

# Council Agenda

# 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 28 June 2022 at 7.00pm**

**Roberto Bria  
CHIEF EXECUTIVE OFFICER**



## Ordinary Council Meeting Agenda

### 1. OPENING

*The Mayor will declare the meeting open at 7:00pm.*

### 2. KAURNA ACKNOWLEDGEMENT

*We acknowledge Kaurna 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 Kaurna People today.*

### 3. SERVICE TO COUNTRY ACKNOWLEDGEMENT

*The City of Holdfast Bay would like to acknowledge all personnel who have served in the Australian forces and services, including volunteers, for our country.*

### 4. 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.*

### 5. APOLOGIES

5.1 Apologies Received

5.2 Absent

### 6. ITEMS PRESENTED TO COUNCIL

### 7. 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.*

### 8. CONFIRMATION OF MINUTES

**That the minutes of the Ordinary Meeting of Council held on 14 June 2022 be taken as read and confirmed.**

### 9. PUBLIC PRESENTATIONS

9.1 Petitions - Nil

9.2 Presentations – Nil

9.3 Deputations – Nil

**10. QUESTIONS BY MEMBERS****10.1 Without Notice****10.2 On Notice**

10.2.1 Somerton Park Lifesaving Club – Councillor Bradshaw (Report No: 219/22)

10.2.2 Rate Comparisons – Councillor Smedley (Report No: 220/22)

**11. MEMBER'S ACTIVITY REPORTS - Nil****12. MOTIONS ON NOTICE**

12.1 Investigation into Pathway on Kauri Parade – Councillor Lindop (Report No: 218/22)

**13. ADJOURNED MATTERS - Nil****14. REPORTS OF MANAGEMENT COMMITTEES AND SUBSIDIARIES - Nil****15. REPORTS BY OFFICERS**

15.1 Items in Brief (Report No: 209/22)

15.2 2022-2023 Annual Business Plan (Report No: 215/22)

15.3 2022-2023 Budget Adoption (Report No: 210/22)

15.4 2022-2023 Rate Declaration (Report No: 217/22)

15.5 Monthly Financial Report – 31 May 2022 (Report No: 212/22)

15.6 Procurement Policy Review (Report No: 213/22)

15.7 Risk Management Policy and Procedure Review (Report No: 214/22)

15.8 Suburb Boundary Change (Report No: 211/22)

**16. 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.*

**17. URGENT BUSINESS – Subject to the Leave of the Meeting****18. CONFIDENTIAL ITEMS**

18.1 Alwyndor Loan Facility with the Local Government Finance Authority (Report No: 216/22)

Pursuant to Section 83 (5) of the *Local Government Act 1999* the Report attached to this agenda and the accompanying documentation is delivered to the Council Members upon the basis that the Council consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Council will receive, discuss or consider:

- d. **commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person**

**who supplied the information, or to confer a commercial advantage on a third party; and would, on balance, be contrary to the public interest.**

18.2 Reappointments to the Alwyndor Management Committee (Report No: 208/22)

Pursuant to Section 83(5) of the *Local Government Act 1999* the Report attached to this agenda and the accompanying documentation is delivered to the Council Members upon the basis that the Council consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Council will receive, discuss or consider:

- 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).**

19. **CLOSURE**



**ROBERTO BRIA  
CHIEF EXECUTIVE OFFICER**

Item No: 10.2.1

Subject: **QUESTION ON NOTICE – SOMERTON PARK LIFESAVING CLUB –  
COUNCILLOR BRADSHAW**

Date: 28 June 2022

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## **QUESTION**

Councillor Bradshaw asked the following question:

***“The Council Assessment Panel approved a change to the use for the upstairs area of the Somerton Park Lifesaving Club on the 23 March 2022. When will this matter be coming before Council (the Landlord) to consider the Terms and Conditions of a Sublease between The Somerton Park Lifesaving Club Inc. and Gambell & Sutton P/L?”***

## **Background**

The City of Holdfast Bay Council previously granted approval for a Management Agreement between the Somerton Park Lifesaving Club Inc. and Gambell and Sutton P/L for the upstairs area of the property at 57 Repton Road, North Brighton 5048. This change of use further required the Somerton Park Surf Lifesaving Club Inc. to seek consent from the City of Holdfast Bay Council Assessment Panel. This Consent was granted subject to a suitable range of conditions on the 23 March 2022.

## **ANSWER – Manager, Development Services**

A Council workshop will be held on 5 July 2022 to discuss the draft terms of the sub-lease and provide options for calculating an appropriate market rent. However, the subsequent report intended to be brought to Council later in July seeking endorsement of the terms for the sub-lease is now on-hold following lodgment of an appeal by the Somerton SLSC to the Environment, Resources and Development (ERD) Court seeking to challenge the limitations to the hours of operation imposed as part of the conditions of the planning approval. Whilst the terms of the sub-lease do not need to adhere to the conditions imposed as part of a development authorisation, a decision on the sub-lease will need to be postponed until Council provides a formal position regarding the appeal, which will be sought at the Council meeting scheduled for 26 July 2022. Administration’s preference is for the parties to negotiate terms that are mutually agreeable prior to the endorsement of a sub-lease, which will take some time, notwithstanding the current respective positions regarding the hours of operation.

Item No: 10.2.2

Subject: **QUESTION ON NOTICE – RATE COMPARISONS – COUNCILLOR SMEDLEY**

Date: 28 June 2022

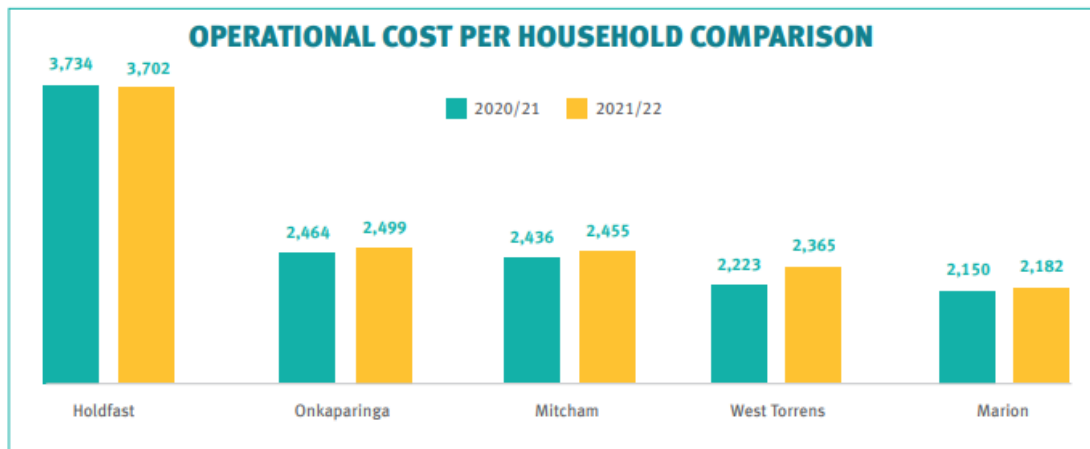
## QUESTION

Councillor Smedley asked the following question:

***“The City of Marion Draft Annual Business Plan 2022-23 reports that the City of Holdfast Bay’s operational cost per household is almost 70% higher than that of the City of Marion. Could Administration please explain this discrepancy?”***

## Background

The City of Marion included a table in their Draft Annual Business Plan which illustrates council’s operational costs per household compared against those of neighbouring councils.



The document notes that this does not take into account different councils’ service levels, infrastructure renewal requirements not reflected in operational costs, different sources of revenue including grants and user charges which may vary from council to council.

**ANSWER – General Manager, Strategy and Corporate**

The City of Marion's operational costs per household comparison shows the City of Marion at \$2,182, while the City of Holdfast Bay is showing \$3,702.

While the specific calculations are unknown, this figure clearly includes Alwyndor's operating budget, which skews the data. As an aged care facility, Alwyndor is a self-funding operation, where funds are quarantined for use only within the business. As such, it is incorrect to include Alwyndor's budget figures as Council rates are not spent on Alwyndor or its services.

In 2021-22, the average residential rate in the City of Holdfast Bay was \$1,617 with the rate in the dollar being 0.00243117. That same year, the average residential rate in the City of Marion was \$1,500. However, the rate in the dollar was 0.0032797. The average residential property value in the City of Holdfast Bay is substantially higher than in the City of Marion, being \$665,112 versus \$457,359, respectively.

At these rates, a property of \$457,359 value in the City of Holdfast Bay would pay \$1,111 – which is \$389 less than the rates for the same value property in the City of Marion.

If a property was valued at \$665,112 in the City of Marion, the rate would be \$2,181 – which is \$564 more than ratepayers of the City of Holdfast Bay pay.

Furthermore, taking into account the high standard of service levels provided by the City of Holdfast Bay, Council's rates compare favourably against neighbouring councils.

Nevertheless, this exercise demonstrates the difficulties of comparisons between councils. As many Council services are discretionary, there is no such thing as a 'standard' council. 'Like for like' comparisons are extremely challenging to achieve and typically carry many caveats. As such, simplistic comparisons can often result in misinformation, particularly when Alwyndor's figures are incorrectly included in calculations.

Item No: 12.1

Subject: **MOTION ON NOTICE – INVESTIGATION INTO PATHWAY ON KAURI PARADE – COUNCILLOR LINDOP**

Date: 28 June 2022

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## **PROPOSED MOTION**

Councillor Lindop proposed the following motion:

**That Council Administration investigate, including consultation with Department of Infrastructure and Seacliff Rail Care Group, and bring a report back to Council which explores options for creating a pathway through the trees and bushes along the verge on Kauri Parade from the Bus Stop to link up with the green open space/reserve by the Seacliff City bound platform.**

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## **BACKGROUND**

The area is on the Northern side of Wheatland Street and the Western side of the railway line. The current footpath from the pedestrian train crossing continues around the corner on the eastern side of Kauri Parade, stopping at the bus stop.

There is currently approximately 50 metres of bushes and scrub on the verge here, as well as some DIT infrastructure, before the pathway and access to the city bound train station starts again. I have been supporting the Seacliff Rail Care Group and the residents in the area who have asked Council Administration if it's possible to create a crushed earth pathway similar to the Cedar Avenue pathway in this location.

The aim of the pathway would be to enable people to walk through the shade and enjoy the native bushes and plants here and give the Seacliff Rail Care Group better access to continue the great work they are doing in keeping the area maintained and help attract more butterflies with native plantings.

This report will help clarify what is needed, any costs involved and work with DIT and their Rail Care Coordinator to help provide a better outcome for the area which is currently hard to access and looks unkept.

If a pathway was to proceed here, the outcome aligns with Council's Open Space and Environmental Strategic Plans by:

- increasing walkability;
- providing cooling and shaded areas;
- enhancing natural environment;
- contributing to better connected communities; and
- encouraging use of public transport.



Item No: 15.1  
Subject: **ITEMS IN BRIEF**  
Date: 28 June 2022  
Written By: Executive Support Officer  
Chief Executive Officer: Mr R Bria

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## **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.

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## **RECOMMENDATION**

1. **That the following items be noted and items of interest discussed:**
  - 1.1 **Draft Local Government Association Training Standard for Council Members - Consultation**
  - 1.2 **Support for Motion at Australian Local Government Association National General Assembly 2022**
  - 1.3 **Kingston House Reserve Tennis Courts – Grant Offer**
  - 1.4 **Call for More SA Women Councillors**
  - 1.5 **SA Flood Warning Consultative Committee – Call for Nominations**

### **RETAIN IN CONFIDENCE - Section 91(7) Order**

2. **That having considered Agenda Item 15.1 Items in Brief (Report No: 209/22) in confidence under section 90(2) and (3)(j) of the *Local Government Act 1999*, the Council, pursuant to section 91(7) of that Act orders that Attachments 1 & 2 be retained in confidence until 31 August 2022.**
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## **REPORT**

- 1.1 **Draft Local Government Association Training Standard for Council Members - Consultation**

The Local Government Association is seeking feedback on a confidential revised draft training standard for Council Members. The proposed draft LGA Training Standard aims to reflect the prescribed changes in the *Local Government Act 1999* and to provide a framework that supports leadership capabilities in the public sector.

*Refer Attachment 1*

The consultation summary provides members with background information and confidentiality on the revised draft LGA Training Standard.

*Refer Attachment 2*

Online Information Sessions are scheduled for 29 and 30 June 2022 for Mayors and Elected Members, to provide an overview of the revised draft LGA Training Standard for Council Members.

The Local Government Association is requesting feedback from Elected Members, CEOs and staff as well as formal submissions from Council. Feedback will inform amendments to the training standard which will be sent to the Minister for approval. Feedback is requested by COB Monday 1 August 2022.

This will be subject to further discussions with Elected Members.

## **1.2 Support for Motion at Australian Local Government Association National General Assembly 2022**

Council received a letter from Mayor Anne Baker of Isaac Regional Council requesting support for National General Assembly Motion 39 – Stronger Mental Health Services for Regional, Rural and Remote Areas of Australia.

The motion propose that the 2022 National General Assembly calls on the Federal Government to secure funding and programs for mental health and related services that are fit for purpose, place-based models in small and medium sized regional, rural and remote areas of Australia.

Council's voting position on this motion was to support in principle.

*Refer Attachment 3*

## **1.3 Kingston House Reserve Tennis Courts – Grant Offer**

As part of the Sport and Recreation 2021-22 election commitments made by the South Australian Labor Government, the Kingston House Reserve Tennis Courts located in Kingston Park were identified as a priority for renewal to provide equitable access to user groups and increase participation in physical activity.

On 15 June 2022, The Office for Recreation, Sport and Racing (ORSR) provided a letter of offer to Council with a commitment of \$200,000 to resurface the tennis courts at Kingston House Reserve. No funding contribution is sought from Council as part of this grant. The letter of offer was accepted and signed by the CEO on 17 June 2022, before the offer expiry date of 22 June 2022.

The scope of works is currently being investigated and costed by administration. Prior to construction commencing, a final plan for the renewal project will be presented to the ORSR for approval. As per grant conditions, this project must be delivered by 30 June 2023.

#### **1.4 Call for SA Women Councillors**

South Australian women are being encouraged to nominate in the 2022 Local Government election.

Women currently make up 35% of councillors in South Australian Local Government and the opportunity to increase this number is approaching. With nominations opening on Tuesday 23 August 2022 and closing on Tuesday 6 September 2022, it is time for women to think about nominating as a candidate and planning a campaign.

The Australian Local Government Women's Association of South Australia is holding nine (9) free Information Sessions – '*Women Leading Locally – It's Time*' across South Australia. Participants will be able to meet current women councillors and ask questions. For more information on session times, please visit [www.algwasa.org.au](http://www.algwasa.org.au).

#### **1.5. SA Flood Warning Consultative Committee – Call for Nominations**

The Local Government Association of South Australia (LGA) is seeking nominations from suitably qualified council members, or employees of council to fill a position on the SA Flood Warning Consultative Committee for a term of two (2) years, commencing in October 2022.

The role of the SA Flood Warning Consultative Committee is to provide oversight of the flood warning services that the Bureau of Meteorology provides in South Australia. The Committee meets twice a year at the SA Bureau Office or online via Microsoft Teams. There is no remuneration for members.

LGA nominations on Outside Bodies will, unless determined otherwise by the LGA Board of Directors, be currently serving council members or employees of council. Only nominations submitted following a resolution of council will be considered.

The Call for Nominations Information Sheet (Part A) provides further information about the role and the selection criteria to be addressed by the nominee.

*Refer Attachment 4*

The nominee and Council are required to complete the Nomination Form (Part B) by 5pm Tuesday 9 August 2022. An up-to-date curriculum vitae and a response to the selection criteria (no more than two pages) must also be supplied by the nominee.

*Refer Attachment 5*

# Attachment 3





# OFFICE OF THE MAYOR



13 June 2022

Dear Council

## RE ISAAC REGIONAL COUNCIL ALGA NATIONAL GENERAL ASSEMBLY FOR LOCAL GOVERNMENT 2022 – CONFERENCE MOTION 39

Council, at its Ordinary Council Meeting held on 13 March 2022 by resolution No. 7775, unanimously endorsed Motion 39 which is **attached** for your information.

We seek your support for the motion as we continue to advocate on matters relevant for Isaac communities, which are no doubt relevant to other regional, resource, rural and remote local governments across Australia.

The proposed Motion advocates for an issue which predominantly impacts regional local government communities, resource communities and rural and remote communities as follows:

### **Motion 39 – Stronger Mental Health Services for Regional, Rural and Remote Areas of Australia**

That this National General Assembly of the Local Government Association of Australia calls on the Australian Government to ensure federal funding and federal programs for mental health and related services are fit for purpose, place-based models in small and medium sized regional, rural and remote areas of Australia.

#### ***Objective***

The objective is for the Federal Government to work in partnership with local government to support fit for purpose place-based models in mental health services across regional Australia, specifically where there are critical shortages of mental health services experienced.

#### ***Why is this an important issue for local government? Because .....***

It should not matter where you live in Australia, you should be able to receive health services when you need them.

Given the extensive list of parliamentary inquiries and major research conducted into regional Australia over the past 20 years, now is the time to take stock of the findings. What is required is a health system that provides place-based models of health care in small and medium sized regional, rural and remote areas of Australia, that builds on what has been learned through the many inquiries and the expertise of those who live in the regions.

The global pandemic has been one of the most significant events of the past 50 years. It has required a new way of thinking about economic, social and political issues. It has seen regional Australia become more attractive to live with lower house prices, relaxed life style and a safer environment regarding health and illness.

**ISAAC.QLD.GOV.AU**

P 1300 472 227 F 07 4941 8666 A PO Box 97 Moranbah QLD 4744

f isaacregionalcouncil

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ISAAC REGIONAL COUNCIL ABN 39 274 142 600

Previous Federal Government inquiries have repeatedly heard that for the regions to prosper and reduce inequality they need sustained investment in infrastructure, education and training and amenities and healthcare.

Now is the time to make necessary investments in the regions to develop, stimulate and rebuild the Australian economy. The next decade presents a critical opportunity to make those investments and allow regional Australia to fulfil its potential.

If you would like any further information on the above motion, please do not hesitate to contact me.

Thank you for your consideration.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Anne Baker', written over a horizontal line.

CR ANNE BAKER  
**Mayor**

Encl:

# Attachment 4



## LGA Appointments and Nominations to Outside Bodies — Call for Nominations

<b>SA Flood Warning Consultative Committee</b>	
<b>Governing Statute (if applicable)</b>	Not applicable
<b>Purpose/Objective</b>	<p>Oversight of the flood warning services the Bureau of Meteorology provides in South Australia.</p> <p>The Bureau’s riverine flood warning service is mainly focused on catchments around the Mount Lofty ranges, but also provides warnings for the large ephemeral rivers in the outback that feed Lake Eyre. The flood warning services continue to expand and will soon include the Light and Wakefield rivers and the River Murray</p>
<b>Administrative Details</b>	<ul style="list-style-type: none"> <li>The SA Flood Warning Consultative Committee meets twice a year at the Bureau of Meteorology or on Microsoft Teams.</li> <li>The position is not remunerated.</li> <li>The term is two years.</li> </ul>
<b>Selection Criteria (to be addressed by applicant)</b>	<ul style="list-style-type: none"> <li>Local government knowledge and experience.</li> <li>Experience in asset management, particularly flood and water management for local government.</li> <li>Skills in project management and community engagement.</li> </ul>
<p><b>Liability and indemnity cover</b></p> <p><i>The LGA requires that persons appointed to Outside Bodies be appropriately insured throughout the period of their appointment and seeks to collect details of the insurances provided by the Outside Body on an annual basis.</i></p>	
<p><b>For more information contact:</b> LGA Nominations Coordinator at <a href="mailto:nominationscoordinator@lga.sa.gov.au">nominationscoordinator@lga.sa.gov.au</a> or 8224 2000</p>	



# Attachment 5



## LGA Appointments and Nominations to Outside Bodies — Nomination Form

### Instructions

*This form:*

- *Must be submitted by a council*
- *Must be emailed in PDF format to [nominationscoordinator@lga.sa.gov.au](mailto:nominationscoordinator@lga.sa.gov.au)*
- *Receipt of nomination will be acknowledged by return email*
- *CV and response to selection criteria (if applicable) may be emailed separately by the nominee and will be treated confidentially*

*This nomination form fulfils the requirements of the LGAs Appointments and Nominations to Outside Bodies Policy, [available here](#).*

**SECTION 1 to be completed by Council, SECTION 2 to be completed by Nominee.**

**Please refer to the *Call for Nominations* information sheet (Form: PART A) for details of the Outside Body and the selection criteria to be met by the nominee.**

### SECTION 1: COUNCIL to complete

SA Flood Warning Consultative Committee	
Council Details	
<b>Name of Council submitting the nomination</b>	
<b>Contact details of council officer submitting this form</b>	<b>Name:</b> <b>Position:</b> <b>Email:</b> <b>Phone:</b>
<b>Council meeting minute reference and date</b>	
<b>Nominee Full Name</b>	
elected member <input type="checkbox"/> OR    employee of council <input type="checkbox"/> OR    employee of local government entity <input type="checkbox"/>	
<i>Note: by submitting this nomination council is recommending the nominee is suitable for the role.</i>	

## SECTION 2: NOMINEE to complete

SA Flood Warning Consultative Committee			
Nominee Details			
<b>Full Name</b>		<b>Gender</b>	
<b>Home / Postal Address</b>			
<b>Phone</b>		<b>Mobile</b>	
<b>Email</b>			
<b>Why are you interested in this role?</b>			
<b>CV</b>	attached <input type="checkbox"/> OR forwarding separately <input type="checkbox"/>		
<b>Response to selection criteria (if applicable)</b>  <i>Please refer to the Call for Nominations information sheet for the selection criteria to be addressed.</i>	<i>Nominee to provide response to selection criteria (of no more than 2 pages) for consideration by the LGA Board of Directors.</i>  attached <input type="checkbox"/> OR forwarding separately <input type="checkbox"/>		
<b>Do you agree for your details to be retained on the LGA Nominees Database for a period of 12 months in order to be considered for other vacancies to Outside Bodies?</b> Yes <input type="checkbox"/> OR No <input type="checkbox"/> If Yes, please list any fields of interest or Outside Bodies of interest: • _____			
<b>Undertaking:</b> <i>The LGA Board resolved in January 2015 to ensure that appointees to external Boards and Committees remain current local government members or officers. If you leave local government for any reason during the term of your appointment, are you prepared to resign your appointment if requested to do so by the LGA?</i> Yes <input type="checkbox"/> No <input type="checkbox"/>			
Signature of Nominee: _____			

Item No: 15.2

Subject: **2022-2023 Annual Business Plan**

Date: 28 June 2022

Written By: Manager, Strategy and Governance

General Manager: Strategy and Corporate, Ms P Jackson

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## **SUMMARY**

The 2022-23 Annual Business Plan is presented for consideration and adoption by Council following the completion of community consultation on its Draft Annual Business Plan.

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## **RECOMMENDATION**

- 1. That Council adopts the 2022-2023 Annual Business Plan, subject to final design and minor alterations and typographical corrections.**
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## **STRATEGIC PLAN**

The Annual Business Plan provides the mechanism by which funds are allocated to projects and activities that deliver on Council's strategic vision, objectives and aspirations.

## **COUNCIL POLICY**

Not applicable

## **STATUTORY PROVISIONS**

Section 123 of the *Local Government Act 1999*.

## **BACKGROUND**

Section 123 of the *Local Government Act 1999* requires Council to have an Annual Business Plan which must:

- be considered in conjunction with the Council's annual budget; and
- be adopted by Council prior to the adoption of the budget.

Section 123 further requires that an Annual Business Plan and a Budget must be adopted by a Council after 31 May for the ensuing financial year and except in a case involving extraordinary

administrative difficulty, before 15 August for the financial year (Previously, the final date for adoption was 31 August).

The Draft 2022-2023 Annual Business Plan was endorsed by Council for community consultation at its meeting of 26 April 2022 (Resolution No: C260422/2581). The consultation period ran from 29 April to 23 May 2022. All submissions received during the consultation period and responses were reported to and considered by Council at its Informal Gathering on 31 May 2022 and at its meeting on 14 June 2022 (Report No 195/22).

## REPORT

The Annual Business Plan proposed for adoption is substantively the same as the Draft 2022-23 Annual Business Plan released for community consultation with the following amendments:

- SRWRA 2022-23 budget equity reducing from \$219,300 in the draft plan to \$101,250 in the plan proposed for endorsement.
- Changes to the Alwyndor budget resulting in an increase in the operating deficit from \$82,477 to \$281,415.
- The inclusion of the Tarlton Street Catchment Stormwater project and the Food Organics Green Organics project.

Following the Local Government reforms, section 123(6a) of the *Local Government Act 1999* now requires that Council include a statement setting out any significant amendments from the draft plan and provides reasons for those amendments. This has been included on page 2 of the plan proposed for endorsement. As this is the first year of operation of these provisions, the definition of 'significant' has not yet been tested, nor how much detail is required in relation to rationale for changes.

The result of these amendments will see a consolidated operating surplus of \$108,229 consisting of an operating deficit for Alwyndor of \$281,415 and municipal operating surplus of \$389,644.

The document includes rate and property information (pages 46 to 51) consistent with the rate declaration report which is being considered as part of this current agenda. (*Item No: 15.4 2022-2022 Rate Declaration Report No: 217/22*)

The revised 2022-2023 Annual Business Plan is provided for Council's adoption. There are some known, minor typographical errors which will be corrected prior to printing.

*Refer Attachment 1*

Section 123(9) requires that a summary of the annual business plan be prepared to promote public awareness. A summary has been prepared and will be included in the winter edition of *Our Place*, which goes out with rates notices. In previous years a separate full-colour brochure was produced, however, this attracted complaints about wasting resources. As *Our Place* is a well-received publication, a shorter summary within is more likely to meet the legislative objective to promote public awareness.

**BUDGET**

The adoption of the 2022-2023 Annual Business Plan informs the 2022-2023 Budget.

**LIFE CYCLE COSTS**

This report does not have any direct life cycle cost implications.

# Attachment 1





# OUR PLAN FOR OUR PLACE



**ANNUAL BUSINESS PLAN  
2022-23**





# OUR PLAN FOR OUR PLACE

## AMENDMENTS TO 2022–23 DRAFT BUDGET FOLLOWING ENGAGEMENT

Section 123 (6a) of the *Local Government Act 1999* requires that any amendments to the Draft Annual Business Plan that was consulted on be explained in the adopted plan.

Since the publication of the draft budget as set out in the Draft Annual Business Plan, and following adoption of the SWRA budget by the SWRA Board on 6 June 2022, Council was notified:

- › SRWRA 2022–23 draft budget equity equating to \$101,250 being Council’s 15% share of the SRWRA \$675,000 operating surplus. The draft budget had \$219,300.

The above variation totals \$118,050 in an equity movement and will impact Council’s operating surplus reducing it from \$507,694 to \$389,644. The reduction will have no impact on Council’s cash position and remaining financial indicators or measures.

There are also a number of changes to the draft 2022–23 Alwyndor budget as was published in the Draft Annual Business Plan. The overall change was an increase in the operating deficit from \$82,477 to \$281,415, combined with an increase in capital expenditure from \$411,458 to \$523,971. This resulted in a reduction in the Alwyndor funding surplus from \$1,027,604 to \$745,274. This has resulted in a consolidated operating surplus result of \$108,229.

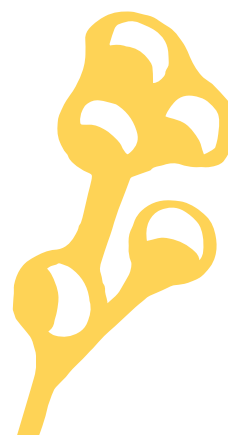
Other changes include the announcement of a grant to undertake stormwater works in the Tarlton Street Catchment in Somerton Park, and the the announcement to implement an increased food organics and garden organics (FOGO) waste collection model throughout the city. Neither of these projects change the budget.

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## TRADITIONAL CUSTODIANS

We acknowledge the Kurna people as the traditional custodians 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.



# WELCOME

On behalf of the City of Holdfast Bay, I'm pleased to present the *2022–23 Annual Business Plan*, outlining our program and budget for the upcoming financial year.

I'm very proud of the way in which we have navigated the difficulties faced during the past two years of the pandemic.

Our focus has been on the continued investment in our community and in projects that add to the vibrancy and appeal of this city we are so fortunate to call our home.

We have invested in improving our amenities, assets and facilities. Importantly we have invested in our services provided to and for the community, which has proven to be vital throughout the pandemic.

Knowing the importance of looking after our people, we will commit over \$1 million in 2022–23 towards our community development programs, services and events which aim to promote interaction and minimise social isolation and disadvantage.

This includes home support and our community transport service as well as our community centres, which provide opportunities for people of all ages and abilities to meet, mix and build meaningful connections through sporting, recreational and cultural activities.

We will also fund a number of major projects in 2022–23 which support the vision and objectives outlined in our recently-adopted strategic plan, *Our Holdfast 2050+*. The three focus areas in the plan are wellbeing, sustainability and innovation.

Major projects for 2022–23 include:

- › Jetty Road Glenelg Masterplan
- › Seacliff Amenities Building and Beach Access Redevelopment – \$1 million grant funding received
- › *Disability Discrimination Act 1992* (DDA)
- › Glenelg DDA-compliant Beach Access – funded in 2021–22
- › Brighton Beachfront Holiday Park Stage 2 – \$845,000
- › Kingston Park Kiosk – funded in 2021–22
- › Glenelg Oval Masterplan Stages 3 and 4 – \$967,000 including grant funding (confirmed).

We are continuing our water sensitive urban design projects, remediating our three gullies and maintaining the city's prized beaches. In this coming financial year, we will continue to fund projects which improve our resilience to climate change, and form part of our wider five-year *Environment Strategy*.

We have already taken ownership of our first electric vehicle which fittingly is being used by our Environment team and have installed more than 100 solar panels on our council buildings.

We will also be rolling out a significant change in the collection of food and organic waste, with the staged expansion of weekly collection throughout the city. Following a successful trial of more than 1,000 households and overwhelming community support throughout the city, weekly green waste collection will be coming soon.

In 2022–23, there will be \$1,200,000 allocated towards stormwater infrastructure in line with our *Stormwater Management Plan*.

There is \$3.63 million in the budget to allow work to continue on the renewal and upgrades of roads and kerbs, including DDA-compliant footpath ramps across the city.

With our state and national borders now open for travel, our focus on attracting tourists and holiday-makers to our city and major retail and entertainment precincts will be a priority.

This should provide a better level of certainty for our local small businesses. We will continue to support our business community in this evolving environment through our economic activation plan and tourism recovery plan.

For the purposes of this *Annual Business Plan*, the provisional rate increase will be 3.2% for residential property owners. This equates to a \$52 increase for the year based on the average property value in Holdfast Bay.



**Amanda Wilson**

Mayor  
City of Holdfast Bay

# OUR VISION

Protecting our heritage and beautiful coast, while creating a welcoming and healthy place for all in South Australia's most sustainable city.

**Our Holdfast 2050+**

**To achieve this vision we have identified three focus areas:**



## WELLBEING

Good health and economic success in an environment and a community that supports wellbeing.

---



## SUSTAINABILITY

A city, economy and community that is resilient and sustainable.

---



## INNOVATION

A thriving economy and community that values life-long education, research, creativity and entrepreneurialism.

---



# OUR CITY

Kaurna people lived sustainably and nurtured the land and waters for some 60,000 years as one of the world's longest living cultures.

The coastal environment with its fresh water lagoons and abundant food sources was used for millennia as a meeting place for cultural celebrations, ceremony and trade by Kaurna people, and continues to be a place of significant Kaurna cultural heritage.

In 1836, Colonel William Light arrived on the Rapid on a mission to survey the South Australian coast in search of a place for settlement. While the Rapid stood off-shore near the mouth of the Patawalonga, a storm blew in and the anchor held. Colonel Light consequently named the bay 'Holdfast Bay'.

The Province of South Australia was proclaimed at Pathawilyangga in 1836, which became the municipality of Glenelg in 1855. Wituwaringga became the municipality of Brighton in 1858.

The City of Holdfast Bay was formed in 1997 through the amalgamation of the City Councils of Glenelg and Brighton. Located just 11 kilometres from the Adelaide city centre and five minutes from Adelaide Airport, our City is now home to close to 38,000 people and one of the most celebrated places to live, work and visit in the Adelaide metropolitan area. It boasts a beautiful natural environment, high quality recreation and community facilities, superior health and education, health options, a vibrant tourism sector, thriving retail precincts and a small light industrial area.



# OUR COMMUNITY

## TOTAL POPULATION



**37,784**

52.4% females  
47.6% males

## MEDIAN AGE



**46**

## VEHICLE USAGE

Private car is the most common travel method for journeys to work (80%). Public transport accounts for 8.5% and active travel (walking and cycling) 5%



## SNAPSHOT



**HIGH**

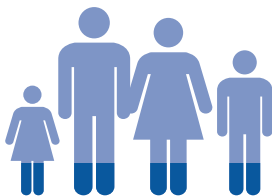
- Average Income
- Education
- Housing Mortgages



**LOW**

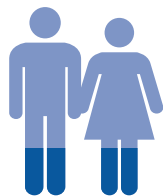
- Unemployment

## HOUSEHOLD TYPES



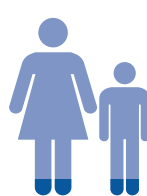
Couples with children

**22%**



Couples without children

**27%**



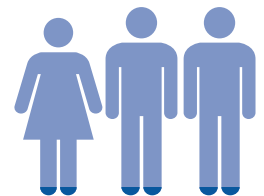
One parent families

**8%**



Lone person households

**33%**



Group households

**4%**

Source: ABS 2016

# QUALITY OF LIFE SURVEY RESULTS (2021-22)

HOW YOU RATED YOUR COUNCIL OUT OF 10

## COMMUNITY



**8.6**  
Providing library services



**8.1**  
Providing sporting facilities



**7.5**  
Delivering services for the elderly and people with a disability



**7.65**  
Providing programs and services that encourage an active lifestyle

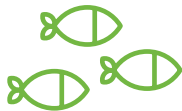


**7.5**  
Providing arts & cultural experiences



**7.6**  
Providing programs that foster social interaction and community wellbeing

## ENVIRONMENT



**8.0**  
Maintaining beaches and coastal areas



**8.0**  
Providing adequate waste management services

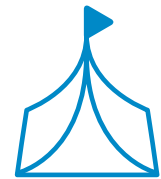


**Overall rating of Holdfast Bay as a place to live**

## ECONOMY



**8.1**  
Encouraging a diverse range of businesses and services in the area



**7.6**  
Supporting and promoting tourism and events

## CULTURE



**6.8**  
Council provides good financial management and value for rates



**6.9**  
Overall satisfaction with the quality of service and performance of the council

## PLACEMAKING



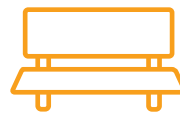
**8.7** Access to shops, services and open space



**7.3** Maintaining roads and kerbing



**7.2** Maintaining cycle networks



**8.2** Maintaining well laid out parks and reserves



**8.2** Providing a sense of safety in neighbourhoods



# HIGHLIGHTS

## Major projects

In 2022–23, council will fund and undertake a number of major projects to support the vision and objectives outlined in its strategic plan, *Our Holdfast 2050+*.

These include:

### **Jetty Road Glenelg Masterplan – \$450,000**

Construction of the first stage of the Jetty Road Masterplan was completed in 2021 with a \$3.6 million upgrade of Chapel St and Hindmarsh Lane.

Planning has now commenced towards the final design of the masterplan to continue the transformation of Jetty Road, Glenelg.

### **Seacliff Amenities Building and Beach Access Redevelopment (\$1 million grant funding received)**

A new amenities building at Seacliff Beach, with continuous widened footpaths around the area, providing more circulation space to improve access to the amenities area and beach.

### **Kingston Park Kiosk**

Funded in 2021–22 for delivery in 2022–23

The Kingston Park kiosk is used by residents, caravan park customers and coastal pathway users. This project includes the design and construction of a new kiosk at Kingston Park near the Brighton Caravan Park to replace the existing kiosk which is past its end of life. This facility will be sensitive to its location and use construction materials suitable for coastal locations.

### **Glenelg Oval Masterplan – Stages 3 and 4 – \$967,000 including grant funding (confirmed)**

In 2022 we will install a new scoreboard, re-locate cricket nets and associated infrastructure, improve spectator amenities and undertake consultation and design for the upgrade of Margaret Messenger Reserve.

### **Brighton Beachfront Holiday Park – Stage Two – \$845,000**

As a key, income-generating council business, the Brighton Caravan Park helps to alleviate the rate burden on residents and private businesses. However, its infrastructure is rapidly aging, compromising the future commercial success of the park. Council will replace timeworn facilities with new sites, cabins and administration buildings. This will create stronger visitor appeal, grow the commercial revenue of the caravan park and enhance the city's tourism activities.

### **Glenelg Disability Beach Access**

Funded in 2021–22 for delivery in 2022–23

Council will construct a *Disability Discrimination Act 1992* (DDA) compliant ramp, beach matting and invest in beach wheelchairs for Glenelg beach and ocean to work towards accessibility for all.







## FINANCIAL OVERVIEW

Projections for the 2022–23 financial year indicate that council will be working with:

- › A consolidated operating surplus of \$108,229 (Alwyndor deficit of \$281,415) and municipal operation surplus of \$389,644.
- › A consolidated operating income of \$79.1 million to cover consolidated operating expenditure of \$79 million.

In the 2022–23 financial year we will invest \$53.98 million in municipal operations to provide services, implement programs and build and maintain essential assets.

Our main areas of investment include:

- › \$38.81 million to provide services to our community
- › \$8.88 million to maintain community assets
- › \$6.29 million for new capital infrastructure and service improvements.

1. Alwyndor is a self funding operation of the City of Holdfast Bay. For more information about Alwyndor see page 26.

# MUNICIPAL FINANCIAL SUMMARY



## 2022–23 MUNICIPAL OPERATING REVENUE \$50.07 MILLION

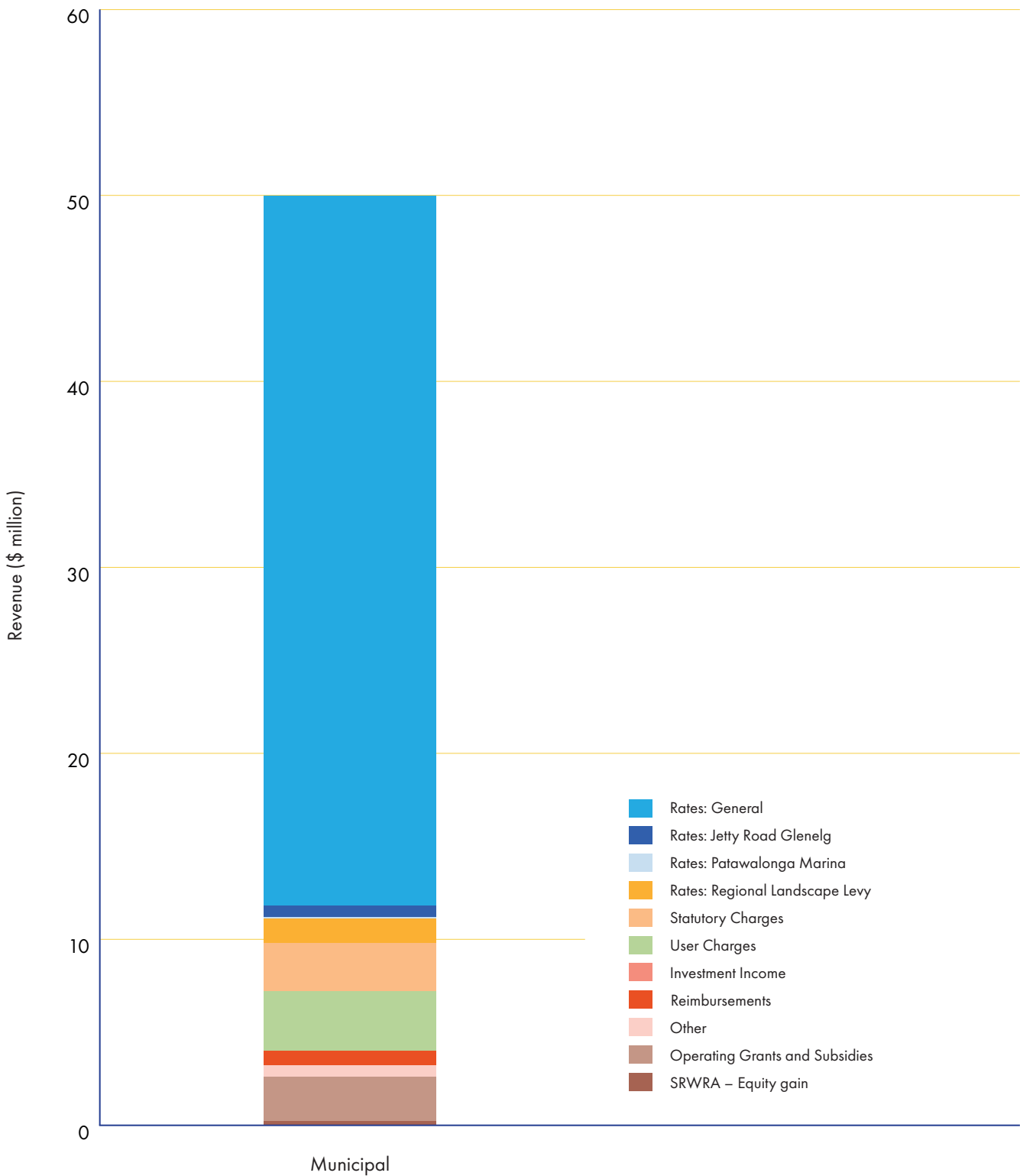
Council receive \$50.07 million (excluding Alwyndor) to provide services and infrastructure to the community.

### MUNICIPAL OPERATING REVENUE

<b>Rate Revenue</b>	<b>Million</b>
Rates: General	\$38.35
Rates: Jetty Road Glenelg	\$0.62
Rates: Patawalonga Marina	\$0.08
Rates: Regional Landscape Levy <sup>2</sup>	\$1.35
<b>Total Rate Revenue</b>	<b>\$40.40</b>
<b>Operational Revenue</b>	
Statutory Charges	\$2.58
User Charges (including but not limited to revenue from commercial operations)	\$3.19
Investment Income	\$0.02
Reimbursements	\$0.75
Other	\$0.65
<b>Total Operational Revenue</b>	<b>\$7.19</b>
<b>External Revenue</b>	
Operating Grants and Subsidies	\$2.38
SRWRA – Equity gain	\$0.10
<b>Total External Revenue</b>	<b>\$2.48</b>
<b>TOTAL MUNICIPAL REVENUE</b>	<b>\$50.07</b>

- 
2. The *Landscape Levy* is a State Government tax imposed under the *Landscape South Australia Act 2019*. Local Governments are required under this legislation to collect the *Landscape Levy* and provide it directly to State Government who fund the activities of *Green Adelaide* and other regional Landscape Boards.

## 2022-23 MUNICIPAL OPERATING REVENUE



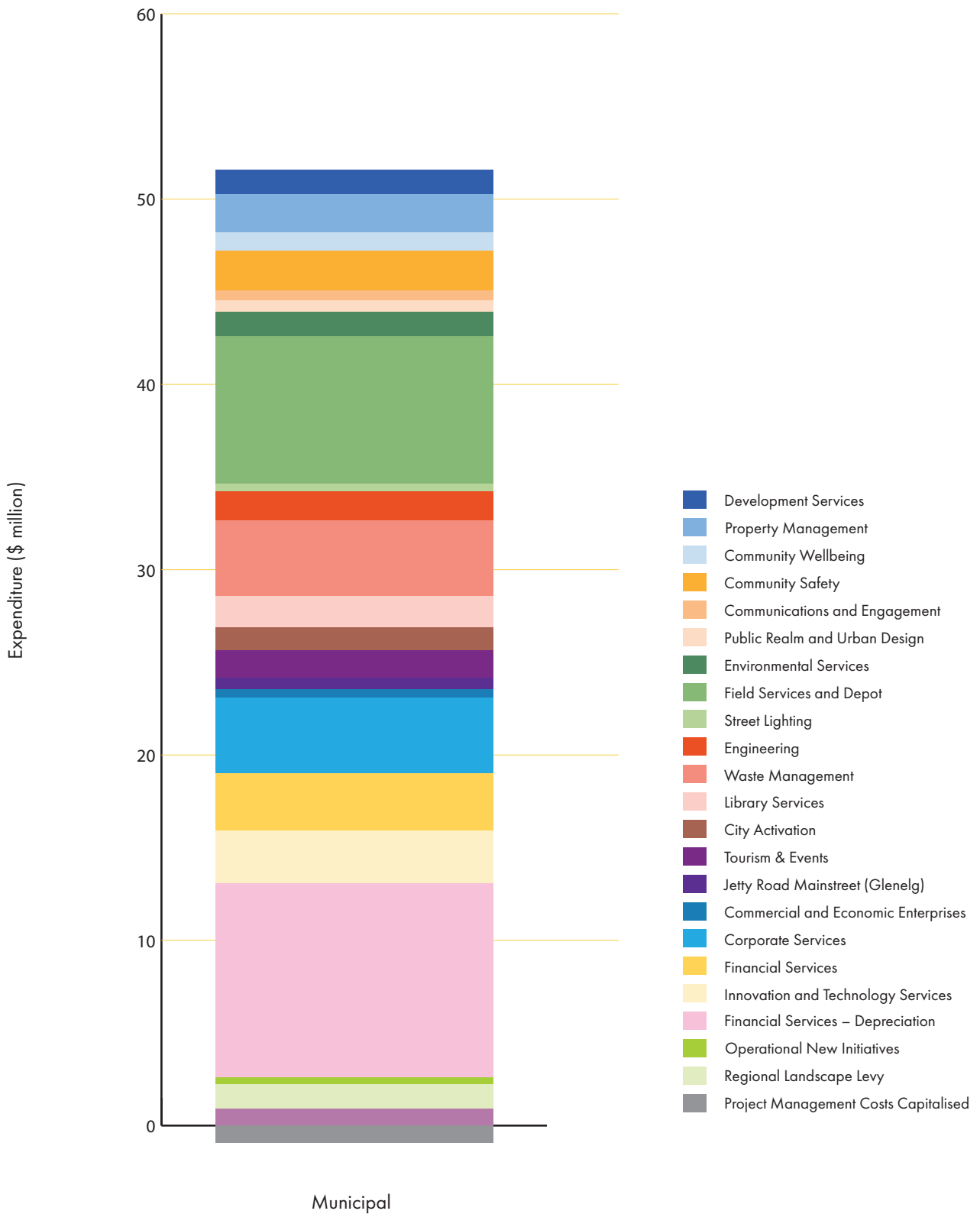
## 2022–23 MUNICIPAL OPERATIONAL EXPENDITURE \$49.68 MILLION

Council will spend \$49.68 million (excluding Alwyndor) to deliver services to the community.

