fair application.

The Elected Member Code of Conduct Complaints and Investigations Policy establishes the responsibilities of the Mayor, Elected Members, the Chief Executive Officer and employees in relation to the reporting, investigation and resolution of complaints made in relation to the Elected Member Code of Conduct.

RECOMMENDATION

- 1. That the Elected Member Code of Conduct Complaints and Investigation Policy attached to this report is adopted.**
 - 2. That the Elected Member Code of Conduct Complaints and Investigations Policy is reviewed prior to the establishment of the new Council in November 2014.**
-

COMMUNITY PLAN

A Place that Provides Value for Money

COUNCIL POLICY

Code of Conduct for Elected Members.
City of Holdfast Bay Fraud, Corruption, Misconduct and Maladministration

STATUTORY PROVISIONS

Local Government Act, 1999
Independent Commissioner Against Corruption (ICAC) Act, 2013
Local Government (Elections) Act, 1999
Whistleblowers Protection Act, 1993
Local Government (Members Allowances and Benefits) Regulations, 1999
Code of Conduct for Elected Members

BACKGROUND

The commencement of the Independent Commissioner Against Corruption (ICAC) and the Office of Public Integrity (OPI) on 1 September 2013 has introduced and increased the scrutiny on local government in the areas of fraud, corruption, misconduct and maladministration.

The Minister for State and Local Government Relations has released the mandatory Code of Conduct for Elected Members. Council adopted the Fraud, Corruption, Misconduct and Maladministration Policy at its meeting of 24 September 2013, (Report No: 330/13). These documents form the foundation upon which a suite of policies and procedures are to be developed and/or reviewed to provide a strong, accountable and reliable framework for the investigation and management of Council's affairs. The establishment of a policy which outlines the principles and procedures for managing complaints in relation to the Code of Conduct plays an important role in ensuring public confidence in Council, providing a transparent, fair and consistent approach to resolving such complaints.

REPORT

The Council is committed to ensuring that all matters relating to the investigation and administration of complaints are conducted and seen to be conducted with the highest standards of honesty and integrity.

The Elected Member Code of Conduct Complaints and Investigations Policy attached to this report incorporates the principles of procedural fairness. It has taken into account the Local Government Association's model policy on investigating complaints, as well as the Independent Commissioner Against Corruption's (ICAC) Directions and Guidelines.

Refer Attachment 1

It is necessarily complex, needing as it does to consider a number of interrelated connections. The Policy establishes both the Mayor and Chief Executive Officer (CEO) as recipients of complaints, and allows the CEO to commit resources to an investigation, and where appropriate,

resolution of a complaint. It requires the CEO to appoint a 'delegated officer' to investigate any complaint received. This officer has responsibility for managing complaints as required and within the principles established by the Policy. The Policy provides a number of different, but related mechanisms to achieve resolution, dependent on the type of complaint.

It is recognised that the new ICAC legislation is yet to be tested and that there are a number of inconsistencies and procedural difficulties (such as the expectation of complete confidentiality) imbedded in the legislation in its current form which make it difficult to predict a definitive policy response. The Policy, as it is currently written, takes these procedural difficulties into account, however it is expected that it will need to be reviewed once a number of complaints have been received and addressed, with reference to both the Ombudsman SA and the Commissioner to ensure it is compliant with all expectations.

BUDGET

There are no budget implications from the endorsement of these policies

LIFE CYCLE COSTS

There are no life cycle costs.

ELECTED MEMBERS CODE OF CONDUCT COMPLAINTS AND INVESTIGATIONS POLICY

Classification:	Council Policy
Trim Container	B2037
Trim Document Number:	
First Issued / Approved:	
Last Reviewed:	
Next Review:	
Responsible Officer:	Manager Organisational Sustainability
Date Placed on Web:	

1. PREAMBLE

1.1 *Background*

The City of Holdfast Bay is committed to ensuring the highest levels of governance and integrity are adopted and demonstrated in all its dealings.

A primary feature of any governance framework is accountability. This necessitates the need to investigate any matters relating to our operations and legislative responsibilities, in a manner that provides confidence and certainty to the community and those with whom we conduct business.

Any person may make a complaint seeking protection under the Whistleblowers Protection Act 1993 to ensure their identity is not disclosed.