### MUNICIPAL OPERATIONAL EXPENDITURE

<b>Services</b>	<b>Million</b>
Development Services	\$1.30
Property Management	\$2.04
Community Wellbeing	\$1.01
Community Safety	\$2.12
Communications and Engagement	\$0.56
Public Realm and Urban Design	\$0.59
Environmental Services	\$1.36
Field Services and Depot	\$7.93
Street Lighting	\$0.44
Engineering	\$1.56
Waste Management	\$4.07
Library Services	\$1.69
City Activation	\$1.24
Tourism & Events	\$1.46
Jetty Road Mainstreet Glenelg	\$0.64
Commercial and Economic Enterprises	\$0.45
Corporate Services	\$4.10
Financial Services (Includes finance charges and insurance costs)	\$3.05
Innovation and Technology Services	\$2.87
<b>Total expenditure on services</b>	<b>\$38.48</b>
<b>Other Operational Expenditure</b>	
Financial Services-Depreciation	\$10.47
Operational New Initiatives	\$0.35
Regional Landscape Levy	\$1.32
Project Management Costs Capitalised	(\$0.94)
<b>Total expenditure on other operational</b>	<b>\$11.20</b>
<b>Total municipal operational expenditure</b>	<b>\$49.68</b>

## 2022–23 MUNICIPAL OPERATIONAL EXPENDITURE



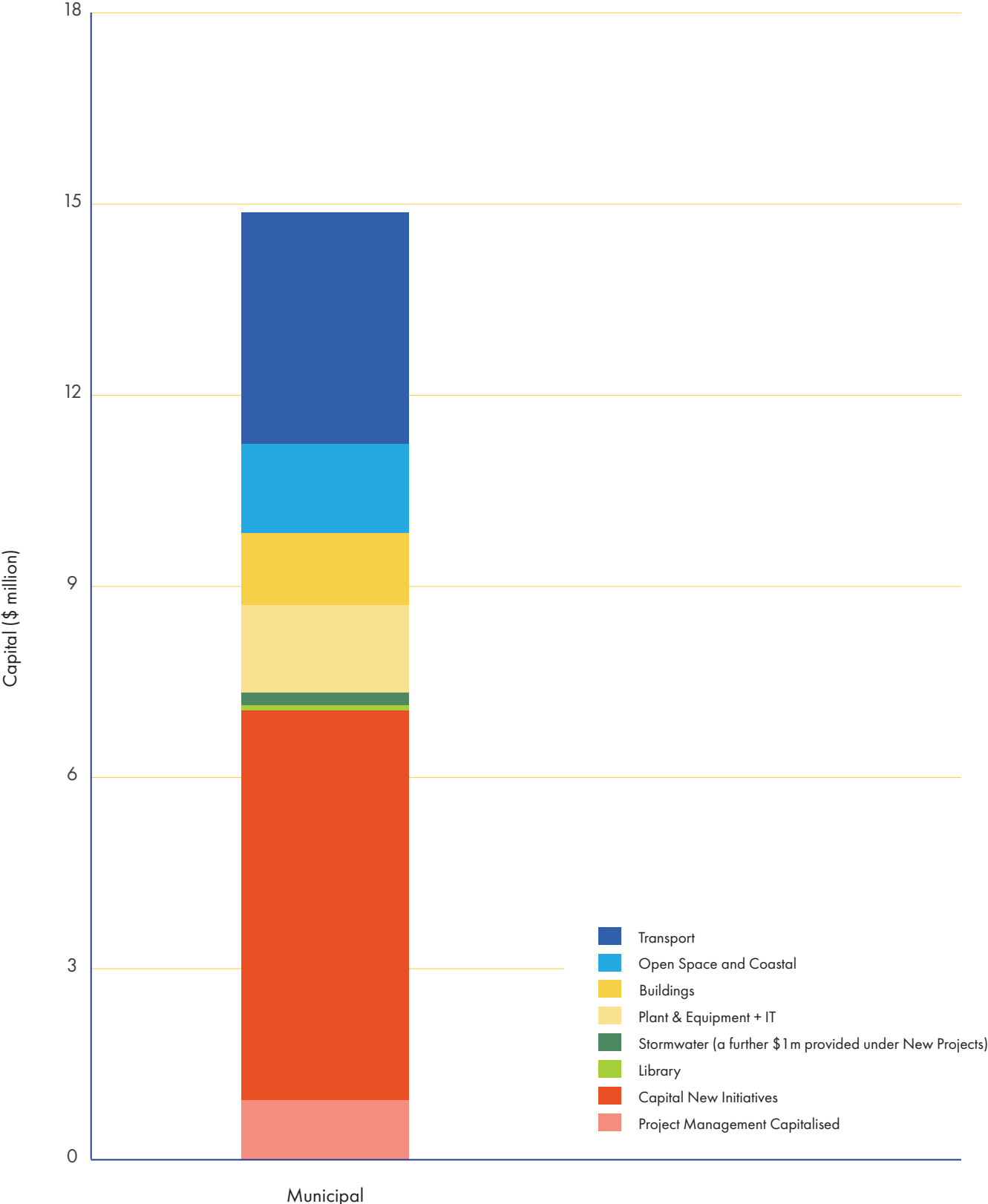
## 2022–23 MUNICIPAL CAPITAL PROGRAM \$14.81 MILLION

Council will spend \$14.81 million (excluding Alwyndor) on a capital program to update and maintain community assets in 2022–23.

### MUNICIPAL CAPITAL PROGRAM

	<b>Million</b>
Transport	\$3.63
Open Space and Coastal	\$1.34
Buildings	\$1.30
Plant & Equipment + IT	\$1.37
Stormwater (a further \$1 m provided under New Initiatives)	\$0.20
Library	\$0.09
Capital New Initiatives	\$5.94
Project Management Capitalised	\$0.94
<b>TOTAL MUNICIPAL CAPITAL EXPENDITURE</b>	<b>\$14.81</b>

# 2022-23 MUNICIPAL CAPITAL PROGRAM





# OUR FINANCIAL GOVERNANCE

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

**CITY OF HOLDFAST BAY  
LONG-TERM FINANCIAL PLAN**



## ENSURING FINANCIAL SUSTAINABILITY

### Policies and practices

Council adopts prudent financial governance policies and practices to enable the consistent delivery of cost-effective services to our community. Our policies and practices are based on three goals:

#### 1. Program sustainability

To ensure we can continue to deliver our high-priority programs including service delivery and the renewal and replacement of our assets.

#### 2. Rate stability

To ensure a reasonable degree of stability and predictability in the overall rates.

#### 3. Intergenerational equity

To ensure a fair sharing of the distribution of resources and their attendant financial burden between current and future users of services and infrastructure.

## FINANCIAL PRINCIPLES

The following key financial principles were adopted in the preparation of this plan:

#### › Presenting a balanced budget

We aim to fully fund the cost of services, including the depreciation of infrastructure and assets (ie wear and tear), in order to share the costs of services fairly between current and future users.

This is based on the understanding that insufficient funding would shift the costs burden of today's services on to future users in the form of higher rates or reduced services.

#### › Maintaining infrastructure and managing assets

We aim to maintain infrastructure (eg, buildings and bridges) and assets (eg, roads, kerbs, paving, machinery, trees, irrigation systems and playground equipment) to ensure the continued delivery of services to agreed standards. This involves developing and using long-term infrastructure and asset management plans to manage our asset portfolio efficiently, and continuing to invest in renewing and replacing our assets as they wear out.

#### › Providing predictable rates

We aim to provide our community with a reasonable degree of predictability for rates over the medium term. We will keep rate payers fully informed about future rates and the corresponding services provided.

#### › Prudent debt management

We aim to keep our debt as low as practicable. We borrow funds to invest in new long-term assets or to replace and renew existing assets and thereby spread that cost over the longer term, consistent with the typical long lives of assets.

# SIGNIFICANT INFLUENCES

## BROAD TRENDS AND EMERGING ISSUES

A range of global, national and state trends was considered when developing the *2022–23 Annual Business Plan*.

### Economic Impacts

For the 2022–23 financial year there are a number of interconnected elements that will impact the local economy, as well as the economic environment that the council operates within. These include the ongoing economic impact of COVID-19, inflation, and the Federal, State and local elections.

### COVID-19

Despite ongoing mutations, vaccine booster rates are likely to build to such a rate that lockdowns will not be lengthy or large scale; COVID-19 treatments are likely to enter the market at a greater rate of supply and efficacy; and tourism, migration and student levels will begin to return to pre pandemic levels towards 2023 or 2024.<sup>3</sup>

Hence the domestic trade environment should, slowly, begin to look, in some way, similar to a pre-pandemic environment. This should provide a better level of certainty for our local small businesses. We will continue to support our business community in this evolving environment through our *Economic Activation Plan* and *Tourism Recovery Plan*.

### Economic Instability

During 2021 Australia recorded its strongest economic growth since 2007.

The 2021 growth has also provided a low unemployment rate, similarly, the lowest since 2008.

Australia's 2021 growth, however, was fuelled considerably by growth in Government spending.<sup>4</sup> Though there was a spike in growth for both India and China, and indeed, the world economy through 2021; by the end of 2021, China and India's growth had fallen back to pandemic levels. Economic instability is also causing uncertainty, resulting in cost pressures, higher inflation and interest rates rises. Australian economic growth through 2022–23 is unlikely to be natural resources led.

### Federal, State and local elections

Whilst an election during a pandemic in Australia has not occurred for 100 years it is rare for three levels of government to hold elections in one State in the same year. A significant contributor to current economic growth (and its resultant employment rates) has been driven by Government spending. The economic policies of the new governments will have a major impact on the economic environment of our community.

### Environmental Sustainability

Council is taking steps to protect the natural environment, focusing on biodiversity and protecting our unique coastal environs. In response to climate change, we are reducing our reliance on fossil fuels by replacing council vehicles with electric and hybrid vehicles where possible and introducing renewable energy solutions in council buildings. We are continuing our water sensitive urban design projects, remediating our three gullies and maintaining the City's prized beaches. In this financial year, council continues implementation of its *Environment Strategy* to improve our resilience to climate change.

3. Deloitte Access Economics 17 January 2022

4. RBA Chart Pack Jan 2022

## Waste Management

In November 2021 the Southern Materials Recovery Facility (SMRF) opened. The facility is able to process 60,000 tonnes of yellow bin recyclables every year. It is Australia's first major materials recycling facility designed to meet the Council of Australian Government's Export Ban requirements, to facilitate the processing and reuse of waste in Australia rather than being shipped overseas.

Located in Seaford Heights, the SMRF is a joint initiative of Australian recycling and resource recovery specialist Re.Group and the Southern Region Waste Recycling Authority (SRWRA), which is a joint subsidiary of three South Australian Councils – City of Holdfast Bay, City of Marion and City of Onkaparinga.

Meanwhile, in our ongoing efforts to divert waste from landfill, our food organics garden organics (FOGO) trial continues. Over 1,000 households have registered to participate in the program which introduces weekly FOGO bin collection and fortnightly general waste (landfill) collections. Audits within the pilot areas indicate that the diversion rate has increased from 58% to 76%. Following this success, the model will be extended across the city.

In addition to reducing waste sent to landfill, placing all your food and garden waste in the green FOGO bin provides our South Australian food growers with nutrient-rich soil, supports jobs in the circular economy and reduces greenhouse gas emissions.

In 2021 South Australia became the first state to ban single use straws and cutlery. In March of this year, expanded polystyrene cups, bowls, plates and containers were banned, as were oxo-degradable plastic products.



The State Government is currently reviewing the Container Deposit Scheme, considering 10 cent refunds for wine bottles. Presently, glass comprises around 9 percent per weight of an average South Australian recycling bin. In the pursuit of a circular economy, our strong local wine industry can support high recycling rates.

Emerging issues in waste management include the growth in textile waste associated with "fast fashion" and a lack of recycling options. Per capita average, each person disposes of 27kg of textiles per year, with only 15% of textiles diverted from landfill.

Likewise, electronic waste (e-waste) levels have surged to around 27 million tonnes in 2021, an additional 2 million tonnes on 2020. Only about 17% of e-waste is effectively recycled. It cannot be effectively processed via household bins and must be dropped into a specialist e-waste station.

# THE 2022–23 OPERATING ENVIRONMENT

## Operating Costs

The cost of living for Australian households, measured by the Consumer Price Index (CPI), has increased at the strongest rate since 2014, primarily driven by fuel prices, dwelling construction costs, supply constraints and flow on impacts across sectors. Over the 12 months to December 2021 Adelaide CPI rose 3.3% and 3.5% nationally. At a local government level, where the basket of goods is measured in Local Government Price Index (LGPI), the impact has been amplified due to a strong reliance on fuel, supply constraints on materials and construction trades to deliver renewal and maintenance works. Mindful of LGPI driven increases to the cost of delivering our ongoing services, Council has put together a prudent budget. This plan minimises the rate increase whilst meeting new legislative requirements and continuing to provide the high level of service our community expects.

The forecast for LGPI for 2022 had been 4%, however, higher than expected CPI increases is likely to see this rise to approximately 7% by the end of the year. For the purposes of this *Annual Business Plan*, however, the rates have been raised provisionally by 3.2% in line with the September LGPI. Council will endeavour to manage the increasing costs of service delivery through 2022–23 within the provisional rates increase whilst continuing to deliver the high quality services and amenities our community is accustomed to.

With the completion of several major new projects, depreciation on new assets has increased by \$725,000. This increase in depreciation is counterbalanced by the benefits that new and improved facilities provide to the community.

## Construction delivery

The surge in government spending for major projects and housing redevelopment, combined with material supply issues, has increased the costs and reduced availability for the completion of building and road works.

## Housing Industry

Growth in the housing industry outperformed expectations in 2021–22, with a 7% increase compared with the previous twelve months. Whilst further growth is expected in the first half of 2022–23, anticipated interest rate rises combined with building material supply shortages are expected to keep the overall rate of growth to around three percent due to residual factors including ongoing federal government stimulus measures.

## Digital Transformation

As technology evolves and plays an increasing role in people's lives, service expectations change. Council must respond while protecting residents' privacy and security and meeting their expectations for personalisation, ease, convenience and multi-channel service delivery. To this end, council is implementing a multi-year, user-centred digital transformation program that will transform both the customer experience and our business processes.

## Local Government Reforms

The *Statutes Amendment (Local Government Review) Act 2021* (Review Act) was proclaimed for commencement in September 2021. The Review Act introduced sweeping changes to local government elections and operations. The reforms are being introduced progressively, with further clarity about the specifics been provided through amendments to regulations as foreshadowed in the Review Act.



The reforms include a new conduct management framework for council members, provisions for independent advice to councils on a range of financial and governance matters, a more contemporary approach to public consultation, and a range of improvements aimed at improving transparency and efficiency.

Some of these amendments directly affect this document. These are as follows:

› **Community Engagement**

Across the Review Act specific requirements for consultation for this plan have been removed. However the Act retains the requirement to send a summary of the business plan with the first rates notice of the financial year.

The Review Act refers instead to a requirement for any consultation, including that for the *Annual Business Plan* to be conducted in accordance with the Council's consultation policy. This policy is available to view on our website.

The Act removes the requirement for the provision of the opportunity for community members to provide representations on the plan to Council. Deputations to Council are available for any Council meeting by application.

› **Annual Business Plan amendments**

After the consultation Council reviews the business plan prior to adoption. An explanation of significant changes made between the draft and adopted business plan must be provided in the published adopted plan.

There is also a new requirement for the document to include a comparison between proposed rates and revenue and previous years.

› **Funding**

The amendment provides clarity around the endorsement of borrowings, albeit this amount is already included in the financial statements that are endorsed by Council.

› **Timing**

The plan must now be adopted by 15 August, where before it was 31 August. The Council has, traditionally, made every endeavour to adopt its annual business plan prior to 30 June.

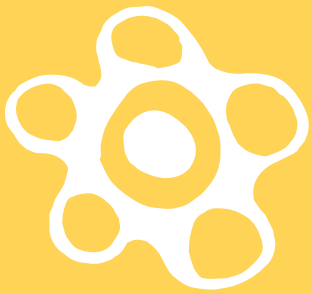
› **Style and Structure**

The amendment provides scope for the regulations to prescribe how the plan is presented (style, location and emphasis on matters) as well as the description/ explanation of matters in the plan. The Regulations have not been released as yet.

## External Funding sources

Council's 2022–23 budget relies heavily on property rate revenue, forecasting rates to comprise 80.4% of revenue, excluding Alwyndor and the Landscape Levy. While the City of Holdfast Bay is a leader in South Australia for non-rate revenue, council continues to pursue options to reduce the community's rate burden by increasing revenue from other sources. This includes rent from leases, off-street car parking fees, income from the Brighton Beachfront Holiday Park and Partridge House and grant funding from the Federal Government and State Government.

# ACHIEVEMENTS, PRIORITIES AND SERVICE DELIVERY

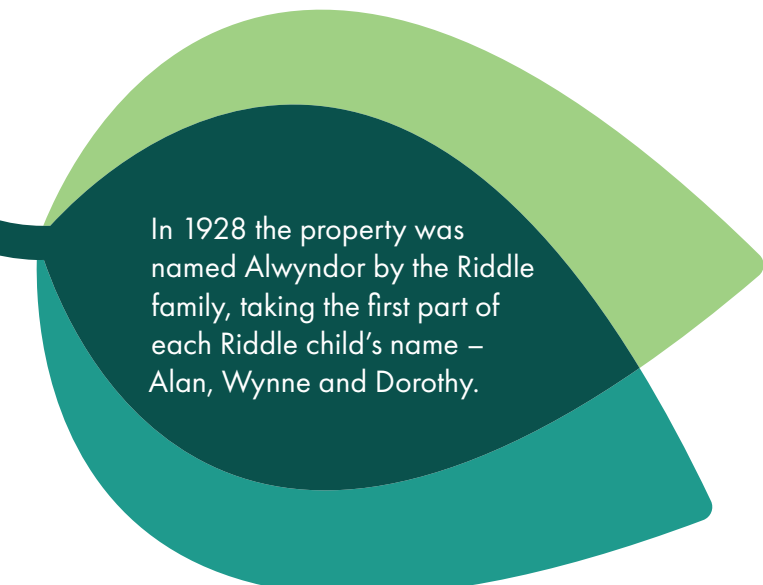




# ALWYNDOR AGED CARE

## ALWYNDOR AND THE CITY OF HOLDFAST BAY

Alwyndor began as the family home of the Riddles, built on Dunrobin Rd, Hove, in 1901. Dorothy Cheater (nee Riddle), the youngest child, cared for her parents at Alwyndor until they died in 1942 and then converted Alwyndor into a convalescent and rest home for returning World War II servicemen and the aged. Dorothy married widower Stephen Cheater who created a beautiful garden for her at Alwyndor. In 1976 the then Brighton Council bought part of the landholding to build a hostel, nursing home and rehabilitation centre. Dorothy later donated the remaining land via the Dorothy Cheater Trust. The Trust binds the council (or others) to the ongoing provision of aged care accommodation and services in perpetuity on the parcel of land. As one of South Australia's few local government-owned aged care facilities, it is proudly regarded by council as an important part of what local government can do for its community.



In 1928 the property was named Alwyndor by the Riddle family, taking the first part of each Riddle child's name – Alan, Wynne and Dorothy.

## AGED CARE INDUSTRY TRANSFORMATION

Aged Care industry transformation is ongoing in 2022–23. The implementation of the Royal Commission into Aged Care, Quality and Safety following the Australian Government response and acceptance of 124 of the recommendations has influenced the development of our 2022–23 budget. This includes preparedness for reform of residential care funding, support at home service model reform and increased compliance and reporting.

## SERVICE DELIVERY

### Alwyndor Aged Care – \$29.3 million

Alwyndor provides integrated service offerings for all ages – providing a continuum of care in an inclusive and vibrant community.

Alwyndor provides 144 residential care beds for permanent, respite and transitional care. Residential services include a café, hairdresser and gym, as well as access to podiatry, speech therapy, physiotherapy and dental services. A day respite service commenced in April 2020.

The Alwyndor community connections team works with people in their own homes, offering a suite of services including gardening, maintenance, cleaning, shopping and laundry through to complex personal and clinical care:

- › Commonwealth Home Support Program
- › Home Care Packages
- › Department of Veterans Affairs
- › Private health refunds



- › Medicare bulk billing (via GP referral for service packages)
- › National Disability Insurance Scheme.

In 2022–23 we will also:

- › Implement the Tovertafel interactive activity table designed to promote social, cognitive, and physical stimulation especially for residents with dementia
- › Continue environmental initiatives to minimise our carbon emissions over the next 5 years
- › Implement a *Client Portal* for community services offerings—this will give our clients and families real time visibility of their services
- › Commence outdoor gym groups and one:one training sessions on our new outdoor gym in the residential gardens
- › Implement self-check in and scanning at reception
- › Introduce a new and improved service model for catering in residential, this will include upgraded kitchenettes and new contemporary menus, all managed by our own staff in our own kitchen.

### **Alwyndor Asset Renewal and Replacement – \$0.52 million**

Alwyndor will allocate \$0.52 million to fund asset renewal and replacement works, including plant and equipment replacement.



# WELLBEING

Good health and economic success in an environment and a community that supports wellbeing.

## OBJECTIVES: 2020 – 2030

- › Apply the principles of universal design and social inclusion to all Council activities
- › Assist the city's mainstreet precincts in becoming dementia-friendly
- › Increase participation rates in community engagements across all age groups, particularly under-represented demographics such as children and young people by using methods that are appealing and appropriate
- › Support businesses to operate in mixed use neighbourhoods to improve local access to goods and services and reduce supply transport distances
- › Establish community hubs that integrate community support, recreational, and commercial services in multi-purposes spaces that include frequently excluded demographics such as children and young people, people with disabilities, Aboriginal and Torres Strait Island people and people from culturally and linguistically diverse backgrounds

## MEASURES

- All project plans and policies address universal design and social inclusion
- The number of businesses recognised as dementia-friendly increases year on year
- The number of participants in formal engagements increases year on year
- The proportion of mixed-use developments increases
- Utilisation of council owned buildings increases



## ACHIEVEMENTS

In 2021–22, we delivered many projects that build good health and economic success in an environment and a community that supports wellbeing. Some of these include:

- › Commencing the Glenelg Oval redevelopment stage 3 and 4 (Year 1 of 3)
- › Undertaking reserve improvements program for north east Brighton
- › Maintaining our open spaces, playgrounds and community buildings
- › Completing the construction of the Chapel Street Plaza and Hindmarsh Lane redevelopment as part of the Jetty Road Glenelg and Environs Masterplan.

Please visit [www.holdfast.sa.gov.au](http://www.holdfast.sa.gov.au) for a full list of achievements.

## PRIORITIES

In 2022–23, council will continue to deliver projects that build good health and economic success in an environment and a community that supports wellbeing. Some of these include:

- › Continuing the construction of Stages 3 and 4 of the Glenelg Oval Masterplan
- › Providing access to Glenelg Beach and ocean with an accessible ramp, mat and beach wheelchairs
- › Constructing a new amenities building at Seacliff and improving access to the beach and surrounds.

## SERVICE DELIVERY (excluding Alwyndor)

### Development Services – \$1.3 million

Council's development assessment, development advice and building compliance services work to recognise opportunities while protecting the character and amenity of our suburbs. In 2020–21, we processed 1,063 development applications and approved 205 new dwellings with a construction value of \$131 million.

Council will continue with a grant scheme to support the conservation of our City's heritage premises and the character of our retail precincts. Aimed at encouraging people who own heritage listed and retail precinct properties to invest in maintaining, restoring, and preserving them, the grants replaced a previous rates rebate for heritage listed properties.

### Property Management – \$2.04 million

We will manage and maintain community assets and infrastructure in an environmentally and financially sustainable way. This includes maintaining our community and civic buildings and CCTV, signage.

### **Community Wellbeing – \$1.01 million**

Council provides activities that promote wellbeing and resilience and enable people to remain at home with an enhanced quality of life, including social support and a kerb to kerb community transport service.

Our community development programs, services and events aim to promote interaction and minimise social isolation and disadvantage. This includes providing places, infrastructure and funding for people of all ages and abilities to meet, mix and build constructive connections by participating in a wide range of sporting, recreational and cultural activities. This year, council will continue to support:

- › Community development programs, including youth programs, community gardens and community and youth sponsorship grants
- › Volunteer services
- › Community centres, including the Holdfast Bay Community Centre, Glenelg Community Centre, Glenelg North Community Centre, Brighton Community Centre and Partridge House.

### **Community Safety – \$2.12 million**

Council recognises that the community's health and safety are affected by many fields of regulatory activity. We will use contemporary approaches to respond to public health and safety threats to deal with a range of existing and emerging issues, including:

- › Supporting our community to minimise their environmental and local nuisance impacts
- › Encouraging responsible dog and cat ownership
- › Supporting food businesses to achieve high standards of food safety and hygiene

- › Working collaboratively with supported residential care facilities to ensure that they meet the required standards of care and accommodation and that residents' rights are protected
- › Effective delivery of an immunisation program
- › Responding to and mitigating public health risks
- › Delivering education and compliance activities and responding to customer requests
- › Encouraging and supporting businesses to provide outdoor dining and display goods to support the economy and improve the ambience of our streetscapes
- › Monitoring public safety and security to ensure that our community can safely move around the city's public places and spaces
- › Improving road safety and access to adequate parking for residents and visitors.

### **Communications and Engagement – \$0.56 million**

We are committed to clear and open communication with our community. We provide many ways for people to get in contact, including telephone, mail, email, social media and via our websites and the my holdfast app. People can directly engage with Council staff at the Brighton Civic Centre and in our libraries. Information is provided on our website ([holdfast.sa.gov.au](http://holdfast.sa.gov.au)) and through a range of Council publications. Council's quarterly magazine, *Our Place*, features the latest Council news, project updates and upcoming events. It is distributed to all ratepayers with a digital copy shared via social media and emailed to subscribers.





## CAPITAL PROJECTS

Council replaces assets that are at the end of life, undertakes maintenance to extend assets and also builds new assets for the community.

### Open Space and Coastal Renewal – \$1.4 million

A broad program of renewal works is planned for the city's reserves and playgrounds including Paringa Park Reserve, Fordham Reserve, and Dover Square. We will also replace seating, pathways, irrigation, signage in various locations across the City and undertake important works at the Patawalonga Lock.

### Community Buildings – \$364,047

In 2022–23 Council will undertake repairs and maintenance at the Holdfast Bay Bowling Club, Broadway Kiosk, Glenelg Town Hall, Helmsdale Tennis Clubrooms, Glenelg Foreshore Toilets, Seacliff Youth Centre, Brighton Table Tennis, Bowker St Clubrooms, Glenelg Rotunda, Somerton Bowls Club.

## NEW PROJECTS

### Glenelg Oval Masterplan Stages 3 and 4 – \$967,000 including grant funding

In 2022 we will install a new scoreboard, re-locate cricket nets and associated infrastructure, improve spectator amenity and undertake consultation and design for the upgrade of Margaret Messenger Reserve.

### Jetty Road Glenelg Masterplan – \$450,000

Construction of the first stage of the Jetty Road Masterplan was completed in 2021 with a \$3.6 million upgrade of Chapel St and Hindmarsh Lane.

Planning has now commenced towards the final design of the masterplan to continue the transformation of Jetty Road, Glenelg.

### Glenelg Disability Beach Access

Funded in 2021–22 for delivery in 2022–23

Council will construct a *Disability Discrimination Act 1992* (DDA) compliant ramp, beach matting and invest in beach wheelchairs for Glenelg beach and ocean to work towards accessibility for all.

### Seacliff Amenities Building and Beach Access Redevelopment (\$1 million grant funding received)

A new amenities building at Seacliff Beach, with continuous widened footpaths around the area, providing more circulation space to improve access to the amenities area and beach.

### Audit of beach showers and taps – \$15,000

Undertake an audit of the showers and taps at the beach access points along the Esplanade. The audit will determine if showers are practicable at more access points along the Esplanade.

### Helmsdale Tennis Courts – \$15,000

Resurfacing of the two Northern Courts, with a financial contribution from the Club.

### Paringa Play space – \$50,000

An upgrade of the play space.





# SUSTAINABILITY

A city, economy and community that is resilient and sustainable.

## OBJECTIVES: 2020 – 2030

- › Become a carbon-neutral council by 2030
- › Prioritise sustainable and active transport (such as walking and cycling) across the city, including by reclaiming streets for play and nature and improving walkability to support healthy ageing
- › Support the creation of safer places by improving the public realm and collaborating with transport providers to increase transport options
- › Support mixed use neighbourhood development while honouring heritage values to encourage walking and cycling and support healthy ageing
- › Encourage more community gardening, including biodiversity sensitive urban design, in public spaces, applying the long-held knowledge of Kurna people as well as innovation

## MEASURES

- Emissions from Council operations decrease each year or are offset
- Number of kilometres of street prioritised for active transport increases, measured every five years
- Programs supporting community safety are developed and implemented
- Walkability score increases in all Holdfast Bay suburbs, measured using a 'citizen science' approach every three years
- Number of community gardening spaces increases each year



## ACHIEVEMENTS

In 2021–22, council delivered projects and services that supported the goal of developing a city, economy and community that is resilient and sustainable.

Activities included:

- › *Environment Strategy* implementation:
  - » Undertaking a street tree audit (Year 1 of 2)
  - » Development of a *Carbon Neutral Plan* and climate governance risk assessment
  - » Implementing the Gullies Masterplans
  - » Weekly Food Organics Green Organics (FOGO) pilot – Phase 2
  - » Continuing to implement stormwater management activities
- › Continuing to repair and replace the City’s roads, footpaths and kerbs in accordance with our *Asset Management Plan*
- › Accelerating our bus stop and kerb ramp improvement program in accordance with *Disability Discrimination Act* (DDA) standards
- › Developing a concept design for the Seacliff Amenities Building and Beach Access Redevelopment
- › Continuing the Brighton Beachfront Holiday Park upgrade.

## SERVICE DELIVERY

### Public Realm and Urban Design – \$0.59 million

Council is committed to developing and maintaining high quality urban and open spaces through public realm and open space master planning, project management and delivery including:

- › Sports and recreation facility planning and activation
- › Playspace renewals and redevelopments including planning and consultation
- › Urban design projects such as main street master planning and project delivery
- › Securing grant funding for major projects through State and Federal Government grant programs
- › Sport and Recreation club development.

### Environmental Services – \$1.36 million

Council’s *Environment Strategy 2020–25* is a detailed roadmap of initiatives, which will guide our decision making until 2025 and beyond. The strategy incorporates five themes:

- 1. Climate change**
- 2. Managing our coast**
- 3. Managing our biodiversity & protecting our trees**
- 4. Sustainable resources**
- 5. Working together**

A number of projects and initiatives from the *Environment Strategy* are included in this *Annual Business Plan* as detailed in New Projects.

### Field Services – \$7.93 million

Council will manage and maintain the community's open spaces in an environmentally and financially sustainable manner for the benefit of residents and the wider community.

We will achieve this by:

- › Managing our open spaces and reserves
- › Planning and implementing environmental management programs
- › Planting and caring for trees in our streets and reserves
- › Cleaning and maintaining our streets and foreshore
- › Maintaining the North Brighton and St Jude's cemeteries
- › Providing well-planned and well-maintained street lighting
- › Managing and maintaining our coastal zones and foreshore
- › Maintaining gross pollutant traps to ensure that pollutants do not enter our waterways.

### Street Lighting – \$0.44 million

Council partners with SA Power Networks to deliver street lighting for our community. Over the past 3 years Council has been replacing the 2,550 street lights with energy efficient LED lights across the City of Holdfast Bay.

The new lights being installed are up to 82% more energy efficient than existing mercury vapour lamps, require less maintenance and generate a warm to white light similar to existing lighting (around 4,000 Kelvin).

LED lighting is a much improved light than the old technology and the changeover will lower councils' greenhouse gas emissions by approximately 517 tonnes a year.

The removed old street lights will be recycled responsibly to prevent heavy metals (i.e. mercury) and other hazardous substances entering landfill.

### Engineering – \$1.56 million

Council is committed to a high level of amenity and safety with our street, footpath and kerb renewal and maintenance program. We continue to work with the Stormwater Management Authority in the development and implementation of a stormwater management plan. Our team monitors and assesses and treats the evolving traffic management issues in our City.

### Waste management – \$4.07 million

Council partners with the cities of Marion and Onkaparinga to provide waste management services through the Southern Regional Waste Authority. In addition to these services, council supplies food organics and garden organics kitchen caddies, including compostable bags to residents. Council also provides free presentations and workshops to promote recycling and ethical waste management practices for residents, community groups and schools.

## CAPITAL PROJECTS \$533,000

### Flood Management – \$200,000

Renewal of the city's stormwater drainage to protect against flooding. In 2022–23, we have allocated \$200,000 to renew stormwater infrastructure in line with our *Asset Management Plan*. Major stormwater management projects are listed under new projects.

### Roads – Including Kerb and Water Table Reconstruction – \$3.63 million

Council's *Asset Management Plan* allows for the systematic repair and replacement of the city's streets, kerbs and water table. In 2022–23, we have allocated \$3.63 million to renew and upgrade roads and kerbs.



## NEW PROJECTS

### **Stormwater Upgrades – \$1,000,000**

In June 2022, Council accepted a grant of \$2.927 million through the Australian Government's Preparing Australian Communities—Local Stream Program as a 50% contribution towards the construction of underground stormwater drainage, stormwater outlet and gross pollutant trap to significantly reduce property flooding in the Tarlton Street Catchment in Somerton Park.

### **Brighton Beachfront Holiday Park Stage 2 – \$845,000**

As a key, income-generating council business, the Brighton Beachfront Holiday Park helps to alleviate the rate burden on residents and private businesses. Its infrastructure is rapidly aging, compromising the future commercial success of the park. Council will replace timeworn facilities with new sites, cabins and administration buildings. This will create stronger visitor appeal, grow the commercial revenue of the caravan park and enhance the city's tourism activities.

### **Sturt River Linear Park – \$50,000**

Concept development and engagement is being undertaken in 2021–22. In 2022–23 we will develop a detailed design to improve amenity and access.

### **Gully Masterplans – \$300,000**

As important biodiversity sites for our City, we will continue to rejuvenate and improve access to our three gullies.

### **Depot cleaning compound – \$120,000**

In order to continue to maintain a high standard of cleanliness in the popular Jetty Road Glenelg precinct, a compound to keep cleaning machines and implements close to Moseley Square will be constructed.

### **Accelerated Footpath Program – \$300,000**

For the fourth consecutive year the Council is funding an accelerated program to ensure safety and amenity in our footpaths across the City.

### **CCTV network – \$60,000**

This stage of the program will maintain exterior CCTV systems at council properties which include Brighton Civic, Brighton Libraries, Glenelg Town Hall and surrounds, Kauri Community, Glenelg Community Centres, Glenelg North Community Centre (Stage 1).

### **Wigley Reserve lighting – \$30,000**

We will install lighting in Wigley Reserve to improve amenity.

### **Kingston Park Kiosk Funded in 2021–22 for delivery in 2022–23**

The Kingston Park Kiosk is used by residents, caravan park customers and coastal pathway users. This project includes the design and construction of a new kiosk at Kingston Park near the Brighton Beachfront Holiday Park to replace the existing kiosk which is past its end of life. This facility will be sensitive to its location and use construction materials suitable for coastal locations.

### **Urban Forest maintenance – \$40,000**

Additional watering is required to ensure the ambitious program of tree planting across the City is successful.

### **Stormwater Data Collection (pit and pipe survey) – \$120,000**

A significant amount of council's stormwater assets are buried, making it difficult to assess their condition. This three year project is for data collection to provide current and accurate stormwater asset inventory to inform asset decision making. Year 1 of 3 involves engaging a specialist to survey and collect data on council's pit and pipe network.

### **Resilient Asset Management Project (RAMP) – \$59,000**

The City of Holdfast Bay is contributing to a multi-year collaborative project being undertaken by the four Resilient South councils (Holdfast Bay, Marion, Mitcham and Onkaparinga). The RAMP project is piloting the integration of climate risk data into our asset management processes to improve our ability to maintain service standards in the face of increased climate risk and identify opportunities to fund climate-resilient approaches.

### **Electric Vehicle Transition Plan – \$20,000**

A priority action from council's *Environmental Strategy 2020–2025* and *Climate Neutral Plan* is to transition the Council fleet to low/zero net carbon. A detailed plan will be developed that provides a timeline and estimated costs to transition council's fleet to non-fossil fuel vehicles such as electric vehicles. The plan will also incorporate details and estimated costs of associated infrastructure required including charging stations and systems.

### **Gordon Street/Augusta Street Roundabout – \$45,000**

Provision of landscaping for the Gordon Street/Augusta Street Roundabout.

### **Open Space/Greening Investigation for the Diagonal Road, Brighton Road, Oaklands Road triangle – \$20,000**

With limited green space in this area of the City, and investigation will be undertaken to discover options for increasing green space with traditional and/or non-traditional solutions.

### **Greening the Brighton/Hove Rail Corridor – \$35,000**

The Brighton/Hove Rail Corridor greening is a volunteer led project with Council in-kind support. Council will investigate the level of interest in forming a volunteer resident's group for the Brighton and Hove rail corridor area. Options for forming and supporting a potential group will be explored with interested residents. Support actions from council include assistance with initial vegetation removal and weed control and the provision of native plants.

### **Food Organics and Garden Organics – \$250,000**

Since September 2020, more than 1,000 Holdfast Bay households have participated in a pilot partially funded by Green Industries SA where weekly food organics and garden organics (FOGO), fortnightly landfill and fortnightly recycling became the default bin collection service. This collection model proved very popular with participants and a subsequent survey in October 2021 found that 96% of residents wanted to continue the arrangement. Respondents to the draft annual business plan also expressed support for extending the arrangement to the rest of the city. From July 2022, a staged roll out of this collection model will commence. This will assist Council in reaching the State Government's 70% landfill diversion target for municipal waste by 2030.



# INNOVATION

A thriving economy and community that values life-long education, research, creativity and entrepreneurialism.

## OBJECTIVES: 2020 – 2030

- › Facilitate growth in the number of home-based businesses where practical to reduce transit distances
- › Maximise the value of public buildings, including libraries, to support innovation by creating co-working spaces and technology/prototyping/maker spaces and hubs
- › Partner to establish an innovator/entrepreneur in residence program that includes local schools and encourages life-long learning across the population
- › Partner to develop a centre of excellence in hospice care and dying well
- › Partner to facilitate the provision of technology infrastructure to support creative and emerging industries, including mobility as a service, start-ups and other entrepreneurial activities

## MEASURES

- The number of home-based businesses increases as reported via Census data
- Utilisation of Council buildings increases
- Program participation rates trend upwards
- Amount of support attracted is sufficient to establish a centre
- Number of start-ups, creative and technology-related businesses in the city increases



## ACHIEVEMENTS

In 2021–22, council delivered projects and services that supported the goal of developing a thriving economy and community that values life-long education, research, creativity and entrepreneurialism. Activities included:

- › Businesses initiatives such as a business concierge, small business advisory service and the development of an online business directory
- › Progression of the *Economic Activation Plan* to support economic development and encourage investment in future growth industries
- › Implementing the *Tourism Recovery Plan* to help regenerate the local tourism economy
- › Hosting events such as COVID-Safe requirements allow in order to attract attendees to the City
- › City of Holdfast Bay Enterprise Technology Roadmap Implementation
- › Continuing to implement our Enterprise Technology 2020–2023 Roadmap, which identifies projects to deliver people, process and technology improvements that enable the realisation of key business objectives for council
- › Undertaking a representation review, to consider council’s composition and the division of the council area into wards
- › A review of council’s strategic plan
- › Introduced click and collect library access for contactless pick up of library materials.

## PRIORITIES

In 2022–23, we will continue to support the Holdfast Bay economy, welcome tourism and attract a variety of events to our city. Our focus for the coming financial year includes:

- › Review and update our *Economic Development Plan* to ensure relevance to changing business conditions
- › Continuing the digital transformation program that will transform both the customer experience and our business processes
- › Hosting more than 250 events to attract attendees including: New Year’s Eve; street parties; off-peak and shoulder season activations; Christmas celebration; Moseley Beach Club; and the Mix 102.3 Giant Ferris wheel
- › Ensuring continued access to mentoring through the Southern Adelaide Business Advisory Service
- › Continuing to support and facilitate the Jetty Road Glenelg Mainstreet Committee
- › Implementing the *Tourism Recovery Plan* to help regenerate the local tourism economy
- › Supporting our community to reconnect and participate in community programs and events at our libraries to reach over 180,000 visits and engaging 9,000 participants in programs.



## SERVICE DELIVERY

### Library Services – \$1.69 million

The City of Holdfast Bay provides accessible and progressive library services that meet our community's informational and recreational reading needs while fostering a love of lifelong learning. In 2022–23, we will:

- › Continue to deliver events, programs, services and activities through our two branches at Brighton and Glenelg
- › Engage with the community to develop the *Future Libraries Strategy*.

### Tourism & Events \$1.46 million

Developing an environment that supports the future viability of local businesses and creates opportunities to enhance the City's tourism offering.

Our visitor and business services include:

- › Planning, implementing and supporting a wide range of community events to increase visitation and length of stay
- › Providing targeted tourism and marketing services aligned with community desires and needs.

### Jetty Road Mainstreet Glenelg

A separate rate is levied on Jetty Road Glenelg properties to fund the promotion of the precinct as a vibrant shopping, leisure and recreational area with year-round appeal to residents and visitors; and to oversee the economic development of the precinct by encouraging further retail investment in the precinct.

### City Activation \$1.24 million

In July 2018, council endorsed the Economic Activation Plan 2018–2023, focusing on five strategic directions. These strategic directions form the basis of a five-year action plan for the delivery of collaborative economic development programs and initiatives, resulting in ongoing economic prosperity for the city:

- › Business capacity building
- › Investment attraction and growth
- › Innovation and digital evolution
- › Regional collaboration.
- › Adelaide's premier seaside destination

As well as a business concierge service, the economic development program delivers services that facilitate business capacity building, investment attraction and growth, innovation and digital evolution, and regional collaboration.

Council will continue to develop an environment that assists the future viability of local businesses and creates opportunities to attract innovative industries.

Our Activation program celebrates our culture by

- › Supporting artists, creative industries and cultural production through implementation of the Creative Holdfast Arts and Culture Strategy 2019–2024
- › Engaging the public with local history and Kaurua heritage through a range of exhibitions and programs
- › Preserving and stabilising the Holdfast history collection while developing opportunities to make it more accessible to the community.

### Commercial and Economic Enterprises – \$0.45 million

Council operates a number of commercial enterprises and commercial leases to reduce reliance on non rates revenue. These include but are not limited to Brighton Beachfront Holiday Park and Partridge House.

### Corporate Services – \$4.1 million

Council delivers services to the community in a responsible, transparent way that meets legislative requirements and provides the best value for money. The broad business areas providing corporate services include:



- › Customer service
- › Strategy and Governance
- › Human resources
- › Risk management
- › Work health and safety
- › Elected member and CEO support.

### **Financial Services – \$3.06 million**

We ensure council remains financially sustainable and accountable by providing sound financial management, including rating, investment and treasury management, grants administration, insurance, financial charges and auditing services.

### **Innovation and Technology Services – \$2.87 million**

Up-to-date information and technology services enable the delivery of effective and efficient services to the community and provide a range of easy options for customers to contact and do business with council.

## **NEW PROJECTS**

### **Business Transformation – \$750,000**

As technology evolves and plays an increasing role in people’s lives, service expectations change. Council must respond while protecting residents’

privacy and security and meeting their expectations for personalisation, ease, convenience and multi-channel service delivery. To this end, council is implementing a multi-year, user-centred digital transformation program that will transform both the customer experience and our business processes.

## **CAPITAL PROJECTS**

### **Plant and Equipment Replacement – \$1.32 million**

To meet our operational needs and enable the safe, effective delivery of services, we have allocated \$1.32 million to maintain and replace major plant and equipment.

### **Information Technology Equipment Replacement – \$56,454**

An allocation of \$56,454 will be used to replace back-up infrastructure and continue our transition to a mobile workforce.

### **Library Collection and Improvements – \$85,340**

In 2022–23, \$85,340 has been allocated to maintain our library collection to ensure that materials are current, accessible, and meet the community’s cultural and informational needs.



# DEVELOPING OUR ORGANISATION

We will serve the community through services and programs that meet and exceed its needs by doing things right the first time and doing them well; by having the right people with the right skills; and by managing our resources to meet the expectations of our community.

**CITY OF HOLDFAST BAY  
LONG-TERM FINANCIAL PLAN**





## ARISE

We will serve the community through services and programs that meet and exceed its needs by doing things right the first time and doing them well; by having the right people with the right skills; and managing our resources to meet our community's expectations.

Council is committed to a set of core values (ARISE):

- › **A**chievement
- › **R**espect
- › **I**nnovation
- › **S**implicity
- › **E**ngagement

The objectives for each area of our business aim to provide the best value to the community.

### **Finance**

We will develop and maintain a long-term financial position that ensures our financial health and sustainability.

### **Assets**

We will drive a systematic approach to the development, maintenance and replacement of our assets and ensure that these assets meet the needs of our community.

### **People**

We will attract and maintain the right mix of people with the skills and experience to deliver our services and achieve our goals.

### **Systems and Processes**

We will ensure that our organisation is appropriately governed, operates in a planned environment and continually works to improve services and programs.

### **Service Delivery**

We will maintain and improve our service delivery, quality, efficiency and cost-effectiveness.

# FUNDING OUR CITY

## OPERATING RESULT

In 2022–23, council is proposing an extensive program of municipal services and projects. To achieve this, we expect to raise \$50.07 million in operating income and spend \$49.68 million in operating expenditure. The funds come from a variety of sources. While our income is predominantly from rates, it also includes grants from the state and Commonwealth governments and income from statutory and user charges. In 2022–23, 80 per cent of the revenue to fund municipal operations will come from rates.

Council has budgeted for a consolidated operating surplus of \$108,229 (Alwyndor deficit of \$281,415) and municipal operations surplus of \$389,644 in 2022–23, composed of a consolidated operating income of \$79.1 million to cover consolidated operating expenditure of \$79 million.

## OUR FINANCIAL STATEMENTS

We have included a summary of our projected financial statements for the 2022–23 financial year in this document. The consolidated financial statements incorporate our municipal operations and Alwyndor Aged Care – a self-funded component of our service delivery.

A net sum of \$39.04 million (excluding the Landscape Levy) will be raised from rates in 2022–23.

Council owns infrastructure and assets (such as roads, drains, footpaths and buildings) with a current value of approximately \$372 million (excluding land). These assets deteriorate over time through wear and tear and must be replaced or renewed at appropriate intervals to prolong their useful lives and continue delivering services to the community. We are mindful of the impact on ratepayers and committed to developing options that ease the rate burden by increasing other revenue sources.

## FINANCIAL MANAGEMENT

Council's financial principles include a commitment to prudent debt management. Our treasury policy recognises the use of borrowings to spread the investment in community assets over time, supporting the principle of intergenerational equity. Any funds that are not immediately required to meet approved expenditure or minimum liquidity are applied to reduce existing borrowings or defer the timing of new borrowings, or are invested in interest-bearing deposits. We regularly consider the financial environment, prevailing interest rates and the life of community assets, to ascertain a treasury position that provides an optimum balance of long- and short-term loans, and fixed and floating interest rates.

The Holdfast Bay community has high service expectations because of its coastal proximity and tourism focus, amongst other factors. The 2022–23 *Annual Business Plan* forecasts a projected borrowing requirement of \$2.96 million to fund the proposed program of capital works and projects. The current financial environment allows borrowing at low, fixed, long-term interest rates. We believe it is prudent to borrow to renew and replace infrastructure and assets for the community's benefit as outlined in our *Long-Term Financial Plan* and *Asset Management Plan*, which aim to deliver high service levels at low overall life-cycle cost. Running down the value of assets or not replacing them is short-sighted and can lead to a lack of community and business confidence and increased expenditure in future years.

Council's risk management framework and audit committee provide strategic and operational risk management guidance. This is done holistically, having regard for all aspects of financial and risk management. Guided by our *Long-Term Financial Plan*, our financial management takes a long-term view that ensures we maintain a sustainable financial and asset management position.



## Rate Comparisons

Comparing our rates with those of other councils is a complex issue. Each council has different characteristics (such as size, demographics, residential base and growth) and provides either different services or similar services at different standards. Councils provide a broad range and level of services to the community. Although some of these are statutory requirements, the majority are determined by the expectations of local ratepayers. The cost of providing and maintaining services is spread across the community in the form of rates. Council determines a rate in the dollar based on the amount of revenue required to meet the ongoing cost of providing services to the community for the coming year.

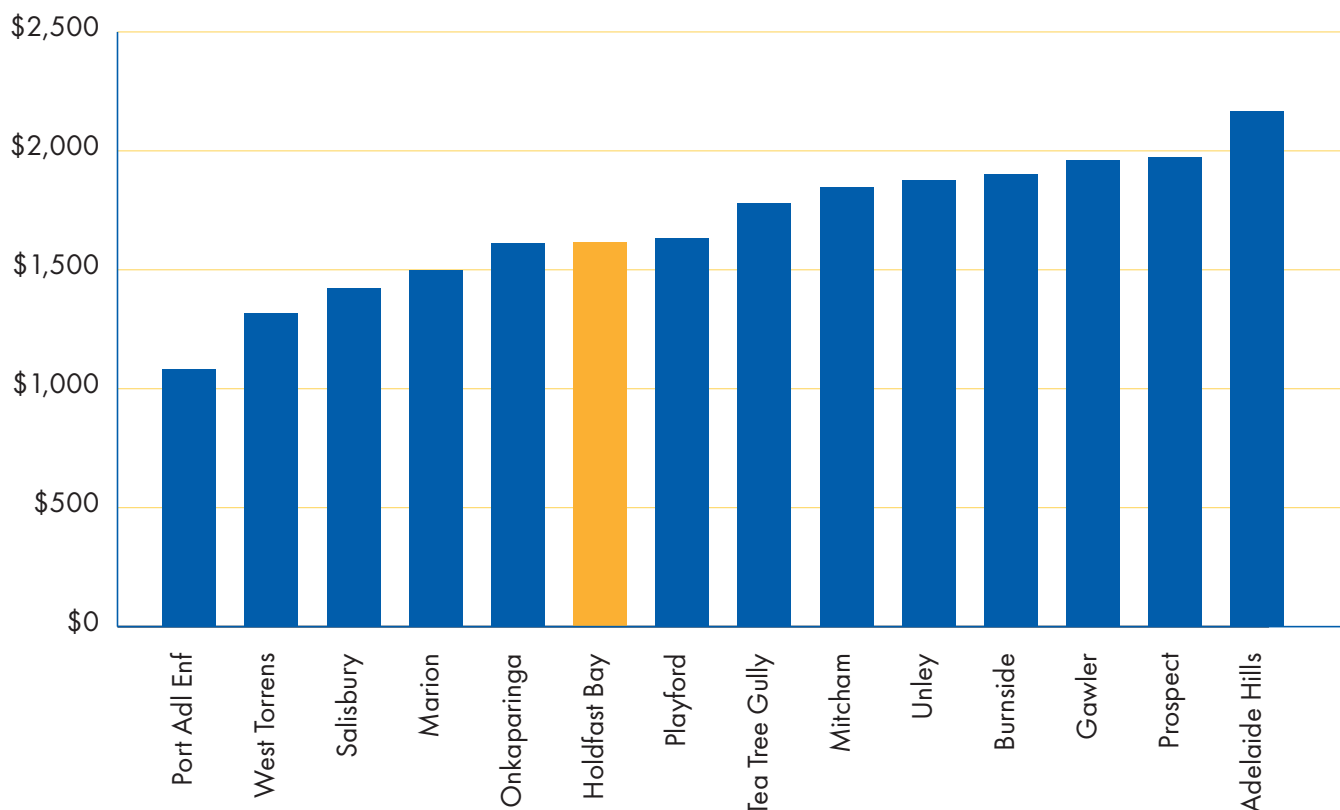
The amount of rates that property owners pay is determined by multiplying a property's value by the rate in the dollar.

For example, if the property value is \$500,000, and the rate in the dollar is 0.004474 cents, the rates payable will be \$1,224.

For 2022–23 the proposed revenue from rates is \$39,042,770 compared to \$37,722,630 for 2021–22. This is a 3.5% change in total proposed revenue from rates compared to previous year. This comprises the increase in rates plus new development.

The charts on the following page show a comparison of the average residential rate for Adelaide metropolitan councils for 2020–21. The average (mean) residential rate for the City of Holdfast Bay in 2021–22 was \$1,617. This represented a rate of 0.002431 cents in the dollar. We delivered the program of services and projects outlined in the *2020–21 Annual Business Plan*, with a residential rate that compared favourably to other South Australian council areas.

## 2021–22 Average (mean) residential rate comparison (\$)



### What Will You Pay in Rates?

The amount you pay is determined by your property’s valuation and how we apportion rates across the community. We endeavour to apportion rates across the community in an equitable fashion. Property valuation modelling has yet to be provided. However, based on the average (mean) for residential property value for 2021–22, the rate increase for the average (mean) residential premises will be \$52 per year or \$13 per quarter. This is \$1 per week.

The average (mean) increase for other land use categories is outlined below:

Land Use Category	2022–23 Change
Commercial – Shop	-\$200
Commercial – Office	-\$109
Commercial – Other	-\$188
Industry – Light	-\$169
Industry – Other	\$79
Vacant Land	-\$160
Other	-\$1,485

### Rating Policy

Section 147 of the *Local Government Act 1999* provides council with the power to rate all land within the City of Holdfast Bay—except for land specifically exempted, such as Crown land and land occupied by council. We continually review our rating policy to ensure that it is fair and equitable. Our current rating policy is available at the Brighton Civic Centre and can be downloaded at [holdfast.sa.gov.au](http://holdfast.sa.gov.au)

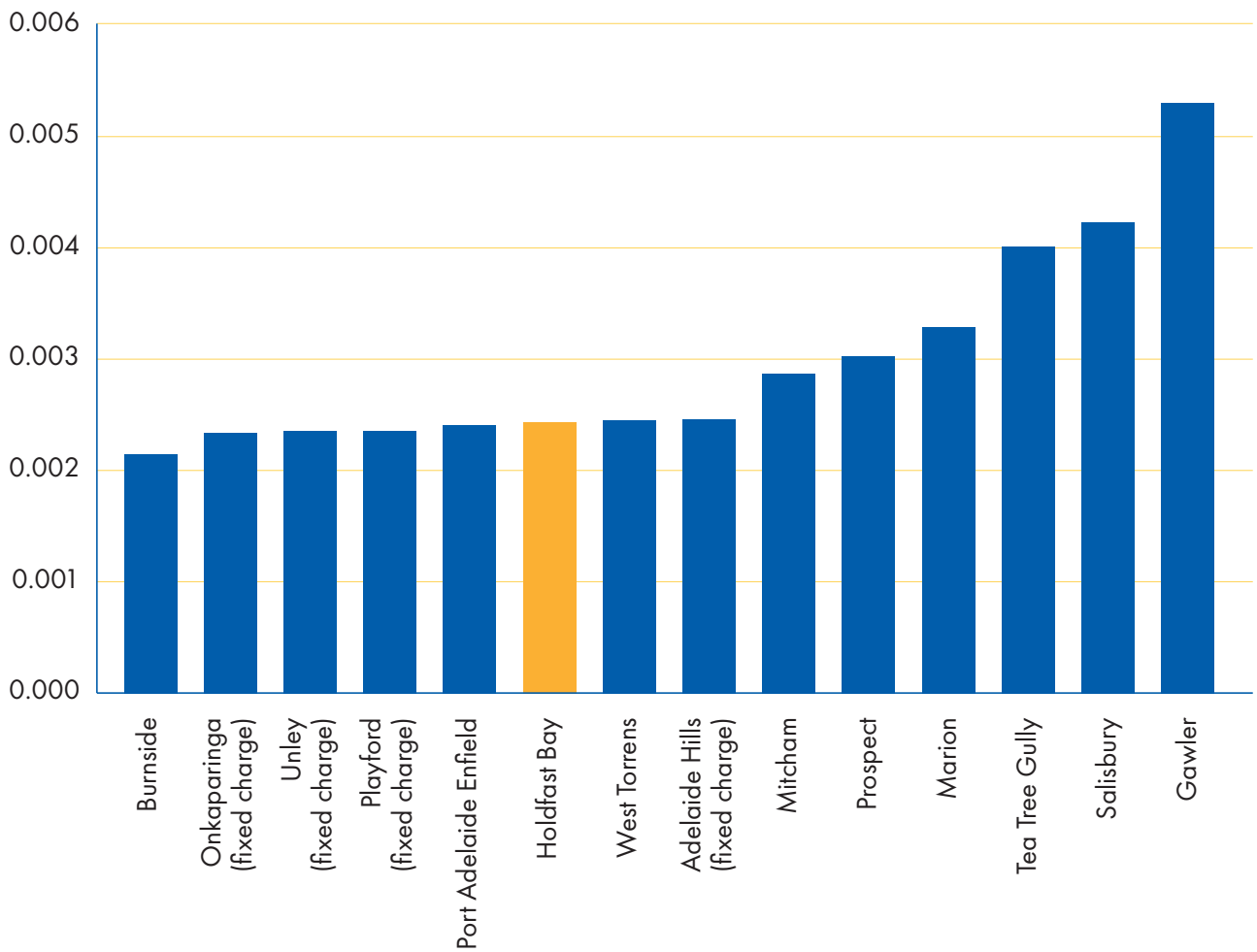
### Land Valuation Method

Council uses the capital value determined by the State Valuation Office as the basis for valuing land and calculating rates, as we feel this method provides the fairest and most efficient method of distributing the rate burden across all ratepayers. If you are dissatisfied with your valuation, you can object to the State Valuation Office in writing within 60 days of receiving the notice of valuation, explaining why you object. The Valuer General may extend the 60-day objection period where it is shown there is reasonable cause to do so.

### 2021–22 Residential rate-in-the-dollar comparison (cents)

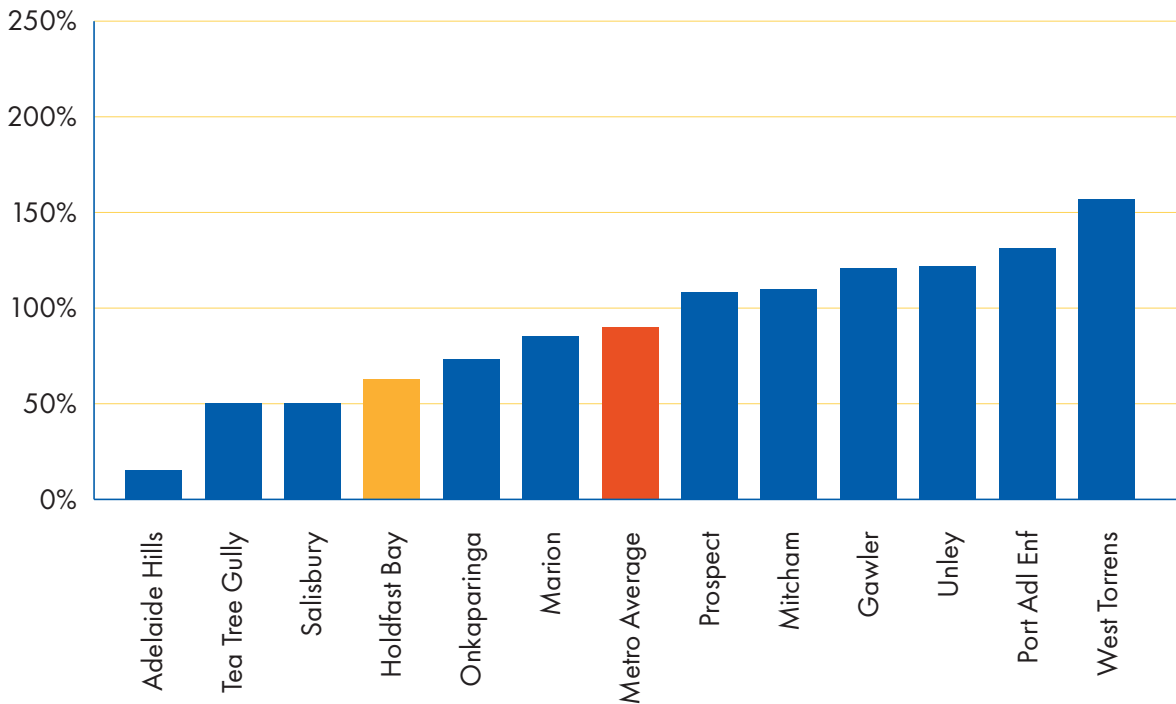
Some councils charge a “fixed charge”, an amount levied against all rateable properties. A rate in the dollar based on property value is then charged on top of the fixed charge.

Hence, the rate in the dollar for those councils with a fixed charge does not provide a comparison to the rates payable for Holdfast Bay residents.





## 2021–22 Metropolitan differential rate premium comparison



### Residential Rates

Our 2022–23 Annual Business Plan and financial statements are based on a rate revenue increase of 3.2 per cent, excluding new building construction and separate rates. The average (mean) value of properties in the City of Holdfast Bay in 2022–23 is \$821,073, with an average (mean) rate of \$1,669.

A differential premium of 62% above the residential rate was applied, equating to 12% of total rate revenue (\$4.73 million) being paid by this sector. This premium compares favourably with the 2021–22 metropolitan average of 90%.

In 2022–23 the rate revenue from commercial, industrial and vacant properties will be 12% of our overall general rate.

### Industrial, Commercial Property and Vacant Land Rates

Council applies a differential rate to industrial, commercial properties and vacant land. This applies a premium based on the principle that industrial and commercial properties place a greater burden on infrastructure and achieve direct benefits from council parking and health regulations, events, tourism, etc. For vacant land, the differential rate provides an incentive to encourage property development.

### Separate Rate

Council levies two separate rates on specific ratepayers to provide funding for activities and services related to those ratepayers. They are as follows:

1. The Jetty Road Mainstreet Separate Rate is applied to properties within the Jetty Road Mainstreet precinct to promote and enhance business viability and trade. Revenue from this separate rate is expected to raise \$617,630 in 2022–23, representing an increase of 3.2% on the rate levied in 2021–22.

2. The Patawalonga Marina Separate Rate is applied to properties within the basin of the Patawalonga, bounded by the high-water mark and comprised of marina berths. This separate rate provides funding for the ongoing maintenance of the Patawalonga lock. Because the lock is also widely used by the general public, this rate is adjusted by 50%. The Patawalonga Marina Separate Rate for 2022–23 is expected to raise \$77,140. We will continue to calculate this rate using this method, adjusting slightly to account for the actual maintenance costs incurred each year because it offers the greatest level of certainty for ratepayers.

### Landscape Levy

Formerly called the Natural Resource Management (NRM) Levy, councils are required under the *Landscape South Australia Act 2019* to collect the Landscape Levy on behalf of the state government. For 2022–23 the Landscape Levy for properties in the City of Holdfast Bay will increase by \$30,000 to \$1.35 million.

### Rebates

Council is required to provide mandatory rebates under Sections 160 to 165 of the *Local Government Act 1999* for properties:

- › Predominantly used for service delivery or administration by a hospital or health centre (section 160).
- › Predominantly used for service delivery or administration by a community service organisation (section 161).
- › Containing a church or other building used for public worship or used solely for religious purposes (section 162).
- › Being used for the purpose of a public cemetery (section 163).
- › Occupied by a government school under a lease or licence or a non-government school being used for educational purposes (section 165).

In addition, council may provide discretionary rebates under Section 166 where:

- › The rebate is desirable for the purpose of securing the proper development of the area or assisting or supporting a business.
- › The land is being used for educational purposes, agricultural, horticultural or floricultural exhibitions, a hospital or health centre, to provide facilities or services for children or young people, to provide accommodation for the aged or disabled, for a residential aged care facility or a day therapy centre, or by an organisation which, in the opinion of council, provides a benefit or service to the local community.
- › The rebate relates to common property or land vested in a community corporation over which the public has a free and unrestricted right of access and enjoyment.
- › The rebate is considered by council to be appropriate to provide relief against what would otherwise amount to a substantial charge in rates payable due to a change in the basis of valuation.

### Minimum rate

We impose a minimum amount payable by way of rates. The minimum rate for 2022–23 will be \$1,079.

### Rate relief

Support is available for people experiencing difficulty in paying their rates. For further information, please contact our Customer Service team on 8229 9999. A residential rate cap is applied to provide relief to ratepayers who own properties that have been subject to increases in valuations that are deemed excessive. In 2022–23, council determined that residential ratepayers could apply for a reduction in their rates where they could demonstrate an increase in their annual rate bill in excess of 6 per cent. Council offers a range of hardship provisions. Visit [holdfast.sa.gov.au](http://holdfast.sa.gov.au) or contact us on 8229 9999 to find out more.

# FINANCIAL TARGETS

- 1. To achieve an operating ratio of 0–10 per cent over a five-year period.**
- 2. To achieve a net financial liabilities ratio of less than 75 per cent.**
- 3. To improve council’s asset sustainability ratio to be within the range of 90–110 per cent over a five-year period.**

## **1. To achieve an operating ratio of 0–10 per cent over a five-year period**

In 2022–23, council will raise \$39.04 million in rate revenue (including separate rates and but excluding the Landscape Levy), and this will yield an operating surplus ratio of 1%. Currently, our operating ratio measure over the five years from 2014–2015 to mid-2020 is 3 per cent. The operating ratio is the operating result expressed as a percentage of total operating revenue. The operating result is the difference between recurrent income and recurrent operating expenditure.

Recurrent income is made up of revenue received each year in the ordinary course of activities, such as rate revenue, user and statutory charges and operating grants, but excluding capital grants. Recurrent operating expenditure is incurred in the ordinary course of providing services, including a charge for depreciation of infrastructure and assets. Depreciation can be regarded as the cost of wear and tear. The operating result is expressed as a surplus (where income exceeds expenditure) or a deficit (where expenditure exceeds income).

While we strive to maintain a balanced budget or small surplus each year, we recognise that current cost movements, particularly in areas where we have little control, will increase the possibility of an operational deficit being

forecast in future years. An operating deficit indicates that the cost of services provided is not being adequately funded, and current users are not paying enough for the use of services and infrastructure. Continued operational deficits would indicate that we were not able to maintain a financially sustainable outcome into the future. As a result, we continue to review our revenue and expenditure to supply services that are efficient and effective in meeting the needs of the community.

Council is committed to a balanced budget or modest operating surplus. To achieve this, we continuously review the services provided to the community and our business processes to provide the most cost-effective and efficient service delivery. In 2022–23, we will continue to monitor and review council’s operations to ensure that we can continue to meet the community’s expectations in a financially sustainable way.

## **2. To achieve a net financial liabilities ratio of less than 75 per cent**

Council must manage expectations and requirements of capital investment and renewal on an ongoing basis. While annual and ten year budget management are mandated by the *Local Government Act 1999*, there is also a need for mid-range forecasting and prioritisation of the project pipeline. To this end, Council is currently in the process of establishing a prioritisation framework. The framework will enable more nuanced budgeting and the management of budget capacity over the medium term.

Council’s current ceiling for the net financial liabilities ratio is 75 per cent. The net liabilities ratio is a measure of the size of our net financial liabilities (which is what we owe others, minus what others owe us) as a percentage of total operating revenue.



However, it is acceptable to exceed this ceiling from time to time, particularly when low interest rates offer the opportunity to develop infrastructure and facilities that will provide long-term benefit to the community. In 2022–23, the net financial liabilities ratio is forecast to decrease from 75 per cent to 72 per cent (excluding Alwyndor Aged Care).

An additional, and arguably more relevant, indicator of council's ability to manage and service debt is its interest cover ratio which is measured by calculating our net financial interest as a percentage of the overall operating revenue. Council has set a ceiling of five per cent for this ratio. A ratio of five per cent indicates that, for every \$100 of revenue, \$5 is spent on net interest

payments. In 2022–23, our interest cover ratio is forecast to be 1.6 per cent (excluding Alwyndor Aged Care). Our net financial liabilities and interest cover ratio indicate that council remains in a strong and sustainable financial position to manage its debt levels.

### **3. To improve Council's asset sustainability ratio to be within the range of 90–110 per cent over a five-year period**

The asset sustainability ratio measures the level of capital expenditure on the renewal and replacement of existing infrastructure and assets. It is measured against the level proposed in the *Asset Management Plan*. For 2022–23 this is forecast to be 100 per cent.



# MEASURING OUR PERFORMANCE

Council appoints an audit committee, which includes three independent members with relevant qualifications and experience, to provide advice and recommendations on financial and governance matters.

Performance is measured using:

- › A range of financial reports, including monthly financial statements, budget updates, four annual comprehensive budget reviews and the presentation of audited financial statements as required under the *Local Government Act 1999*.
- › Strategic plan measures, which gauge how we are working towards achieving the strategic objectives outlined in *Our Place 2050+*. The measures are listed beside their objectives at the introduction to each of the focus areas within this document.
- › Corporate measures, which track internal operations that aim to improve the way we deliver services.

## STRATEGIC PLAN MEASURES

In addition to outlining council's vision and direction, *Our Place 2050+* identifies the measures used to monitor and assess performance. These measures are expressed as key performance indicators. This underlines our obligation to be accountable, assuring our community that we are properly managing steady progress towards achieving the objectives defined in *Our Place 2050+*, and building a high level of trust that we will deliver these objectives.

## CORPORATE MEASURES

Corporate measures are reported on a quarterly basis to track the health of the organisation and its fitness and ability to deliver the objectives expressed in *Our Place 2050+*. These include:

- › Capital works – progress on the capital works program.
- › Annual business plan – progress on achieving projects in the *Annual Business Plan*.
- › Financial management – reviewing the budget position.
- › Workplace health and safety – reviewing health and safety compliance and key performance indicators.
- › Human resources – reviewing internal resources and training.
- › External grants – reviewing the position of current grants and grant applications.

The background is a solid yellow color with white, hand-drawn style contour lines that resemble a topographic map. The lines are irregular and wavy, creating a sense of depth and movement. They are distributed across the page, with some areas having more closely spaced lines and others having more widely spaced lines.

# **FINANCIAL STATEMENTS – MUNICIPAL**

**CITY OF HOLDFAST BAY**  
**PROJECTED INCOME STATEMENT- MUNICIPAL FUNDS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<u>Municipal</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Municipal</u> <u>22/23</u> <u>BUDGET</u>
\$	<b>REVENUES</b>	\$
37,049,400	Rates - General	38,348,000
598,480	Rates - Jetty Road Glenelg	617,630
74,750	Rates - Patawalonga Marina	77,140
1,321,600	Rates - Regional Landscape Levy	1,351,000
2,210,235	Statutory Charges	2,582,060
3,150,444	User Charges	3,191,115
2,029,238	Operating Grants & Subsidies	2,381,546
35,800	Investment Income	20,000
598,970	Reimbursements	749,070
542,407	Other	650,410
160,000	Net Equity Gain - Joint Ventures	101,250
47,771,324	<b>TOTAL REVENUES</b>	50,069,221
	<b>EXPENSES</b>	
18,437,099	Employee Costs	19,105,389
19,111,960	Materials, contracts and other expenses	19,861,358
839,520	Finance Charges	834,830
9,743,000	Depreciation	10,468,000
( 928,097)	Less full cost attribution	( 944,000)
460,380	New Initiatives - Operating	354,000
47,663,862	<b>TOTAL EXPENSES</b>	49,679,577
107,462	Operating Surplus/(Deficit) - Before Capital Revenue	389,644
878,828	Amounts specifically for new or upgraded assets	1,483,500
986,290	<b>NET SURPLUS/(DEFICIT)</b>	1,873,144



**CITY OF HOLDFAST BAY**  
**PROJECTED INCOME STATEMENT- MUNICIPAL FUNDS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<u>Municipal</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Municipal</u> <u>22/23</u> <u>BUDGET</u>
\$	<b>REVENUES</b>	\$
37,049,400	Rates - General	38,348,000
598,480	Rates - Jetty Road Glenelg	617,630
74,750	Rates - Patawalonga Marina	77,140
1,321,600	Rates - Regional Landscape Levy	1,351,000
2,210,235	Statutory Charges	2,582,060
3,150,444	User Charges	3,191,115
2,029,238	Operating Grants & Subsidies	2,381,546
35,800	Investment Income	20,000
598,970	Reimbursements	749,070
542,407	Other	650,410
160,000	Net Equity Gain - Joint Ventures	101,250
<u>47,771,324</u>	<b>TOTAL REVENUES</b>	<u>50,069,221</u>
	<b>EXPENSES</b>	
18,437,099	Employee Costs	19,105,389
19,111,960	Materials, contracts and other expenses	19,861,358
839,520	Finance Charges	834,830
9,743,000	Depreciation	10,468,000
( 928,097)	Less full cost attribution	( 944,000)
460,380	New Initiatives - Operating	354,000
<u>47,663,862</u>	<b>TOTAL EXPENSES</b>	<u>49,679,577</u>
<u>107,462</u>	Operating Surplus/(Deficit) - Before Capital Revenue	<u>389,644</u>
878,828	Amounts specifically for new or upgraded assets	1,483,500
<u>986,290</u>	<b>NET SURPLUS/(DEFICIT)</b>	<u>1,873,144</u>

**CITY OF HOLDFAST BAY**  
**PROJECTED BALANCE SHEET - MUNICIPAL FUNDS**  
**AS AT 30TH JUNE 2023**

<u>Municipal</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Municipal</u> <u>22/23</u> <u>BUDGET</u>
\$		\$
	<b>CURRENT ASSETS</b>	
865,000	Cash and cash equivalents	443,183
3,039,000	Trade and Other Receivables	2,422,226
<u>10,000</u>	Inventory	<u>-</u>
<u>3,914,000</u>	<b>TOTAL CURRENT ASSETS</b>	<u>2,865,409</u>
	<b>NON-CURRENT ASSETS</b>	
706,700	Financial Assets	632,816
3,387,000	Equity accounted investments-Council businesses	3,414,876
<u>708,858,814</u>	Land, Infrastructure, Property, Plant & Equipment	<u>718,138,802</u>
<u>712,952,514</u>	<b>TOTAL NON-CURRENT ASSETS</b>	<u>722,186,494</u>
<u>716,866,514</u>	<b>TOTAL ASSETS</b>	<u>725,051,903</u>
	<b>CURRENT LIABILITIES</b>	
5,431,374	Trade and Other Payables	5,866,943
1,338,040	Borrowings	1,379,000
<u>3,134,000</u>	Short-term Provisions	<u>3,277,750</u>
<u>9,903,414</u>	<b>TOTAL CURRENT LIABILITIES</b>	<u>10,523,693</u>
	<b>NON-CURRENT LIABILITIES</b>	
30,316,534	Long-term Borrowings	28,879,136
<u>313,000</u>	Long-term Provisions	<u>291,538</u>
<u>30,629,534</u>	<b>TOTAL NON-CURRENT LIABILITIES</b>	<u>29,170,674</u>
<u>40,532,948</u>	<b>TOTAL LIABILITIES</b>	<u>39,694,367</u>
<u>676,333,566</u>	<b>NET ASSETS</b>	<u>685,357,536</u>
	<b>EQUITY</b>	
181,330,566	Accumulated Surplus	184,787,536
<u>495,003,000</u>	Asset Revaluation Reserve	<u>500,570,000</u>
<u>676,333,566</u>	<b>TOTAL EQUITY</b>	<u>685,357,536</u>

**CITY OF HOLDFAST BAY**  
**PROJECTED STATEMENT OF CHANGES IN EQUITY - MUNICIPAL FUNDS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<u>Municipal</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Municipal</u> <u>22/23</u> <u>BUDGET</u>
\$		\$
	<b>ACCUMULATED SURPLUS</b>	
180,344,276	Balance at beginning of period	182,914,392
<u>986,290</u>	Net Surplus/(Deficit)	<u>1,873,144</u>
181,330,566	Balance at end of period	184,787,536
495,003,000	<b>ASSET REVALUATION RESERVE</b>	500,570,000
<u>495,003,000</u>	<b>TOTAL RESERVES CLOSING BALANCE</b>	<u>500,570,000</u>
<u>676,333,566</u>	<b>TOTAL EQUITY</b>	<u>685,357,536</u>

**CITY OF HOLDFAST BAY**  
**PROJECTED BUDGETED STATEMENT OF CASH FLOWS - MUNICIPAL FUNDS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<u>Municipal</u> <u>21/22 Original</u> <u>BUDGET</u> \$ (OUTFLOWS)		<u>Municipal</u> <u>22/23</u> <u>BUDGET</u> \$ (OUTFLOWS)
	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
	<u>Receipts</u>	
47,611,324	Operating Receipts	50,187,271
	<u>Payments</u>	
( 36,818,968)	Operating payments to suppliers and employees	( 38,328,950)
( 839,520)	Finance Payments	( 834,830)
<u>9,952,836</u>	<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>11,023,491</u>
	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
	<u>Receipts</u>	
878,828	Grants specifically for new or upgraded assets	1,483,500
528,000	Sale of replaced assets	474,250
247,000	Repayments of loans (principal) by community groups	253,000
	<u>Payments</u>	
( 9,421,907)	Expenditure on renewal/replacement of assets	( 8,877,700)
( 6,431,166)	Expenditure on new/upgraded assets	( 5,937,000)
<u>( 14,199,245)</u>	<b>NET CASH (USED IN) INVESTING ACTIVITIES</b>	<u>( 12,603,950)</u>
	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
	<u>Receipts</u>	
5,584,449	Proceeds from Borrowings - External	2,959,459
	<u>Payments</u>	
( 1,338,040)	Repayments of Borrowings - External	( 1,379,000)
<u>4,246,409</u>	<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<u>1,580,459</u>
	- <b>NET INCREASE (DECREASE) IN CASH HELD</b>	-
865,000	<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF</b>	443,183
	<b>REPORTING PERIOD</b>	
<u>865,000</u>	<b>CASH AND CASH EQUIVALENTS AT END OF</b>	<u>443,183</u>
	<b>REPORTING PERIOD</b>	

**RECONCILIATION OF INCOME STATEMENT TO BUDGETED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

986,290	<b>SURPLUS FROM INCOME STATEMENT</b>	1,873,144
	<b>NON-CASH ITEMS IN INCOME STATEMENT</b>	
9,743,000	Depreciation	10,468,000
102,374	Movements in provisions	165,847
<u>9,845,374</u>	<b>TOTAL NON-CASH ITEMS</b>	<u>10,633,847</u>
	<b>CASH ITEMS NOT IN INCOME STATEMENT</b>	
( 15,853,073)	Capital Expenditure	( 14,814,700)
( 1,338,040)	Loan Repayments - External	( 1,379,000)
5,584,449	Proceeds from Borrowings - External	2,959,459
247,000	Repayments of loans (principal) by community groups	253,000
528,000	Proceeds from Disposal of Assets	474,250
<u>( 10,831,664)</u>	<b>TOTAL CASH ITEMS</b>	<u>( 12,506,991)</u>
	<b>NET INCREASE/(DECREASE)</b>	
<u>-</u>	<b>IN CASH AND CASH EQUIVALENTS</b>	<u>-</u>

**CITY OF HOLDFAST BAY**  
**PROJECTED SUMMARY OF OPERATING AND CAPITAL INVESTMENT ACTIVITIES**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<u>Municipal</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Municipal</u> <u>22/23</u> <u>BUDGET</u>
\$		\$
47,771,324	Operating Revenues	50,069,221
( 47,663,862)	less Operating Expenses	( 49,679,577)
107,462	Operating Surplus/(Deficit) before Capital Amounts	389,644
	<b>Less net outlays on Existing Assets</b>	
9,421,907	Capital Expenditure on renewal & replacement of existing assets	8,877,700
( 9,743,000)	Less Depreciation	( 10,468,000)
( 321,093)		( 1,590,300)
	<b>Less outlays on New and Upgraded Assets</b>	
6,431,166	Capital Expenditure on new & upgraded assets	5,937,000
( 878,828)	Less amounts received for for new & upgraded assets	( 1,483,500)
5,552,338		4,453,500
( 5,123,783)	<b>Net lending/(borrowing) for financial year</b>	( 2,473,556)

**PROJECTED FINANCIAL INDICATORS - MUNICIPAL FUNDS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<u>Municipal</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Municipal</u> <u>22/23</u> <u>BUDGET</u>
\$		\$
\$107,462	<b>OPERATING SURPLUS/(DEFICIT) - BEFORE CAPITAL AMOUNTS</b>	\$389,644
	<b>OPERATING SURPLUS RATIO</b> (Operating surplus/(deficit) before capital amounts as % of total operating revenue)	
0.22%		0.78%
\$35,922,248	<b>NET FINANCIAL LIABILITIES - (Total liabilities less financial assets)</b>	\$36,196,142
	<b>NET FINANCIAL LIABILITIES RATIO</b> (Total liabilities less financial assets as % of total operating revenue)	
75%		72%
1.7%	<b>INTEREST COVER RATIO</b> (Net interest expense as % of total operating revenue less investment income)	1.6%
100%	<b>ASSET SUSTAINABILITY RATIO</b> (Capital expenditure on renewal/replacement of existing assets, excluding new capital expenditure as % of asset management plan)	100%



**FINANCIAL STATEMENTS  
– ALWYNDOR**

**CITY OF HOLDFAST BAY**  
**PROJECTED FINANCIAL STATEMENTS**  
**BUDGET FUNDING STATEMENT - ALWYNDOR FUNDS**

<u>Alwyndor</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Alwyndor</u> <u>22/23</u> <u>BUDGET</u>
\$		\$
5,434,677	User Charges	5,575,565
12,471,644	Operating Grants & Subsidies	13,653,029
165,389	Investment Income	445,000
3,268,337	Reimbursements	5,360,638
2,722,190	Other	3,992,579
24,062,237	<b>Operating Revenue</b>	29,026,811
16,551,105	Employee Costs - Salaries & Wages	20,916,284
6,512,201	Materials, contracts and other expenses	6,966,053
60,000	Finance Charges	68,000
1,232,123	Depreciation	1,357,889
24,355,429	<b>Less Operating Expenditure</b>	29,308,226
( 293,192)	<b>= Operating Surplus/(Deficit)</b>	( 281,415)
1,232,123	Depreciation	1,357,889
170,739	Other non-cash provisions	192,771
1,402,862	<b>Plus Non-Cash items in Operating Surplus/Deficit</b>	1,550,660
1,109,670	<b>= Funds Generated from Operating Activities</b>	1,269,245
( 632,500)	Capital Expenditure-Asset Renewal and Replacement	( 523,971)
( 632,500)	<b>Less total capital expenditure</b>	( 523,971)
477,170	<b>= FUNDING SURPLUS</b>	745,274
	<b>Funded by:</b>	
477,170	Increase/(Decrease) in cash and cash equivalents	745,274
477,170		745,274

**CITY OF HOLDFAST BAY**  
**PROJECTED INCOME STATEMENT - ALWYNDOR FUNDS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<u>Alwyndor</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Alwyndor</u> <u>22/23</u> <u>BUDGET</u>
\$		\$
5,434,677	<b>REVENUES</b> User Charges	5,575,565
12,471,644	Operating Grants & Subsidies	13,653,029
165,389	Investment Income	445,000
3,268,337	Reimbursements	5,360,638
2,722,190	Other	3,992,579
24,062,237	<b>TOTAL REVENUES</b>	29,026,811
16,551,105	<b>EXPENSES</b> Employee Costs	20,916,284
6,512,201	Materials, contracts and other expenses	6,966,053
60,000	Finance Charges	68,000
1,232,123	Depreciation	1,357,889
24,355,429	<b>TOTAL EXPENSES</b>	29,308,226
( 293,192)	Operating Surplus/(Deficit) - Before Capital Revenue	( 281,415)
( 293,192)	<b>NET SURPLUS/(DEFICIT)</b>	( 281,415)

**CITY OF HOLDFAST BAY**  
**PROJECTED BALANCE SHEET - ALWYNDOR FUNDS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<u>Alwyndor</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Alwyndor</u> <u>22/23</u> <u>BUDGET</u>
\$		\$
	<b>CURRENT ASSETS</b>	
3,000,000	Cash and cash equivalents	3,200,000
1,450,211	Trade and Other Receivables	1,425,102
<u>4,450,211</u>	<b>TOTAL CURRENT ASSETS</b>	<u>4,625,102</u>
	<b>NON-CURRENT ASSETS</b>	
19,650,508	Financial Assets	17,034,904
37,645,528	Land, Infrastructure, Property, Plant & Equipment	36,576,260
<u>57,296,036</u>	<b>TOTAL NON-CURRENT ASSETS</b>	<u>53,611,164</u>
<u>61,746,248</u>	<b>TOTAL ASSETS</b>	<u>58,236,266</u>
	<b>CURRENT LIABILITIES</b>	
37,680,492	Trade and Other Payables	35,108,377
1,641,089	Short-term Provisions	1,803,574
<u>39,321,581</u>	<b>TOTAL CURRENT LIABILITIES</b>	<u>36,911,951</u>
	<b>NON-CURRENT LIABILITIES</b>	
131,911	Long-term Provisions	240,202
<u>131,911</u>	<b>TOTAL NON-CURRENT LIABILITIES</b>	<u>240,202</u>
<u>39,453,492</u>	<b>TOTAL LIABILITIES</b>	<u>37,152,153</u>
<u>22,292,756</u>	<b>NET ASSETS</b>	<u>21,084,113</u>
	<b>EQUITY</b>	
6,807,745	Accumulated Surplus	5,599,102
9,070,657	Asset Revaluation Reserve	9,070,657
6,414,354	Other Reserves	6,414,354
<u>22,292,756</u>	<b>TOTAL EQUITY</b>	<u>21,084,113</u>

**CITY OF HOLDFAST BAY**  
**PROJECTED STATEMENT OF CHANGES IN EQUITY - ALWYNDOR FUNDS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<u>Alwyndor</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Alwyndor</u> <u>22/23</u> <u>BUDGET</u>
\$		\$
	<b>ACCUMULATED SURPLUS</b>	
7,100,937	Balance at beginning of period	5,880,517
( 293,192)	Net Surplus/(Deficit)	( 281,415)
<u>6,807,745</u>	Balance at end of period	<u>5,599,102</u>
9,070,657	<b>ASSET REVALUATION RESERVE</b>	9,070,657
6,414,354	<b>ALWYNDOR RESERVES</b>	6,414,354
<u>15,485,011</u>	<b>TOTAL RESERVES CLOSING BALANCE</b>	<u>15,485,011</u>
<u>22,292,756</u>	<b>TOTAL EQUITY</b>	<u>21,084,113</u>

**CITY OF HOLDFAST BAY**  
**PROJECTED BUDGETED STATEMENT OF CASH FLOWS - ALWYNDOR FUNDS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<u>Alwyndor</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Alwyndor</u> <u>22/23</u> <u>BUDGET</u>
\$		\$
(OUTFLOWS)		(OUTFLOWS)
	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
	<u>Receipts</u>	
24,043,397	Operating Receipts	29,026,811
	<u>Payments</u>	
( 22,971,059)	Operating payments to suppliers and employees	( 27,689,566)
( 60,000)	Finance Payments	( 68,000)
<u>1,012,338</u>	<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>1,269,245</u>
	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
	<u>Receipts</u>	
( 17,304,284)	Net Purchase of Investment Securities	( 709,832)
	<u>Payments</u>	
( 480,000)	Expenditure on renewal/replacement of assets	( 403,971)
( 152,500)	Expenditure on new/upgraded assets	( 120,000)
<u>( 17,936,784)</u>	<b>NET CASH (USED IN) INVESTING ACTIVITIES</b>	<u>( 1,233,803)</u>
	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
	<u>Receipts</u>	
1,223,774	Proceeds from Aged Care Facility Deposits	339,213
<u>1,223,774</u>	<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<u>339,213</u>
( 15,700,672)	<b>NET INCREASE (DECREASE) IN CASH HELD</b>	374,655
18,700,672	<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF</b>	2,825,345
	<b>REPORTING PERIOD</b>	
	<b>CASH AND CASH EQUIVALENTS AT END OF</b>	
<u>3,000,000</u>	<b>REPORTING PERIOD</b>	<u>3,200,000</u>

**RECONCILIATION OF INCOME STATEMENT TO BUDGETED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

( 293,192)	<b>SURPLUS/(DEFICIT) FROM INCOME STATEMENT</b>	( 281,415)
	<b>NON-CASH ITEMS IN INCOME STATEMENT</b>	
1,232,123	Depreciation	1,357,889
170,739	Increase (decrease) in provisions - nett	192,771
<u>1,402,862</u>	<b>TOTAL NON-CASH ITEMS</b>	<u>1,550,660</u>
	<b>CASH ITEMS NOT IN INCOME STATEMENT</b>	
( 632,500)	Capital Expenditure	( 523,971)
	- Loan Repayments - External	-
1,223,774	Proceeds from Aged Care Facility Deposits	339,213
( 17,304,284)	Net Purchase of Investment Securities	( 709,832)
<u>( 16,713,010)</u>	<b>TOTAL CASH ITEMS</b>	<u>( 894,590)</u>
	<b>NET INCREASE/(DECREASE)</b>	
<u>( 15,603,340)</u>	<b>IN CASH AND CASH EQUIVALENTS</b>	<u>374,655</u>



**CITY OF HOLDFAST BAY**  
**PROJECTED SUMMARY OF OPERATING AND CAPITAL INVESTMENT ACTIVITIES**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<u>Alwyndor</u> <u>21/22 Original</u> <u>BUDGET</u> \$		<u>Alwyndor</u> <u>22/23</u> <u>BUDGET</u> \$
24,062,237	Operating Revenues	29,026,811
( 24,355,429)	less Operating Expenses	( 29,308,226)
( 293,192)	Operating Surplus/(Deficit) before Capital Amounts	( 281,415)
	<b>Less net outlays on Existing Assets</b>	
480,000	Capital Expenditure on renewal & replacement of existing assets	403,971
( 1,232,123)	Less Depreciation	( 1,357,889)
( 752,123)		( 953,918)
	<b>Less outlays on New and Upgraded Assets</b>	
152,500	Capital Expenditure on new & upgraded assets	120,000
306,431	<b>Net lending/(borrowing) for financial year</b>	552,503

**PROJECTED FINANCIAL INDICATORS - ALWYNDOR FUNDS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<u>Alwyndor</u> <u>21/22 Original</u> <u>BUDGET</u> \$		<u>Alwyndor</u> <u>22/23</u> <u>BUDGET</u> \$
-\$293,192	<b>OPERATING SURPLUS/(DEFICIT) - BEFORE CAPITAL AMOUNTS</b>	-\$281,415
	<b>OPERATING SURPLUS RATIO</b> (Operating surplus/(deficit) before capital amounts as % of general revenue)	
-1.2%		-1.0%
\$15,352,773	<b>NET FINANCIAL LIABILITIES - (Total liabilities less financial assets)</b>	\$15,492,147
	<b>NET FINANCIAL LIABILITIES RATIO</b> (Total liabilities less financial assets as % of total operating revenue)	
64%		53%
	<b>INTEREST COVER RATIO</b> (Net interest expense as % of total operating revenue less investment income)	
0.3%		0.2%
	<b>ASSET SUSTAINABILITY RATIO</b> (Capital expenditure on renewal/replacement of existing assets, excluding new capital expenditure as % of depreciation expense)	
39%		30%





PO Box 19  
Brighton, SA 5048

T (08) 8229 9999  
F (08) 8298 4561

[mail@holdfast.sa.gov.au](mailto:mail@holdfast.sa.gov.au)

[holdfast.sa.gov.au](http://holdfast.sa.gov.au)

Item No: 15.3  
Subject: **2022-2023 BUDGET ADOPTION**  
Date: 28 June 2022  
Written By: Manager Financial Services  
General Manager: Strategy and Corporate, Ms P Jackson

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### **SUMMARY**

The 2022-2023 Budget is presented for adoption following adoption of the Annual Business Plan.