The Independent Commissioner Against Corruption (ICAC) Directions and Guidelines provides that Councils must report matters to the Office of Public Integrity (OPI) where a reasonable suspicion is formed and then furnish details relating to any matter or conduct that may amount to corruption, serious or systemic misconduct or serious or systemic maladministration. The Council is required to have clear investigative directions and processes which will support Council’s aim to build community confidence through a transparent, fair and consistent approach to complaints.

1.2 *Purpose*

To ensure that all investigations conducted by or on behalf of Council are ethical, timely, objective, and respectful taking into account legislative requirements and the principles of procedural fairness.

1.3 *Scope*

This Policy provides the principles that guide all investigations conducted by Council’s responsible officers. These principles are underpinned by our values of Achievement, Respect, Innovation, Simplicity and Engagement.

ELECTED MEMBERS CODE OF CONDUCT COMPLAINTS AND INVESTIGATIONS POLICY

This policy covers investigations of:

- a. A complaint against a Council Member alleging conduct which would be in breach of the Elected Member Code of Conduct.
- b. A complaint against Member of a Committee (who is not an Elected Member) formed under Section 41 of the *Local Government Act, 1999*, alleging conduct which would be in breach of the Elected Member Code of Conduct.

1.4 Definitions

Delegated Officer means an employee of Council undertaking responsibilities delegated to them by the Council or Chief Executive Officer to undertake investigation of an Elected Member Code of Conduct complaint.

Directions and Guidelines is a reference to the Direction and Guidelines issued pursuant to Section 20 of the ICAC Act, which are available on the Commissioner's website (www.icac.sa.gov.au).

Elected Member Code of Conduct (the Code) is the Code of Conduct for Council Members as prescribed for the purpose of Section 63 of the Local Government Act 1999, as gazetted by the Minister from time to time.

ICAC Act means the Independent Commissioner Against Corruption Act, 2013.

Independent Commissioner Against Corruption (Commissioner) means the person holding or acting in the office of the Independent Commissioner Against Corruption.

Inquiry Agency as defined in the ICAC Act 2012 for Local Government is the State Ombudsman or in matters relating to alleged breaches of clause 3.8 of the Elected Members Code of Practice the Electoral Commissioner.

Investigation – The process of establishing the details, facts, and causes of something to enable findings to be made and then to make informed and responsible decisions based on those findings.

Office for Public Integrity (OPI) is the office established under the *ICAC Act* that has the function to receive and assess complaints about public administration from members of the public to:

- (a) receive and assess reports about corruption, misconduct and maladministration in public administration from the Ombudsman, the Council and public officers;
- (b) make recommendations as to whether and by whom complaints and reports should be investigated;
- (c) perform other functions assigned to the Office by the Commissioner.

ELECTED MEMBERS CODE OF CONDUCT COMPLAINTS AND INVESTIGATIONS POLICY

Public Authority is defined under Schedule 1 of the ICAC Act 2012 and ICAC Directions and Guidelines and includes; the Minister responsible for administration of the Local Government Act, Local Government Association of South Australia, and a Local Government body.

Public Officer defined under the ICAC Act to be:

- a Council Member,
- an Employee or Officer of the Council,
- a person performing contract work for a public authority or Crown,
- a person who is, in accordance with an Act, assisting a public officer in the enforcement of the Act,
- a person who is a member of the State Executive of the Local Government Association, and
- an officer or employee of the Local Government Association.

Reasonable Suspicion is defined in the ICAC Directions and Guidelines. *'It means there must be something more than mere imagination and conjecture. It must be the suspicion of a reasonable man warranted by facts from which inferences can be drawn; but is something that falls short of legal proof'*⁽¹⁾. It is therefore necessary to identify the subject matter and circumstances and to have a factual basis for the suspicion.

1.5 Strategic Reference

Our Place Plan 2012-2015

A Place that Provides Value for Money.

Continue to enhance systems and processes to ensure efficient and effective delivery of services to the community.

2. POLICY STATEMENT- INVESTIGATIONS

- 2.1** Investigations shall be conducted in a timely and efficient manner and maintained within the scope of the matter being investigated. Investigations into matters relating to misconduct or maladministration may be limited if through the conduct of the investigation a "reasonable suspicion" is formed that requires reporting to the OPI or to the relevant Inquiry Agency.
- 2.2** Where information gives rise to a reasonable suspicion of corruption, serious or systemic misconduct or serious or systemic maladministration a report must be made to the OPI in accordance with the *Directions and Guidelines*.
- 2.3** All investigations shall be conducted in an objective manner. If a delegated officer believes they have an actual or perceived bias or conflict of interest in relation to the matters being investigated they will declare this to the Chief Executive Officer.