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### **RECOMMENDATION**

**That in respect of the financial year ended 30 June 2023:**

- 1. The 2022-2023 Budget which consists of:**
  - (a) the Budgeted Income Statement;**
  - (b) the Budgeted Balance Sheet;**
  - (c) the Budgeted Statement of Changes in Equity;**
  - (d) the Budgeted Statement of Cash Flow;**
  - (e) the Budgeted Uniform Presentation of Finances; and**
  - (f) the Budgeted Financial Indicators**

**be adopted subject to the following amendments:**

**Any budget changes arising from Council's consideration of the 2022-2023 Annual Business Plan be included in the budgeted financial statements and relevant documents.**

- 2. the fees and charges incorporated in the Annual Business Plan be adopted and that the relevant policies be updated accordingly;**
- 3. Council, in accordance with the 2022-23 Annual Business Plan and budget, approves new loan borrowings of up to \$2.96 million to be negotiated in accordance with Council's treasury policy; and**

4. **the Mayor and the Chief Executive Officer be authorised to execute any relevant documentation in relation to new borrowings on behalf of Council and affix the common seal thereto.**

## **STRATEGIC PLAN**

This document contributes to the vision of the Strategic Plan by ensuring the financial sustainability of Council while exercising sound financial management to deliver on objectives and aspirations.

## **COUNCIL POLICY**

Treasury Management

## **STATUTORY PROVISIONS**

*Local Government Act 1999, Section 123.*

*Local Government (Financial Management) Regulations 2011, Regulation 7.*

## **BACKGROUND**

This report has been prepared to enable the adoption of the 2022-2023 Budget.

Council has received and considered various reports in relation to the Budget for 2022-2023 including:

22 March 2022	Report No: 74/22 Jetty Road Mainstreet Committee – Minutes of meeting 2 March 2022
12 April 2022	Report No: 108/22 Audit Committee – Minutes of meeting 16 March 2022
26 April 2022	Report No: 129/22 Draft 2022-23 Annual Business Plan
10 May 2022	Report Nos: 75/22 & 144/22 – 2022/23 Events Planning/Winter Activation
24 May 2022	Report No: 171/22 Alywndor Management Committee (AMC) – Minutes of meeting 28 April 2022
14 June 2022	Report No: 194/22 Audit Committee – Minutes of meeting 1 June 2022
14 June 2022	Report No: 192/22 Alywndor Management Committee (AMC) – Minutes of meeting 31 March 2022
14 June 2022	Report No: 195/22 Draft 2022-23 Annual Business Plan Consultation Outcomes
28 June 2022	Report No: 210/22 Annual Business Plan

## **REPORT**

The Audit Committee received an updated report on the 2022-2023 Annual Business Plan and Budget (ABP&B) and consultation outcomes at its meeting on 1 June 2022. The Audit Committee noted that the draft 2022-2023 ABP&B satisfies Council's financial sustainability and performance measures and supported its presentation to Council for adoption.

### **Amendments to 2022-23 draft budget**

Since the publication of the draft ABP&B Council has received one notification as follows:

- SRWRA 2022-23 draft budget equity equating to \$101,250 being Council's 15% share of the SRWRA \$675,000 operating surplus. The draft budget had \$219,300. The SRWRA budget is yet to be finalised and will be considered and adopted by the SRWRA Board on 6 June 2022.

The above variation totals \$118,050 in an equity movement and will impact Council's operating surplus reducing it from \$507,694 to \$389,644. The reduction will have no impact on Council's cash position and remaining financial indicators or measures.

There are a number of changes to the draft 2022-23 Alwyndor budget as published in the draft ABP&B. The overall change was an increase in the operating deficit from \$82,477 to \$281,415, combined with an increase in capital expenditure from \$411,458 to \$523,971. This has resulted in a reduction in the Alwyndor funding surplus from \$1,027,604 to \$745,274. The main reasons for the changes are itemised below.

- Additional \$54,406 in residential facility income to reflect an increase in the daily fee.
- Re-allocation of employee costs and increase in contractual agency and reporting costs (\$109,952 net) for external assistance with the transition to the Australian National Aged Care Classification (AN-ACC) from the Aged Care Funding Instrument (ACFI) from 1 October 2022.
- Revised residential wages (\$47,000).
- Additional transitioning costs (\$66,074) for the AlayaCare project.
- Additional depreciation (\$30,319) for new capital.
- Increase in capital expenditure for cellular wireless upgrade (\$67,000), computer and maintenance equipment and furnishing items (\$45,513).

This has resulted in a consolidated operating surplus result of \$108,229.

Separate budget statements have been prepared for Municipal and Alwyndor activities comprising:

- Budgeted Funding Statement; and
- Budgeted Financial Statements, Uniform Presentation of Finances Statement, and applicable financial indicators presented in a manner consistent with the Model Financial Statements.

*Refer Attachment 1*

The financial statements are subject to amendment in accordance with the adopted recommendations to this report.

The annual fees and charges have been incorporated into the Annual Business Plan.

*Refer Attachment 2*

Additional budget statements are attached for Jetty Road Mainstreet and the Southern Region Waste Resource Authority (SRWRA).

*Refer Attachments 3 and 4*

### **Long Term Financial Plan (LTFP)**

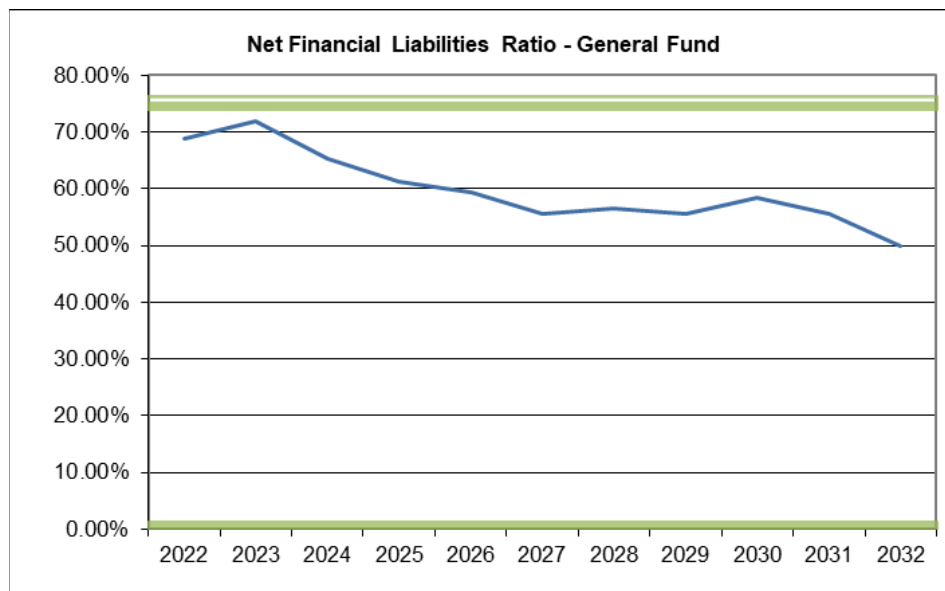
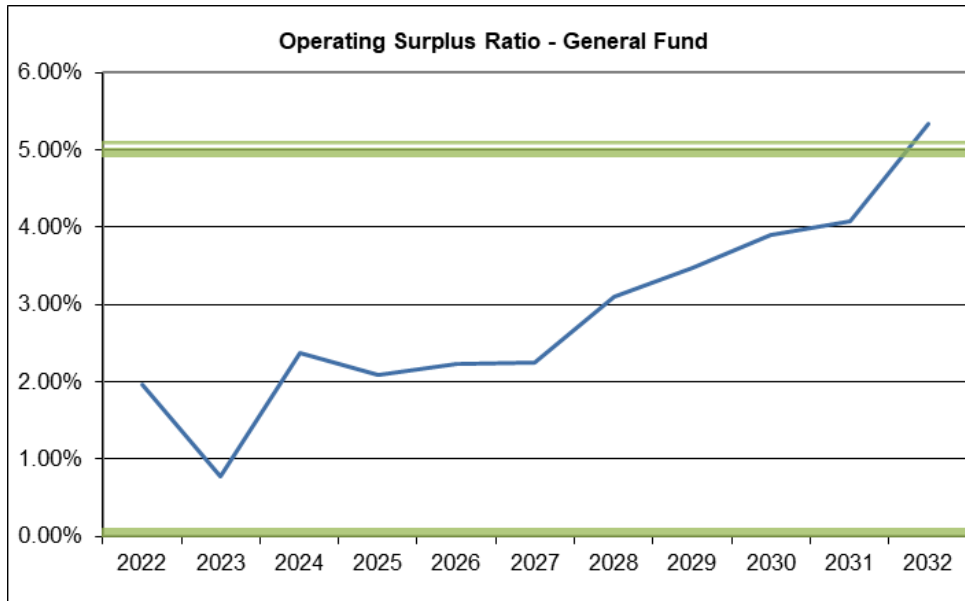
The Municipal LTFP was presented to the Audit Committee in March 2022 (report 70/22) and updated financial indicator charts were presented at subsequent Council budget workshops. The key financial indicators of the LTFP were then updated for the final draft 2022-23 budget and 31 March 2022 budget update.

The LTFP was subsequently updated for the final draft 2022-2023 Budget and presented at a Council workshop on 31 May 2022 and the Audit Committee meeting on 1 June 2022. The parameters were updated for the latest (May 2022) CPI forecasts as published by the Reserve Bank of Australia (RBA). To estimate the Local Government Price Index (LGPI) these forecasts have been increased by 0.3% which is the average additional increase applicable to Local Government pricing. The comparative effect of the changes are shown in the table below. Employment costs are subject to future negotiation, and have been reforecast and increased after considering RBA indicative commentary on increased labour costs.

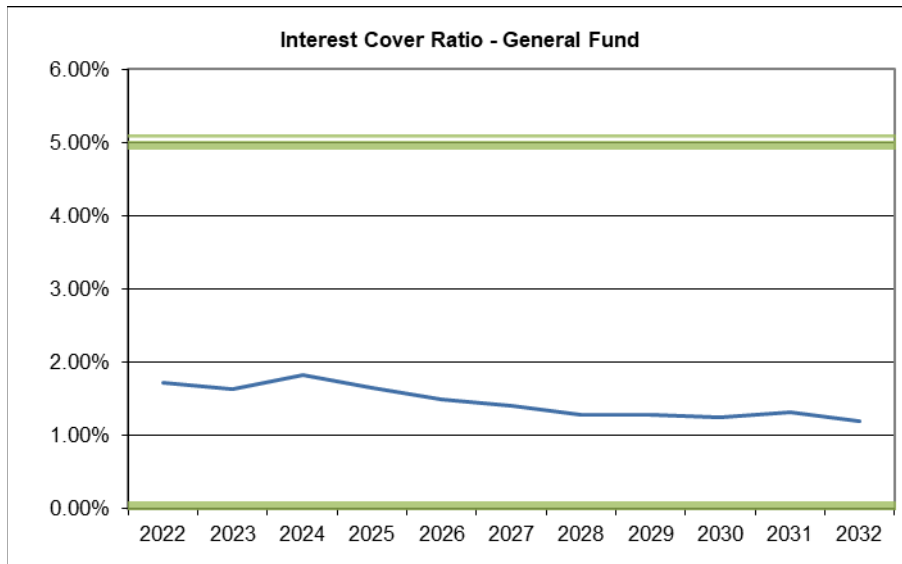
	<b>LGPI LTFP Forecast</b>	
<b>Year</b>	<b>Previous</b>	<b>Updated</b>
2023-24	2.6%	6.2%
2024-25	2.6%	3.4%
2025-26	2.7%	3.0%
	<b>Employment Cost Forecast</b>	
	<b>Previous</b>	<b>Updated</b>
2023-24	2%	3.5%
2024-25	2%	3.5%
2025-26	2%	3.5%
2026-27	2%	2.5%
2027-28	2%	2.5%
2028-29	2%	2.5%
Thereafter – unchanged from previous LTFP forecasts		

The charts were included in the presentation at the Council workshop on 31 May 2022 and at the Audit Committee on 1 June 2022.

The latest base case forecast results are reflected in the following charts:







The updated LTFP indicates that Council is financially sustainable while meeting its performance measures. The LTFP includes forecast asset renewals as per the current asset management plans. Additional comparative LTFP modelling has been presented at Council workshops and to the Audit Committee including potential long-term major capital projects. The modelling indicates that Council would need to source additional finance from 2024-2025 impacting the long-term net financial liabilities ratio.

**BUDGET**

This report adopts the 2022-2023 budget and fees and charges.

**LIFE CYCLE COSTS**

This report does not have any direct full life cycle costs implications.

# Attachment 1



**CITY OF HOLDFAST BAY**  
**BUDGET FUNDING STATEMENT - MUNICIPAL FUNDS**

<u>Municipal</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Municipal</u> <u>22/23</u> <u>BUDGET</u>
\$		\$
37,049,400	Rates - General	38,348,000
598,480	Rates - Jetty Road Glenelg	617,630
74,750	Rates - Patawalonga Marina	77,140
1,321,600	Rates - Regional Landscape Levy	1,351,000
2,210,235	Statutory Charges	2,582,060
3,150,444	User Charges	3,191,115
2,029,238	Operating Grants & Subsidies	2,381,546
35,800	Investment Income	20,000
598,970	Reimbursements	749,070
542,407	Other	650,410
160,000	Net Equity Gain - Joint Ventures	101,250
<u>47,771,324</u>	<b>Operating Revenue</b>	<u>50,069,221</u>
18,437,099	Employee Costs	19,105,389
19,111,960	Materials, contracts and other expenses	19,861,358
839,520	Finance Charges	834,830
9,743,000	Depreciation	10,468,000
( 928,097)	Less full cost attribution - % admin costs capitalised	( 944,000)
460,380	New Initiatives - Operating	354,000
<u>47,663,862</u>	<b>Less Operating Expenditure</b>	<u>49,679,577</u>
<u>107,462</u>	<b>= Operating Surplus/(Deficit)</b>	<u>389,644</u>
9,743,000	Depreciation	10,468,000
102,374	Other non-cash provisions	165,847
<u>9,845,374</u>	<b>Plus Non-Cash items in Operating Surplus/Deficit</b>	<u>10,633,847</u>
<u>9,952,836</u>	<b>= Funds Generated from Operating Activities</b>	<u>11,023,491</u>
878,828	Capital (External Contributions)	1,483,500
528,000	Proceeds from disposal of assets	474,250
<u>1,406,828</u>	<b>Plus funds sourced from Capital Activities</b>	<u>1,957,750</u>
( 8,493,810)	Capital Expenditure-Asset Renewal and Replacement	( 7,933,700)
( 928,097)	Capital Expenditure-Full Cost Attribution	( 944,000)
( 6,431,166)	New Initiatives - Capital (Gross Expenditure)	( 5,937,000)
<u>( 15,853,073)</u>	<b>Less total capital expenditure</b>	<u>( 14,814,700)</u>
247,000	Plus: Repayments of loan principal by sporting groups	253,000
<u>247,000</u>	<b>Plus/(less) funds provided (used) by Investing Activities</b>	<u>253,000</u>
<u>( 4,246,409)</u>	<b>= FUNDING SURPLUS/(REQUIREMENT)</b>	<u>( 1,580,459)</u>
<b>Funded by:</b>		
( 5,584,449)	Less: Proceeds from new borrowings	( 2,959,459)
1,338,040	Plus: Principal repayments of borrowings	1,379,000
<u>( 4,246,409)</u>		<u>( 1,580,459)</u>

**CITY OF HOLDFAST BAY**  
**PROJECTED INCOME STATEMENT- MUNICIPAL FUNDS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<b><u>Municipal</u></b> <b><u>21/22 Original</u></b> <b><u>BUDGET</u></b>		<b><u>Municipal</u></b> <b><u>22/23</u></b> <b><u>BUDGET</u></b>
\$		\$
	<b>REVENUES</b>	
37,049,400	Rates - General	38,348,000
598,480	Rates - Jetty Road Glenelg	617,630
74,750	Rates - Patawalonga Marina	77,140
1,321,600	Rates - Regional Landscape Levy	1,351,000
2,210,235	Statutory Charges	2,582,060
3,150,444	User Charges	3,191,115
2,029,238	Operating Grants & Subsidies	2,381,546
35,800	Investment Income	20,000
598,970	Reimbursements	749,070
542,407	Other	650,410
160,000	Net Equity Gain - Joint Ventures	101,250
47,771,324	<b>TOTAL REVENUES</b>	50,069,221
	<b>EXPENSES</b>	
18,437,099	Employee Costs	19,105,389
19,111,960	Materials, contracts and other expenses	19,861,358
839,520	Finance Charges	834,830
9,743,000	Depreciation	10,468,000
( 928,097)	Less full cost attribution	( 944,000)
460,380	New Initiatives - Operating	354,000
47,663,862	<b>TOTAL EXPENSES</b>	49,679,577
107,462	Operating Surplus/(Deficit) - Before Capital Revenue	389,644
878,828	Amounts specifically for new or upgraded assets	1,483,500
986,290	<b>NET SURPLUS/(DEFICIT)</b>	1,873,144

**CITY OF HOLDFAST BAY**  
**PROJECTED BALANCE SHEET - MUNICIPAL FUNDS**  
**AS AT 30TH JUNE 2023**

<b><u>Municipal</u></b> <b><u>21/22 Original</u></b> <b><u>BUDGET</u></b>		<b><u>Municipal</u></b> <b><u>22/23</u></b> <b><u>BUDGET</u></b>
\$		\$
	<b>CURRENT ASSETS</b>	
865,000	Cash and cash equivalents	443,183
3,039,000	Trade and Other Receivables	2,422,226
10,000	Inventory	-
3,914,000	<b>TOTAL CURRENT ASSETS</b>	2,865,409
	<b>NON-CURRENT ASSETS</b>	
706,700	Financial Assets	632,816
3,387,000	Equity accounted investments-Council businesses	3,414,876
708,858,814	Land, Infrastructure, Property, Plant & Equipment	718,138,802
712,952,514	<b>TOTAL NON-CURRENT ASSETS</b>	722,186,494
716,866,514	<b>TOTAL ASSETS</b>	725,051,903
	<b>CURRENT LIABILITIES</b>	
5,431,374	Trade and Other Payables	5,866,943
1,338,040	Borrowings	1,379,000
3,134,000	Short-term Provisions	3,277,750
9,903,414	<b>TOTAL CURRENT LIABILITIES</b>	10,523,693
	<b>NON-CURRENT LIABILITIES</b>	
30,316,534	Long-term Borrowings	28,879,136
313,000	Long-term Provisions	291,538
30,629,534	<b>TOTAL NON-CURRENT LIABILITIES</b>	29,170,674
40,532,948	<b>TOTAL LIABILITIES</b>	39,694,367
676,333,566	<b>NET ASSETS</b>	685,357,536
	<b>EQUITY</b>	
181,330,566	Accumulated Surplus	184,787,536
495,003,000	Asset Revaluation Reserve	500,570,000
676,333,566	<b>TOTAL EQUITY</b>	685,357,536

**CITY OF HOLDFAST BAY**  
**PROJECTED STATEMENT OF CHANGES IN EQUITY - MUNICIPAL FUNDS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<b><u>Municipal</u></b> <b><u>21/22 Original</u></b> <b><u>BUDGET</u></b>		<b><u>Municipal</u></b> <b><u>22/23</u></b> <b><u>BUDGET</u></b>
\$		\$
	<b>ACCUMULATED SURPLUS</b>	
180,344,276	Balance at beginning of period	182,914,392
986,290	Net Surplus/(Deficit)	1,873,144
181,330,566	Balance at end of period	184,787,536
495,003,000	<b>ASSET REVALUATION RESERVE</b>	500,570,000
495,003,000	<b>TOTAL RESERVES CLOSING BALANCE</b>	500,570,000
676,333,566	<b>TOTAL EQUITY</b>	685,357,536

**CITY OF HOLDFAST BAY**  
**PROJECTED BUDGETED STATEMENT OF CASH FLOWS - MUNICIPAL FUNDS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<u>Municipal</u> <u>21/22 Original</u> <u>BUDGET</u> \$ (OUTFLOWS)	<u>Municipal</u> <u>22/23</u> <u>BUDGET</u> \$ (OUTFLOWS)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<u>Receipts</u>		
47,611,324	Operating Receipts	50,187,271
<u>Payments</u>		
( 36,818,968)	Operating payments to suppliers and employees	( 38,328,950)
( 839,520)	Finance Payments	( 834,830)
9,952,836	<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	11,023,491
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<u>Receipts</u>		
878,828	Grants specifically for new or upgraded assets	1,483,500
528,000	Sale of replaced assets	474,250
247,000	Repayments of loans (principal) by community groups	253,000
<u>Payments</u>		
( 9,421,907)	Expenditure on renewal/replacement of assets	( 8,877,700)
( 6,431,166)	Expenditure on new/upgraded assets	( 5,937,000)
( 14,199,245)	<b>NET CASH (USED IN) INVESTING ACTIVITIES</b>	( 12,603,950)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<u>Receipts</u>		
5,584,449	Proceeds from Borrowings - External	2,959,459
<u>Payments</u>		
( 1,338,040)	Repayments of Borrowings - External	( 1,379,000)
4,246,409	<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	1,580,459
-	<b>NET INCREASE (DECREASE) IN CASH HELD</b>	-
865,000	<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF</b>	443,183
	<b>REPORTING PERIOD</b>	
865,000	<b>CASH AND CASH EQUIVALENTS AT END OF</b>	443,183
865,000	<b>REPORTING PERIOD</b>	443,183

**RECONCILIATION OF INCOME STATEMENT TO BUDGETED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

986,290	<b>SURPLUS FROM INCOME STATEMENT</b>	1,873,144
<b>NON-CASH ITEMS IN INCOME STATEMENT</b>		
9,743,000	Depreciation	10,468,000
102,374	Movements in provisions	165,847
9,845,374	<b>TOTAL NON-CASH ITEMS</b>	10,633,847
<b>CASH ITEMS NOT IN INCOME STATEMENT</b>		
( 15,853,073)	Capital Expenditure	( 14,814,700)
( 1,338,040)	Loan Repayments - External	( 1,379,000)
5,584,449	Proceeds from Borrowings - External	2,959,459
247,000	Repayments of loans (principal) by community groups	253,000
528,000	Proceeds from Disposal of Assets	474,250
( 10,831,664)	<b>TOTAL CASH ITEMS</b>	( 12,506,991)
-	<b>NET INCREASE/(DECREASE)</b>	-
-	<b>IN CASH AND CASH EQUIVALENTS</b>	-

**CITY OF HOLDFAST BAY**  
**PROJECTED SUMMARY OF OPERATING AND CAPITAL INVESTMENT ACTIVITIES**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<b><u>Municipal</u></b> <b><u>21/22 Original</u></b> <b><u>BUDGET</u></b>		<b><u>Municipal</u></b> <b><u>22/23</u></b> <b><u>BUDGET</u></b>
\$		\$
47,771,324	Operating Revenues	50,069,221
( 47,663,862)	less Operating Expenses	( 49,679,577)
<u>107,462</u>	Operating Surplus/(Deficit) before Capital Amounts	<u>389,644</u>
<b>Less net outlays on Existing Assets</b>		
9,421,907	Capital Expenditure on renewal & replacement of existing assets	8,877,700
( 9,743,000)	Less Depreciation	( 10,468,000)
<u>( 321,093)</u>		<u>( 1,590,300)</u>
<b>Less outlays on New and Upgraded Assets</b>		
6,431,166	Capital Expenditure on new & upgraded assets	5,937,000
( 878,828)	Less amounts received for for new & upgraded assets	( 1,483,500)
<u>5,552,338</u>		<u>4,453,500</u>
<u>( 5,123,783)</u>	<b>Net lending/(borrowing) for financial year</b>	<u>( 2,473,556)</u>

**PROJECTED FINANCIAL INDICATORS - MUNICIPAL FUNDS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<b><u>Municipal</u></b> <b><u>21/22 Original</u></b> <b><u>BUDGET</u></b>		<b><u>Municipal</u></b> <b><u>22/23</u></b> <b><u>BUDGET</u></b>
\$		\$
	<b>OPERATING SURPLUS/(DEFICIT) - BEFORE CAPITAL AMOUNTS</b>	
\$107,462		\$389,644
	<b>OPERATING SURPLUS RATIO</b> (Operating surplus/(deficit) before capital amounts as % of total operating revenue)	
0.22%		0.78%
	<b>NET FINANCIAL LIABILITIES - (Total liabilities less financial assets)</b>	
\$35,922,248		\$36,196,142
	<b>NET FINANCIAL LIABILITIES RATIO</b> (Total liabilities less financial assets as % of total operating revenue)	
75%		72%
	<b>INTEREST COVER RATIO</b> (Net interest expense as % of total operating revenue less investment income)	
1.7%		1.6%
	<b>ASSET SUSTAINABILITY RATIO</b> (Capital expenditure on renewal/replacement of existing assets, excluding new capital expenditure as % of asset management plan)	
100%		100%

**CITY OF HOLDFAST BAY**  
**PROJECTED FINANCIAL STATEMENTS**  
**BUDGET FUNDING STATEMENT - ALWYNDOR FUNDS**

<u>Alwyndor</u> <u>21/22 Original</u> <u>BUDGET</u> \$		<u>Alwyndor</u> <u>22/23</u> <u>BUDGET</u> \$
5,434,677	User Charges	5,575,565
12,471,644	Operating Grants & Subsidies	13,653,029
165,389	Investment Income	445,000
3,268,337	Reimbursements	5,360,638
2,722,190	Other	3,992,579
<u>24,062,237</u>	<b>Operating Revenue</b>	<u>29,026,811</u>
16,551,105	Employee Costs - Salaries & Wages	20,916,284
6,512,201	Materials, contracts and other expenses	6,966,053
60,000	Finance Charges	68,000
1,232,123	Depreciation	1,357,889
<u>24,355,429</u>	<b>Less Operating Expenditure</b>	<u>29,308,226</u>
<u>( 293,192)</u>	<b>= Operating Surplus/(Deficit)</b>	<u>( 281,415)</u>
1,232,123	Depreciation	1,357,889
170,739	Other non-cash provisions	192,771
<u>1,402,862</u>	<b>Plus Non-Cash items in Operating Surplus/Deficit</b>	<u>1,550,660</u>
<u>1,109,670</u>	<b>= Funds Generated from Operating Activities</b>	<u>1,269,245</u>
<u>( 632,500)</u>	Capital Expenditure-Asset Renewal and Replacement	<u>( 523,971)</u>
<u>( 632,500)</u>	<b>Less total capital expenditure</b>	<u>( 523,971)</u>
<u>477,170</u>	<b>= FUNDING SURPLUS</b>	<u>745,274</u>
<b>Funded by:</b>		
477,170	Increase/(Decrease) in cash and cash equivalents	745,274
<u>477,170</u>		<u>745,274</u>

**CITY OF HOLDFAST BAY**  
**PROJECTED INCOME STATEMENT - ALWYNDOR FUNDS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<u>Alwyndor</u> <u>21/22 Original</u> <u>BUDGET</u> \$	<b>REVENUES</b>	<u>Alwyndor</u> <u>22/23</u> <u>BUDGET</u> \$
5,434,677	User Charges	5,575,565
12,471,644	Operating Grants & Subsidies	13,653,029
165,389	Investment Income	445,000
3,268,337	Reimbursements	5,360,638
2,722,190	Other	3,992,579
<u>24,062,237</u>	<b>TOTAL REVENUES</b>	<u>29,026,811</u>
<b>EXPENSES</b>		
16,551,105	Employee Costs	20,916,284
6,512,201	Materials, contracts and other expenses	6,966,053
60,000	Finance Charges	68,000
1,232,123	Depreciation	1,357,889
<u>24,355,429</u>	<b>TOTAL EXPENSES</b>	<u>29,308,226</u>
<u>( 293,192)</u>	Operating Surplus/(Deficit) - Before Capital Revenue	<u>( 281,415)</u>
<u>( 293,192)</u>	<b>NET SURPLUS/(DEFICIT)</b>	<u>( 281,415)</u>



**CITY OF HOLDFAST BAY**  
**PROJECTED BALANCE SHEET - ALWYNDOR FUNDS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<u>Alwyndor</u> <u>21/22 Original</u> <u>BUDGET</u> \$		<u>Alwyndor</u> <u>22/23</u> <u>BUDGET</u> \$
	<b>CURRENT ASSETS</b>	
3,000,000	Cash and cash equivalents	3,200,000
1,450,211	Trade and Other Receivables	1,425,102
4,450,211	<b>TOTAL CURRENT ASSETS</b>	4,625,102
	<b>NON-CURRENT ASSETS</b>	
19,650,508	Financial Assets	17,034,904
37,645,528	Land, Infrastructure, Property, Plant & Equipment	36,576,260
57,296,036	<b>TOTAL NON-CURRENT ASSETS</b>	53,611,164
61,746,248	<b>TOTAL ASSETS</b>	58,236,266
	<b>CURRENT LIABILITIES</b>	
37,680,492	Trade and Other Payables	35,108,377
1,641,089	Short-term Provisions	1,803,574
39,321,581	<b>TOTAL CURRENT LIABILITIES</b>	36,911,951
	<b>NON-CURRENT LIABILITIES</b>	
131,911	Long-term Provisions	240,202
131,911	<b>TOTAL NON-CURRENT LIABILITIES</b>	240,202
39,453,492	<b>TOTAL LIABILITIES</b>	37,152,153
22,292,756	<b>NET ASSETS</b>	21,084,113
	<b>EQUITY</b>	
6,807,745	Accumulated Surplus	5,599,102
9,070,657	Asset Revaluation Reserve	9,070,657
6,414,354	Other Reserves	6,414,354
22,292,756	<b>TOTAL EQUITY</b>	21,084,113

**CITY OF HOLDFAST BAY**  
**PROJECTED STATEMENT OF CHANGES IN EQUITY - ALWYNDOR FUNDS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<u>Alwyndor</u> <u>21/22 Original</u> <u>BUDGET</u> \$		<u>Alwyndor</u> <u>22/23</u> <u>BUDGET</u> \$
	<b>ACCUMULATED SURPLUS</b>	
7,100,937	Balance at beginning of period	5,880,517
( 293,192)	Net Surplus/(Deficit)	( 281,415)
6,807,745	Balance at end of period	5,599,102
9,070,657	<b>ASSET REVALUATION RESERVE</b>	9,070,657
6,414,354	<b>ALWYNDOR RESERVES</b>	6,414,354
15,485,011	<b>TOTAL RESERVES CLOSING BALANCE</b>	15,485,011
22,292,756	<b>TOTAL EQUITY</b>	21,084,113

**CITY OF HOLDFAST BAY**  
**PROJECTED BUDGETED STATEMENT OF CASH FLOWS - ALWYNDOR FUNDS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<u>Alwyndor</u> <u>21/22 Original</u> <u>BUDGET</u> \$ (OUTFLOWS)	<u>Alwyndor</u> <u>22/23</u> <u>BUDGET</u> \$ (OUTFLOWS)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<u>Receipts</u>		
24,043,397	Operating Receipts	29,026,811
<u>Payments</u>		
( 22,971,059)	Operating payments to suppliers and employees	( 27,689,566)
( 60,000)	Finance Payments	( 68,000)
1,012,338	<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	1,269,245
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<u>Receipts</u>		
( 17,304,284)	Net Purchase of Investment Securities	( 709,832)
<u>Payments</u>		
( 480,000)	Expenditure on renewal/replacement of assets	( 403,971)
( 152,500)	Expenditure on new/upgraded assets	( 120,000)
( 17,936,784)	<b>NET CASH (USED IN) INVESTING ACTIVITIES</b>	( 1,233,803)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<u>Receipts</u>		
1,223,774	Proceeds from Aged Care Facility Deposits	339,213
1,223,774	<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	339,213
( 15,700,672)	<b>NET INCREASE (DECREASE) IN CASH HELD</b>	374,655
18,700,672	<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF</b>	2,825,345
	<b>REPORTING PERIOD</b>	
3,000,000	<b>CASH AND CASH EQUIVALENTS AT END OF</b>	3,200,000
	<b>REPORTING PERIOD</b>	

**RECONCILIATION OF INCOME STATEMENT TO BUDGETED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

( 293,192)	<b>SURPLUS/(DEFICIT) FROM INCOME STATEMENT</b>	( 281,415)
<b>NON-CASH ITEMS IN INCOME STATEMENT</b>		
1,232,123	Depreciation	1,357,889
170,739	Increase (decrease) in provisions - nett	192,771
1,402,862	<b>TOTAL NON-CASH ITEMS</b>	1,550,660
<b>CASH ITEMS NOT IN INCOME STATEMENT</b>		
( 632,500)	Capital Expenditure	( 523,971)
-	Loan Repayments - External	-
1,223,774	Proceeds from Aged Care Facility Deposits	339,213
( 17,304,284)	Net Purchase of Investment Securities	( 709,832)
( 16,713,010)	<b>TOTAL CASH ITEMS</b>	( 894,590)
	<b>NET INCREASE/(DECREASE)</b>	
( 15,603,340)	<b>IN CASH AND CASH EQUIVALENTS</b>	374,655

**CITY OF HOLDFAST BAY**  
**PROJECTED SUMMARY OF OPERATING AND CAPITAL INVESTMENT ACTIVITIES**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<b><u>Alwyndor</u></b> <b><u>21/22 Original</u></b> <b><u>BUDGET</u></b>		<b><u>Alwyndor</u></b> <b><u>22/23</u></b> <b><u>BUDGET</u></b>
\$		\$
24,062,237	Operating Revenues	29,026,811
( 24,355,429)	less Operating Expenses	( 29,308,226)
<u>( 293,192)</u>	Operating Surplus/(Deficit) before Capital Amounts	<u>( 281,415)</u>
	<b>Less net outlays on Existing Assets</b>	
480,000	Capital Expenditure on renewal & replacement of existing assets	403,971
( 1,232,123)	Less Depreciation	( 1,357,889)
<u>( 752,123)</u>		<u>( 953,918)</u>
	<b>Less outlays on New and Upgraded Assets</b>	
152,500	Capital Expenditure on new & upgraded assets	120,000
<u>306,431</u>	<b>Net lending/(borrowing) for financial year</b>	<u>552,503</u>

**PROJECTED FINANCIAL INDICATORS - ALWYNDOR FUNDS**  
**FOR THE YEAR ENDED 30TH JUNE 2023**

<b><u>Alwyndor</u></b> <b><u>21/22 Original</u></b> <b><u>BUDGET</u></b>		<b><u>Alwyndor</u></b> <b><u>22/23</u></b> <b><u>BUDGET</u></b>
\$		\$
	<b>OPERATING SURPLUS/(DEFICIT) - BEFORE CAPITAL AMOUNTS</b>	
-\$293,192		-\$281,415
	<b>OPERATING SURPLUS RATIO</b>	
	(Operating surplus/(deficit) before capital amounts as % of general revenue)	
-1.2%		-1.0%
	<b>NET FINANCIAL LIABILITIES - (Total liabilities less financial assets)</b>	
\$15,352,773		\$15,492,147
	<b>NET FINANCIAL LIABILITIES RATIO</b>	
	(Total liabilities less financial assets as % of total operating revenue)	
64%		53%
	<b>INTEREST COVER RATIO</b>	
	(Net interest expense as % of total operating revenue less investment income)	
0.3%		0.2%
	<b>ASSET SUSTAINABILITY RATIO</b>	
	(Capital expenditure on renewal/replacement of existing assets, excluding new capital expenditure as % of depreciation expense)	
39%		30%

# Attachment 2





## Fees and Charges

	2021-22	2022-23
<b>EVENT HIRE FEES</b>		
Minimum fee to cover administration costs - includes GST	\$278.00	\$284.00
Vehicled display		
- Bond	\$514.00	\$524.00
- Hire - includes GST	\$514.00	\$524.00
Small recreational events - (i.e. 50-200 core participants)		
- Bond	\$674.00	\$687.00
- Hire - includes GST	\$674.00	\$687.00
Large events		
- Bond	\$1,782.00	\$1,818.00
- Hire - includes GST	\$1,948.00	\$1,987.00
Commercial events		
- Bond	\$1,782.00	\$1,818.00
- Hire - includes GST	\$2,630.00	\$2,683.00
Promotional activities (up to 4 hours)		
- Bond	\$627.00	\$640.00
- Hire - includes GST	\$739.00	\$754.00
Promotional activities (full day)		
- Bond	\$1,782.00	\$1,818.00
- Hire - includes GST	\$1,782.00	\$1,818.00
Hire of jetty (up to 4 hours)		
- Bond	\$627.00	\$640.00
- Hire - includes GST	\$739.00	\$754.00
Hire of jetty (full day)		
- Bond	\$1,782.00	\$1,818.00
- Hire - includes GST	\$1,782.00	\$1,818.00
Filming		
- Bond	\$342.00	\$349.00
- Hire - includes GST	\$515.00	\$525.00
Multi-day Events		
- Bond	Subject to event	Subject to event
Low impact events - Hire includes GST	from \$2,800 per week, or part thereof	from \$2,850 per week, or part thereof
High impact events - Hire includes GST	from \$3,500 per week, or part thereof	from \$3,570 per week, or part thereof
Road closures	Subject to event	Subject to event
Grass remediation levy	Subject to event	Subject to event
Event bins	\$11.00	\$11.00
<i>Note: Hire and Bond fees may change without notice - costs may vary depending on event requirements</i>		
<b>ADMINISTRATIVE FEES</b>		
Copy of previous year's rates notice (per rateable property, per quarter)	\$12.00	\$12.00
Assessment record extract	\$12.00	\$12.00
Photocopies – A4 size (per side)	\$1.00	\$1.00
Photocopies – A3 size (per side)	\$1.00	\$1.00
Voters roll (copy of)	\$110.00	\$110.00
Freedom of Information *	\$38.25	(Legislated Fee to be advised 1 July 2022)
<i>*MPs only charged for FOI access if costs exceed \$1000</i>		
<b>OUTDOOR DINING</b>		
<i>Location (per m2 per annum)</i>		
South Esplanade (Broadway Kiosk)	\$330.00	\$330.00
Moseley Square - exposed	\$119.00	\$119.00
Moseley Square - enclosed	\$330.00	\$330.00
Jetty Road, Glenelg (east of Jetty Hotel to Brighton Road)	\$216.00	\$216.00
Jetty Road, Brighton	\$102.00	\$102.00
Colley Terrace	\$119.00	\$119.00
Other locations	\$75.00	\$75.00
Foreshore (Glenelg)	\$102.00	\$102.00



## Fees and Charges

2021-22

2022-23

	2021-22	2022-23
<b>GOODS ON FOOTPATH</b>		
<i>Location (per m2 per annum)</i>	\$202.00	\$206.00
Jetty Road, Glenelg (east of Jetty Hotel to Brighton Road)	\$117.00	\$119.00
Jetty Road, Brighton	\$58.00	\$59.00
Foreshore (Glenelg)	\$98.00	\$100.00
Other locations	\$51.00	\$52.00
<b>STREET TRADING PERMITS (GST Exempt)</b>		
Per event	\$166.00	\$169.00
<b>SUPPORTED RESIDENTIAL FACILITIES</b>		
Application and licence (subject to gazetted schedule)	As per Schedule 1 of the regulations	As per Schedule 1 of the regulations
<b>DEVELOPMENT AREA</b>		
Plan search fee	\$80.00	\$100.00
Photocopying (per page) - admin photocopying fees	Refer admin fees	Refer admin fees
Development Application fees are set under the Development Act and are not subject to Council discretion.		
<b>ROAD AND PROPERTY RELATED CHARGES</b>		
<b>Verges</b>		
Verge maintenance	\$295.00	\$295.00
<b>Street Tree</b>		
Minimum removal cost	\$275.00	\$625.00
Removal cost (per m3 in volume)	\$76.00	\$160.00
Stump munching		\$50.00
Street tree replacement (per tree - labour, materials, minimum 3 years watering & pruning)	\$396.00	\$2,135.00
Administration fee		\$168.00
Lost amenity value using revised Burnley method (value calculated for each individual tree)		POA
<b>HOARDING</b>		
Application fee	\$62.00	\$63.00
Fee - (per m2 per day or part thereof) (on road)*	\$6.60 (per week)	\$0.95
Footpath closure (per m2 per day or part thereof)*	\$6.60 (per week)	\$0.95
Road closure with hoarding (per day or part thereof)*	\$282.00 (per week)	\$300.00
Traffic management plan assessment - private works*	\$125.00	\$130.00
Community directional sign	\$137.00	\$140.00
Fees for paid car park use or closure (per day)*	\$94.00	Current car park rate
Fees for free or permit parking use or closure (per day, per parking bay)	\$54.00	\$56.00
<i>*Permit fee for major city development greater than \$20,000 is assessed through consideration of locality, area used, duration and community benefit.</i>		
<b>Bulk bin licence</b>		
Application fee	\$68.00	\$69.00
Additional fees (per day)	\$27.50	\$28.00
<b>LIBRARY CHARGES (Includes GST)</b>		
Photocopies		
- A4 sheets	\$0.20	\$0.20
- A3 sheets	\$0.30	\$0.30
Printing - word processing/CD ROM		
- per A4 sheet (black & white)	\$0.20	\$0.20
- per A4 sheet (colour)	\$1.00	\$1.00
Sale of library materials		
- Magazines	\$0.50	\$0.50
- Books, AV, Jigsaws	\$1.00	\$1.00



## Fees and Charges

	2021-22	2022-23
<b>CEMETERY CHARGES</b>		
Interment rights in perpetuity	\$22,218.00	\$23,200.00
New or Renewal Lease		
- 25 year lease	\$2,483.00	\$2,620.00
- 5 year lease	\$552.00	\$575.00
Digging of Grave (burials) – <i>either new ground or a re-open of existing lease</i>		
- Baby grave 4'6" x 3'	\$707.00	\$740.00
- Child under 10 years (child depth)	\$891.00	\$930.00
- Single depth/standard grave size	\$1,898.00	\$2,000.00
- Double depth/standard grave size	\$2,104.00	\$2,200.00
- Triple depth/standard grave size	\$2,412.00	\$2,600.00
- Exhumations	POA	POA
- Remove and replace ledger	\$655.00	\$682.00
- Remove concrete only	\$568.00	\$595.00
- Remove and replace concrete	\$1,150.00	\$1,225.00
- Lift and deepen	\$1,014.00	\$1,056.00
- Vault preparation and sealing	\$1,739.00	\$1,820.00
- Saturday surcharge	\$636.00	\$555.00
- Late fee after 3pm Monday to Thursday	\$331.00	\$340.00
- Late fee after 3pm Friday	\$492.00	\$515.00
- Excess soil removal	\$109.00	\$115.00
- Gravesite search (each additional search thereafter)	\$38.00	\$40.00
- Late notice (<48 hours notice)	\$254.00	\$270.00
Interment of cremated remains ( <i>into grave site</i> )	\$447.00	\$470.00
Columbarium Wall Charges		
- Memorial rights in perpetuity (columbarium wall charges only)	\$14,106.00	\$14,500.00
- North Brighton wall	\$1,681.00	\$1,750.00
- King George Avenue wall	\$1,681.00	\$1,750.00
- St Jude's wall	\$1,681.00	\$1,750.00
- Standard 8 line computer set plaque	\$487.00	\$505.00
North Brighton MAS System Memorials		
- Memorial rights in perpetuity (North Brighton MAS Blocks only)	\$9,146.00	\$9,500.00
- Site fee - lease 50 years	\$2,058.00	\$2,160.00
- Plaque	\$498.00	\$520.00
Monumental Work Application Fees		
- New monument	\$158.00	\$163.00
- Addition to existing	\$82.00	\$85.00
Lease of Memorial Seats (10 Years)		
- Memorial seats along the foreshore	\$4,000.00	\$4,200.00
- Memorial seats on Council parks and reserves	\$2,700.00	\$2,850.00
Glenelg/Brighton seaside memorials - engraving	\$1,700.00	\$1,760.00
<b>ANIMALS</b>		
Dog Registration Fees		
- Standard (microchipped and desexed)	\$48.00	\$50.00
- Standard and trained	\$41.00	\$45.00
- Non-standard	\$95.00	\$100.00
- Non-standard and trained	\$73.00	\$90.00
- Puppy (under 6 months old)		\$50.00
- Puppy trained (under 6 months old)		\$45.00
- Business registration	\$30.00	
1 dog		\$100.00
2 dogs		\$200.00
3 dogs		\$300.00
4 dogs		\$400.00
5 to 10 dogs		\$500.00
11 to 20 dogs		\$1,000.00
21 to 30 dogs		\$1,500.00
Over 30 dogs		\$2,000.00
- Assistance dog	\$0.00	\$0.00
- Assistance dog in training	\$0.00	\$0.00
- Concession card holder rebate	50% of applicable registration fee	50% of applicable registration fee
- New registrations lodged in June		\$0.00
- Late registration fee		\$20.00