ELECTED MEMBERS CODE OF CONDUCT COMPLAINTS AND INVESTIGATIONS POLICY

- 2.4** The Chief Executive Officer will ensure that any person carrying out an investigation is properly qualified, experienced and resourced to do so. Where deemed necessary the Chief Executive Officer will seek the services of an appropriate external person or entity to conduct an investigation.
- 2.5** Investigations shall be well documented, with all activities, notes or statements recorded. Where notes or statements are transcribed this shall occur contemporaneously, and both the original and transcribed notes documented.
- 2.6** All particulars associated with an investigation, information and materials collected will be held in accordance with any relevant confidentiality requirements. A breach of confidentiality may be subject to disciplinary action and include prosecution under a relevant Act.
- 2.7** Where a matter relates to alleged criminal conduct, or where possible criminal conduct becomes apparent during the course of an investigation, the matter will be brought to the attention of the Chief Executive Officer (or delegate) and referred directly to (South Australia Police) SAPOL.
- a. Where a matter has been referred to SAPOL, any further Council investigation shall be deferred pending the outcome of the police inquiries and any actions stemming from them.
 - b. Full cooperation will be provided to any police investigation.
- 2.8** Persons who are or who become the subject of an investigation are to be informed in writing of their rights and obligations, the purpose of the investigations and outcomes, and afforded the opportunity to respond in accordance with the principles of procedural fairness.
- 2.9** The Chief Executive Officer will ensure that all person's rights are respected and appropriate provisions are followed to ensure that procedural fairness is afforded to any person subject to an investigation.

3. DELEGATED OFFICER

- 3.1** Following the receipt of a complaint by the Presiding Member or Chief Executive Officer, a delegated officer appointed by the Chief Executive Officer shall coordinate the management of Code of Conduct matters. This delegation does not exclude the Chief Executive Officer from acting personally in a matter.
- 3.2** The delegated officer shall be responsible for:
- a. Conducting any preliminary investigations required to develop a "reasonable suspicion" that a breach has occurred.

ELECTED MEMBERS CODE OF CONDUCT COMPLAINTS AND INVESTIGATIONS POLICY

- b. ensuring the collation of information relating to the allegation as quickly as possible. This may involve taking steps to protect or preserve documents, materials and equipment.
- c. Providing advice to the Principal Member and Chief Executive Officer on the correct management of a complaint, including:
 - Referral as criminal or corrupt behaviour to SAPOL and the OPI
 - Referral as misconduct or maladministration to the OPI, or an Inquiry Agency.
 - Referral of a behavioural matter to an independent person or entity, such as, the Local Government Governance Panel, mediator, conciliator or investigator.
 - Internal Investigation and management of a behavioural matter.
 - Dismissal of the complaint as trivial, vexatious, or frivolous.
- d. Acting as the Council's point of contact, and coordinating support, for any Inquiry Agency investigation.
- e. Acting as a point of contact, and coordinating support, where a matter has been referred to an independent person or entity, such as, the Local Government Governance Panel; or independent mediator, conciliator or investigator.
- f. Coordinating any internal investigation or actions.
- g. Ensuring the outcomes of any investigation are properly received and recorded, and preparing the appropriate reports for the Chief Executive Officer and Council.
- i. Reporting the outcomes of any internal or independent investigation and making recommendations to the Principal Member or Chief Executive Officer or delegate on the appropriate actions to resolve the matter.
- j. Ensuring that all complaints and investigations are documented and appropriately recorded.
- k. Ensuring that all confidentiality requirements relating to Code of Conduct complaints, their investigation, referral processes, and management are implemented.
- l. Providing advice to Elected Members, and the organisation on this procedure, confidentiality, rights and responsibilities.
- m. Performance of any other reasonable direction from the Chief Executive Officer in relation to Code of Conduct matters.

ELECTED MEMBERS CODE OF CONDUCT COMPLAINTS AND INVESTIGATIONS POLICY

- 3.3** The delegated officer's role will encompass the role and responsibilities of the "Responsible Officer" appointed to administer the City of Holdfast Bay's *Whistleblowers Policy*.