## Fees and Charges

2021-22

2022-23

OTHER	2021-22	2022-23
Damage to Council property (including removal of posters) - \$45 minimum (\$45 per ½ hour or part thereof).	\$45/half-hour	\$45/half-hour
Remove overgrown vegetation - \$180 minimum (\$45 per ½ hour or part thereof, minimum charge 2 hours).	\$45/half-hour	\$45/half-hour
Impoundment (including dogs, domestic bins and cars) per item.	As charged by provider	As charged by provider
Personal Training Permits		
- Category A - 12 months	\$85.00	\$90.00
- Category A - 3 months	\$38.00	\$40.00
- Category B - 12 months	\$160.00	\$170.00
- Category B - 3 months	\$75.00	\$80.00
- Category C - 12 months	\$215.00	\$230.00
- Category C - 3 months	\$95.00	\$100.00
- Administrative Fee for Changes	\$17.00	\$20.00
Immunisation	\$15 service fee + cost recovery	\$15 service fee + cost recovery
High risk manufactured water systems	As per statutory regulations	As per statutory regulations
Local nuisance exemption application (per application)		\$200.00
Legionella water sampling	\$81.00	\$84.00
Food inspections as per Food Act 2001 regulated fees*	Maximum allowed as per legislation	Maximum allowed as per legislation
Food auditing per hour	\$172.00	\$175.00
Desk top food audit per hour	\$85.00	\$87.00
Food truck permits (specified locations) per month	\$200.00	\$204.00
Food truck permits (specified locations) per year	\$2,000.00	\$2,040.00
Annual food permits at an event approved location (per food stall)*	\$222.00	\$225.00
<i>*At the discretion of the authorised officer fees may not be applicable for a recognised charity / not for profit organisation if documentation from the Australian Taxation Office demonstrating status can be provided.</i>		
<b>OFF-STREET CAR PARKING (Hourly Rate includes GST, Permits are exempt)</b>		
<b>Ticket Parking Fees (per hour)</b>		
Elizabeth Street	\$3.00	
Off-season (March to August)		\$3.00
Peak-season (September to February)		\$3.50
Buffalo Car Park	\$2.00	\$2.00
Glenelg Cinema - Partridge Street		
First two hours	Free	Free
Third hour	\$2.50	\$3.00
Fourth hour	\$3.50	\$4.00
Subsequent hours	\$5.50	\$5.50
Maximum fee	\$30	\$30
Business permits*	\$4/day	\$5/day
Cinema Patrons		
First four hours	Free	Free
Subsequent hours	\$5.50/hour	\$5.50/hour
Maximum fee	\$30	\$30
<i>*Eligibility at the discretion of the authorised officer</i>		
<b>ON-STREET CAR PARKING (GST Exempt)</b>		
Ticket Parking Fees (per hour) - Colley Terrace/Anzac Highway	\$3.00	
Off-season (March to August)		\$3.00
Peak-season (September to February)		\$3.00
Ticket Parking Fees (per hour) - New Locations	\$3.00	
Off-season (March to August)		\$3.00
Peak-season (September to February)		\$3.50
Residential Parking Permits (per annum)	\$147.00	\$149.00
3P Parking (per annum)	\$147.00	\$149.00
Temporary Parking Controls (per parking bay, per day)	\$53.00	\$54.00



 <b>Hire Options</b>	2021/22 Fees			2022/23 Fees		
	Private/Corporate Bookings (for weddings, children's birthday parties and memorial services please refer to our packages section)		Not For Profit & Community Benefit Events	Private/Corporate Bookings (for weddings, children's birthday parties and memorial services please refer to our packages section)		Not For Profit & Community Benefit Events
	Mon - Thu MIN 2 HOURS	Fri, Sat, Sun, Public Holiday (minimum hire charge: 3 hours)	Mon-Thu Only UP TO 3 HOURS	Mon - Thu MIN 2 HOURS	Fri, Sat, Sun, Public Holiday (minimum hire charge: 3 hours)	Mon-Thu Only UP TO 3 HOURS
<b>Venue Only</b> <i>(hirer responsible for all set up/pack down and clean up)</i>						
<b>House</b>						
Partridge Room/Kitchen (Rm 1)	\$120 - \$175 per hour	\$170 - \$220 per hour	\$80 - \$150 for up to 3 hrs	\$130 - \$190 per hour	\$180 - \$230 per hour	\$85 - \$155 for up to 3 hours
Courtyard Room/Kitchen (Rm 3)	\$120 - \$175 per hour	\$170 - \$220 per hour	\$80 - \$150 for up to 3 hrs	\$130 - \$190 per hour	\$180 - \$230 per hour	\$85 - \$155 for up to 3 hours
Library Room (Rm 4)	\$65 - \$85 per hour	\$80 - \$110 per hour	\$60 - \$90 for up to 3 hours	\$75 - \$95 per hour	\$100 - \$130 per hour	\$65 - \$95 for up to 3 hours
Meeting Room (Rm 5)	NA	NA	NA	NA	NA	NA
Mayoresses Parlour	\$100 - \$140 per hour	\$100 - \$150 per hour	\$70 - \$150 for up to 3 hours	\$110 - \$150 per hour	\$120 - \$160 per hour	\$75 - \$155 for up to 3 hours
Garden Room incl. Kitchen (Rm 8)	\$100 - \$160 per hour	\$120 - \$180 per hour	\$80 - \$150 for up to 3 hours	\$110 - \$180 per hour	\$130 - \$200 per hour	\$85 - \$155 for up to 3 hours
Partridge Room, Courtyard Room, Library, Kitchen	\$220 - \$370 per hour	\$280 - \$380 per hour	\$170 - \$320 for up to 3 hours	\$240 - \$390 per hour	\$300 - \$400 per hour	\$180 - \$350 for up to 3 hours
Entire House/Exclusive Use	\$270 - \$430 per hour	\$370 - \$570 ph Max \$3,000	\$310 - \$515 for up to 3 hours	\$295 - \$450 per hour	\$395 - \$595 ph Max \$3000	\$330 - \$540 for up to 3 hours
<b>Grounds</b>						
Elm Tree Courtyard	\$80 - \$120 per hour	\$105 - \$210 per hour	\$60 - \$150 for up to 3 hours	\$100 - \$130 per hour	\$125 - \$230 per hour	\$70 - \$160 for up to 3 hours
Pond Lawn	\$80 - \$120 per hour	\$105 - \$210 per hour	\$60 - \$150 for up to 3 hours	\$100 - \$130 per hour	\$125 - \$230 per hour	\$70 - \$160 for up to 3 hours
House Lawn	\$80 - \$120 per hour	\$100 - \$200 per hour	\$60 - \$150 for up to 3 hours	\$100 - \$130 per hour	\$115 - \$225 per hour	\$70 - \$160 for up to 3 hours
Sun Dial Lawn	\$80 - \$120 per hour	\$100 - \$200 per hour	\$60 - \$150 for up to 3 hours	\$100 - \$130 per hour	\$115 - \$225 per hour	\$70 - \$160 for up to 3 hours
All reservable grounds areas <i>[Rate = Elm Tree + Sun Dial Lawn]</i>	\$180 - \$330 ph max	\$320 - \$520 ph max \$3,000	\$155 - \$310 for up to 3 hours	\$200 - \$350 per hour	\$350 - \$550 ph max \$3000	\$175 - \$350 for up to 3 hours
Additional hire time						
<b>Additional Options</b>						
Staff assistance (set up / pack down furniture)	\$70-\$100 per hour	\$110- \$150 per hour	\$80	\$80-\$120 per hour	\$120-\$175 per hour	\$80
Cleaning	\$70	\$110	\$80	\$80	\$120	\$80
Wifi internet access	On application	On application	On application	On application	On application	On application
Data projector (flat rate)	\$100	\$100	Inc if available	\$100	\$100	Inc if available
Screen (flate rate)	\$80	\$80	Inc if available	\$80	\$80	Inc if available
Sound equipment incl. microphone & CD player (flate rate)	\$100	\$100	Inc if available	\$100	\$100	Inc if available
Lecturn (flat rate)	\$50	\$50	Inc if available	\$50	\$50	Inc if available
Wedding ceremony chairs (per chair)	\$5	\$5	\$5	\$5	\$5	\$5
Cocktail Table	\$25	\$25	\$25	\$25	\$25	\$25
Flower pedestal (per item)	\$10	\$10	Inc if available	\$10	\$10	Inc if available
Table linen (per item)	\$25 per cloth	\$25 per cloth	\$25 per cloth	\$25 per cloth	\$25 per cloth	\$25 per cloth
Arch	\$100	\$100	\$100	\$100	\$100	\$100
Smart TV Screen	\$200	\$300	\$300	\$200	\$300	\$300

**Note:**

1. The actual price for each booking will be quoted on application and is
2. Private & Corporate booking charge capped at \$1600 per room or
3. Prices for not for profit or small business bookings on a Friday,
4. Fees will be charged to the hirer if the venue is not left in a clean and
5. All bookings need to include time for set up/pack down and clean up
6. Use of chairs and tables for up to 100 people included in house venue
7. Use of basic crockery, cutlery & glass ware included in venue hire
8. Additional charges apply for catering. Please refer to separate
9. Additional charges may apply to process applications for use of
10. Not all areas in grounds can be booked (playground, rear oval and
11. City of Holdfast Bay Ratepayers receive a 10% discount on venue hire
12. 25% non-refundable deposit required to confirm venue bookings


Partridge House Packages	Inclusions	2021/22 Venue Hire Fees			2022/23 Venue Hire Fees		
		Mon - Thu	Fri, Sat & Sun	Public Holiday	Mon - Thu	Fri, Sat & Sun	Public Holiday
<b>Weddings</b>							
Ceremony only	2 hours exclusive use of reservable space in grounds or entire house, 24 chairs for guests, signing table and 2 chairs, photography permit, 3 reserved parking spaces, set up, pack down and clean up. 1 hour rehearsal prior to wedding day.	\$900	\$1,100	\$1,300	\$1,000	\$1,200	\$1,500
Ceremony and refreshment table	2.25 hours exclusive use of reservable space in grounds or entire house, 24 chairs for guests, signing table and 2 chairs, photography permit, 3 reserved parking spaces, set up, pack down and clean up. 1 hour rehearsal prior to wedding day. Drinks table with white cloth and silver tubs and ice set up for clients own drinks to be supplied for refreshments after the service. Glassware additional cost. POA	\$1,000	\$1,200	\$1,400	\$1,100	\$1,300	\$1,600
Reception only	6 hours exclusive use of entire house or reservable space in grounds, chairs and tables for up to 100 guests, photography permit, 3 reserved parking spaces, set up, pack down and clean up. Note: catering is an additional cost and is provided exclusively by Partridge House caterers - Instyle Catering (see brochure for details)	\$1,200	\$1,500 - \$1,700	\$1,500 - \$1,700	\$1,300	\$1,600 - \$1,800	\$1,800 - \$2,000
Ceremony + reception	8 hours exclusive use of reservable space in grounds or entire house, 20 guest chairs, signing table and chairs for ceremony, photography permit, chairs and tables for up to 100 guests, 3 reserved parking spaces, set up, pack down and clean up. Note: catering is an additional cost and is provided exclusively by Partridge House caterers - Instyle Catering (see brochure for details)	\$1,800 - \$2,000	\$2,000 - \$2,500	\$2,500	\$2,000 - \$2,500	\$2,200 - \$3,000	\$3,000
<b>Children's Birthday Parties</b> <i>Valid only for bookings made within 3 months of the event date</i>	3 hours exclusive use of Kitchen, Garden Room and side lawn, 20 chairs, 2 trestle tables	\$350	\$450 - \$550	\$550	\$500	\$550 - \$750	\$850
<b>Private Events</b>							
Day time event (before 5pm) <i>Valid only for bookings made within 3 months of the event date</i>	Up to 4 hours exclusive use of Partridge Room, Courtyard Room, Kitchen and front lawn, chairs and tables for up to 100 guests (indoor only)	\$550 - \$1,000	\$900 - \$1,400	\$900 - \$1,400	\$650 - \$1,200	\$1,000 - \$1,500	\$1,000 - \$2,000
Evening event (after 5pm) <i>Valid only for bookings made within 3 months of the event date</i>	Up to 6.5 hours exclusive use of Partridge Room, Courtyard Room, Kitchen and front lawn, chairs and tables for up to 100 guests (indoor only).	\$600 - \$1,300	\$1,000 - \$1,450	\$1,000 - \$1,450	\$700 - \$1,500	\$1,100 - \$1,750	\$1,200 - \$2,000
<b>Memorial Service</b>							
<b>Inside Partridge House</b>							
Service only	2 hours including audio visual equipment, lecturn, flower pedestals, 3 reserved parking spaces, set up and pack away.	\$580	\$880	\$880	\$650	\$950	\$1,100
Service & refreshments	2.5 hours including refreshments for up to 50, audio visual equipment, lecturn, flower pedestals, 3 reserved parking spaces, set up and pack away.	\$780	\$1,080	\$1,080	\$850	\$1,200	\$1,300
<b>Outside Under Elm Tree</b>							
Service only	2.5 hours including audio equipment, lecturn, flower pedestals, 3 reserved parking spaces, set up and pack away.	\$780	\$1,080	\$1,080	\$850	\$1,200	\$1,300
Service & refreshments	3 hours including refreshments for up to 50, audio equipment, lecturn, flower pedestals, 3 reserved parking spaces, set up and pack away.	\$980	\$1,280	\$1,280	\$1,100	\$1,350	\$1,550

Note:

1. Bookings may be for future financial years

2. City of Holdfast Bay Ratepayers receive a 10% discount on venue hire for private bookings. Evidence required to receive ratepayer discount - event must be for the ratepayer or an immediate family member

# Kauri Community and Sports Centre

 <b>Hire Options Kauri Community &amp; Sports Centre</b>	2021/22 Fees			2022/23 Fees		
	Private/Corporate Bookings		Not For Profit & Community Benefit Events	Private/Corporate Bookings		Not For Profit & Community Benefit Events
	Monday-Friday Between 9am-5pm 10% surcharge after 5pm	Weekend 9am-5pm Or Public holiday 10% surcharge after 5pm	Monday-Friday 9am-5pm 10% surcharge after 5pm	Monday-Friday Between 9am-5pm 10% surcharge after 5pm	Weekend 9am-5pm Or Public holiday 10% surcharge after 5pm	Monday-Friday 9am-5pm 10% surcharge after 5pm
<b>Venue Only</b> <i>(hirer responsible for all set up/pack down and clean up)</i>						
Function Room	\$250/day or \$150/4hrs	\$350/day or \$200/4hrs	\$220/day or \$130/4hrs or \$40/hr	\$255/day or \$150/4hrs	\$360/day or \$210/4hrs	\$220/day or \$130/4hrs or \$40/hr
Meeting Room	\$120/day or \$70/half day or \$25/hr	\$160/day or \$100/half day or \$35/hr	\$100/day or \$60/half day or \$20/hr	\$120/day or \$70/half day or \$25/hr	\$160/day or \$100/half day or \$35/hr	\$100/day or \$60/half day or \$20/hr
<b>Additional Options</b>						
Staff assistance (set up / pack down furniture)	\$40/hr	\$60/hr	\$40/hr	\$40/hr	\$60/hr	\$40/hr
Cleaning	\$60/hr	\$100/hr	\$60/hr	\$60/hr	\$100/hr	\$60/hr
Wifi internet access, Data projector, sound equipment including microphone & CD player	On application	On application	On application	On application	On application	On application
Lecturn (flat rate)	\$20	\$20	included if available	\$20	\$20	included if available
Chairs (per chair)	\$2	\$2	\$2	\$2	\$2	\$2
Tables (per table)	\$20	\$20	\$20	\$20	\$20	\$20
Table with linen	\$35	\$35	\$35	\$35	\$35	\$35

**Note:**

1. The actual price for each booking will be quoted on application.
2. Minimum \$50 charge/booking for function room
3. Private & Corporate booking charge capped \$2500 for up to 10 hours hire
4. Prices for not for profit or small business bookings on a Weekend or Public Holiday on application.
5. Additional Fees will be charged to the hirer if the venue is not left clean and tidy
6. All bookings need to include time for set up/pack down and clean up
7. Use of basic crockery, cutlery & glass ware included in venue charges
8. Additional charges apply for catering
9. Pricing is reviewed annually with increases, if any, applied on 1st July

## COMMUNITY WELLBEING FEES & CHARGES 2022/2023

Service	Subsidised Fees	Private Fees	General Information
<b>COMMUNITY TRANSPORT</b>			
Travel Card	\$57 - 28 trips (save \$14.40)	\$92 – 28 trips (save \$14.40)	Save by buying your community bus trips in bulk.
Community Bus – single trip (One Way)	\$2.55	\$3.80	Per one way trip to local destinations
Personal Transport – one way trip <b>WITHIN</b> council boundaries – whether by a <b>VOLUNTEER DRIVER</b> or a <b>TAXI</b>	\$5.00	\$10.00	Cost per one way trip Council volunteer or Taxi company with which Council has an agreement delivers the service
Personal Transport in a <b>TAXI – OUTSIDE</b> council boundaries (within a 10km radius) – whether by a <b>VOLUNTEER DRIVER</b> or a <b>TAXI</b>	\$10.00	\$20.00	Cost per one way trip Council volunteer or Taxi company with which Council has an agreement delivers the service
Personal Transport in a <b>TAXI – OUTSIDE</b> council boundaries (within a 20km radius) – whether by a <b>VOLUNTEER DRIVER</b> or a <b>TAXI</b>	\$15.00	\$30.00	Cost per one way trip Council volunteer or Taxi company with which Council has an agreement delivers the service
<b>COMMUNITY PARTICIPATION</b> (does not include transport fees)			
Group Activity Card	\$120 (20 visits) (save \$40)	\$205 (20 visits) (save \$35)	Save by paying for your social groups in bulk.
Group activities at a centre	\$8.00	\$12.00	Art, exercise groups, recreational fishing, water aerobics and more – see website for details
Bus trips and outings	TBC	TBC	Costs may vary dependent upon destination and inclusions
Let's Eat Lunch/Dinner	\$17	\$30	A two course meal and a beverage at a community venue
Lifestyle Courses	TBC	TBC	A range of courses that build resilience and self-confidence
<b>ADMINISTRATION FEES</b>			
Invoice Fee	\$2.00	\$2.00	Per invoice if not paying at time of service

# Attachment 3



## 2022/23 Jetty Road Mainstreet Summary Budget

2021/22 Budget	Revenue	2022/23 Budget
598,480	General Rates Raised	617,630
20,000	Other Income	20,000
<b>618,480</b>		<b>637,630</b>
	<b>Expenses</b>	
206,153	Employee Costs	211,984
26,500	Sponsorships	42,500
-	Professional Services	37,500
39,500	Event Management	57,000
10,000	Christmas Decorations	-
-	Signage	50,000
-	Public Relations	32,896
284,577	Marketing	22,000
-	Promotional Items	43,750
10,000	Retail Strategy Implementation	15,000
3,500	Food & Drink	2,500
-	Publications	60,000
-	Advertisements	15,000
2,500	Directory Board	1,000
2,500	Donations	500
20,000	COVID-19 Related Expenditure	-
5,000	Other Expenditure	1,000
40,000	Winter Activation	40,000
30,000	Summer Activation	30,000
30,000	Spring Street Party	50,000
50,000	Gin Festival	-
(141,750)	Carry Forward Budget	(75,000)
<b>618,480</b>		<b>637,630</b>
<b>-</b>	<b>Net Profit/(Loss)</b>	<b>-</b>

# Attachment 4





## Annual Business Plan and Budget

2022-23

Constituent Councils  
14 June 2022



## Contents

1. **2022-23 Annual Business Plan**
2. **2022-23 Budgeted Financial Statements**
3. **2022-23 Budgeted Capital Works and Equity Investments**

## 2022-23 Annual Business Plan

### Vision

We are leaders in delivering innovative and sustainable waste management solutions for the benefit of our southern Adelaide communities and the environment.

### Mission

We accept and process waste at a price point that balances cost, environmental outcomes and community expectations; provide information and market intelligence to assist our Constituent Councils in their waste management strategies; and respond to our Constituent Council's requests for assessment of waste management methods and/or services.

### Purpose

To maintain an effective, cost efficient and environmentally responsible waste management service for our Constituent Councils and their communities by maximising the use of the SRWRA landfill site, assets and infrastructure.

### Our Strategy

To improve and increase the diversity of materials accepted at SRWRA and maximise waste avoidance, re-use, recycling and recovery opportunities prior to landfill disposal. We do this by building effective relationships with our joint venture partners, stakeholders and customers, capitalising on and promoting the circular environmental economy, being an incubator for compatible industries and operating a financially sustainable, well managed and appropriately governed enterprise.

### Overarching Principles

**Governance** – we provide good governance and accountability to our Constituent Councils

**Safety and environmental compliance** - we care for our people and our environment

**Financial Sustainability** – we are financially viable

**Community** - we are a responsible part of our community and achieve great outcomes for them

### Strategic Plan Horizon

Developing new ventures (Stage Two: 2019-2026) – research, modelling and testing of initiatives that will position SRWRA as an environmental hub that drives broader environmental outcomes and generates strong revenues.

### Objective

To identify, assess, and where viable implement initiatives that deliver the goals of the organisation, complement land-fill activities, enhance environmental and financial sustainability and contribute to positive community attitudes toward SRWRA.

## 2022-23 Annual Business Plan

### Strategic Plan KPIs:

<b>1. Workplace Health and Safety</b>	Lost time injuries recorded for the 2018/19 Financial Year = 3. Reduction in the number of lost time injuries from the previous year, working towards zero lost time injuries.
<b>2. EPA Compliance</b>	Maintain EPA Licence.
<b>3. Service Mix to Support Constituent Councils</b>	Services are aligned to reflect the ongoing needs of the Constituent Councils e.g. Material Recovery Facility (MRF).
<b>4. Landfill Closure Costs are Fully Funded</b>	Biennial update of closure and post closure costs reflected in the Long Term Financial Plan.
<b>5. Landfill Airspace Life/Future Space</b>	30 years into the future.
<b>6. Diversion of Waste from Landfill</b>	>32% to increase by 1% per year.
<b>7. Power Produced from Site</b>	>22,000 MWh per Annum.
<b>8. Circular Economy</b>	Plan, develop and implement elements of the circular economy that supports SRWRA's business requirements.

## 2022-23 Annual Business Plan

### Strategic Plan Actions

NUMBER	ACTION	TIMING	MEASURE
2.1	Actively seek multiple revenue streams to ameliorate risks associated with a narrow product/service base.	Opportunities are identified	The Board is informed about all potential opportunities and timing allows for exploration and considered decisions.
2.2	Continue investigating methods to contain litter.	Ongoing, or activated in response to EPA or community requirements	Off-site litter reduces year-on-year.
2.3	Undertake basic modelling to maintain an up-to-date understanding of the implications of different business options (e.g. increased tonnages, baling, green waste) in readiness for decision-making when conditions change.	Annual update of key Options	The Board receives an annual update about the implications of key options Councils have access to this information to support procurement and policy decisions.
2.4	Business cases are developed and implemented for prioritised ventures (e.g. Material Recovery Facility, Solar Farm, Water Storage, Gas Mitigation, Redevelopment of Buffer Land).	As set by Board	Business cases are delivered according to Board deadlines.
2.5	Monitor Constituent Council demand for potential SRWRA provision of collection services (to Constituent and other Councils) to generate revenues and improve control over waste streams and volumes.	As requested by Councils	Business models to support these assessments are available should they be needed.
2.6	Investigate the viability of a regional transfer station to boost tonnages and generate economies of scale.	2022	Viability determined, and if positive, implementation plan has been developed and delivered.
2.7	If viable, identify opportunities to develop circular economies and undertake research to identify how SRWRA volumes contribute to, and can generate revenues from these economies.	As set by board	Viability determined, and if positive, implementation plan has been developed.
2.8	Investigate opportunities to co-locate compatible industry at the SRWRA site to support the local circular economy.	As set by Board	Viability determined, and if positive, implementation plan has been developed.

## 2022-23 Annual Business Plan

### Business Plan Actions

1. Resource Recovery – we deliver commercially sustainable solutions for our Constituent Councils and community.				
NUMBER	ACTION	STRATEGIC PLAN KPI / ACTION	TIMING	MEASURE
1.1	Investigate markets and develop pathways for the receipt and processing of commercial and industrial products and associated reuse and commercial opportunities (Concrete, Bricks & Pavers).	2.1, 2.4, 2.7	June 2023	Business case has been considered by the Board.
1.2	Investigate options and pathways for the receipt and processing of organic waste and associated reuse and commercial opportunities.	KPI 6 2.1, 2.4, 2.5, 2.7	June 2023	Business case has been considered by the Board.
1.3	Investigate options to establish a Bio Pad to process green waste.	KPI 6 2.1, 2.4, 2.5, 2.7	June 2023	Business case has been considered by the Board
1.4	Grow the customer base for SRWRA and its Joint Ventures.	2.1, 2.6	June 2023	Additional customers secured.
1.5	Develop business case for the construction and operation of an education facility at SRWRA.	KPI 3, KPI 6, KPI 8 2.3, 2.8	March 2023	Business case has been considered by the Board.
1.6	Progress the development of the Circular Economy Park	KPI 8	June 2023	Concept and project implementation plan has been considered by the Board.

## 2022-23 Annual Business Plan

<b>2. Operational Excellence – we deliver a financially sustainable and well governed business model that values safety, regulatory compliance and positive environmental outcomes.</b>				
<b>NUMBER</b>	<b>ACTION</b>	<b>STRATEGIC PLAN KPI / ACTION</b>	<b>TIMING</b>	<b>MEASURE</b>
<b>2.1</b>	Continuously review and improve workplace safety systems.	KPI 1	June 2023	Reduction in the number of lost time injuries from the previous year. Implement and complete the 2023 Risk Evaluation Action Plan (WHSIM Plan).
<b>2.2</b>	Maximise remaining landfill airspace.	KPI 5, KPI 6 2.3	June 2023	Maintain a forward fill plan and gaining efficiencies in reuse of daily / interim cover that is regularly reported. Maintain construction plan for supercell construction and capping.
<b>2.3</b>	Develop project scope and business case for the installation of rooftop solar power on the SMRF roof.	KPI 7 2.3	December 2022	Business case has been considered by the Board.
<b>2.4</b>	Maximise the compatible use of buffer land.	KPI 8 2.1, 2.8	June 2023	Opportunities are presented to the Board as they arise.
<b>2.5</b>	Continuous improvement of litter capture on site.	KPI 2 2.2	June 2023	Litter fencing works are delivered. Operational management practices across the SRWRA site are enhanced.

## 2022-23 Annual Business Plan

3. Governance & Risk – we maintain business systems and processes that are grounded in				
NUMBER	ACTION	STRATEGIC PLAN KPI / ACTION	TIMING	MEASURE
3.1	Maintain a contemporary suite of policies.	KPI 1	June 2023	Policies of the Board are developed, reviewed and updated within the nominated review periods.
3.2	Work in accordance with the Risk Management Policy and Framework.	KPI 1 KPI 2	As per meeting schedule	Risk report provided to each ordinary meeting of the Audit Committee and Board.
3.3	Review and update the Business Continuity Plan.	KPI 2	March 2023	Updated Business Continuity Plan presented to the Board.
3.4	Review and update the Work Emergency & Evacuation Plan	KPI 1 KPI 2	November 2022	Updated Work Emergency & Evacuation Plan presented to the Board.
3.5	Develop a Technology Disaster Recovery Plan	KPI 2	June 2023	Technology Disaster Recovery Plan presented to the Board.
3.6	Board and Committee meetings are delivered as per the agreed timing and schedule.	KPI 3	As per meeting schedule	Board and Committees of the Board meetings are held at a frequency compliant with their respective Charter / Terms of Reference.
3.7	The Annual Business Plan and Budget is prepared, reviewed and reported and adopted in accordance with statutory timelines.	KPI 4	June 2023	Annual Business Plan and Budget adopted within statutory Timeframes.  Budget Reviews are delivered within statutory Timeframes.

## Southern Region Waste Resource Authority (SRWRA)

### Budgeted Statement of Comprehensive Income

2020/21		2021/22	2021/22	2022/23
Audited Actual		Original Budget	BR3	Draft Budget
\$'000		\$'000	\$'000	\$'000
	<b>Income</b>			
11,774	User Charges	10,689	10,166	10,324
487	Investment Income	677	598	668
-	Reimbursements	-	1,956	-
454	Other	810	274	273
1,032	Net gain - equity accounted Joint Venture	1,512	3,235	1,517
<b>13,747</b>	<b>Total Income</b>	<b>13,688</b>	<b>16,229</b>	<b>12,782</b>
	<b>Expenses</b>			
1,131	Employee Costs	1,302	1,017	1,125
11,176	Materials, Contracts & Other Expenses	10,344	11,331	9,934
1,002	Depreciation, Amortisation & Impairment	1,188	990	1,050
<b>13,309</b>	<b>Total Expenses</b>	<b>12,834</b>	<b>13,338</b>	<b>12,109</b>
<b>438</b>	<b>Operating Surplus / (Deficit)</b>	<b>854</b>	<b>2,891</b>	<b>673</b>
140	Net Gain/(Loss) on Disposal of Assets	-	-	-
-	Amounts received specifically for new or upgraded assets	-	-	-
<b>578</b>	<b>Net Surplus / (Deficit)</b>	<b>854</b>	<b>2,891</b>	<b>673</b>
-	<b>Other Comprehensive Income</b>	-	-	-
<b>578</b>	<b>Total Comprehensive Income</b>	<b>854</b>	<b>2,891</b>	<b>673</b>



## Southern Region Waste Resource Authority (SRWRA)

### Budgeted Statement of Cash Flows

2020/21		2021/22	2021/22	2022/23
Audited Actual		Original Budget	BR3	Draft Budget
\$'000		\$'000	\$'000	\$'000
	<b>Cash Flows from Operating Activities</b>			
	<b>Receipts</b>			
11,450	Operating Receipts	12,999	12,396	10,597
487	Investment Receipts	677	598	668
	<b>Payments</b>			
(9,920)	Operating Payments to Suppliers and Employees	(11,880)	(12,582)	(11,382)
<b>2,017</b>	<b>Net Operating Cash Flows</b>	<b>1,796</b>	<b>412</b>	<b>(117)</b>
	<b>Cash Flows from Investing Activities</b>			
	<b>Receipts</b>			
244	Sale of Surplus Assets	-	-	-
600	Distribution received from equity accounted Joint Venture	3,042	1,400	1,277
	<b>Payments</b>			
(634)	Expenditure on Renewal/Replacement Assets	(55)	(55)	(143)
(6,898)	Expenditure on New/Upgraded Assets	(869)	(1,615)	(219)
(5,679)	Expenditure on equity accounted contributed assets	-	-	-
(513)	Capital Contributed to Equity Accounted Joint Venture	(1,817)	(2,370)	(525)
<b>(12,880)</b>	<b>Net Cash Flows Investing Activities</b>	<b>301</b>	<b>(2,640)</b>	<b>390</b>
	<b>Cash Flows from Financing Activities</b>			
	<b>Receipts</b>			
	Proceeds from Related Party Loan Repayments	-	1,750	-
	<b>Payments</b>			
-	Payments to Related Party Entity Loans	-	(400)	-
<b>-</b>	<b>Net Cash Flows from Financing Activities</b>	<b>-</b>	<b>1,350</b>	<b>-</b>
<b>(10,863)</b>	<b>Net Increase / (Decrease) in Cash Held</b>	<b>2,097</b>	<b>(878)</b>	<b>273</b>
<b>15,506</b>	<b>Cash &amp; Cash Equivalents at start of period</b>	<b>1,710</b>	<b>4,643</b>	<b>3,765</b>
<b>4,643</b>	<b>Cash &amp; Cash Equivalents at end of period</b>	<b>3,807</b>	<b>3,765</b>	<b>4,038</b>

## Southern Region Waste Resource Authority (SRWRA)

### Budgeted Statement of Financial Position

2020/21		2021/22	2021/22	2022/23
Audited Actual		Original Budget	BR3	Draft Budget
\$'000		\$'000	\$'000	\$'000
	<b>Current Assets</b>			
4,643	Cash & Cash Equivalents	3,807	3,765	4,038
3,008	Trade & Other Receivables	2,230	1,808	1,808
1,500	Related Party Loan	-	150	150
<b>9,151</b>	<b>Total Current Assets</b>	<b>6,037</b>	<b>5,723</b>	<b>5,996</b>
	<b>Non-Current Assets</b>			
5,801	Equity Accounted Joint Venture	7,707	10,006	10,771
25,745	Property, Plant & Equipment	25,331	26,425	25,737
<b>31,546</b>	<b>Total Non-Current Assets</b>	<b>33,038</b>	<b>36,431</b>	<b>36,508</b>
<b>40,697</b>	<b>Total Assets</b>	<b>39,075</b>	<b>42,154</b>	<b>42,504</b>
	<b>Current Liabilities</b>			
4,752	Trade & Other Payables	2,339	3,552	3,302
128	Provisions	145	128	128
<b>4,880</b>	<b>Total Current Liabilities</b>	<b>2,484</b>	<b>3,680</b>	<b>3,430</b>
	<b>Non-Current Liabilities</b>			
13,726	Provisions		13,492	13,419
<b>13,726</b>	<b>Total Non-Current Liabilities</b>	<b>13,977</b>	<b>13,492</b>	<b>13,419</b>
<b>18,606</b>	<b>Total Liabilities</b>	<b>16,461</b>	<b>17,172</b>	<b>16,849</b>
<b>22,091</b>	<b>Net Assets</b>	<b>22,614</b>	<b>24,982</b>	<b>25,655</b>
	<b>Equity</b>			
20,869	Accumulated Surplus	21,392	23,760	24,433
1,222	Asset Revaluation Reserve	1,222	1,222	1,222
<b>22,091</b>	<b>Total Equity</b>	<b>22,614</b>	<b>24,982</b>	<b>25,655</b>

## Southern Region Waste Resource Authority (SRWRA)

### Budgeted Statement of Changes in Equity

2020/21		2021/22	2021/22	2022/23
Audited Actual		Original Budget	BR3	Draft Budget
\$'000		\$'000	\$'000	\$'000
	<b>Accumulated Surplus</b>			
20,291	Balance at beginning of period	20,538	20,869	23,760
578	Net Surplus/(Deficit)	854	2,891	673
-	Transfers from reserves	-	-	-
-	Transfers to reserves	-	-	-
-	Distribution to Councils	-	-	-
<b>20,869</b>	<b>Balance at end of period</b>	<b>21,392</b>	<b>23,760</b>	<b>24,433</b>
	<b>Asset Revaluation Reserve</b>			
1,222	Balance at beginning of period	1,222	1,222	1,222
-	Gain on Revaluation of Property, Plant & Equipment	-	-	-
-	Transfers from reserve	-	-	-
<b>1,222</b>	<b>Balance at end of period</b>	<b>1,222</b>	<b>1,222</b>	<b>1,222</b>
<b>22,091</b>	<b>Total Equity</b>	<b>22,614</b>	<b>24,982</b>	<b>25,655</b>

## Southern Region Waste Resource Authority (SRWRA)

### Budgeted Uniform Presentation of Finances

	2021/22 \$'000	2021/22 \$'000	2022/23 \$'000
	Original Budget	BR3	Draft Budget
Operating Revenues	13,688	16,229	12,782
less Operating Expenses	(12,834)	(13,338)	(12,109)
<b>Operating Surplus/(Deficit)</b>	<b>854</b>	<b>2,891</b>	<b>673</b>
<b>Net Outlays on Existing Assets</b>			
Capital Expenditure on renewal and replacement of Existing Assets	(55)	(55)	(143)
Depreciation, Amortisation, Impairment	1,188	990	1,050
Proceeds from Sales of Replaced Assets	-	-	-
	<b>1,133</b>	<b>935</b>	<b>907</b>
<b>Net Outlays on New and Upgraded Assets</b>			
Capital Expenditure on New and Upgraded Assets	(869)	(1,615)	(219)
Amounts received specifically for New and Upgraded Assets	-	-	-
Proceeds from Sales of Surplus Assets	-	-	-
	<b>(869)</b>	<b>(1,615)</b>	<b>(219)</b>
<b>Net Lending/(Borrowing) for Financial Year</b>	<b>1,118</b>	<b>2,211</b>	<b>1,361</b>

## 2022-23 Budgeted Capital Works and Equity Investments

	2021-22 Remaining Budget	2022-23 Budget Requirement	
<b>Capital Works</b>			
Landfill (Regulatory Compliance)			
Capping Southern Batter	173,763	73,000	
Leachate Management Infrastructure	103,713	15,000	
Stormwater Management	11,071	136,000	
Groundwater Monitoring Bore	70,000	43,000	
Site Fencing	0	43,000	Renewal
Litter Fencing	0	15,000	
Wheel Wash	29,000	0	
Plant and Equipment			
Site Works			
Site Landscaping for DA (Bonded Works)	211,375	0	
Land and Buildings			
Information Technology			
Upgrade current software & hardware	0	10,000	
MFP for Office and Weighbridge Printer	0	10,000	Renewal
Weighbridge Software Upgrade	0	90,000	Renewal Upgrade
<b>Total Capital Works</b>	<b>598,922</b>	<b>435,000</b>	
<b>Capital Contributions and Equity Investments</b>	<b>941,042</b>	<b>525,000</b>	
<b>Total Capital Works and Equity Investments</b>	<b>1,539,964</b>	<b>960,000</b>	

Item No: 15.4

Subject: **2022-2023 RATE DECLARATION**

Date: 28 June 2022

Written By: Rates Administrator

General Manager: Strategy and Corporate, Ms P Jackson

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## **SUMMARY**

General, differential and separate rates have been identified to fund Council's activities, together with the Regional Landscape Levy, as contained within the approved 2022-2023 Budget document. Council is now in a position to formally declare the rates for the 2022-2023 financial year.

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## **RECOMMENDATION**

### **1. Adoption of Valuations**

**That the total capital value of land within Council's area of \$17,750,855,300, as provided by the State Valuation Office, be adopted for rating purposes for the 2022-2023 financial year.**

### **2. Declaration of Differential General Rates**

**In order to raise a total net amount of \$38,455,140 from the differential general rate:**

- (a) in respect of rateable land with a land use of Commercial-Shop (Category 2), Commercial-Office (Category 3), Commercial-Other (Category 4), Industrial-Light (Category 5), Industrial-Other (Category 6), and Vacant Land (Category 8) , a Differential General Rate of 0.32796 cents in the dollar is declared on the capital value of such land;**
- (b) in respect of rateable land with a land use of Residential (Category 1) and Other Land (Category 9) uses, a Differential General Rate of 0.203271 cents in the dollar is declared on the capital value of such land;**
- (c) pursuant to Section 158 of the *Local Government Act 1999*, a minimum amount payable by way of the General Rate is fixed at \$1,079;**

- (d) pursuant to Section 153(3) and (4) of the *Local Government Act 1999*, a maximum increase of 6% (of the general rate declared for the same property for the 2021/2022 financial year) is fixed in the general rate charged on rateable land that is used for residential purposes and constitutes the principal place of residence of a principal ratepayer. Any amount exceeding the 6% increase will be remitted in full on application. The cap on an increase in general rates under this Section will not apply where property values have increased as a result of the following events: new building work and/or development activity greater than \$5,000; changes in land use wholly or partially; changes in zoning; the ownership of the rateable property has changed since 1 July of the previous year; the property is no longer the principal place of residence; and;

### 3. Declaration of Separate Rates

#### Jetty Road Mainstreet

- (a) In exercise of the powers contained in Section 154 of the *Local Government Act 1999* and in order to support and improve the activity of promoting and enhancing business viability, profitability and trade, commerce and industry in Jetty Road Glenelg, a Differential Separate Rate of 0.124231 cents in the dollar is declared on the capital value of all rateable land:
- with a frontage to Jetty Road or Moseley Square;
  - within the side streets that intersect with Jetty Road between High Street and Augusta Street;
  - the entire site referred to as the Holdfast Shores 2B Entertainment Centre; and
  - that has a land use of Category 2 (Commercial – Shop), Category 3 (Commercial – Office) and Category 4 (Commercial –Other).

#### Patawalonga Marina

- (b) (i) In exercise of the powers contained in Section 154 of the *Local Government Act 1999* and in order to carry out the activity of the maintenance and upkeep of the Boat Lock in the Patawalonga basin, a Separate Rate of 0.9505 cents in the dollar of the capital value of land, is declared on all rateable land within the Patawalonga basin bounded by the high water mark; and

- (ii) in exercise of the powers contained in Section 158(1)(b) of the *Local Government Act 1999* the amount that would otherwise be payable by way of rates in respect of this separate rate is altered by fixing the maximum amount of the separate rate payable for assessments within the area to which this separate rate applies where the capital values of which exceed \$89,532 at \$851.

4. Imposition of Regional Landscape Levy

In exercise of the powers contained in Section 69 of the *Landscape South Australia Act 2019* and Section 154 of the *Local Government Act 1999*, in order to reimburse the Council for the amount contributed to the Green Adelaide Board, being \$1,321,000, the Council declares a separate rate of 0.0077627 cents in the dollar of the capital value of all rateable land in the Council area.

5. Payment

That:

- (a) in accordance with Section 181(1) of the *Local Government Act 1999*, all rates are payable in four equal (or approximately equal) instalments, the due dates being:

1 September 2022  
1 December 2022;  
1 March 2023; and  
1 June 2023.

Provided that in cases where the initial account requiring payment of rates is not sent by the time set by the *Local Government Act 1999* (the "Act"), or an amended account is required to be sent, the Chief Executive Officer is authorised to fix the date by which rates must be paid in respect of those assessments affected; and

- (b) pursuant to Section 181 (4)(b) of the *Local Government Act 1999*, the Chief Executive Officer is authorised to enter into agreements with ratepayers relating to the payment of rates in any case of hardship or financial difficulty, or where it is considered in the best interests of Council so to do (as determined by the Chief Executive Officer).

6. The current Rating Policy be updated to reflect Council's decision.

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## **STRATEGIC PLAN**

This report includes rating adoptions and declarations that meet the legislative requirements for setting rates. The rate setting outcomes support the funding of the 2022-2023 Budget enabling the delivery of the Strategic Plan objectives and aspirations.

## **COUNCIL POLICY**

Rating Policy

## **STATUTORY PROVISIONS**

*Local Government Act 1999, Section 44 and Chapter 10*  
*Local Government (General) Regulations 1999, Regulation 10*  
*Landscape South Australia Act 2019, Section 69*

## **BACKGROUND**

This report has been prepared to enable the declaration of the 2022-2023 rates.

Council has received and considered various reports and minutes in relation to the Budget and Rating for 2022-2023 including:

22 March 2022	Report No: 74/22 Jetty Road Mainstreet Committee – Minutes of meeting 2 March 2022
12 April 2022	Report No: 108/22 Audit Committee – Minutes of meeting 16 March 2022
26 April 2022	Report No: 129/22 Draft 2022-23 Annual Business Plan
10 May 2022	Report Nos: 75/22 & 144/22 – 2022/23 Events Planning/Winter Activation
24 May 2022	Report No: 171/22 Alywndor Management Committee (AMC) – Minutes of meeting 28 April 2022
14 June 2022	Report No: 194/22 Audit Committee – Minutes of meeting 1 June 2022
14 June 2022	Report No: 192/22 Alywndor Management Committee (AMC) – Minutes of meeting 31 March 2022
14 June 2022	Report No: 195/22 Draft 2022-23 Annual Business Plan Consultation Outcomes
28 June 2022	Report No: 210/22 Annual Business Plan

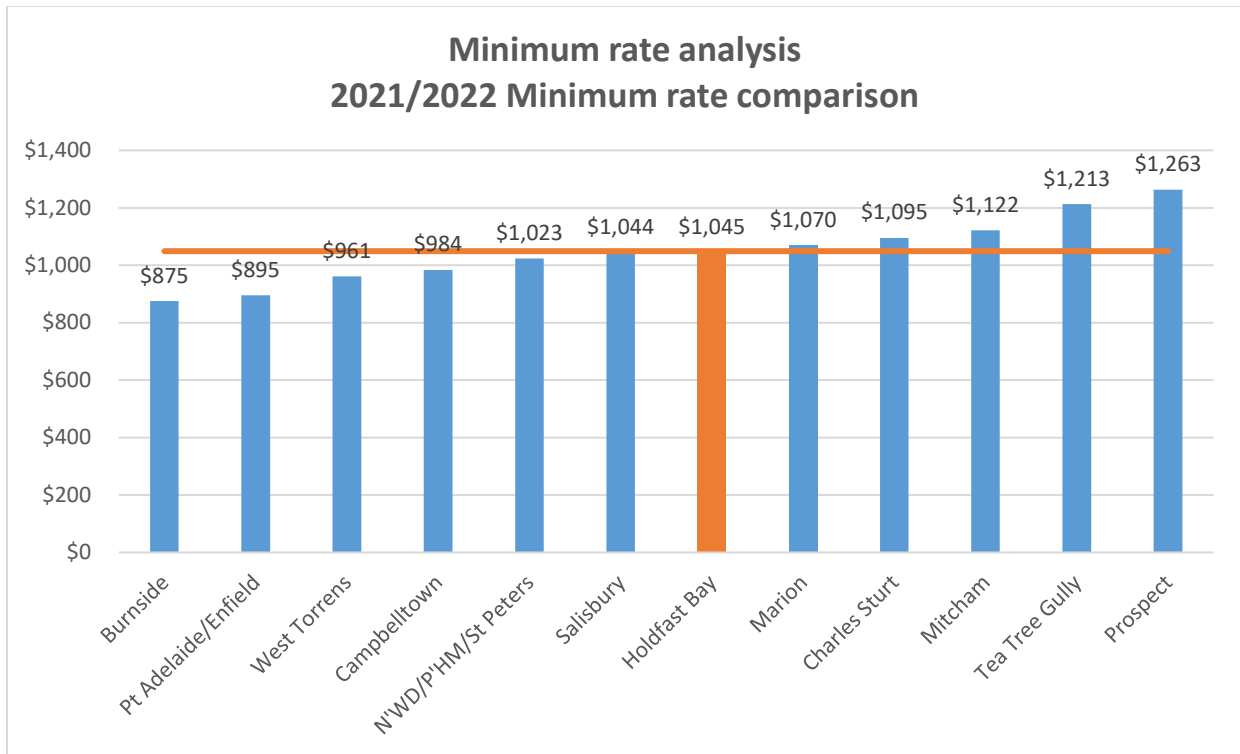
## **REPORT**

### **Minimum Rate**

Council applies a minimum rate because it is considered appropriate that all ratepayers make a base level contribution to the cost of providing Council services including creating and maintaining infrastructure.

For 2021-2022, the minimum rate was \$1,045 and applied to 25.86% of all rateable properties which includes residential, commercial, industrial, vacant and other type properties.

The average minimum rate for councils in metropolitan Adelaide that applied a minimum rate in 2021-2022 was \$1,049. The following chart shows how Holdfast Bay currently compares to other councils.



The 2022-2023 Budget has provided for a 3.2% overall rate revenue increase exclusive of new development growth. It is recommended that a 3.2% increase be applied to the minimum rate equating to an increase of \$34 to \$1,079. This equates to 6,035 properties or 28.75% of rateable properties that will have the minimum rate levied.

### General Rates

The proposed rates are based on the Supplementary Valuation Reports issued by the State Valuation Office, up to and including supplementary report dated 12 June 2022.

Overall general rate revenue for 2022-2023 will increase 3.2%, excluding new developments, and the State Government Regional Landscape Levy. The budget includes the net amount of \$38,455,140 (allowing for rate capping and all rebates) for differential general rate revenue that will be raised through a differential general rate of 0.203271 cents in the dollar (0.243117 cents in 2021-2022) and a minimum rate of \$1,079 (\$1,045 in 2021-2022).

The increase in rates payable for an average (mean) residential rateable property value is \$52. This is based on an average (mean) residential property value of \$821,073 (increase of \$155,861 from 2021-2022) with the amount payable of \$1,669 (\$1,617 in 2021-2022).

### **Differential General Rates**

The *Local Government Act 1999* allows councils to differentiate rates based on land use. Council currently applies a 63% higher rate-in-the-dollar for commercial, industrial and vacant land purposes. Vacant land is included in the differential general rate to encourage development. Research with other councils indicates that Holdfast Bay has a comparatively low proportion of commercial and industrial properties.

The overall amount of differential rates generated in 2021-2022 was \$4,980,828 representing approximately 13.1% of Council's overall general rates raised. Decreasing the differential to 62% results in an amount of \$4,732,552 being raised equating to 12.1% of the overall rates raised.

The differential general rate in the dollar to be applied to commercial, industrial and vacant Land in 2022-2023 is set at 0.32796 cents, (compared with 0.396404 cents in 2021-2022).

### **Valuation Data and Residential Rate Capping**

The Valuer-General has performed a review of all valuation data for all properties in SA. The latest property data is based on the property market at 1 January 2022 and effective for the 2022-2023 rating year. This has resulted in a significant increase to the overall valuation of properties within City of Holdfast Bay. The total capital value of land within Council's area is \$17,750,855,300 for 2022-2023 compared to \$14,477,737,300 for 2021-2022.

Council's existing Rating Policy includes a rate cap to provide relief to ratepayers who own residential properties that have been subject to a significant increase in valuation. In 2021-2022 ratepayers could apply for a reduction if their annual rates bill increased in excess of 6%. Rate capping excludes any concessions or previous concessions granted, Regional Landscape Levy and separate rates.

Rate capping is based on the residential rate levied only. It is recommended to leave the cap at the current rate of 6%. It is difficult to forecast the number of ratepayers that could potentially benefit from rate capping. To be eligible a number of requirements including the exclusion of building improvements in excess of \$5,000 are taken into account. The number of successful applicants in 2021-2022 significantly increased, however it is anticipated that this could increase again in 2022-2023 due to the significant increase in valuations for residential properties.

## **Separate Rates**

### ***Jetty Road Mainstreet***

Details of the recommended 2021-2022 Budget from the Jetty Road Mainstreet Management Committee have been incorporated into Council's budget comprising a separate rate amounting to \$617,630 (\$598,480 for 2021-2022), which equates to a 3.2% increase in the separate rate.

The separate rate will be imposed on all rateable land:

- with a frontage to Jetty Road or Moseley Square;
- within the side streets that intersect with Jetty Road between High Street and Augusta Street; and
- the entire site referred to as the Holdfast Shores 2B Entertainment Centre; and
- with a land use category 2 (Commercial - Shop), 3 (Commercial – Office), and 4 (Commercial – Other).

The valuation of the 383 properties totals \$497,169,585 for which a separate rate of 0.124231 cents in the dollar of Capital Value will return the required amount (compared with 0.131985 cents for 2021-2022).

### ***Patawalonga Marina***

In addition to general rates being levied against berth owners within the Patawalonga Marina, a separate rate will be levied for the purpose of lock maintenance. This separate rate will be applied to 170 properties within the high water mark of the Patawalonga basin and generate a nett revenue of \$77,140.

The valuation of the 170 properties totals \$39,285,181 for which a separate rate of .9505 cents in the dollar of Capital Value would return the required amount. There are nine (9) properties along Cygnet Court that contribute to the Patawalonga Marina separate rate which include a land component and consequently the total capital value of these properties is substantially more than the capital value of their individual marina berth. To ensure that these properties do not contribute substantially more to the Patawalonga Marina rate than the other berth owners, a maximum rate of \$851 (\$825 in 2021-2022), equating to a Capital Value of \$89,532 is proposed.

### ***Regional Landscape Levy***

Under Section 69 of the *Landscape South Australia Act 2019*, Council is required to pay a sum of \$1,321,000 (2021-2022 \$1,301,758) to the Green Adelaide Board. The total amount to be raised, including a provision for rebates, is \$1,351,000.

A Separate Rate is required to be levied across the total City to recoup \$1,321,000 plus a provision of \$30,000 for applicable rebates. The valuation of such properties amount to \$17,410,326,462 for which a separate rate of 0.0077627 cents in the dollar of Capital Value would return the required amount.

**BUDGET**

This report declares the amount and distribution of rates as adopted in the 2022-2023 Budget.

<b>Rate description</b>	<b>Amount (Adopted 2022-2023 Budget)</b>
General Rates	\$34,234,413
General Differential Rates	\$4,712,587
New Development/Growth	\$165,000
Patawalonga Lock Rates	\$77,140
Landscape Levy	\$1,321,000
Jetty Road Mainstreet	\$617,630
Fines/Legal Fees	\$100,000
Rate Capping/Valuation Objections	(\$60,000)
Rebates – LG Act and Council	(\$804,000)

**LIFE CYCLE COSTS**

Not applicable

Item No: 15.5  
Subject: **MONTHLY FINANCIAL REPORT – 31 MAY 2022**  
Date: 28 June 2022  
Written By: Management Accountant  
General Manager: Strategy and Corporate, Ms P Jackson

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### **SUMMARY**

Attached are financial reports as at 31 May 2022. They comprise a Funds Statement and a Capital Expenditure Report for Council's Municipal activities and Alwyndor Aged Care. The adjusted forecast budget includes the carried forward amount as approved by Council on 24 August 2021 and the three quarterly budget updates approved by Council on 26 October 2021, 8 February 2022 and 26 April 2022.

No changes to Alwyndor and Municipal budgets are recommended at this time, but the report highlights items that show a material variance from the YTD budget.

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### **RECOMMENDATION**

**That Council receives the financial reports and budget update for the 11 months to 31 May 2022 and notes:**

- **no change to the Municipal activities 2021-22 revised budget forecast;**
  - **no change to the Alwyndor Aged Care 2021-22 revised budget forecast.**
- 

### **STRATEGIC PLAN**

Not applicable

### **COUNCIL POLICY**

Not applicable

### **STATUTORY PROVISIONS**

Not applicable

## **BACKGROUND**

Council receives financial reports each month comprising a Funds Statement and Capital Expenditure Report for each of Council's Municipal activities and Alwyndor Aged Care.

The Funds Statements include an income statement and provide a link between the Operating Surplus/Deficit with the overall source and application of funds including the impact on cash and borrowings.

*Refer Attachment 1*

## **REPORT**

The current forecast projections comprise the original budget adopted by Council at its meeting on 22 June 2021, the carried forward amount as approved by Council on 24 August 2021 and the three quarterly budget updates approved by Council on 26 October 2021, 8 February 2022 and 26 April 2022.

Details of the major year-to-date variances, along with amounts and notes for both Council Municipal and Alwyndor operations, have been prepared and are attached to this report. Major variances will be reviewed at 30 June 2022 and if required a request to carry forward relevant amounts will be made.

*Refer Attachment 1*

### **Financial Assistance Grant - Timing**

In June 2021 the Federal Government brought forward part payment of the 2021-22 Financial Assistance Grant resulting in a potential reduction to the operating result for 2021-22. On 13 April 2022 the Commonwealth confirmed that it is again bringing forward payment of the Commonwealth Financial Assistance Grants for 2022-23 (75%) and this will be accounted for in 2020-21.

This is a timing issue and will be noted as such in the 2021-22 financial statements. The timing of these payments has meant \$533,500 more has been received against the 2021-22 operating budget. As a result, depending on the timing of future Financial Assistance Grant payments, there may be a potential reduction to the 2022-23 operating result.

### **Major capital variances**

A number of major projects are forecast to be incomplete as at 30 June 2022 and include the following:

- Brighton Caravan Park – Stage 2 redevelopment
- Seacliff Plaza upgrade
- Kingston Park Kiosk construction
- Glenelg Oval redevelopment
- Dover Square Tennis Club court and lighting

- Buffalo Site improvement works
- Stormwater Management Plan implementation
- CCTV installation at various locations
- Gully Masterplan implementation
- Major plant and equipment on order, but not yet delivered

The amounts will be detailed in a future finance report when committed costs are known.

#### **BUDGET**

The content and recommendation of this report indicates the effect on the budget.

#### **LIFE CYCLE COSTS**

The nature and content of this report is such that life cycle costs are not applicable.



# Attachment 1



**City of Holdfast Bay**  
**Municipal Funds Statement as at May 2022**

2021 - 2022 Original Budget \$'000	Year to Date				2021 - 2022 Adopted Forecast \$'000	Note
	Adopted Forecast \$'000	Actual \$'000	Variance \$'000			
84	117	165	(48)	Cemeteries	110	
466	473	433	40	Commercial & Club Leases	473	
(1,143)	(1,058)	(1,016)	(43)	Council Administration	(1,098)	
(1,011)	(766)	(635)	(131)	Development Services	(978)	1
1,490	1,675	2,283	(608)	FAG/R2R Grants	2,363	2
(1,689)	(1,693)	(1,664)	(29)	Financial Services	(1,807)	
(9,743)	(7,244)	(7,197)	(47)	Financial Services-Depreciation	(9,743)	
(262)	-	-	-	- Financial Services-Employee Leave Provisions	(262)	
(834)	(526)	(511)	(15)	Financial Services-Interest on Borrowings	(689)	
160	-	-	-	- Financial Services-SRWRA	434	
37,146	37,457	37,471	(14)	General Rates	37,157	
(2,780)	(2,571)	(2,375)	(196)	Innovation & Technology	(2,832)	3
(684)	(487)	(432)	(55)	People & Culture	(604)	4
(508)	(504)	(492)	(12)	Public Realm and Urban Design	(563)	
(913)	(730)	(748)	18	Strategy & Governance	(853)	
(1,506)	(1,050)	(875)	(175)	City Activation	(1,261)	5
1,134	1,130	1,179	(49)	Commercial - Brighton Caravan Park	1,267	
15	39	52	(13)	Commercial - Partridge House	31	
(367)	(498)	(481)	(17)	Communications and Engagement	(564)	
(349)	(299)	(299)	-	- Community and Business Administration	(344)	
(894)	(767)	(718)	(49)	Community Events	(935)	
661	764	1,024	(260)	Community Safety	661	6
(540)	(449)	(456)	7	Community Wellbeing	(602)	
(617)	(539)	(447)	(92)	Customer Service	(617)	7
-	17	49	(32)	Jetty Road Mainstreet	(165)	
(1,492)	(1,314)	(1,259)	(55)	Library Services	(1,496)	8
(299)	(267)	(254)	(13)	Assets & Delivery Administration	(299)	
(1,195)	(910)	(783)	(127)	Engineering & Traffic	(1,275)	9
(989)	(719)	(610)	(109)	Environmental Services	(1,013)	10
(7,561)	(6,763)	(6,848)	85	Field Services & Depot	(7,581)	11
(2,062)	(1,737)	(1,603)	(134)	Property Management	(2,059)	12
(455)	(372)	(349)	(23)	Street Lighting	(455)	
(4,086)	(3,471)	(3,347)	(123)	Waste Management	(4,086)	13
928	-	-	-	- Less full cost attribution - % admin costs capitalised	928	
<b>107</b>	<b>6,938</b>	<b>9,255</b>	<b>(2,317)</b>	<b>=Operating Surplus/(Deficit)</b>	<b>1,245</b>	
9,743	7,244	7,197	47	Depreciation	9,743	
102	-	-	-	- Other Non Cash Items	(171)	
<b>9,845</b>	<b>7,244</b>	<b>7,197</b>	<b>47</b>	<b>Plus Non Cash Items in Operating Surplus/(Deficit)</b>	<b>9,572</b>	
<b>9,953</b>	<b>14,182</b>	<b>16,452</b>	<b>(2,270)</b>	<b>=Funds Generated from Operating Activities</b>	<b>10,817</b>	
879	1,452	1,357	95	Amounts Received for New/Upgraded Assets	2,442	14
528	55	55	-	- Proceeds from Disposal of Assets	1,683	
<b>1,407</b>	<b>1,507</b>	<b>1,412</b>	<b>95</b>	<b>Plus Funds Sourced from Capital Activities</b>	<b>4,125</b>	
(9,392)	(8,316)	(5,172)	(3,144)	Capital Expenditure on Renewal and Replacement	(12,188)	
(6,461)	(7,584)	(6,090)	(1,494)	Capital Expenditure on New and Upgraded Assets	(15,179)	
<b>(15,853)</b>	<b>(15,900)</b>	<b>(11,262)</b>	<b>(4,638)</b>	<b>Less Total Capital Expenditure</b>	<b>(27,367)</b>	15
247	237	237	-	- Plus:Repayments of loan principal by sporting groups	247	
<b>247</b>	<b>237</b>	<b>237</b>	<b>-</b>	<b>Plus/(less) funds provided (used) by Investing Activities</b>	<b>247</b>	
<b>(4,246)</b>	<b>26</b>	<b>6,839</b>	<b>(6,813)</b>	<b>= FUNDING SURPLUS/(REQUIREMENT)</b>	<b>(12,178)</b>	
				<b>Funded by</b>		
-	127	127	-	- Increase/(Decrease) in Cash & Cash Equivalents	-	
-	(913)	6,552	(7,465)	Non Cash Changes in Net Current Assets	-	
(5,584)	-	-	-	- Less: Proceeds from new borrowings	(13,516)	
-	-	(651)	651	Less: Net Movements from Cash Advance Debentures	-	
1,338	811	811	-	- Plus: Principal repayments of borrowings	1,338	
<b>(4,246)</b>	<b>26</b>	<b>6,839</b>	<b>(6,813)</b>	<b>=Funding Application/(Source)</b>	<b>(12,178)</b>	

Note 1 – Development Services - \$131,000 favourable

Year to date planning fee income higher than budgeted (\$60,000) and employment cost savings due to temporary vacancies (\$71,000).

Note 2 – Financial Assistance Grants - \$608,000 favourable

Part payment of 2022/23 Federal Government Financial Assistance Grant received in advance, the timing of which requires it to be recorded as income in 2021/22 (\$533,000) and higher than budgeted Roads to Recovery grant funding received (\$75,000).

Note 3 – Innovation & Technology - \$196,000 favourable

Employment cost savings due to temporary vacancies (\$103,000) and year to date positive variance on software licenses (\$63,000) and photocopying costs (\$30,000).

Note 4 – People and Culture - \$55,000 favourable

Apprentice and training subsidies and reimbursements higher than budgeted for (\$33,000) and year to date savings on corporate wardrobe expenditure (\$18,000).

Note 5 – City Activation - \$175,000 favourable

Number of shopfront character grants processed lower than budgeted for (\$68,000), employment cost savings due to temporary vacancies (\$50,000) and year to date position on tourism and business development (\$55,000).

Note 6 – Community Safety - \$260,000 favourable

Car parking related revenue higher than forecast (\$221,000) and employment cost savings due to temporary vacancies (\$37,000).

Note 7 – Customer Service - \$92,000 favourable

Employment cost savings due to temporary vacancies.

Note 8 – Library Services - \$55,000 favourable

Employment cost savings due to temporary vacancies.

Note 9 – Engineering & Traffic - \$127,000 favourable

Employment cost savings due to temporary vacancies (\$39,000), increased bus shelter advertising revenue (\$6,000) and year to date positive variances on traffic investigation consulting fees (\$45,000) and line marking (\$37,000).

Note 10 – Environmental Services - \$109,000 favourable

Employment cost savings due to temporary vacancies (\$8,000) and receipt of Green Industries FOGO grant (\$100,000).

Note 11 – Field Services & Depot - \$85,000 unfavourable

Unbudgeted repairs to Glenelg Jetty with the removal of damaged platform.

Note 12 – Property Management - \$134,000 favourable

Year to date positive variance on electricity charges (\$72,000), gas monitoring costs at Kauri Parade Sports Complex (\$32,000) and Patawalonga Lock maintenance and repairs (25,000).

Note 13 – Waste Management - \$123,000 favourable

Year to date savings on waste disposal costs at Southern Region Waste Resource Authority (SRWRA).

Note 14 – Amounts Received for New/Upgraded Assets - \$95,000 favourable

Reimbursement received for 56% of Mawson Oval tennis court upgrade costs.

Note 15 – Capital Expenditure - \$4,638,000 favourable

There are positive variances on a number of capital projects mainly due to the timing of projects. A review of the capital program was undertaken as part of the March 2022 budget update and a number of major projects are forecast to be incomplete as at 30 June 2022 including the following:

- Brighton Caravan Park – stage 2 redevelopment
- Seacliff Plaza upgrade
- Kingston Park Kiosk
- Glenelg Oval redevelopment
- Dover Square Tennis Club court and lighting
- Buffalo Site improvement works
- Stormwater Management Plan implementation
- CCTV installation at various locations
- Gully Masterplan implementation
- Major plant and equipment on order, but not yet delivered

**City of Holdfast Bay**  
**Capital Expenditure Summary by Budget Item to May 2022**

2021-22 Original Budget \$'000	Year to Date				2021-22 Adopted Forecast \$'000
	Adopted Forecast \$'000	Actual \$'000	Variance \$'000		
(928)	-	-	-	- Full Cost Attribution	(928)
(1,013)	(940)	(926)	(14)	(14) Information Technology	(1,193)
(1,200)	(160)	(160)	-	- Commercial and Economic Enterprises	(2,125)
(85)	(64)	(73)	9	9 Brighton Library	(85)
-	-	(15)	15	15 Sport and Recreation	(577)
(13)	(9)	(7)	(2)	(2) Depot and Stores	(13)
(1,512)	(1,322)	(313)	(1,010)	(1,010) Machinery Operating	(1,700)
(1,898)	(1,793)	(647)	(1,146)	(1,146) Road Construction and Re-seal Program	(2,243)
(100)	-	-	-	- Car Park Construction	(100)
(127)	(382)	(362)	(20)	(20) Footpath Program	(382)
(1,100)	(1,560)	(1,316)	(244)	(244) Stormwater Drainage Program	(1,953)
(130)	(107)	(12)	(96)	(96) Traffic Control Construction Program	(153)
(1,307)	(1,110)	(777)	(333)	(333) Kerb and Water Table Construction Program	(1,307)
(30)	(34)	(25)	(9)	(9) Other Transport - Bus Shelters etc.	(64)
(3,869)	(2,525)	(1,790)	(735)	(735) Reserve Improvements Program	(6,060)
(1,434)	(2,382)	(1,960)	(422)	(422) Land, Buildings and Infrastructure Program	(4,195)
(580)	(3,199)	(2,773)	(426)	(426) Streetscape Program	(3,582)
(526)	(313)	(108)	(205)	(205) Foreshore Improvements Program	(708)
(15,853)	(15,900)	(11,262)	(4,638)	<b>Total</b>	(27,367)



**Alwyndor Aged Care  
Funds Statement as at 31 May 2022**

2021-22 Original Budget \$'000	Year to Date				2021-22 Adopted Forecast \$'000	Note
	Original Budget YTD \$'000	Actual YTD \$'000	Variance \$'000			
5,435	4,976	5,000	(24)	User Charges	5,429	
12,472	11,444	10,948	497	Operating Grants and Subsidies	12,031	
165	146	243	(97)	Investment Income	304	
3,268	2,976	3,296	(321)	Reimbursements	3,797	
2,722	2,488	3,064	(575)	Other Income	3,240	
<b>24,062</b>	<b>22,030</b>	<b>22,550</b>	<b>(520)</b>	<b>Operating Revenue</b>	<b>24,801</b>	<b>1</b>
(16,551)	(15,165)	(15,529)	364	Employee Costs - Salaries & Wages	(17,121)	2
(6,512)	(5,970)	(6,848)	878	Materials, Contracts and Other Expenses	(7,494)	3
(60)	(55)	(73)	18	Finance Charges	(80)	
(1,232)	(1,131)	(1,136)	5	Depreciation	(1,232)	
<b>(24,355)</b>	<b>(22,321)</b>	<b>(23,587)</b>	<b>1,266</b>	<b>Less Operating Expenditure</b>	<b>(25,927)</b>	
<b>(293)</b>	<b>(291)</b>	<b>(1,037)</b>	<b>746</b>	<b>=Operating Surplus/(Deficit)</b>	<b>(1,126)</b>	<b>5</b>
1,232	1,131	1,136	(5)	Depreciation	1,232	
168	154	102	53	Provisions	132	
<b>1,401</b>	<b>1,285</b>	<b>1,238</b>	<b>47</b>	<b>Plus Non Cash Items in Operating Surplus/(Deficit)</b>	<b>1,364</b>	
<b>1,107</b>	<b>994</b>	<b>201</b>	<b>793</b>	<b>=Funds Generated from Operating Activities</b>	<b>238</b>	
0	0	12	(12)	Amounts Received for New/Upgraded Assets	12	4
<b>0</b>	<b>0</b>	<b>12</b>	<b>(12)</b>	<b>Plus Funds Sourced from Capital Activities</b>	<b>12</b>	
(633)	(580)	(455)	(124)	Capital Expenditure on New and Upgraded Assets	(984)	
<b>(633)</b>	<b>(580)</b>	<b>(455)</b>	<b>(124)</b>	<b>Less Total Capital Expenditure</b>	<b>(984)</b>	
<b>475</b>	<b>415</b>	<b>(242)</b>	<b>656</b>	<b>= Funding SURPLUS/(REQUIREMENT)</b>	<b>(733)</b>	
				<b>Funded by</b>		
475	415	(242)	656	Increase/(Decrease) in Cash & Cash Equivalents	(733)	
<b>475</b>	<b>415</b>	<b>(242)</b>	<b>656</b>	<b>=Funding Application/(Source)</b>	<b>(733)</b>	<b>5</b>

**Alwyndor Aged Care – Notes  
May 2022**

1 Operating Revenue

Operating Revenue is favourable by \$520K mainly due to higher than anticipated Support at Home client growth which remains strong with monthly targets being exceeded.

The strength of Support at Home has been offset by lower than budgeted federal government funding (ACFI) received for permanent residents. A revised approach to assessing ACFI commenced in December 2021 and has begun to realise significant benefits, generating an equivalent of \$700k to date per annum.

Therapy and Wellness classes continue to be impacted by smaller class numbers than assumed in the budget.

Investment income is higher due to the annual bonus interest payment received from the LGFA and the commencement of Strategic Investment Policy through Ord Minnett.

2 Employee Costs – Salaries & wages

Employee costs increased due to:

- Home Care – increased staff to support higher growth in clients.
- Residential – additional carers in response to higher acuity residents, and staff shortages which impacts through additional agency use as well as staff working overtime.

3 Materials, Contracts and other expenditure

The YTD increase can be attributed to:

- The increase of expenditure from budget is mainly due to additional brokered services in Support at Home which are recovered as part of Operating Revenue.
- Additional COVID expenses which are mostly offset by a COVID Grant (included within Other Income).
- \$244K of Alayacare software project implementation costs which have been included in the full year forecast.

4 Amounts Received for New/Upgraded Assets

\$12K of income received from Local Government Risk Services relating to a WHS reimbursement for noise cancelling headsets.

5 Operating Deficit

May 2022 YTD

The \$1,037K Operating Deficit, after allowing for depreciation and capital expenditure, has led to a funding requirement of \$242K as at May YTD. This will be funded by Alwyndor's existing cash reserves.

Excluding the one-off Alayacare implementation costs, the Operating Deficit would be \$792K.



Item No: 15.6  
Subject: **PROCUREMENT POLICY REVIEW**  
Date: 28 June 2022  
Written By: Manager, Strategy and Governance  
General Manager: Strategy and Corporate, Ms P Jackson

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## **SUMMARY**

The Procurement Policy suite was reviewed in mid-2021 and is not due for review again until 2024, however, with economic conditions being as volatile as they are, more frequent reviews may be necessary.

Such volatility requires adequate administrative flexibility to ensure the best procurement outcomes can be achieved. To this end, a number of changes to the Procurement Policy are proposed. These changes are intended to provide Council with greater flexibility to negotiate with suppliers, including existing suppliers, where such an approach provides better results compared to a market approach.

The opportunity has also been taken to strengthen processes relating to referee checks relating to procurements and conflicts of interest. These have taken on board documents produced by the South Australian Independent Commissioner Against Corruption.

A revised proposed policy was provided to the Audit Committee for review on 1 June 2022. The Audit Committee considered the proposed policy and endorsed it for Council's consideration.

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## **RECOMMENDATION**

**That Council adopt the revised Procurement Policy.**

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## **STRATEGIC PLAN**

Statutory compliance

## **COUNCIL POLICY**

Procurement Policy

## **STATUTORY PROVISIONS**

*Local Government Act 1999*

## **BACKGROUND**

The Procurement Policy suite was reviewed in mid-2021 and is not due for review again until 2024, however, with economic conditions being as volatile as they are, more frequent reviews may be necessary.

A revised proposed policy was provided to the Audit Committee for review on 1 June 2022. The Audit Committee considered the proposed policy and endorsed it for Council's consideration.

## **REPORT**

In the aftermath of the COVID-19 pandemic, economic conditions are volatile. Ongoing supply chain issues have resulted in substantial price increases and an abundance of available work in certain industries. This is putting pressure on Council's ability to source suppliers through tenders and approaches to the market.

Such volatility requires adequate administrative flexibility to ensure the best procurement outcomes can be achieved. To this end, proposed additions have been made to the Procurement Policy to provide additional scope for Council to assess value for money in determining which procurement process to follow. Given the current competitiveness of the market, the proposed threshold for requiring Council approval for an exemption to the policy is also proposed to be increased, to ensure that decisions can be made in a responsive way.

These changes are intended to provide Council with greater flexibility to negotiate with suppliers, including existing suppliers, where such an approach provides better results compared to a market approach.

The opportunity has also been taken to strengthen processes relating to referee checks relating to procurements and conflicts of interest. These have taken on board documents produced by the South Australian Independent Commissioner Against Corruption.

A revised Procurement Policy with track changes marked is provided as Attachment 1.

*Refer Attachment 1*

A final version of the proposed Procurement Policy is provided as Attachment 2.

*Refer Attachment 2*

**BUDGET**

Impacts on the budget should be positive as the most efficient procurement processes can be selected.

**LIFE CYCLE COSTS**

Impacts on the life cycle should be positive as the parameters for assessing value for money have been expanded.

# Attachment 1



ECM DSID Number:	4127922
First Issued / Approved:	01/08/2011
Last Reviewed:	25/05/21
	C250521/2298
Next Review:	24/05/24
Responsible Officer:	<del>Team Leader Governance</del> Procurement Officer
Date Placed on Webpage/ Intranet:	26/05/21

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## 1. PREAMBLE

### 1.1 Background

- 1.1.1 The City of Holdfast Bay (Council, including Alwyndor) procures a wide range of products and services.
- 1.1.2 Council has the power to enter into contracts under the *Local Government Act 1999* (the Act).
- 1.1.3 Section 49 of the Act, requires Council to prepare and adopt policies on contracts and tenders, including:
- the contracting out of services
  - competitive tendering and other measures to ensure that services are delivered cost-effectively and
  - the use of local goods and services
- 1.1.4 Pursuant to section 49 of the Act, policies must:
- identify circumstances where the Council will call for tenders for the supply of goods, the provision of services or the carrying out of works
  - provide a fair and transparent process for calling tenders and entering into contracts in those circumstances and
  - provide for the recording of reasons for entering into contracts other than those resulting from a tender process.

### 1.2 Purpose

The Council is committed to providing best value to the community within a framework of fairness, transparency and accountability. Purchases must be made in the best interests of the community, and in accordance with Council's governing documents and legislative requirements.

### 1.3 Scope

This Policy applies to all purchases, contracts and tenders organised by Council or Alwyndor employees (including staff contractors and any other party involved in decision-making about purchases), on behalf of Council when undertaking procurement activities (the Purchaser/s).

Purchasers will ensure all purchases they initiate comply with this Policy and financial and contractual delegations. Purchasers must, act with integrity and in good faith at all times when dealing with suppliers.

### 1.4 Strategic Reference

Statutory requirement

## 2. PRINCIPLES

### 2.1 Procurement Principles

Council is committed to six core principles when selecting suppliers:

### 2.2.1 Value for Money

The Council will undertake efficient and effective procurement to ensure value in the expenditure of public money. Value for money is achieved by ensuring the desired outcome is delivered at the best possible price, accounting for relevant financial and non-financial factors. These factors may include:

- costs – including price, whole of life cycle costs, and opportunity costs
- relevant and relative risks
- the value of any environmental, social and economic benefits
- the maturity of the market for the goods or services being sought
- flexibility or adaptability to possible change over the life cycle of the goods or services being sought
- circumstances or innovations that may not have been foreshadowed at the time this policy was developed.

Value for money may not necessarily favour the lowest price.

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As part of Council's commitment to Reconciliation and desire to invite increased Aboriginal economic participation to our City, Aboriginal businesses will, to the extent permitted by law, be given preference when other considerations are equal. Where Aboriginal expertise is required to deliver outcomes being tendered for, direct engagement of an Aboriginal business is permissible.

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- include recycled-content and
- contribute to minimising Council's carbon emissions.

In support of the Local Government Association's 'Buying it Back' Circular Procurement Pilot Project, Council will endeavour to prioritise the purchase of recycled-content materials through its procurement processes for all categories of procurement, including panel contracts already in place.

Consideration of sustainability outcomes must be balanced against other principles (such as buy local, Aboriginal employment etc) but may include the consideration of opportunity costs. Council will use its best endeavours to track the purchase of recycled-content by weight and where feasible, will report publicly on purchases.

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Those items which are high value, high risk and/or high complexity should be acquired through the more stringent process of a tender. Transaction costs are lowest with methods such as credit cards, and higher for methods such as tenders.

## PROCUREMENT POLICY

The decision matrix below outlines the different transaction methods based on value:

Value of purchase (excluding GST)	Direct Purchasing	Request for Quotes (2 quotes)	Request for Quotes (3 quotes)	Tender (Open/Select)	Panel Contract	Strategic Alliances
< \$15000	x				x	x
\$15,000 - \$34,999		x			x	x
\$35,000 - \$100,000			x		x	x
> \$100,000				x	x	x

The direct purchasing method can be conducted verbally, with Request for Quotes conducted via email or in writing.

**3.3.1** For purchases over \$100,000, reference checks should be considered as part of the due diligence process, and documented in the Tender Evaluation Report. Where a reference check is undertaken the following information should be included as a minimum:

- referee's name, position and the date of the reference check
- nature and length of engagement with the proposed supplier
- the overall experience with the proposed supplier
- levels of satisfaction with the capabilities of key personnel
- ability to deliver on time and overcome unanticipated events
- quality of work/product compared to specifications/key performance indicators
- compliance with work health and safety (including managing sub-contractors)
- responsiveness to change/flexibility
- value for money.

### 3.4 Conflicts of Interest

**3.4.1** A Purchaser's duties and responsibilities must be carried out fairly and impartially, without bias, free from improper influence and in the community's interest. Conflicts of interest, actual and perceived, can erode the community's trust that public funds are expended in the public interest.

**3.4.2** A Conflict of interest arises where the private interests of a Purchaser actually conflict, have potential to conflict or might be perceived to conflict, with the conduct of a Purchaser. The personal interests of a Purchaser can be material or financial interests, as well as non-financial interests, arising from their private life. They can be their own personal interests, or the interests of family, friends or associates. The interests of a business, club, group or association can also comprise a personal interest for a Purchaser, as can animosities, grievances or biases against other individuals or groups.

### 3.4.3 There are 3 types:

- **Actual** conflict of interest exists if private and/or personal interests *influence* the performance of or decisions made of a Purchaser.
- **Perceived** conflict of interest exists if private and/or personal interests *appear* to influence the performance of or decisions of a Purchaser.
- **Potential** conflict of interest exists if private and/or personal interests *have potential* to influence the performance of or decisions of a Purchaser.

3.4.4 Purchaser/s (project officers) are required to **assess any actual, perceived or potential conflicts of interest and declare these** before proceeding with a procurement process or as soon as possible after a conflict has been identified. It is not enough for a Purchaser to regard themselves as not being influenced by their personal interest. If a reasonable and fair-minded observer might perceive that a Purchaser's personal interest could be favoured by exercising their duties and responsibilities, then a conflict of interest exists. If a conflict is identified it must be disclosed to the Procurement Officer in writing (via email). The disclosure must contain sufficient information to enable effective management of the conflict. Inaccurate, incomplete or misleading information about the conflict can give rise to allegations of corruption.

3.4.5 Where a conflict of interest is disclosed, the Procurement Officer will prepare a plan to manage it. The plan will assess the risk the conflict poses to the procurement process and will identify an appropriate response, which may include:

- registering the interest so that others are aware that a matter involves a personal interests (only in less serious circumstances where risk is low)
- recruiting an independent party to oversee all or part of the procurement involving the conflict of interest
- restricting the person's involvement in the procurement
- removing the person entirely from the procurement
- the person relinquishing the personal interest that gave rise to the conflict, or modifying its potential influence over a matter
- escalating decision making to a relevant manager, General Manager or Chief Executive Officer.

### 3.5 Exemptions from this Policy

This policy does not apply to:

- the continuation of work or services under existing arrangements (for example, variations or minor extensions to existing work orders or contracts to facilitate completion)
- works, goods or services that have been subject to a recent competitive procurement process and the pricing is still valid
- works, goods or services being provided under warranty, servicing, maintenance or defects liability
- works, goods or services where the supply market is known to be limited to the extent that adhering to procurement processes is not feasible.

## PROCUREMENT POLICY

- 3.5.1 Emergencies: In certain circumstances and emergencies the Chief Executive Officer or Council may exempt/ waive application of this Policy and pursue a method which will bring the best outcome for the Council.

This includes when there are timing constraints and where the supply market is known e.g. monopoly exists, limited specialist goods/services required and can only be provided by a single provider (sole supplier), emergency need etc. (not an exhaustive list).

Where an exemption is due to an emergency situation:

- expenditure should be limited to that required to alleviate the emergency situation; and
- purchasers must ensure that appropriate methods of purchase are resumed as soon as practicable (i.e. purchase order generated, quotations sought for remainder of the goods, works or services other than that required for the emergency response).

- 3.5.2 Under \$100,000: General Manager approval is required if a different purchasing method for purchases under \$100,000 (excluding GST) are used other than those prescribed in this Policy. Approval may be granted for considerations such as **market conditions, value for money** or availability of the required goods/services from an Aboriginal, local or other relevant business pursuant to Sections 2.2.3 to 2.2.5 of this Policy. Under such circumstances the cost of these purchases should be benchmarked (e.g. quantity survey) for value for money.

- 3.5.3 Over \$100,000: Tenders must be called for contracts for goods and services in excess of \$100,000 (excluding GST) unless:

- a panel contract or strategic alliances are used,
- a different **competitive** process will deliver greater benefit than other methods,
- **market conditions or circumstances are such that a tender process will not deliver value for money,**
- the required outcomes to be delivered require Aboriginal expertise and an Aboriginal business can supply the required goods/services (see Section 2.2.3), or
- a local business can supply the required goods/services and the procurement will demonstrably contribute a significant economic, environmental and/or social good to the City (refer Sections 2.2.3 to 2.2.5). For clarity, 'demonstrable' means measurable, not indirect/general economic activity. Examples could include, for example, additional long term jobs in the City, social enterprises directly created by the procurement, new investments made in accessibility or sustainability in the City, etc.

Under such circumstances the cost of these purchases should be benchmarked (e.g. quantity survey) for value for money.

Purchases between \$100,000 to **\$500,000** (excluding GST) require approval of

## PROCUREMENT POLICY

the Chief Executive Officer (CEO) if a tender, panel contract or strategic alliances are not to be used and an exemption is required. It is at the CEO's discretion to determine whether Council (the elected body) should be notified of the exemption at a following Council meeting (via Items in Brief).

However, purchases in excess of \$500,000 (excluding GST) require Council's (the elected body's) approval if another purchasing method is to be used other than a tender, panel contract or strategic alliance (via Report to Council).

- 3.5.4 Exemptions Register: Council's Administration is to record its reasons in writing for exempting the application of this Policy and retained in Council's document management system for probity purposes.

All exemptions are to be advised to Council's Procurement Officer for including in an Exemptions Register.

- 3.5.5 Unsolicited Proposals: Refer to Council's Unsolicited Proposals Policy.

### 3.6 Open and Select Tenders (over \$100,000 excluding GST)

- 3.6.1 A tender process must be used where the purchase is greater than \$100,000 (optional for purchases under \$100,000). Refer to Council's Internal Tendering Procedure for details about how to undertake a tender process.

- 3.6.2 Open or select tender: An open tender is preferred unless there is a specific reason for a select tender. A select tender may be used with the approval of the relevant Manager where:

- it is the second stage after an Expression of Interest (EOI) or Request for Tender process (e.g. shortlisted from EOI process). Refer to 'Expression of Interest' section below.
- it is known the supplier pool is limited to a few.

- 3.6.3 Advertising and Receipt of Tenders:

Open Tenders- The Procurement Officer will arrange for the finalised tender documentation to be publicly advertised on SA Tenders and Contracts website for a minimum of 21 days (3 weeks).

Open tender responses must be lodged electronically on SA Tenders and Contracts website, unless there are exceptional circumstances.

Select Tenders- The Procurement Officer will arrange for the finalised tender documentation to be directed to the relevant selected businesses (via SA Tenders and Contracts or email). The notification period to suppliers will allow a reasonable amount of time for responses to be provided e.g. 10 to 14 days minimum timeframe for responses (taking into account flexibility depending on the business requirements).

Under such circumstances the cost of these purchases should be benchmarked (e.g. quantity survey) for value for money.

Select tender responses must be as specified in the request for tender documentation.

Late tenders are not to be considered (except in exceptional circumstances).

### 3.7 Expression of Interest (EOI)

An EOI allows the Council to elicit information from the market without any obligation to commit. EOIs are useful where Council is unsure which suppliers are in the market, or the scope/budget for a project might be, or where the Council wishes to obtain some conceptual suggestions.

The EOI follows a similar process to a tender but is less detailed and does not include a contract. An EOI may form part of a two phase tender process, where EOI respondents may be short-listed for a select tender.

### 3.8 Panel Contract

This is where Council establishes panel arrangements with a select group of suppliers. A tender is undertaken to select a group of suppliers which provide the services and have the capability to meet the Council's needs.

If Council has a Panel Contract in place for the supply of goods or services, purchases may be made directly from any of the suppliers on the panel, without the need to obtain quotes, or seek tenders (as long as the contract contains contract rates for the items being purchased).

Panel arrangements should operate for approximately three years.

Council may also use Panels created by State or Federal agencies.

### 3.9 Strategic Alliances

Strategic alliances may be appropriate where Council can increase its purchasing power by partnering with another Council, representative body or supplier.

Strategic alliances allow the Council to negotiate lower costs for standard goods and services through collaborative purchasing.

Purchasers may make purchases through strategic alliances or common use contract arrangement already established and administered by other organisations such as (but not limited to):

- Local Government Association Procurement (LGAP)
- Procurement Australia (PA)
- CCI Group Purchasing
- State government contracts
- A purchasing arrangement with other Councils e.g. Western alliance etc.

Tender processes are usually undertaken by the organisations in order to select the suppliers available through collaborative purchasing. This saves Council undertaking its own tender process and creates efficiencies for all parties.

### 3.10 Contract Management

It is important that all contracts are managed diligently to maximise the outcomes and minimise risk.

Contracts over \$100,000 require that a Council officer be nominated as the Contract Manager in relevant project/activity documentation. The Contract Manager will have primary responsibility for ensuring the outcomes of the contract are delivered to time, budget and quality standards.

## PROCUREMENT POLICY

A Contract Manager also has the primary responsibility for the delivery standards such as Work, Health and Safety measures.

At a minimum, mid-term and post engagement reviews must be undertaken by the Contract Manager and reported via relevant project/activity governance mechanisms. More frequent reviews may be established as needed.

The Project Manager is responsible where relevant for arranging a Certificate of Completion is issued where satisfied works have been brought to Completion or issuing a Non-completion Notice specifying defects in order for Certificate of Completion to be issued.

All handover documents including manuals must be retained for Council's future reference (within document management system).

### 3.11 Risk Management

3.10.1 Council must ensure that procurement activities are consistent with and meet the obligations of Council's Risk Management Policy [suite](#).

3.10.2 Council must ensure the suppliers have sufficient public liability, professional indemnity (if applicable) and personal injury insurance (if applicable).

### 3.12 Prudential Requirements

It is a requirement that a Prudential Report is prepared for projects exceeding a prescribed value, prior to any purchasing being undertaken (refer to Council's Prudential Management Policy).

### 3.13 Payment Options

Goods and services will be paid for on the receipt of an invoice from a supplier emailed directly to [accountspayable@holdfast.sa.gov.au](mailto:accountspayable@holdfast.sa.gov.au). Options include:

3.12.1 Petty Cash: Purchasers may receive an advance or reimbursement of expenses to a limit of \$100 for one-off purchases where Council does not have an account with the supplier.

3.12.2 Credit Cards: for purchases by approved cardholders of \$2,000 (excluding GST) or less, which are low risk and low complexity. Refer to Council's relevant policy.

3.12.3 Payment on invoice (with or without Purchase Orders): Invoices with a value less than \$2,000 (excluding GST) do not need a purchase order but **all purchases over \$2,000 (excluding GST) must be linked to a purchase order prior to**

## PROCUREMENT POLICY

**receiving the goods or services** (except not required for Regional Landscape Levy, worker's compensation premiums or payment of utility accounts).

Purchase orders records Council's commitment to purchase goods or services. It contains advice to suppliers of Council's standard terms and conditions for a purchase.

3.12.4 Payment Requisition: A payment requisition form should be completed for purchases that do not have an invoice (e.g. staff reimbursements).

Council has established a Supplier Charter which clearly communicates Council's commitments and expectations in all procurement activities (available on Council's webpage).

## 4. REFERENCES

### 4.1 Legislation

- *Environmental Protection Act 1993*
- *Local Government Act 1999*
- *Trade Practices Amendment (Australian Consumer Law) Act (No.1) 2010*
- *Work Health and Safety Act 2012*

### 4.2 Other References

- Code of Conduct
- Disposal of Assets Policy
- Internal Purchasing Procedure
- Internal Tendering Procedure
- Prudential Management Policy
- Risk Management Policy, Framework and Procedure
- South Australian Public Participation Policy, March 2018
- South Australian Public Participation Policy Procedural Guidelines, August 2017
- Supplier Charter
- Unsolicited Proposals Policy
- WHS Contractor Management Policy



# Attachment 2



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## 1. PREAMBLE

### 1.1 Background

- 1.1.1 The City of Holdfast Bay (Council, including Alwyndor) procures a wide range of products and services.
- 1.1.2 Council has the power to enter into contracts under the *Local Government Act 1999* (the Act).
- 1.1.3 Section 49 of the Act, requires Council to prepare and adopt policies on contracts and tenders, including:
- the contracting out of services
  - competitive tendering and other measures to ensure that services are delivered cost-effectively and
  - the use of local goods and services
- 1.1.4 Pursuant to section 49 of the Act, policies must:
- identify circumstances where the Council will call for tenders for the supply of goods, the provision of services or the carrying out of works
  - provide a fair and transparent process for calling tenders and entering into contracts in those circumstances and
  - provide for the recording of reasons for entering into contracts other than those resulting from a tender process.