4. COMPLAINTS INVESTIGATION - PROCESS

- 4.1** Complaints or information which allege a breach of the Code may be received through variety of sources. Any allegation should:

- a. Be provided in writing, to the Council, addressed to the Principal Member and Chief Executive Officer.
- b. Be specific , outlining the nature and details of the allegations.
- c. Provide as much supporting evidence as possible to support the allegation and assist any subsequent investigation.
- e. Provide the name of the Member who has allegedly breached the Code.

- 4.2** Complainants will be advised in writing that the complaint has been received and the steps to be taken in order to investigate the complaint within five working days.

- 4.3** Complainants can, at any time, take the alternative option of lodging the complaint with the Office of Public Integrity (OPI), (which will direct the complaint in accordance with the *ICAC Act 2013*) or to the Ombudsman or any other Inquiry Agency.

- 4.4** The Principal Member and Chief Executive Officer shall refer any complaints received by them to the delegated officer appointed by the Chief Executive Officer for initial assessment and advice.

- 4.5** Once appointed, the delegated officer will conduct an initial assessment and provide recommendations to the Chief Executive Officer and Principal Member on the appropriate determination and course of action to be pursued. During the initial investigation the delegated officer may:

- a. Seek further particulars, evidence, or clarification of the allegations from the complainant.
- b. In regards to a complaint from an employee of the Council seeking protection as a Whistleblower, make a determination under the *Whistleblowers Policy*, in regards to extending the protections afforded in the *Whistleblowers Act, 1993*.

ELECTED MEMBERS CODE OF CONDUCT COMPLAINTS AND INVESTIGATIONS POLICY

- c. Based upon a proper consideration of the available facts, form a reasonable suspicion that the matter that is the subject of the allegation has occurred.
- d. Form the opinion that the allegations are trivial, vexatious, frivolous or so unclear as not to warrant further action.

4.6 Based on the advice of the delegated officer and Chief Executive Officer the Principal Member will:

- a. determine whether the complaint relates to:
 - Behaviour which falls into Part 2 of the Code
 - Misconduct which triggers action under Part 3 of the Code
 - Criminal or corrupt behaviour; or
- b. Dismiss the complaint as trivial, vexatious, frivolous, or not establishing a sufficient factual base to form a reasonable suspicion.

4.7 Anonymous complaints will be investigated based on the information and evidence received from the complainant in the first instance. If a complainant chooses to remain anonymous an investigation may not proceed where the details of the complaint:

- a. Are too unclear to warrant further action; and/or
- b. Are unable to establish a reasonable suspicion of wrong doing without further clarification of the information.

4.8 As soon as practicable after the receipt of a complaint and in any event, within five working days, the Elected Member who is the subject of an alleged breach of the Code will be advised in writing of the complaint and its substance. The Elected Member:

- a. Will be advised of the manner in which the Principal Member intends to deal with the complaint and their rights.
- b. May seek independent legal advice, from a member of the Council's Legal Panel, in accordance with the *Elected Members Entitlements Policy*.
- c. May seek legal advice from a legal practitioner or other professional advice from a person other than a member of the Council's Legal Panel, at their own expense.

ELECTED MEMBERS CODE OF CONDUCT COMPLAINTS AND INVESTIGATIONS POLICY

- 4.9** A complaint about an alleged breach of Part 2 of the Code may be:
- a. Resolved through internal mediation and conciliation between the parties.
 - b. Referred for further internal investigation.
 - c. Referred to an independent person or entity for investigation such as, the Local Government Governance Panel; or independent mediator, conciliator or investigator.
- 4.10** Allegations and complaints that are dealt with by internal mediation and conciliation shall:
- a. Only occur with the agreement of the parties, which will include agreement to be bound by any agreed resolution.
 - b. Be chaired by:
 - (i) The Principal Member when the matter relates to a complaint by another Elected Member or a member of the public.
 - (ii) The Chief Executive Officer or Delegated Officer when the complainant is an employee of the Council or a Public Officer.
 - c. If resolved, be closed and no further action taken, with written confirmation sent to the parties and a report to a public meeting of the Council confirming that the matter has been resolved.
- 4.11** Where an alleged breach of Part 2 is to be referred to an independent person or entity the following will apply:
- a. A referral to the Local Government Governance Panel, will see the Governance Panel Chairperson determine the process to be followed and conduct of any investigation.
 - b. A referral to an independent mediator, conciliator or investigator:
 - (i) Selection shall be from the Council's Legal Panel, or an independent person or entity recommended by the delegated officer based on the circumstances of the allegations; and
 - (ii) During the period of time the independent entity are acting for the Council they are deemed to be a Public Officer bound by all the requirements of the *Employee Code of Conduct*, and The City of Holdfast Bay's *Investigations Policy*.
- 4.12** Any internal investigation of an alleged breach of Part 2 shall be coordinated by the delegated officer and conducted in a manner that adheres to the Policy Statements contained in the City of Holdfast Bay's *Investigations Policy*.