### 1.2 Purpose

The Council is committed to providing best value to the community within a framework of fairness, transparency and accountability. Purchases must be made in the best interests of the community, and in accordance with Council's governing documents and legislative requirements.

### 1.3 Scope

This Policy applies to all purchases, contracts and tenders organised by Council or Alwyndor employees (including staff contractors and any other party involved in decision-making about purchases), on behalf of Council when undertaking procurement activities (the Purchaser/s).

Purchasers will ensure all purchases they initiate comply with this Policy and financial and contractual delegations. Purchasers must, act with integrity and in good faith at all times when dealing with suppliers.

### 1.4 Strategic Reference

Statutory requirement

## 2. PRINCIPLES

### 2.1 Procurement Principles

Council is committed to six core principles when selecting suppliers:

### 2.2.1 Value for Money

The Council will undertake efficient and effective procurement to ensure value in the expenditure of public money. Value for money is achieved by ensuring the desired outcome is delivered at the best possible price, accounting for relevant financial and non-financial factors. These factors may include:

- costs – including price, whole of life cycle costs, and opportunity costs
- relevant and relative risks
- the value of any environmental, social and economic benefits
- the maturity of the market for the goods or services being sought
- flexibility or adaptability to possible change over the life cycle of the goods or services being sought
- circumstances or innovations that may not have been foreshadowed at the time this policy was developed.

Value for money may not necessarily favour the lowest price.

To achieve value for money, procurement activities should:

- include a comparative analysis of the costs and benefits of each option
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The definition of 'local' may vary, depending on the identified geographic market for the relevant procurement activity.

Council will support economic development for South Australia by using suppliers that employ South Australian residents and invest in the State (acknowledging the South Australia Industry Participation Policy) where possible. Council will prefer the use of Australian products unless there is no alternative equivalent in which case overseas products will be considered.

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- responsiveness to change/flexibility
- value for money.

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3.4.2 A Conflict of interest arises where the private interests of a Purchaser actually conflict, have potential to conflict or might be perceived to conflict, with the conduct of a Purchaser. The personal interests of a Purchaser can be material or financial interests, as well as non-financial interests, arising from their private life. They can be their own personal interests, or the interests of family, friends or associates. The interests of a business, club, group or association can also comprise a personal interest for a Purchaser, as can animosities, grievances or biases against other individuals or groups.

3.4.3 There are 3 types:

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- **Perceived** conflict of interest exists if private and/or personal interests *appear* to influence the performance of or decisions of a Purchaser.
- **Potential** conflict of interest exists if private and/or personal interests *have potential* to influence the performance of or decisions of a Purchaser.

3.4.4 Purchaser/s (project officers) are required to assess any actual, perceived or potential conflicts of interest and declare these before proceeding with a procurement process or as soon as possible after a conflict has been identified. It is not enough for a Purchaser to regard themselves as not being influenced by their personal interest. If a reasonable and fair-minded observer might perceive that a Purchaser's personal interest could be favoured by exercising their duties and responsibilities, then a conflict of interest exists. If a conflict is identified it must be disclosed to the Procurement Officer in writing (via email). The disclosure must contain sufficient information to enable effective management of the conflict. Inaccurate, incomplete or misleading information about the conflict can give rise to allegations of corruption.

3.4.5 Where a conflict of interest is disclosed, the Procurement Officer will prepare a plan to manage it. The plan will assess the risk the conflict poses to the procurement process and will identify an appropriate response, which may include:

- registering the interest so that others are aware that a matter involves a personal interests (only in less serious circumstances where risk is low)
- recruiting an independent party to oversee all or part of the procurement involving the conflict of interest
- restricting the person's involvement in the procurement
- removing the person entirely from the procurement
- the person relinquishing the personal interest that gave rise to the conflict, or modifying its potential influence over a matter
- escalating decision making to a relevant manager, General Manager or Chief Executive Officer.

### 3.5 Exemptions from this Policy

This policy does not apply to:

- the continuation of work or services under existing arrangements (for example, variations or minor extensions to existing work orders or contracts to facilitate completion)
- works, goods or services that have been subject to a recent competitive procurement process and the pricing is still valid
- works, goods or services being provided under warranty, servicing, maintenance or defects liability
- works, goods or services where the supply market is known to be limited to the extent that adhering to procurement processes is not feasible.



## PROCUREMENT POLICY

- 3.5.1 Emergencies: In certain circumstances and emergencies the Chief Executive Officer or Council may exempt/ waive application of this Policy and pursue a method which will bring the best outcome for the Council.

This includes when there are timing constraints and where the supply market is known e.g. monopoly exists, limited specialist goods/services required and can only be provided by a single provider (sole supplier), emergency need etc. (not an exhaustive list).

Where an exemption is due to an emergency situation:

- expenditure should be limited to that required to alleviate the emergency situation; and
- purchasers must ensure that appropriate methods of purchase are resumed as soon as practicable (i.e. purchase order generated, quotations sought for remainder of the goods, works or services other than that required for the emergency response).

- 3.5.2 Under \$100,000: General Manager approval is required if a different purchasing method for purchases under \$100,000 (excluding GST) are used other than those prescribed in this Policy. Approval may be granted for considerations such as market conditions, value for money or availability of the required goods/services from an Aboriginal, local or other relevant business pursuant to Sections 2.2.3 to 2.2.5 of this Policy. Under such circumstances the cost of these purchases should be benchmarked (e.g. quantity survey) for value for money.

- 3.5.3 Over \$100,000: Tenders must be called for contracts for goods and services in excess of \$100,000 (excluding GST) unless:

- a panel contract or strategic alliances are used,
- a different process will deliver greater benefit than other methods,
- market conditions or circumstances are such that a tender process will not deliver value for money,
- the required outcomes to be delivered require Aboriginal expertise and an Aboriginal business can supply the required goods/services (see Section 2.2.3), or
- a local business can supply the required goods/services and the procurement will demonstrably contribute a significant economic, environmental and/or social good to the City (refer Sections 2.2.3 to 2.2.5). For clarity, 'demonstrable' means measurable, not indirect/general economic activity. Examples could include, for example, additional long term jobs in the City, social enterprises directly created by the procurement, new investments made in accessibility or sustainability in the City, etc.

Under such circumstances the cost of these purchases should be benchmarked (e.g. quantity survey) for value for money.

Purchases between \$100,000 to \$500,000 (excluding GST) require approval of the Chief Executive Officer (CEO) if a tender, panel contract or strategic alliances

## PROCUREMENT POLICY

are not to be used and an exemption is required. It is at the CEOs discretion to determine whether Council (the elected body) should be notified of the exemption at a following Council meeting (via Items in Brief).

However, purchases in excess of \$500,000 (excluding GST) require Council's (the elected body's) approval if another purchasing method is to be used other than a tender, panel contract or strategic alliance (via Report to Council).

- 3.5.4 Exemptions Register: Council's Administration is to record its reasons in writing for exempting the application of this Policy and retained in Council's document management system for probity purposes.

All exemptions are to be advised to Council's Procurement Officer for including in an Exemptions Register.

- 3.5.5 Unsolicited Proposals: Refer to Council's Unsolicited Proposals Policy.

### 3.6 Open and Select Tenders (over \$100,000 excluding GST)

- 3.6.1 A tender process must be used where the purchase is greater than \$100,000 (optional for purchases under \$100,000). Refer to Council's Internal Tendering Procedure for details about how to undertake a tender process.

- 3.6.2 Open or select tender: An open tender is preferred unless there is a specific reason for a select tender. A select tender may be used with the approval of the relevant Manager where:

- it is the second stage after an Expression of Interest (EOI) or Request for Tender process (e.g. shortlisted from EOI process). Refer to 'Expression of Interest' section below.
- it is known the supplier pool is limited to a few.

- 3.6.3 Advertising and Receipt of Tenders:

Open Tenders- The Procurement Officer will arrange for the finalised tender documentation to be publicly advertised on SA Tenders and Contracts website for a minimum of 21 days (3 weeks).

Open tender responses must lodged electronically on SA Tenders and Contracts website, unless there are exceptional circumstances.

Select Tenders- The Procurement Officer will arrange for the finalised tender documentation to be directed to the relevant selected businesses (via SA Tenders and Contracts or email). The notification period to suppliers will allow a reasonable amount of time for responses to be provided e.g. 10 to 14 days minimum timeframe for responses (taking into account flexibility depending on the business requirements).

Under such circumstances the cost of these purchases should be benchmarked (e.g. quantity survey) for value for money.

Select tender responses must be as specified in the request for tender documentation.

Late tenders are not to be considered (except in exceptional circumstances).

### 3.7 Expression of Interest (EOI)

An EOI allows the Council to elicit information from the market without any obligation to commit. EOIs are useful where Council is unsure which suppliers are in the market, or the scope/budget for a project might be, or where the Council wishes to obtain some conceptual suggestions.

The EOI follows a similar process to a tender but is less detailed and does not include a contract. An EOI may form part of a two phase tender process, where EOI respondents may be short-listed for a select tender.

### 3.8 Panel Contract

This is where Council establishes panel arrangements with a select group of suppliers. A tender is undertaken to select a group of suppliers which provide the services and have the capability to meet the Council's needs.

If Council has a Panel Contract in place for the supply of goods or services, purchases may be made directly from any of the suppliers on the panel, without the need to obtain quotes, or seek tenders (as long as the contract contains contract rates for the items being purchased).

Panel arrangements should operate for approximately three years.

Council may also use Panels created by State or Federal agencies.

### 3.9 Strategic Alliances

Strategic alliances may be appropriate where Council can increase its purchasing power by partnering with another Council, representative body or supplier.

Strategic alliances allow the Council to negotiate lower costs for standard goods and services through collaborative purchasing.

Purchasers may make purchases through strategic alliances or common use contract arrangement already established and administered by other organisations such as (but not limited to):

- Local Government Association Procurement (LGAP)
- Procurement Australia (PA)
- CCI Group Purchasing
- State government contracts
- A purchasing arrangement with other Councils e.g. Western alliance etc.

Tender processes are usually undertaken by the organisations in order to select the suppliers available through collaborative purchasing. This saves Council undertaking its own tender process and creates efficiencies for all parties.

### 3.10 Contract Management

It is important that all contracts are managed diligently to maximise the outcomes and minimise risk.

Contracts over \$100,000 require that a Council officer be nominated as the Contract Manager in relevant project/activity documentation. The Contract Manager will have primary responsibility for ensuring the outcomes of the contract are delivered to time, budget and quality standards.

## PROCUREMENT POLICY

A Contract Manager also has the primary responsibility for the delivery standards such as Work, Health and Safety measures.

At a minimum, mid-term and post engagement reviews must be undertaken by the Contract Manager and reported via relevant project/activity governance mechanisms. More frequent reviews may be established as needed.

The Project Manager is responsible where relevant for arranging a Certificate of Completion is issued where satisfied works have been brought to Completion or issuing a Non-completion Notice specifying defects in order for Certificate of Completion to be issued.

All handover documents including manuals must be retained for Council's future reference (within document management system).

### 3.11 Risk Management

3.10.1 Council must ensure that procurement activities are consistent with and meet the obligations of Council's Risk Management Policy suite.

3.10.2 Council must ensure the suppliers have sufficient public liability, professional indemnity (if applicable) and personal injury insurance (if applicable).

### 3.12 Prudential Requirements

It is a requirement that a Prudential Report is prepared for projects exceeding a prescribed value, prior to any purchasing being undertaken (refer to Council's Prudential Management Policy).

### 3.13 Payment Options

Goods and services will be paid for on the receipt of an invoice from a supplier emailed directly to [accountspayable@holdfast.sa.gov.au](mailto:accountspayable@holdfast.sa.gov.au). Options include:

3.12.1 Petty Cash: Purchasers may receive an advance or reimbursement of expenses to a limit of \$100 for one-off purchases where Council does not have an account with the supplier.

3.12.2 Credit Cards: for purchases by approved cardholders of \$2,000 (excluding GST) or less, which are low risk and low complexity. Refer to Council's relevant policy.

3.12.3 Payment on invoice (with or without Purchase Orders): Invoices with a value less than \$2,000 (excluding GST) do not need a purchase order but **all purchases over \$2,000 (excluding GST) must be linked to a purchase order prior to**

## PROCUREMENT POLICY

**receiving the goods or services** (except not required for Regional Landscape Levy, worker's compensation premiums or payment of utility accounts).

Purchase orders records Council's commitment to purchase goods or services. It contains advice to suppliers of Council's standard terms and conditions for a purchase.

3.12.4 Payment Requisition: A payment requisition form should be completed for purchases that do not have an invoice (e.g. staff reimbursements).

Council has established a Supplier Charter which clearly communicates Council's commitments and expectations in all procurement activities (available on Council's webpage).

## 4. REFERENCES

### 4.1 Legislation

- *Environmental Protection Act 1993*
- *Local Government Act 1999*
- *Trade Practices Amendment (Australian Consumer Law) Act (No.1) 2010*
- *Work Health and Safety Act 2012*

### 4.2 Other References

- Code of Conduct
- Disposal of Assets Policy
- Internal Purchasing Procedure
- Internal Tendering Procedure
- Prudential Management Policy
- Risk Management Policy, Framework and Procedure
- South Australian Public Participation Policy, March 2018
- South Australian Public Participation Policy Procedural Guidelines, August 2017
- Supplier Charter
- Unsolicited Proposals Policy
- WHS Contractor Management Policy

Item No: 15.7

Subject: **RISK MANAGEMENT POLICY AND PROCEDURE REVIEW**

Date: 28 June 2022

Written By: Manager, Strategy and Governance

General Manager: Strategy and Corporate, Ms P Jackson

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## **SUMMARY**

The Risk Management Framework, Policy and Procedure were endorsed by the Audit Committee on 31 January 2018 and by Council on 13 March 2018. In 2021, the Risk Consequence Scale and Descriptions table (consequence table) and the Risk Matrix in the Risk Management Framework were adjusted by Council on the advice of the Audit Committee.

A comprehensive review of the Risk Management Framework, Policy and Procedure have now been undertaken by the Risk and Improvement Officer to simplify the suite of documents and apply best practice.

A proposed new Risk Management Policy was provided for the Audit Committee's review, comment and endorsement on 1 June 2022. Following the Audit Committee's endorsement, the Risk Management Policy is now provided for Council's adoption. Procedures do not require Council approval and will be confirmed by the Chief Executive once the head policy is approved.

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## **RECOMMENDATION**

### **That Council:**

- 1. adopts the proposed new Risk Management Policy; and**
  - 2. notes the proposed new Risk Management Procedure.**
- 

## **STRATEGIC PLAN**

Statutory requirement

## **COUNCIL POLICY**

Risk Management Policy

## STATUTORY PROVISIONS

*Local Government Act 1999*

## BACKGROUND

A Risk Management Framework was developed in 2018 by Council's Internal Auditors, Bentleys, in consultation with Administration. The Risk Management Framework (Attachment 1), as well as the Risk Policy (Attachment 2) and Procedure (Attachment 3), were endorsed by the Audit Committee on 31 January 2018 and by Council on 13 March 2018. In 2021, the Risk Consequence Scale and Descriptions table (consequence table) and the Risk Matrix in the Risk Management Framework were adjusted by Council on the advice of the Audit Committee.

*Refer Attachments 1, 2 and 3*

## REPORT

Elements of the Risk Management Framework were reviewed in mid-2021 but the policy suite overall was not reviewed. Furthermore, in September 2021, a review of the policy suite was undertaken by IS Defence in response to recommendations made in the Cyber Security Internal Audit.

In line with the organisational value of simplicity, the previous Risk Framework, Policy and Procedure have been reviewed and have been restructured into two documents, being a more comprehensive policy and more detailed procedure.

Recommendations from the IS Defence work have been addressed, and references have been taken from the LGRS Risk Framework, as well as ISO standards, to lift the maturity of the documents.

While most of the content is standardised best practice content, there are some organisation-specific policy positions that Council may wish to pay particular attention to in the policy and procedure, namely the:

- commitment for Council to set the risk appetite at least once per term;
- updated risk tolerances;
- updated risk reporting schedules;
- updated likelihood descriptions; and
- re-articulated roles.

The consequence scales and risk matrix that were updated in mid-2021 on the Audit Committee's advice have not been altered.

A proposed new Risk Management Policy was provided for the Audit Committee's review, comment and endorsement on 1 June 2022. Following the Audit Committee's endorsement, the Risk Management Policy is now provide for Council's adoption.

As the documents are substantially altered from the previous version, a tracked changes version is not practical. The proposed new Risk Management Policy is provided as Attachment 4.

*Refer Attachment 4*

Procedures do not require Council approval and will be confirmed by the Chief Executive once the head policy is approved. The proposed new Risk Management Procedure is provided for noting.

*Refer Attachment 5*

## **BUDGET**

There are no budget implications arising from the review of these documents.

## **LIFE CYCLE COSTS**

There are no life cycle costs associated with this report.



# Attachment 1



ECM DSID Number:	4168346
First Issued / Approved:	13/03/2018
	22/06/2018
Last Reviewed:	22/06/2021 C220621/2327
Next Review:	21/06/2024
Parent Policy	Risk Management Policy
Responsible Officer:	Team Leader Governance
Date placed on Intranet	23/06/2021

## 1. PREAMBLE

The structure of managing risk, includes the roles and responsibilities for risk management within the City of Holdfast Bay and the risk management recording and reporting requirements.

### 1.1 Background

The international risk management standard (ISO 31000:2009) provides a generic risk management process that can be applied to any organisation of any size and in any jurisdiction or sector.

The City of Holdfast Bay (Council) needs to ensure that it has an appropriate risk management framework that meets Council's strategic and operational objectives and promotes a positive risk culture across Council.

### 1.2 Purpose and Scope

This framework provides guidelines and step by step processes for all Council employees in the identification, management and reporting of risks across all areas of Council operations which will minimise potential negative exposures and maximise opportunities. This framework is supported by Council's Risk Management Policy and Risk Management Procedure.

## 2. RISK MANAGEMENT

### 2.1 What is risk management?

Risk is defined in Australian Standard ISO 31000: Risk Management – Principles and Guidelines (the Standard) as *"the effect of uncertainty on objectives"*. The Standard defines risk management as *"the process designed to identify potential events that may affect an entity and manage risk to be within its risk appetite and provide reasonable assurance regarding the achievement of entity objectives"*.

Risk includes a failure to identify, assess, evaluate and manage threats and recognise and seize opportunities. Risk is measured in terms of likelihood of

## RISK MANAGEMENT FRAMEWORK

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occurrence and consequences in light of the existing management strategies and controls in place to manage the risk.

Risk management includes:

- the identification, sourcing and measurement of risk;
- design and implementation of capabilities for avoiding, retaining, transferring and exploiting risk; and
- monitoring risk within acceptable tolerance levels.

The goal is not to eliminate all risks, but instead manage risks involved in Council's operations and services.

### 2.2 Benefits of risk management

Risk influences every aspect of the operations of Council and are both internal and external. Understanding risks and managing them appropriately will enhance our ability to make better decisions, safeguard our assets, enhance the ability to provide services to the community and to meet Council's strategic objectives.

The benefits of a coordinated and systematic approach to risk management include:

- having a clear understanding of the key risks facing the City of Holdfast Bay;
- providing assurance to Council, the CEO, senior management and stakeholders that critical risks are being appropriately managed;
- encouraging proactive management of strategies to identify and manage risks;
- promoting a positive risk management culture; and
- establishing an effective method for decision making, planning and reporting.

## 3. RISK MANAGEMENT PROCESS

A graphic summary of the risk management process is included in **Appendix 1**.

Each component of the risk management process is detailed below.

### 3.1 Communicate and Consult

Ongoing communication and consultation with all involved parties to ensure understanding of the risk management process and its intended outcomes is performed by the Risk Manager. This includes the following:

- collating reports for presentation to the Senior Leadership Team, the Audit Committee and Council;
- facilitating ongoing operational reviews of risk registers;
- coordinating risk assessments for specific projects and events and ongoing advice and support to ensure compliance with the Risk Management Framework.

A consultative approach will:

- help define the context;

## RISK MANAGEMENT FRAMEWORK

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- ensure risks are identified effectively;
- bring different areas of expertise together (internal as well as external parties) in analysing risks;
- ensure that different views are appropriately considered in evaluation risks and appropriate change management occurs during risk treatment;
- promote the ownership of risk by managers; and
- facilitate the engagement of stakeholders allowing them to understand and appreciate the benefits of controls and the need to endorse and support a treatment plan.

### 3.2 Establish Context

The internal and external contexts in which the risk management process is addressing need to be considered. Establishment of the context is required to define the basic parameters for risks to be identified, examined and managed and sets the scope for the risk management process.

#### 3.2.1 External Context

Consideration of the external context includes the following:

- opportunities and threats associated with the local, regional, state and global economic, social, political, cultural, regulatory and competitive environments;
- Government policies, legislation and objectives/strategies;
- other external stakeholders and their objectives and strategies.

#### 3.2.2 Internal Context

Consideration of the internal context includes the following:

- Council's plans, objectives and strategies;
- Council's organisational capabilities;
- risk appetite, including when risk is tolerable or not;
- operational constraints, including budget, resources and capabilities;
- Council policies, procedures and guidelines.

### 3.3 Risk Identification

Risk identification is a critical activity at both a strategic and operational level. It needs to include all significant sources of risk, including those beyond Council's control. If a risk or threat has not been identified, then strategies cannot be created to defend against it. Identification should include all risks whether or not they are under the influence of Council. An example of a documented risk from Council's Strategic Risk Register is contained at **Appendix 2**.

The process for identifying risks will usually involve the use of:

- workshops (using brainstorming approaches, SWOT analysis techniques, project or business categories) with key stakeholders that are best equipped to identify and assess the risks and those who will be involved in risk mitigating processes and actions;
- interviews with respective Risk Owners by the Risk Manager;
- documentation of risks in a Risk Register; and

## RISK MANAGEMENT FRAMEWORK

- verification of the output by the key stakeholders.

Risk management activities should be directed towards the identification and capture of key risks ensuring the benefit outweighs the potential increased cost and effort in capturing all possible risks.

Council has identified eight risk categories, including the Business Unit responsible. Details of the risk categories are contained in the Risk Management Procedure.

### 3.4 Risk Analysis

Risk analysis is the process of developing an understanding of each risk. The analysis is based on an assessment of the:

- **risk likelihood** (the chance of something happening); and
- **risk consequence** (the outcome or impact of an event)

and considers the controls or mitigating activities already in place that reduce the level of risk.

The following tables are used in estimating risk likelihood and risk consequence in order to determine an overall risk rating.

#### 3.4.1 Risk Likelihood:

Likelihood Ratings for Risk Occurrence		
Level	Descriptor	Description
E	Almost certain	Is expected to occur in most circumstances – 95% to 100% probability or had occurred in the last 12 months
D	Likely	Will probably occur in most circumstances – 76% to 94% probability over next 5 years or had occurred in the last 12 – 24 months
C	Possible	Might occur at some time – 26% to 75% probability over next 5 years or had occurred in the last 10 – 100 years
B	Unlikely	Could occur at some time – 6% to 25% probability over next 5 years or had occurred in the last 10 to 100 years
A	Rare	May only occur in exceptional circumstances – 0% to 6% probability over next 5 years or had occurred in over 100 years

## RISK MANAGEMENT FRAMEWORK

### 3.4.2 Risk Consequence:

Level	Impact Scale
1	Insignificant
2	Minor
3	Moderate
4	Major
5	Catastrophic

Additional detail on consequences in terms of Reputation, Business Impact, People Safety, Environment and Service Delivery is contained at **Appendix 3**.

### 3.4.3 Risk Matrix

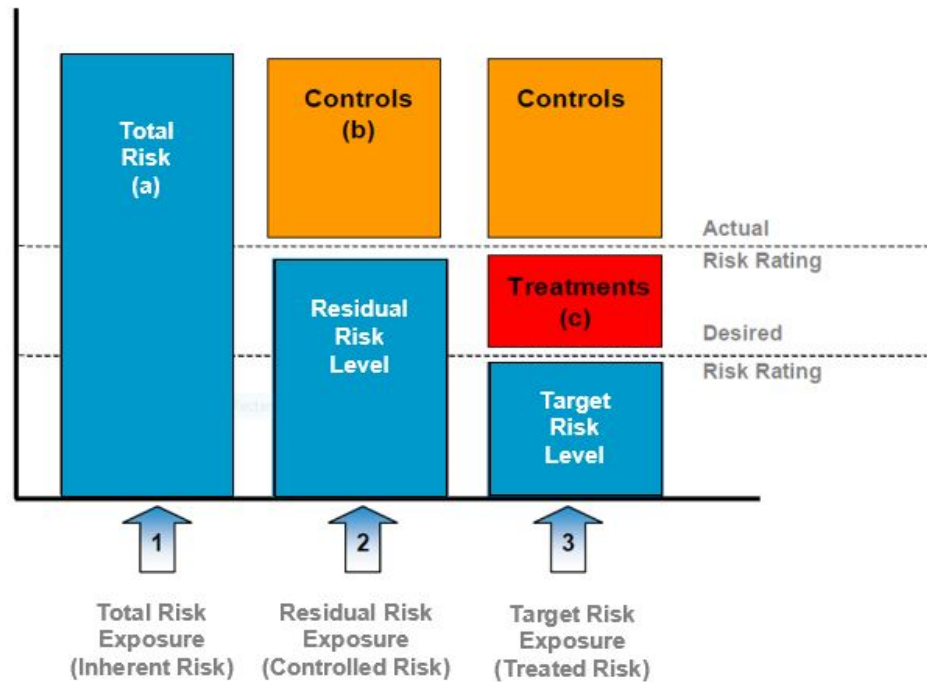
Once the likelihood and consequence have been assessed for a particular risk, the overall risk can be calculated using the following risk matrix:

		Consequence				
		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Likelihood	Almost Certain E	Medium	Medium	High	Extreme	Extreme
	Likely D	Low	Medium	High	High	Extreme
	Possible C	Low	Medium	Medium	High	High
	Unlikely B	Low	Low	Medium	Medium	High
	Rare A	Low	Low	Low	Medium	Medium

### 3.5 Risk Evaluation

Risk evaluation is the process used to develop and document a greater understanding of the risk as a basis for future management and treatment. The following diagram illustrates the risk decision process for the City of Holdfast Bay.

## RISK MANAGEMENT FRAMEWORK



**Inherent risk** is the risk level prior to the implementation of risk treatment and controls.

**Residual risk** is the risk level that takes into account the effectiveness of existing controls to reduce or mitigate risk exposures.

**Target risk** is the aspirational risk level deemed acceptable with additional treatment and controls over and above those of the residual level.

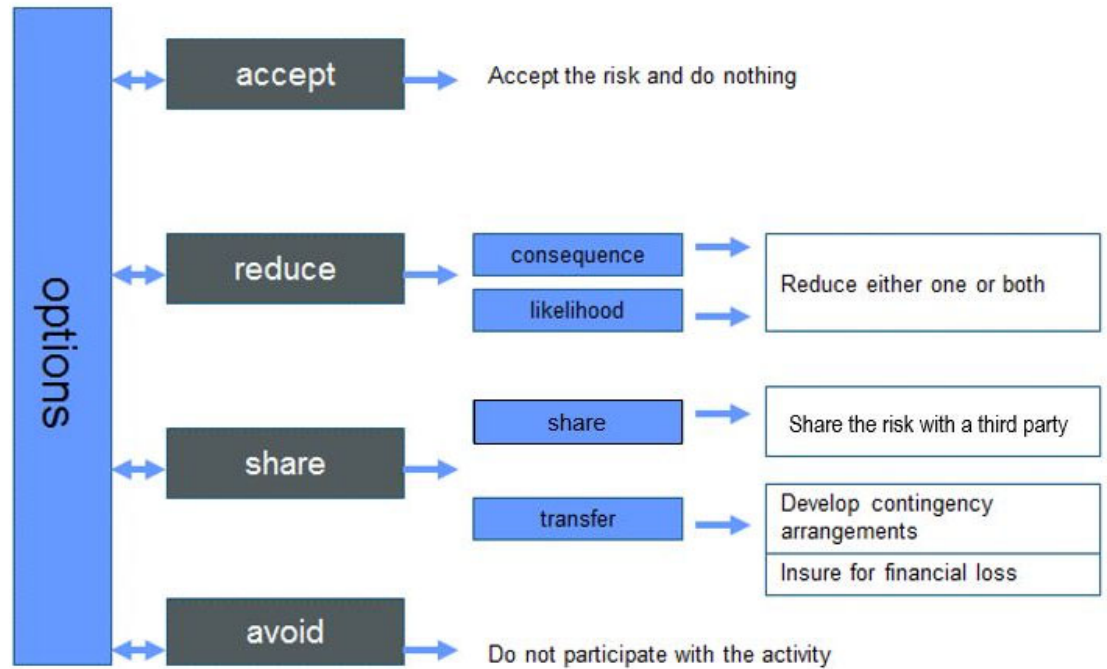
### 3.6 Risk Treatment

Each risk is evaluated against a range of different risk management strategies including:

- Risk Acceptance
- Risk Reduction
- Risk Avoidance
- Risk Sharing

The following table details these risk treatment options with the aim of reducing residual risk exposure to a tolerable level in a cost effective and timely manner. The treatment plan may incorporate one or more of the options below.

## RISK MANAGEMENT FRAMEWORK



Risk treatment plans should be integrated into the relevant work area of Council, have a designated owner and timeframes for completion. A final risk analysis should then be conducted to determine the proposed residual risk rating assuming the treatments will be correctly implemented.

### 3.7 Monitoring and Review

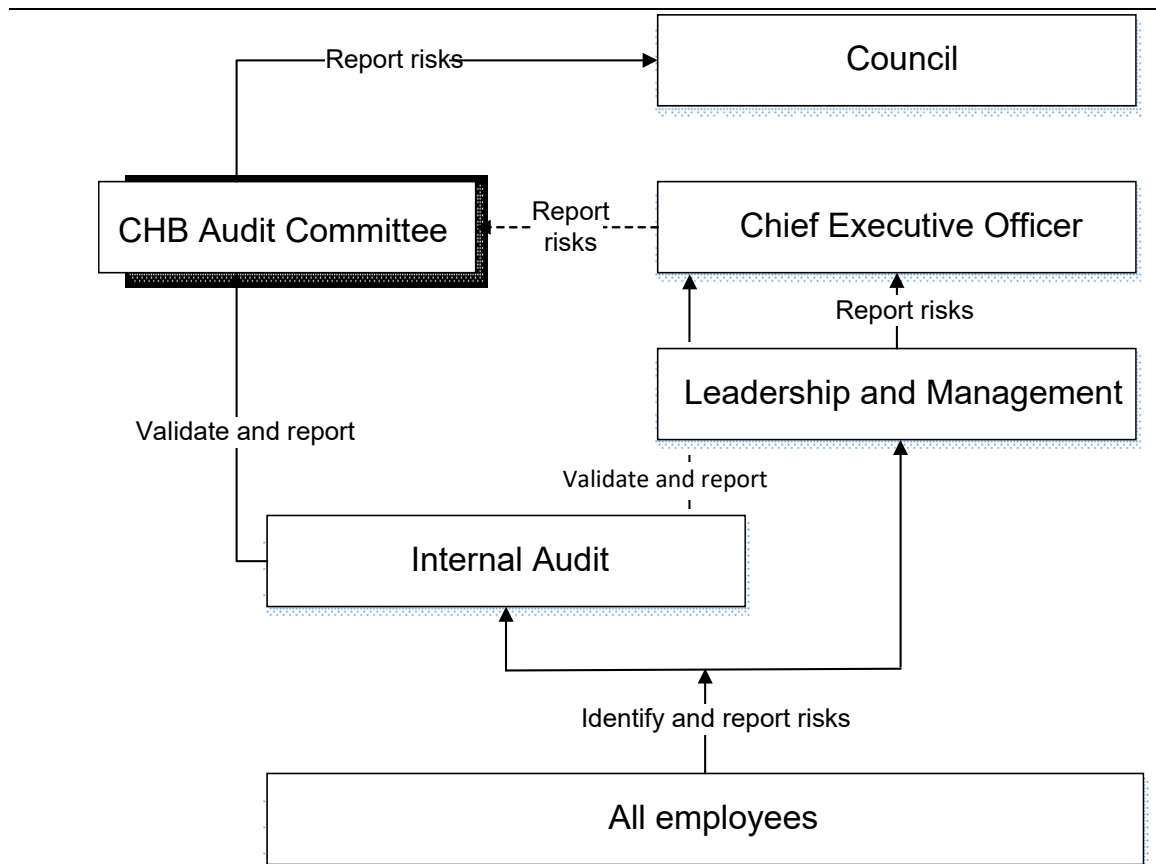
An effective risk management process requires ongoing monitoring and review of all risks, controls and treatments and is part of normal management activities. The City of Holdfast Bay has a process that ensures risk registers are monitored and reviewed regularly and risk owners are engaged in the process. This ensures that treatment plans are achieving their aim and remain relevant. It also highlights changes in risk analysis ratings and identifies any new risks arising from any changed internal or external context.

#### 3.7.1 Reporting

Reporting is undertaken on a regular basis to ensure that key stakeholders have visibility of relevant risks and the implications of risks can be considered by management and in decision making. The following diagram provides a high-level overview of reporting of risk information for the City of Holdfast Bay.



## RISK MANAGEMENT FRAMEWORK



### 3.7.2 Review of Risk Registers

Review of risk registers aims to validate the accuracy and trends of risk related information and is coordinated by the Team Leader Governance. A summary of risk reporting requirements is provided in the tables below:

#### Strategic Risk Reporting:

Residual Risk Rating	Strategic Risk Reporting
Extreme	All Strategic risks, regardless of rating, are reported to the CHB Audit Committee, Senior Leadership Team and CEO.
High	
Moderate	Strategic Risks are managed by CHB Leadership and Management.
Low	

All strategic risks will be reported to the CHB Audit Committee at each Audit Committee meeting, including the status of each risk and any mitigating action occurred in managing the risk.

## RISK MANAGEMENT FRAMEWORK

### Operational Risk Reporting:

Residual Risk Rating	Operational Risk Reporting
Extreme	All Extreme Operational risks are reported to the CHB Audit Committee, Senior Leadership Team and the CEO.
High	All High Operational risks are reported to the CHB Audit Committee, Senior Leadership Team and the CEO.
Moderate	Reported and managed by CHB Leadership and Management
Low	Reported and managed by CHB Leadership and Management

All extreme and high rated risks will be reported to the CHB Audit Committee at each Audit Committee meeting, including the status of each risk and any mitigating action occurred in managing the risk.

## 5. INTEGRATION OF RISK MANAGEMENT INTO COUNCIL PROCESSES

An integrated risk management process requires embedding risk management into every aspect of Council’s operations to manage risks and achieve its objectives. This includes both strategic and operational activities, processes, functions, projects, services and assets. Risk management is integrated into the following activities and processes:

### 5.1 Strategic and Operational Risks

Strategic and Operational Risk Registers will be reviewed, reassessed and monitored on an annual basis. The review will be undertaken by a group coordinated by the Risk Manager including both Elected Members and Senior Management as deemed appropriate by the Risk Manager. Risks are recorded in terms of the inherent risk, residual risk and target risk and mitigation strategies identified for those risks with gaps between the residual and target risk.

The Internal Audit Program will address the key risks identified in the Risk Registers, which can be ranked according to their likelihood and consequence.

**Who responsible:** Risk Manager

**Frequency:** Annual

### 5.2 Financial Risks

Financial Risks including fraud and theft in the areas of payroll, purchasing, contracting, cash handling and investment are captured as a part of the Strategic Risk Register. Controls to mitigate these risks include policies and procedures, controls within the finance system, and compliance monitoring using Control Track.

## RISK MANAGEMENT FRAMEWORK

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**Who responsible:** Manager Finance

**Frequency:** Annual

### 5.3 **Budget and Annual Business Planning**

Throughout the development of the Annual Business Plan and the budget planning process, key risks and opportunities facing Council are considered. The planning process identifies and reviews key risks that may impact its ability to meet its strategic and legislative requirements and objectives. Council's New Initiative process includes a risk assessment for all new requests for funding, and risk is incorporated into the prioritisation of projects.

**Who responsible:** Senior Leadership Team

**Frequency:** Annual

### 5.4 **Procurement and Contractor Management**

Council balances risk and opportunity in ensuring that the right mix of risk between suppliers and Council is maintained. It also ensures that suppliers have sufficient professional indemnity and public liability insurance, including the obtaining of Certificates of Currency over the contract duration. It also ensures that its suppliers are committed to workplace health and safety as well as being competent in the provision of goods or services.

**Who responsible:** Staff with financial delegation, project managers, Team Leader Governance

**Frequency:** Ongoing

### 5.5 **Event Management**

For any events to be undertaken, a risk management plan is developed, consistent with this framework that includes the recording of risks, consequences, likelihood, risk rating, preventative action required, responsive action required. It also includes a guide of possible risks to assist event organisers complete the plan eg. food handling, traffic disruption, trip hazards, etc.

**Who responsible:** Manager City Activation

**Frequency:** Every event application

### 5.6 **Alwyndor Aged Care Accreditation**

All aged care homes receiving government subsidies need to meet quality standards called accreditation standards. They cover areas such as management, staffing, health and personal care, resident lifestyle, living environment, catering, cleaning, continuous improvement, and safety and security. Accreditation assessment teams provide ongoing monitoring and

## RISK MANAGEMENT FRAMEWORK

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make planned visits and yearly unannounced visits to aged care homes as part of the monitoring activities. Alwyndor has its own compliance program ensuring it meets the 44 accreditation requirements. Alwyndor also has its own Risk Management Plan and also maintains a corporate risk register.

**Who responsible:** General Manager Alwyndor

**Frequency:** Ongoing

### 5.7 **Workplace Health and Safety**

Workplace health and safety (WHS) is managed throughout the City of Holdfast Bay in dealing with its employees, contractors and volunteers. These groups are thoroughly inducted in WHS principles before commencing work at the City of Holdfast Bay and include topics such as worksite hazard management, personal safety, plant and equipment storage, electrical safety and reporting of incidents. Different induction checklists are used for approved contractors depending on the nature (risk) of the work to be performed. Job Safety Assessments are also performed consistent with this framework that includes the recording of hazards and risks, risk ratings, risk control measures and the name of the person responsible for implementing the control measures.

WHS also includes healthy catering to ensure that Council's staff, elected members, volunteers and visitors always have access to healthy catering options when attending City of Holdfast Bay meetings, workshops, events and facilities.

**Who responsible:** All staff, WHS Coordinator

**Frequency:** Ongoing

### 5.8 **Project Management**

Key risks are considered as part of projects to ensure they are effectively managed from concept to implementation. All major projects require a formal documented risk assessment be performed, consistent with this framework, at the concept stage, ongoing and post project completion, as part of the post project review process.

**Who responsible:** Project Managers

**Frequency:** Throughout the project lifecycle

### 5.9 **Asset Management**

Council performs regular assessments of risks associated with service delivery from its assets. Council's Asset Management Plans are reviewed every 4 years and include an assessment of risk. Individual asset classes are also reviewed more frequently with risk management forming a part of the condition assessment. Council's Capital Works Program is also determined as a result of risk management processes with project prioritised accordingly.

## RISK MANAGEMENT FRAMEWORK

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**Who responsible:** Project Managers, General Manager Assets and Delivery

**Frequency:** Ongoing

### 5.10 Business Continuity

Key risks that impact on the ongoing continuity of service delivery of Council following a disruptive incident have been considered and assessed and included in the Business Continuity Plan.

**Who responsible:** Senior Leadership Team

**Frequency:** Yearly

### 5.11 Emergency Risk Management Plan

The Cities of Holdfast Bay, Marion, Mitcham and Unley have developed a regional framework that is designed to provide support to current Council systems in place to manage emergencies as well as provide scope for future, ongoing planning and development of improved strategies to prevent, prepare to respond to or recover from emergencies within the community.

**Who responsible:** Senior Leadership Team

**Frequency:** Yearly

## 6. REFERENCES

### 6.1 Policies and Procedures

- Risk Management Policy
- Risk Management Procedure
- Procurement Policy
- Internal Purchasing Procedure
- Internal Tendering Procedure
- Work Health Safety and Return to Work Policy
- WHS Contractor Management Policy and Procedure
- Healthy Catering Policy

### 6.2 Forms and Templates

- Risk Register
- Events @ The Bay – Risk Management Plan Template
- Job Safety Assessment
- Induction Checklists - various
- Hot Work Permit Form
- Construction Activities Guidance - Checklist
- Contractor Feedback Form
- Induction checklist for Consultants and Temporary Staff
- WHS Contractor Induction Handbook

## RISK MANAGEMENT FRAMEWORK

- Procurement Plan

### 6.3 Legislation

- *Aged Care Act 1997*
- *Civil Liability Act 1936*
- *Emergency Management Act 2004*
- *Local Government Act 1999*
- *Quality of Care Principles 2014*
- *South Australian Public Health Act 2011*
- *Work Health and Safety Act 2012*

### 6.4 Other References

- AS/NZS ISO 31000:2009 Risk Management – Principles and Guidelines
- Audit Committee Terms of Reference
- Better Practice Model – Internal Financial Controls 2017 SALGFMG
- City of Holdfast Bay Strategic Plan
- Public Health Plan 2014 - 2019
- Events @ The Bay – Risk Management Plan Guidelines and Template
- Asset Management Plans
- Emergency Management Operations Manual
- Business Continuity Plan
- Workplace Emergency Evacuation Plans

### 6.5 Definitions

Key Term	Definition
<b>Consequence</b>	The outcome of an event expressed qualitatively or quantitatively, being a loss, injury, disadvantage or gain. There may be a range of possible outcomes associated with an event.
<b>Control</b>	Any action taken by staff, management, Council, event organisers and other parties to manage risk and increase the likelihood that established objectives and goals will be achieved.
<b>Cost</b>	Of activities, both direct and indirect, involving any negative impact, including money, time, labour, disruption, goodwill, political and intangible losses.
<b>Contingency</b>	Budget (cost benefit) or time (duration) that may be used in the event of a risk occurrence.
<b>Event</b>	An incident or situation, which occurs in a particular place during a particular interval of time.
<b>Frequency</b>	A measure of the rate of occurrence of an event expressed as the number of occurrences of their event

## RISK MANAGEMENT FRAMEWORK

Key Term	Definition
	in a given time. See also Likelihood and Probability.
<b>Hazard</b>	A source of potential harm or a situation with a potential to cause loss.
<b>Inherent limitations</b>	Those limitations of all enterprise Risk Management Frameworks. The limitations relate to the limits of human judgment; resource constraints and the need to consider the cost of controls in relation to expected benefits; the reality that breakdowns can occur; and the possibility of management override and collusion.
<b>Inherent risk</b>	High inherent risks that are well controlled may fall out of our field of view if only the residual risk is assessed. The purpose of assessing inherent risk is to ensure that we maintain focus on compliance with controls. The inherent risk should be considered in the absence of added controls.
<b>Likelihood</b>	Used as a qualitative description of probability or frequency of a risk occurring.
<b>Loss</b>	Any negative consequence, financial or otherwise. Can be differentiated as follows: <ul style="list-style-type: none"> <li>• <b>Maximum foreseeable loss</b>- highest possible loss after considering controls</li> <li>• <b>Maximum possible loss</b> – highest possible loss without considering controls</li> </ul>
<b>Monitor</b>	To check, supervise, observe critically or record the progress of an activity, action or system on a regular basis in order to identify change.
<b>Probability</b>	The likelihood of a specific event or outcome, measured by the ratio of specific events or outcomes to the total number of possible events or outcomes.
<b>Reasonable assurance</b>	The concept that enterprise risk management, no matter how well designed and operated, cannot guarantee that an entity's objectives will be met. This is because of inherent limitations in all Risk Management Frameworks.
<b>Residual risk</b>	The remaining risk after action has occurred to alter the risk's likelihood or consequence.
<b>Risk</b>	The possibility of an event occurring that will have an impact on the achievement of objectives. Risk is measured in terms of consequence and likelihood.

## RISK MANAGEMENT FRAMEWORK

Key Term	Definition
<b>Risk Acceptance</b>	An informed decision to accept the consequences and the likelihood of a particular risk.
<b>Risk acceptance criteria</b>	The formal establishment of criteria or boundaries designed so that the residual risk does not exceed the selected range of financial and operating outcomes.
<b>Risk analysis</b>	A systematic use of available information to determine how often specified events may occur and the magnitude of their consequences.
<b>Risk appetite</b>	The level of risk that is acceptable to Council. This may be set for Council as a whole, for different groups of risks or at an individual risk level.
<b>Risk assessment</b>	The overall process of risk analysis and risk evaluation.
<b>Risk avoidance</b>	An informed decision not to become involved in a risk situation.
<b>Risk evaluation</b>	The process used to determine risk management priorities by comparing the level of risk against predetermined standards, target risk levels or other criteria.
<b>Risk identification</b>	The process of determining what can happen, why and how.
<b>Risk Management Framework</b>	The totality of the structures, methodology, procedures and definitions that Council has chosen to use to implement its Risk Management Processes.
<b>Risk Management Processes</b>	Processes to identify, assess, manage, and control potential events or situations, to provide reasonable assurance regarding the achievement of Council's objectives.
<b>Risk Register</b>	The summary report of all individual risks within each assessment, which include risk ratings (inherent, residual and targeted), level of control, risk decision, risk owner and summary of key controls and/or mitigating actions.
<b>Risk Treatment</b>	The means by which an entity elects to manage or treat the individual risks. The main categories are to accept the risk; to mitigate it by reducing its consequence or likelihood; to transfer it to another party or to avoid the activity creating it.
<b>Stakeholders</b>	Parties and stakeholders who may affect, be affected by, or perceive themselves to be affected by, a decision or activity.