ELECTED MEMBERS CODE OF CONDUCT COMPLAINTS AND INVESTIGATIONS POLICY

- 4.13** Following an internal investigation or investigation by the Local Government Governance Panel, or other independent person or entity, a report will be forwarded to the Council. The delegated officer shall ensure that the report and any recommendations included in it are provided to a public meeting of Council, unless during the investigation it becomes evident that there are grounds for a reasonable suspicion of a breach of Part 3 of the code or criminal conduct. In which case, the matter will immediately be referred to the OPI and/or appropriate Inquiry Agency.
- 4.14** On receipt of a report and any recommendations of investigations conducted in relation to a complaint of a breach under Part 2 of the Code the Council may, by resolution:
- a. Take no action, (on the grounds that the breach was to be dismissed as trivial, vexatious, frivolous or so unclear as not to warrant further action).
 - b. Pass a censure motion in respect of the Elected Member.
 - c. Request a public apology, whether written or verbal.
 - d. Request the Elected Member to attend training on the specific topic found to have been breached.
 - e. Resolve to remove or suspend the Elected Member from a position within the Council, (not including the member's elected position on Council).
 - f. Request the member to repay monies to the Council.
- 4.15** An Elected Member who fails to:
- a. Cooperate with an investigation into alleged breaches of Part 2 of the Code, and/or.
 - b. Comply with a resolution of Council regarding the outcome of an investigation under Part 2 of the Code;
- will be referred for investigation under Part 3 of the Elected Member Code of Conduct.
- 4.16** Repeated or sustained breaches of Part 2 of the Code will be referred, by resolution of Council, to the OPI or Inquiry Agency as a breach of Part 3 of the Elected Members Code of Conduct.
- 4.17** An alleged or suspected breach of Part 3 of the Code will be referred to the Office of Public Integrity, who will make recommendations as to whether and by which Inquiry Agency the matter should be investigated.

ELECTED MEMBERS CODE OF CONDUCT COMPLAINTS AND INVESTIGATIONS POLICY

- 4.18** Complaints relating to allegations of fraud, corruption or criminal behaviour will be reported to the appropriate authorities immediately by the Chief Executive Officer or delegated officer.
- 4.19** A report from an Inquiry Agency regarding the outcome of an investigation of an alleged breach of Part 3 of the Code:
- a. Will be provided to a public meeting of the Council, and
 - b. Council will pass resolutions, which give effect to any recommendations received from the Inquiry Agency.

This will occur within two ordinary meetings of the Council following receipt of these recommendations.

- 4.20** Complaints that allege a breach of the Code, all referrals, investigations and related information shall be the subject of the strictest confidentiality and shall not be released under Freedom of Information, unless and until such time as:
- a. The Inquiry Agency, ICAC, or Police have completed their investigations and provided recommendations to be reported at a public meeting of Council, or otherwise provided directions on matters that may or may not be released to the public.
 - b. An Independent body or entity or internal investigation has been completed and the recommendations presented to a public meeting of the Council.

The release of information, when allowed, will in any case be subject to the provisions of the *Freedom of Information Act*.

5. REFERENCES

5.1 Legislation

- *Independent Commissioner Against Corruption Act, 2013*
- *Local Government Act, 1990*
- *Whistleblowers Protection Act 1993*
- *Elected Member Code of Conduct*

5.2 Other References

City of Holdfast Bay Fraud, Corruption, Misconduct and Maladministration Policy
City of Holdfast Bay Whistleblowers Protection Policy
City of Holdfast Bay Employees Code of Conduct Complaints and Investigations Policy

ELECTED MEMBERS CODE OF CONDUCT COMPLAINTS AND INVESTIGATIONS POLICY

FLOW CHART COMPLAINT INVESTIGATION FOR BREACHES OF THE ELECTED MEMBER CODE OF CONDUCT