## RISK MANAGEMENT FRAMEWORK

Key Term	Definition
<b>Target risk</b>	The aspirational risk level deemed acceptable with additional controls over and above those of the residual level.

## RISK MANAGEMENT FRAMEWORK

### APPENDIX 1 – Documented Risk Example

Identify Risk			
Risk Number	1	Risk Owner	GM City Assets
Risk Description	Damage and destruction of major council assets (infrastructure and operational assets)		
Sources of Risk	Asset/Infrastructure		
Causes of Risk	<ul style="list-style-type: none"> <li>• Adverse Weather</li> <li>• Lack of maintenance program</li> <li>• Vandalism</li> <li>• Worker Error</li> <li>• Impact of other new development</li> <li>• Terrorism</li> <li>• Public disruption</li> <li>• Incorrect design and poor planning and engineering</li> </ul>		
Consequences	<ul style="list-style-type: none"> <li>• Business continuity of council</li> <li>• Reputation damage</li> <li>• Disruption of trade</li> <li>• Loss of revenue</li> <li>• Financial liability to repair asset replacement</li> <li>• Loss of life</li> </ul>		

Assess Risk – Inherent Risk (Before Controls)		
Consequence Rating	Likelihood Rating	Inherent Risk Rating
Catastrophic	Possible	<b>Extreme</b>

Evaluate Risk			
Mitigation Strategy	Reduce		
Existing Controls	Last Review	Effectiveness	
<ul style="list-style-type: none"> <li>• Insurance policies</li> <li>• Maintenance programs IAMP</li> <li>• Safe operating procedures</li> <li>• Security measures and deterrents</li> <li>• Trained staff</li> <li>• Good project management framework</li> <li>• Spare ticket machines on hand plus, spare parts to repair</li> </ul>		Effective / Partial / Not effective	
Overall Effectiveness of Controls	Effective / Partial / Not Effective		

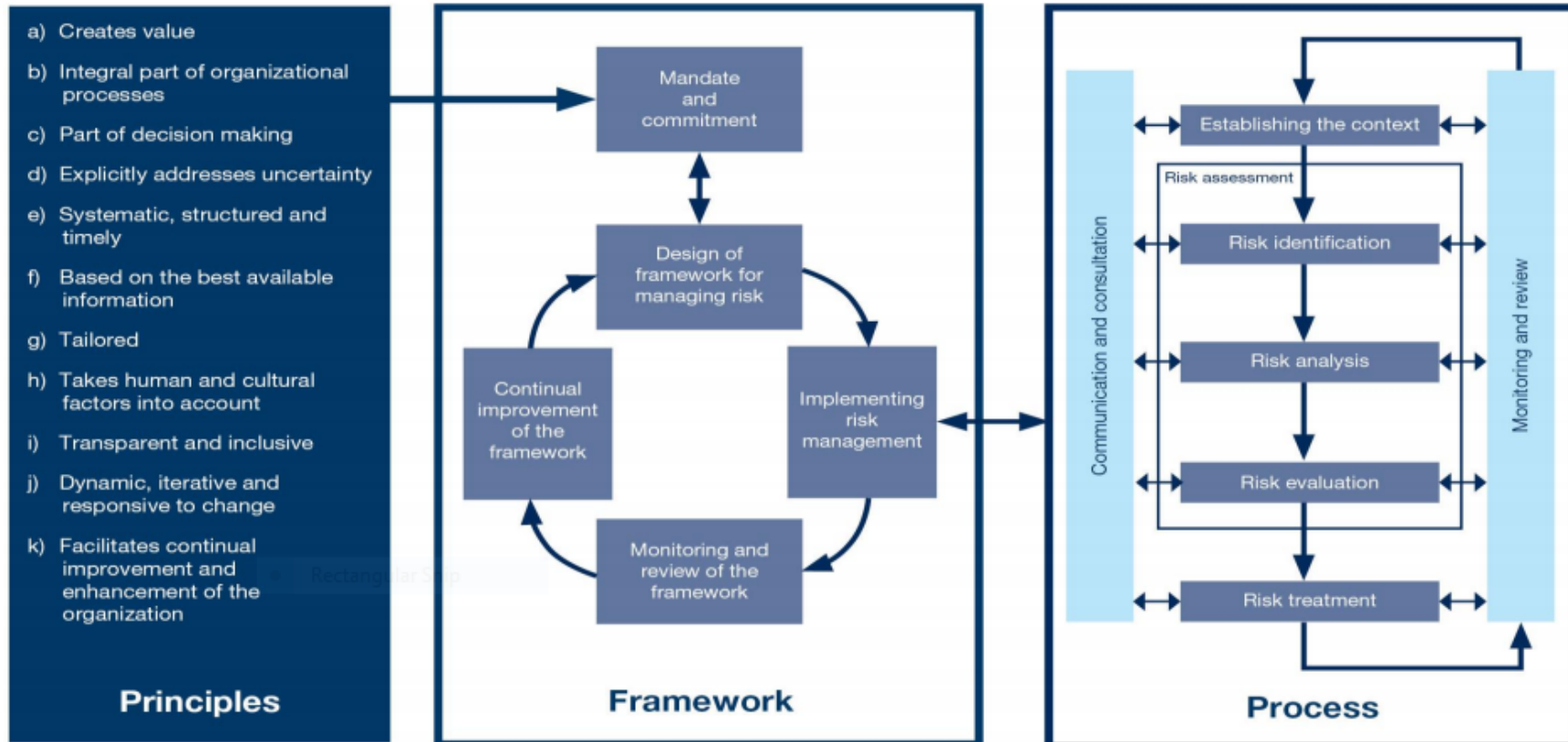
Assess Risk – Residual Risk (After Controls)		
Consequence Rating	Likelihood Rating	Residual Risk Rating
Moderate	Possible	<b>Moderate</b>

Target Risk		
Consequence Rating	Likelihood Rating	Target Risk Rating
Moderate	Unlikely	<b>Low</b>

Treat Risk			
Treatment Number	Treatment Plan	Responsibility	Due Date
1.1	Review IAMPs and related maintenance programs		

**APPENDIX 2 – Risk Management Process**

The risk management process is based upon the Standard as shown below:



APPENDIX 3 – Consequence Scale and Descriptions

Impact Scale	Reputation	Business impact	People Safety	Environment	Service Delivery
<b>1. Insignificant</b>	<p>No adverse effect on public image No media interest</p> <p>Insignificant level of community concern. A slight but manageable increase in the number of adverse resident complaints</p> <p>Negligible adverse impact upon social health and wellbeing of the community which has little or no impact upon established community relationships and links</p>	<p>Low financial loss – impact of less than \$10k</p> <p>Operational issues manageable within normal activities</p> <p>Project – up to 5% of original project budget.</p>	<p>No injuries</p> <p>Minor repairs required of an insignificant nature to property / infrastructure.</p>	<p>“Nuisance” category under the SA Environment Protection Act (1993)</p> <p>Short term, immediately reversible effects on ecosystem</p>	<p>Insignificant impact on Council’s ability to achieve strategic outcomes</p> <p>Project – Nil impact on achievement of key project objectives or project duration up to 10% of original timeframe without consequential impacts</p>
<b>2. Minor</b>	<p>Minor adverse effect on public image</p> <p>Minor media coverage in paper distributed within the local area (small scale single article).</p> <p>Minor level of community concern, an increase in the number of resident complaints requiring direct effort to resolve/attend to</p> <p>Minor adverse impact upon social health and wellbeing of the community that may have a minor impact upon established community relationships and links</p>	<p>Medium financial loss – impact of between \$10k and \$100k</p> <p>Minor impact in undertaking routine activities</p> <p>Project – between 5-10% of original project</p>	<p>Only First Aid treatment required</p> <p>Minor loss or infrastructure damage.</p> <p>Normal seasonal illness leading to minor disruption to activities</p>	<p>“Nuisance” category under SA Environment Protection Act (1993)</p> <p>Some minor adverse effects to few species/ ecosystem parts that are short term and immediately reversible.</p> <p>Contamination – on-site release immediately contained</p>	<p>Some delays in delivery of strategic initiatives, but only minor aspects impacted</p> <p>Overall strategic intent still achievable</p> <p>Project duration extended up to 35% of original project timeframe without consequential impacts</p>
<b>3. Moderate</b>	<p>Moderate adverse effect on public image</p> <p>Adverse media campaign in relevant press over two or more issues, supported by uptake of issue in electronic media</p> <p>Moderate level of community concern, large number of complaints and letters to editor in relevant press</p> <p>Minor common law action or Ombudsman investigation threatened/ initiated</p>	<p>Moderate financial loss – impact of between \$100k and \$1 million</p> <p>Impacts up to 2.5% on rate revenue generation</p> <p>Impaired ability to maintain normal operations, reprogramming required</p> <p>Minor legal issues, non-compliances and breaches of regulation</p> <p>Project – between 10-20% of original project budget.</p>	<p>Medical treatment required which may include short term admission to hospital</p> <p>Moderate loss/or infrastructure damage</p> <p>Local epidemic leading to noticeable disruption of activities</p>	<p>“Material” category under the SA Environment Protection Act (1993)</p> <p>Contamination – on-site release contained with outside assistance</p> <p>Ecosystems- temporary, reversible damage, loss of habitat and migration of animal populations, some reduction in numbers and die back of plants.</p> <p>Pollution requires physical removal, air quality constitutes potential long term health problems. Manageable restrictions in resource usage</p> <p>Disturbance to sites or artefacts of cultural significance</p>	<p>Some key components of the Strategic Plan cannot be achieved within expected timeframes.</p> <p>Additional funding/resources or some strategies re-prioritisation is required</p> <p>Project duration extended up to 35% of original project timeframe with consequential impacts on other dependencies</p>
<b>4. Major</b>	<p>Significant adverse effect on public image</p> <p>Widespread adverse media campaign including electronic local and national media. Social media going viral requiring management intervention. Pressure on State Government and agencies to intervene</p> <p>Significant level of community concern</p> <p>Social health and wellbeing of the community seriously affected by major community unrest and/or significant breakdown of established community relationships and links.</p> <p>Significant common law action threatened, major Ombudsman investigation initiated</p>	<p>Major financial loss - impact of between \$1 million and \$3 million</p> <p>Impacts between 2.5% and 10% on rate revenue generation</p> <p>Significant effects loss of ability to complete programs, major restrictions to services and project delivery</p> <p>Serious breach of regulation with investigation or report to authority with prosecution and/or moderate fine possible</p> <p>Project – between 20-35% of original project budget.</p>	<p>Serious &amp; extensive injuries</p> <p>Serious structural damage to infrastructure or serious loss of assets.</p> <p>Widespread epidemic that causes significant disruption to activities</p>	<p>“Serious” category under the SA Environment Protection Act (1993)</p> <p>Contamination – off-site release with no detrimental effects</p> <p>Ecosystems – recoverable damage, death of animals in large numbers, widespread habitation destruction, significant air quality issues. Pollution issues requiring long term management, serious introduction of invasive species</p> <p>Restrictions on resource usage threatening viability of accepted lifestyle</p> <p>Damage to sites or artefacts of cultural significance</p>	<p>Key Strategic Objectives unable to be achieved; review of Strategic Plan is required</p> <p>Project duration extended by 36- 80% of original project timeframe with or without consequential impacts on other dependencies</p>
<b>5. Catastrophic</b>	<p>Major effect on public image</p> <p>Widespread adverse media campaign including electronic local, national and international media. Widespread community outrage</p> <p>Social media going viral, unable to be contained. State Government and agencies to intervene</p> <p>Social health and wellbeing of the community severely affected resulting in fracturing of established community relationships and links.</p> <p>Class Actions, Judicial Inquiries initiated</p>	<p>Critical financial loss/exposure – impact greater than \$3 million</p> <p>Impacts of more than 10% on rate revenue generation</p> <p>Projects &amp; programs failure, inability to meet minimum acceptable standards</p> <p>Major breaches of regulation, sanctions imposed</p> <p>Project -&gt;35% of original project budget.</p>	<p>Fatalities</p> <p>Critical loss, irreversible damage property / infrastructure with a replacement cost that overwhelms the capital budget (&gt;25%)</p> <p>Community movements restricted under State Emergency Plan</p>	<p>“Serious Material harm” category under the SA Environment Protection Act (1993) and EPA actions initiated</p> <p>Off-site contamination requiring immediate and significant remediation actions</p> <p>Ecosystems – irreversible damage, widespread loss of animals, and key stone species extinctions, destruction of flora species, widespread domination of invasive species. Pollution unable to be effectively remediated.</p> <p>Restriction on resource usage resulting in permanent disruption of accepted life-style</p>	<p>Goals of Strategic Plan not achievable; total and immediate re-work of Plan is required</p> <p>Project duration extended by &gt;80% of original project timeframe with consequential impacts on other dependencies</p>

# Attachment 2



Trim Container	<b>FOL/18/737</b>
Trim Document Number:	<b>DOC/19/6085</b>
First Issued / Approved:	<b>13 March 2018</b>
Last Reviewed:	<b>N/A</b>
Next Review:	<b>13 March 2021</b>
Responsible Officer:	<b>Team Leader Governance</b>
Date Placed on Intranet::	<b>14 March 2018</b>

## **1. PREAMBLE**

This Policy outlines the Council’s responsibilities and commitment to risk management within Council operations. This approach is intended to protect Council’s employees, assets, liabilities and community against potential exposures. By undertaking risk management practices Council will minimise uncertainty in achieving its goals and objectives, and maximise opportunities to achieve its Strategic Plan.

### **1.1 Background**

This Policy is part of Council’s Risk Management Framework and various management systems processes and procedures, and forms an integral part of the City of Holdfast Bay’s continuous improvement process and ultimately the Council’s Strategic Planning process.

### **1.2 Purpose**

The purpose of this Policy is to give outline the key principles in Council’s Risk Management Framework, providing an effective process for the identification, analysis and management of both negative and positive impacts on physical, social and economic capital. This will support sustainability and safeguard Council’s assets, infrastructure, people, finances and reputation.

### **1.3 Scope**

This policy applies to all internal and external stakeholders, authorised to act on behalf of Council, including Elected Members, employees, contractors and volunteers at the City of Holdfast Bay.

### **1.4 Strategic Reference**

Culture: Supporting excellent, efficient operations

## 2. PRINCIPLES

- 2.1 In managing risk at the City of Holdfast Bay, Council will ensure that the organisation has an ethos and operating culture, which integrates risk management processes into management activities at both strategic and operational levels.
- 2.2 Council's Risk Management Framework is based on the principles contained within AS/Nz ISO 31000:2009 Risk Management – Principles and Guidelines.
- 2.3 Council will ensure that appropriate policies and procedures of internal control are implemented and maintained.
- 2.4 Council will apply risk management strategies to all business activities using contemporary and industry best practice models to ensure all staff are provided with the tools to achieve the objectives of the Risk Management Framework, Policy and Procedure.
- 2.5 Council will implement a monitoring and reporting process to ensure that risks are regularly reviewed, amended and mitigated as required.
- 2.6 Risk Registers
  - 2.6.1 Council will establish a Strategic Risk Register and an Operational Risk Register.
  - 2.6.2 Within the registers, the individual risks will be rated for inherent, residual and target risks.
  - 2.6.3 Treatments plans will be developed where action is required to achieve the desired target risk rating.
- 2.7 Risk Appetite
  - 2.7.1 Council will determine a target risk rating for all strategic and operational risks.
  - 2.7.2 Council will tolerate an inherent or residual risk rating of moderate or low, unless:
    - a. action is required to achieve the target risk rating
    - b. there is a legal or statutory requirement to take further action
    - c. there is a specific Council direction requiring further action
    - d. it is in the public interest to take further action
    - e. the benefit to be gained from implementing the treatment plan is greater than the costs required to implement the treatment plan.
  - 2.7.3 Any treatment plans that are within the above tolerance will not be given priority for action.

## 2.8 Roles and Responsibilities

- 2.8.1 Council is responsible for facilitating resources and guidance in relation to the Risk Management Policy and setting the organisation's risk appetite. Council must also review and consider any report or recommendations regarding the Risk Management Framework. .
- 2.8.2 The Chief Executive Officer is responsible for ensuring overall effectiveness of risk management process in accordance with Council's Risk Management Framework by ensuring that adequate resources are available and employees have the necessary knowledge and skills. The Chief Executive Officer must also ensure that annual risk management planning is undertaken.
- 2.8.3 The Audit Committee is responsible for assisting Council in discharging its responsibility in relation to risk management. The responsibilities of the Committee are contained in the Committee's Terms of Reference.

## 3. REFERENCES

### 3.1 Legislation

- *Civil Liability Act 1936*
- *Work Health and Safety Act 2012*
- *Local Government Act 1999*
- *Emergency Management Act 2004*

### 3.2 Other References

- AS/NZS ISO 31000:2009 Risk Management – Principles and Guidelines
- Audit Committee Terms of Reference
- Better Practice Model – Internal Financial Controls 2012 SALGFMG
- *Business Continuity Plan*
- *Community Emergency Management Framework*
- *Risk Management Framework*
- *Risk Management Procedure*
- *Workplace Emergency Evacuation Plan*



# Attachment 3



ECM DSID Number:	4168403
First Issued / Approved:	13/03/2018
Last Reviewed:	22/06/2021
Next Review:	21/06/2024
Parent Policy	Risk Management Policy
Responsible Officer:	Team Leader Governance
Date placed on Intranet:	23/06/2021

**1. PREAMBLE**

This procedure details the Council’s Risk Management processes and responsibilities in relation to Council operations, to protect Council’s employees, assets, liabilities and community against potential exposures.

**1.1 Background**

This procedure is part of Council’s Risk Management Framework and is required to contribute to Council’s continuous improvement and strategic planning processes and minimise uncertainty in achieving its goals and objectives.

**1.2 Purpose**

This procedure provides a process by which key principles from the *Australian/New Zealand Risk Management Standard ISO31000:2009* are used to effectively manage risk and uncertainties for Council, employees, community and assets, while maximising opportunities to achieve strategic plans

**1.3 Scope**

This procedure applies to all internal and external stakeholders, authorised to act on behalf of Council, including Elected Members, employees, contractors and volunteers at the City of Holdfast Bay.

The Risk Management Process should be fully informed at all stages to ensure ownership and acceptance at all levels. Communication with all relevant stakeholders should be an ongoing and holistic process.

### 1.4 Definitions

**Risk** the effect of uncertainty on objectives

**Risk assessment** overall process of risk identification, risk analysis, risk evaluation

**Risk identification** process of finding, recognizing and describing risks

**Risk analysis** process to comprehend the nature of risk and determine the level of risk

**Risk evaluation** process of comparing the results of risk analysis with risk criteria to determine whether the risk magnitude is acceptable or tolerable

**Risk treatment** process to modify risk

## 2. RISK MANAGEMENT PRACTICE

### 2.1 Principles of Risk Management

- 2.1.1 Risk Management creates and protects value
- 2.1.2 Risk Management is an integral part of all organizational processes
- 2.1.3 Risk Management is part of decision making
- 2.1.4 Risk Management addresses uncertainty
- 2.1.5 Risk Management is systematic, structured and timely
- 2.1.6 Risk Management is based on best available information
- 2.1.7 Risk Management is tailored
- 2.1.8 Risk Management takes human and cultural factors into account
- 2.1.9 Risk Management is transparent and inclusive
- 2.1.10 Risk Management is dynamic and responsive to change
- 2.1.11 Risk Management facilitates continual improvement of the organisation

## RISK MANAGEMENT PROCEDURE

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### 2.2 Roles and responsibilities

#### 2.2.1 Council is responsible for:

- Facilitating resources and guidance in relation to the Risk Management Policy;
- Reviewing and considering any report or recommendations regarding the Risk Management Framework; and
- Setting the organisation's risk appetite.

#### 2.2.2 The Chief Executive Officer is responsible for ensuring:

- Overall effectiveness of risk management process in the organisation and that Council is not exposed to unnecessary or uncontrolled risks;
- The direction, methodology and on-going management of risk across the organisation is in accordance with Council's Risk Management Framework;
- Adequate resources are made available for the planning and implementation of the Risk Management Framework;
- General Managers, Managers and employees have the necessary knowledge and skills to effectively fulfil their risk management responsibilities and are accountable for risks arising from the activities of their business units;
- Annual risk management planning is undertaken.

#### 2.2.3 General Managers are responsible for:

- Ensuring that the Council's assets and operations are adequately protected through appropriate risk management plans and programs;
- The implementation of risk management procedures and programs within their department;
- Ensuring risk management action plans are developed for activities or responsibilities of the department;
- Ensuring annual risk management planning is undertaken
- Reporting on compliance with the Risk Management Framework.

#### 2.2.4 Managers will are responsible for:

- Ensuring that they identify risk for operations within their business units;
- Developing action plans to mitigate and control risk;
- The inclusion of risks to the Council's risk register;
- Identifying and re-evaluating risks annually;
- Applying Council's Risk Management Framework to risks associated with any planned new activity or proposal being presented to Council.

## **RISK MANAGEMENT PROCEDURE**

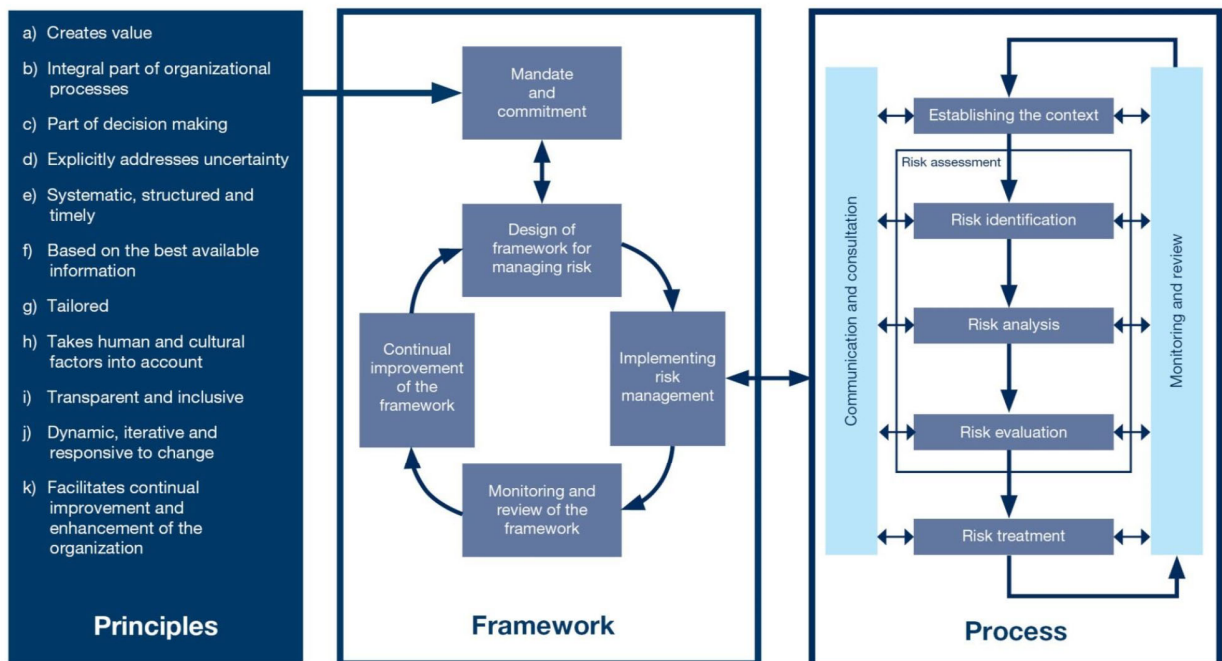
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- 2.2.5 Employees (and Contractors) are responsible for:
- Performing their duties and functions in a safe manner;
  - Adhering to safe work practices and ensuring that they are familiar with the Council's Risk Management Framework.
  - Identifying and reporting risk in their area of responsibility;
  - Assisting to identify ways of controlling those risks;
  - Taking action attributed to them by any action plan;
  - Ensuring they remain alert to and report any risks which they might identify while carrying out their normal duties.
- 2.2.6 The Audit Committee is responsible for assisting Council in discharging its responsibility in relation to risk management. The responsibilities of the Committee are contained in the Committee's Terms of Reference, specifically:
- Reviewing annual financial statements;
  - Reviewing the adequacy of Council – wide risk management systems;
  - Proposing, and providing information relevant to, a review of Councils Strategic/Annual Business Plans;
  - Proposing and reviewing, the exercise of powers under Section 130A of the LG Act;
  - Liaising with Council's Auditor;
  - Reviewing the adequacy of the accounting, internal control, reporting and other financial management systems and practices.
- 2.2.7 Risk Manager will support the Chief Executive Officer in discharging their responsibilities and is responsible for:
- Providing appropriate risk management resources to guide and support the Risk Management Framework;
  - Assisting Management and their direct reports in managing risks;
  - Updating and maintaining CHB's Risk Register;
  - Co-ordinating an annual formal risk review process with reporting to the Audit Committee (and the Council) on the outcomes of the review; and
  - Conducting periodic reviews and recommending improvements to the Risk Management Framework as appropriate.
- 2.2.8 The Risk Owner is responsible for:
- Recommending to CEO whether the level of risk is acceptable
  - Providing progress reports to CEO and Audit Committee on risk status

## RISK MANAGEMENT PROCEDURE

- Securing agreement to:
  - a. The organisation’s assessment of the risk, title; description; tolerance and “acceptable level of risk”
  - b. The risk mitigation strategy (e.g. accept, treat, terminate)
  - c. Actions and their owners to take forward the agreed controls or treatment plans. Can task people to undertake the treatment strategies that are to be directed towards that particular risk.
  - d. Assisting control / treatment owner in seeking resources / budget for mitigation actions
  - e. Setting and monitoring key milestones, risk indicators and review dates

### 2.3 Risk Management Process



## RISK MANAGEMENT PROCEDURE

### 2.4 Risk Categories

Category	Description	Business Unit Responsibility
Asset/Infrastructure	Managing assets – including condition assessment, replacement and planning new assets	Assets & Depot
Financial	Risks associated with budgetary requirements and allocation. Tax obligations. Grants	Finance
Customer/service delivery	Meeting the current and changing expectations of customers	Customer Service
Environment	The risks arising from the management of the environment when applying Council services and functions	Environment
Human Resources	Risks associated with recruitment and retention of employees and workforce planning	People & Culture
Compliance/legal	Compliance with legislative and policy framework	Governance
Political/Reputation	Risks associated with the delivery of State/Local Government legislation and meeting Council's overall strategic goals	CEO/COUNCIL
Safety & Welfare	Risk associated with the safety and welfare of employees and contractors of Council.	People & Culture

### 2.5 Risk Matrix

		Consequence				
		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Likelihood	Almost Certain E	Medium	Medium	High	Extreme	Extreme
	Likely D	Low	Medium	High	High	Extreme
	Possible C	Low	Medium	Medium	High	High
	Unlikely B	Low	Low	Medium	Medium	High
	Rare A	Low	Low	Low	Medium	Medium

### 2.6 Risk Acceptance Criteria / Tolerance

Exceptions to this must be authorized by the Chief Executive Officer and/or the Senior Leadership Team.

Residual Risk Descriptions		
Extreme	<ul style="list-style-type: none"> <li>- Immediate implementation if risk mitigation plans/actions to reduce current residual risk or halt/remove activity</li> <li>- Successful reduction of residual risk to be regularly reported (daily or weekly) to the management group responsible, until risk becomes acceptable</li> </ul>	Not acceptable
High	<ul style="list-style-type: none"> <li>- Senior management attention required to regularly monitor the risk (monthly or quarterly)</li> <li>- Review of current controls and further risk assessment required</li> <li>- Consideration of development and implementation of further mitigating actions/strategies</li> </ul>	Not acceptable (without approval)
Moderate	<ul style="list-style-type: none"> <li>- Managers to monitor and reassess periodically (6 months – 1 year)</li> <li>- Report to senior management as to effectiveness of existing controls</li> <li>- Ensure rating does not increase over time</li> </ul>	Acceptable (Post review with General Manager)
Low	<ul style="list-style-type: none"> <li>- Managed through routine</li> <li>- Consideration should be given to streamlining of excessive or redundant controls</li> </ul>	Acceptable

**2.7 Consequence scale and descriptions**

<b>E. Almost Certain</b>	Is expected to occur in most circumstances – 95% to 100% probability over next 5 years or had occurred in the last 12 months.
<b>D. Likely</b>	Will probably occur in most circumstances – 76% to 94% probability over next 5 years or had occurred in the last 12 -24months.
<b>C. Possible</b>	Might occur at some time – 26% to 75% probability over next 5 years or had occurred in the last 2-10years.
<b>B. Unlikely</b>	Could occur at some time– 6% to 25% probability over next 5 years or had occurred in the last 10-100 years.
<b>A. Rare</b>	May occur only in exceptional circumstances– 0% to 6% probability over next 5 years or had occurred in over 100 years.

**3. REFERENCES**

**3.1 Legislation**

- *Civil Liability Act 1936*
- *Emergency Management Act 2004*
- *Local Government Act 1999*
- *Work Health and Safety Act 2012*

**3.2 Other References**

- AS/NZS ISO 31000:2009 Risk Management – Principles and Guidelines
- Audit Committee Terms of Reference
- Better Practice Model – Internal Financial Controls
- Business Continuity Plan
- Emergency Management Operations Manual
- Risk Management Framework
- Risk Management Policy
- Workplace Emergency Evacuation Plans

Date Endorsed by Senior Leadership Team	
General Manager Signature	
Date of General Manager Signature	



# Attachment 4



Trim Container	FOL/18/737
Trim Document Number:	DOC/19/6085
First Issued / Approved:	13 March 2018
Last Reviewed:	XX May 2022
Next Review:	XX May 2025
Responsible Officer:	Risk & Improvement Officer
Date Placed on Intranet::	TBA

**1. PREAMBLE**

This Policy outlines the Council’s responsibilities and commitment to risk management within its operations. It promotes a structured and consistent approach to minimising risk exposure and to protect Council’s employees, assets, liabilities and the community. Effective risk management contributes to good governance, minimises uncertainty in achieving goals and objectives, and maximises opportunities to achieve Council’s Strategic Plan.

**1.1 Background**

This Policy supports the implementation and maintenance of Risk Management across Council, integrating Risk Management throughout corporate management systems, processes and procedures, and enabling continuous improvement for the City of Holdfast Bay, whilst enhancing the decision-making process for Council and its Strategic Planning processes.

**1.2 Purpose**

The purpose of this Policy is to:

- articulate the key principles of Council’s Risk Management approach
- integrate them into governance and leadership structures
- provide context for an effective and dynamic Risk Management Procedure for the identification, analysis, monitoring and management of risk.

**1.3 Scope**

This policy applies to all internal and external stakeholders, authorised to act on behalf of Council, including Elected Members, employees, contractors and volunteers at the City of Holdfast Bay.

This policy and its related documentation is intended to provide guidance for maximising opportunities whilst minimising risks that may impact on the achievement of Council’s objectives.

**1.4 Definitions**

**Risk Appetite** refers to the amount and type of risk an organisation is prepared to pursue, retain or take.

**Risk Tolerance** refers to the level of risk an organisation will accept/has a readiness to bear to achieve its objectives/outcomes.

# RISK MANAGEMENT POLICY

## 1.5 Strategic Reference

Statutory compliance

## 2. PRINCIPLES

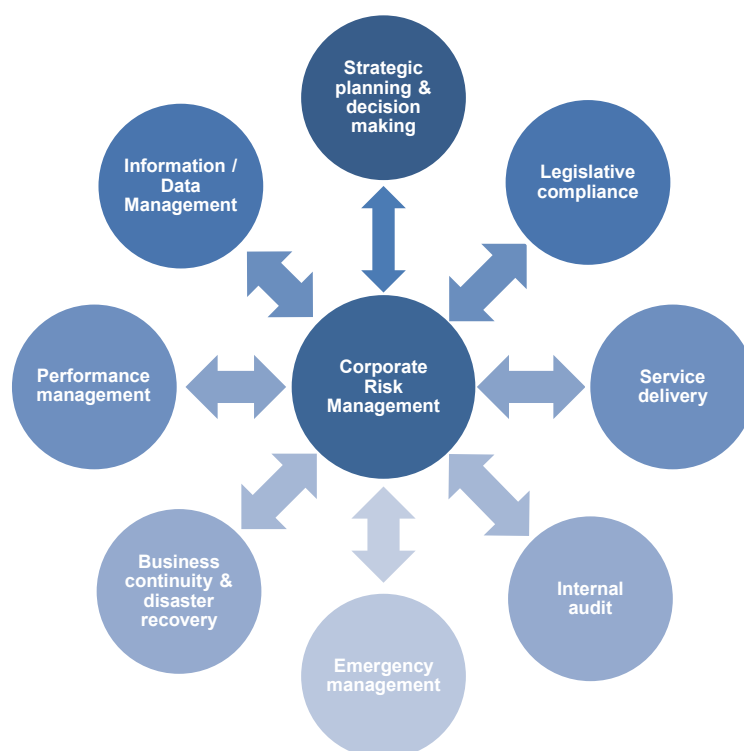
2.1 Council will set its risk appetite at least once each term, but may review it as conditions require. Council's risk tolerance is as follows:

Extreme	<ul style="list-style-type: none"> <li>- Immediate/within 24 hours: Implementation of risk mitigation plans/actions to contain/reduce current residual risk or halt/remove activity</li> <li>- Successful reduction of residual risk to be regularly reported (daily or weekly) to the General Manager, until risk becomes acceptable</li> </ul>	<p>Outside Tolerance: Not acceptable</p>
High	<ul style="list-style-type: none"> <li>- Within 1-2 working days: Review of current controls and further risk assessment required</li> <li>- Consideration of further mitigating actions/strategies</li> </ul>	<p>Outside Tolerance: Not acceptable (without CEO approval)</p>
Moderate	<ul style="list-style-type: none"> <li>- Within routine management: Managers to monitor the effectiveness of existing controls and reassess periodically</li> <li>- Ensure rating does not increase over time</li> </ul>	<p>Within Tolerance: Acceptable (With approval of General Manager)</p>
Low	<ul style="list-style-type: none"> <li>- Within routine management</li> <li>- Consideration should be given to streamlining of excessive or redundant controls</li> </ul>	<p>Within Tolerance: Acceptable</p>

2.1.1 Exceptions to the risk tolerance in this policy must be authorised by the Chief Executive Officer and referred to Audit Committee for consideration and advice to Council at the next available meetings.

2.2 Council is committed to an integrated risk management approach to assist in setting appropriate strategies, achieving objectives and making informed decisions, in the best interests of our community. This approach includes the following elements:

## RISK MANAGEMENT POLICY



*Source: ISO 31000:2018 Risk Management - Guidelines*

- 2.1.1 Corporate Risk Management encompasses strategic, operational and project based risks. Risk management is integrated into governance structures, including decision making, and supported by incorporating risk analysis into corporate reporting where appropriate.
- 2.1.2 Strategic and business planning, including long-term financial planning and annual budgeting, must adequately consider the risks inherent in setting and pursuing objectives and the effectiveness of systems in place to manage and communicate those risks.
- 2.1.3 All relevant legislative obligations must be considered in assessing and managing risk.
- 2.1.4 Risk exposures vary according to the functions, facilities and services provided. As these are subject to change over time, risk management processes must be dynamic and forward looking, as well as agile in resourcing and management.
- 2.1.5 Internal audit is an independent, objective assurance activity designed to add value by providing a systematic and disciplined approach to assessing the effectiveness of risk management, control and governance processes. This process may identify new risks or more effective treatments.
- 2.1.6 Council plans for, and undertakes, prevention, preparedness, response and recovery activities to support its community in the event of emergencies and natural disasters. This process includes both alignment with State procedures and provision of appropriate emergency management training.
- 2.1.7 Council is committed to ensuring that critical business functions continue after a business interruption, taking into consideration reasonably foreseeable risks and

## RISK MANAGEMENT POLICY

their potential impact on achievement of objectives. Relevant plans will be developed in accordance with the Business Continuity Policy.

- 2.1.8 Appropriate measures and reporting structures are required to manage performance of Council’s goals and objectives, and identify gaps and emerging risks related to them.
- 2.1.9 Appropriate risk mitigation strategies need to be in place to ensure records are not vulnerable to cyberattack, malicious intent or unauthorised release, and all legislative obligations are met.
- 2.2 The goal is not to eliminate all risks, but rather to manage risks involved in delivering Council’s services while creating and protecting value for stakeholders and the community. To this end, Council will apply risk management strategies to all business activities
- 2.2 In managing risk at the City of Holdfast Bay, Council will ensure that the organisation has an ethos and operating culture, embedding risk management processes into management activities at a strategic operational and project based level.
- 2.3 Council’s Risk Management approach is based on the principles contained within AS/NZ ISO 31000:2018 Risk Management – Guidelines. These principles are:

<b><i>Integrated</i></b>	An integral part of all organisational processes
<b><i>Part of decision-making</i></b>	Aids decision-makers in making informed choices and identifying the most effective course of action
<b><i>Structured and comprehensive</i></b>	Contributes to efficiency and to consistent and comparable results
<b><i>Best available information</i></b>	Based on historical and current information, as well as on future expectations, taking into account any limitations associated with such information and expectations.
<b><i>Customised</i></b>	Aligns with the internal and external context related to our objectives
<b><i>Human and cultural factors</i></b>	Recognises that the behaviour and culture can significantly influence the achievement of objectives
<b><i>Inclusive</i></b>	Requires appropriate and timely involvement of stakeholders to enable their knowledge, views and perceptions to be considered
<b><i>Dynamic</i></b>	Anticipates, detects, acknowledges and responds to changing internal and external contexts, resulting in new risks emerging and others changing or disappearing
<b><i>Continual improvement</i></b>	Learning and experience drives continuous improvement

- 2.4 Council will ensure that appropriate internal controls are implemented and maintained to manage risk. In accordance with Council’s integrated risk management approach, business disruptions will be managed to minimise impact, fraud management will prevent, identify, minimise and control fraudulent and/or corrupt activity, and emergency management responses will be implemented in line with relevant plans.
- 2.5 **Monitoring and Reporting**  
Council will implement a monitoring and reporting process to ensure that risks are regularly reviewed, amended and mitigated as required.

## RISK MANAGEMENT POLICY

2.5.1 Reports will draw data from the Corporate Risk Register and provide monitoring and profile information to Senior Leadership Team, the Audit Committee and Council as needed to assist with:

- understanding Council's risk exposure
- identifying risks that require increased attention and action
- providing relevant information to Council about risks likely to impact upon achievement of strategic objectives
- dissemination of information to support staff in making risk informed decisions, and
- promoting risk culture and awareness throughout the organisation.

2.5.2 Reports will include, at a minimum, the following:

<b>Report to</b>	<b>Frequency</b>	<b>Content</b>
Council and Committees	As required	Reports to Council and Committees need to include a discussion of existing and newly emerging risks and treatments. (This requirement does not apply to routine administrative matters.)
	Once per term	Set the risk appetite and tolerance.
Audit Committee	Quarterly	Risks rated high and above.  Any other relevant matters referred by Senior Leadership Team.  Report on compliance with policy.
	Annual	Risk Profile - Verify that risks are controlled within risk appetite and tolerances.  Propose any emerging risks for consideration.
Senior Leadership Team	Quarterly	Risks rated high and above.  Any changes made to the corporate risk register over the previous quarter.  Any other risks that require attention or are of concern.
	Annual	Review of risk appetite and tolerances.  Review of all Strategic Risks and any other risks rated high and above.
Leadership Team	Quarterly	Risks rated high and above.  Any changes made to the corporate risk register over the previous quarter.

## RISK MANAGEMENT POLICY

Report to	Frequency	Content
	Annual	Any other risks that require attention or are of concern.  Review of full Corporate Risk Register.
Project Board	Monthly	Project Risks and any changes to risks

2.5.3 An independent audit of Council’s internal controls will be undertaken annually as required by section 125 of the *Local Government Act 1999* and part 6, Regulation 19 of the *Local Government Financial Management Regulations 2011*.

### 2.6 Risk Registers

Council will ensure a risk register is established and maintained, which includes strategic, operational and other categories of risk.

2.6.1 All risks are assessed and captured in the Corporate Risk Register in order to provide an instant overview of our corporate risk exposure. Categories of risks include:

- Strategic risks – relate to significant organisational risks and risks to strategic objectives
- Operational risks – relate to risks associated with the delivery of Council services and day to day organisational risks
- Asset risks – relate to infrastructure and physical assets
- Project risks – relate to risks associated with projects

2.6.2 Risks will be assessed in accordance with the Consequence and Likelihood Scales, and Risk Matrix in Risk Management Procedure Appendix 3.

2.6.3 Within the registers, the individual risks will be rated for inherent, current and residual risks.

2.6.4 Treatment plans will be developed where actions are required to achieve the desired residual risk rating.

### 2.7 Roles and Responsibilities

2.7.1 Council has overall responsibility for risk, for fostering a strong risk management culture and facilitating an appropriate governance structure, resources and related guidance. In addition, Council has responsibility for setting the organisation’s Risk Appetite and Risk Tolerance, for oversight of the management of risk and its inclusion in the decision making process and for the approval and review of the Council’s Risk Management Procedure.

2.7.2 In discharging its responsibility in relation to risk management, Council will seek the views of the Audit Committee. The responsibilities of the Audit Committee in this respect are contained in the Committee’s Terms of Reference and the *Local Government Act 1999*, and include, amongst other things, assessing the adequacy of controls and monitoring risks.

## RISK MANAGEMENT POLICY

- 2.7.3 Council has also delegated various powers and functions to the Chief Executive Officer to enable the setting of risk policy and procedures. The Chief Executive Officer has overall accountability for an effective risk management program and for the management of Council's risk profile, to ensure that Council is not exposed to unnecessary or uncontrolled risks.
- 2.7.4 The Senior Leadership Team and Leadership Team are responsible for leading and promoting a proactive risk culture, the implementation of this Policy and related Procedure and for ensuring risk management is embedded into all their business activities, as well as:
- ensuring that they identify and evaluate risks for operations within their business units and develop appropriate controls, treatments and mitigations,
  - allocating appropriate resources to implement, monitor and improve the effectiveness of risk management
  - ensuring that the Council's assets and operations are adequately protected through appropriate Risk Management plans and programs,
  - ensuring that staff, contractors, volunteers and other relevant stakeholders have the appropriate skills and knowledge to identify and manage risk
  - ensuring accountability for risk management and ensuring it is understood, and
  - ensuring compliance with legislative and contractual obligations and policy requirements.
- 2.7.5 Staff (including contractors and others operating on behalf of Council) are responsible for:
- performing their duties and functions in a safe manner
  - adhering to safe work practices
  - ensuring they are familiar with the Council's risk management processes
  - identifying and reporting risk in their area of responsibility
  - assisting to identify ways of controlling those risks
  - taking action attributed to them by any action plan, and
  - ensuring they remain alert and report any risks identified via their normal activities / duties.

## 2.8 Training

- 2.8.1 Elected members are key strategic decision makers and it is therefore imperative that they understand risk management principles and their role. Risk management training will be provided to Elected Members within twelve months of a Local Government Election.
- 2.8.2 Risk management training for staff will be provided in accordance with the Training Needs Analysis to ensure effective implementation of this Policy and any relevant procedures.
- 2.8.3 Training for Committee Members will be provided as deemed necessary by the Chief Executive Officer.



### 3. REFERENCES

#### 3.1 Legislation

- *Local Government Act 1999*
- *Local Government Financial Management Regulations 2011*
- *Work Health and Safety Act 2012*
- *Emergency Management Act 2004*
- *Civil Liabilities Act 1936*
- *State Records Act 1997*
- *Freedom of Information Act 1991*

#### 3.2 Other References

- AS/NZS ISO 31000:2018 Risk Management - Guidelines
- Audit Committee Terms of Reference
- Better Practice Model – Internal Financial Controls 2012 SALGFMG
- Work Health and Safety Policies and Procedures
- Business Continuity Policy and Business Continuity Plans
- Emergency Management Plans, including Workplace Emergency Evacuation Plans
- Risk Management Procedure

# Attachment 5



ECM DSID Number:	4168403
First Issued / Approved:	13/03/2018
Last Reviewed:	May 2022
Next Review:	May 2025
Parent Policy	Risk Management Policy
Responsible Officer:	Risk And Innovation Officer
Date placed on Intranet:	xx/2022

## 1. PREAMBLE

This Procedure supports Council’s Risk Management Policy, with the purpose of managing risk whilst creating value, encouraging innovation and contributing to Council’s continuous improvement and strategic planning processes. It establishes a formal and structured process for minimising the uncertainty involved in achieving Council’s goals and objectives. Risk Management is not an isolated process and should be applied across Council, supporting our activities and various levels of decision making.

### 1.1 Background

This Procedure supports the implementation and maintenance of Risk Management across Council.

Risk effects may be positive, negative, or both, and can address, create or result in opportunities and threats<sup>1</sup>, causing impacts on physical, social and economic capital.

Following this procedure will result in increased engagement in risk management with reference to the best available information and support for the sustainability and safeguarding of Council’s assets, infrastructure, people, finances and reputation – whether strategic, operational or project based.

### 1.2 Purpose

This procedure provides a process by which key principles from AS/NZ ISO31000:2018 Risk Management Guidelines are used to:

- create and protect value by improving performance
- encourage innovation and support the achievement of strategic objectives, and
- integrate risk management processes throughout the organisation.

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<sup>1</sup> ISO31000:2018 Risk Management - Guidelines

## 1.3 Scope

This policy applies to all internal and external stakeholders, authorised to act on behalf of Council, including Elected Members, employees, contractors and volunteers at the City of Holdfast Bay.

## 2. PROCESS

2.1 Council's Risk Management Process includes the following elements:



Source: AS/NZSISO 31000:2018

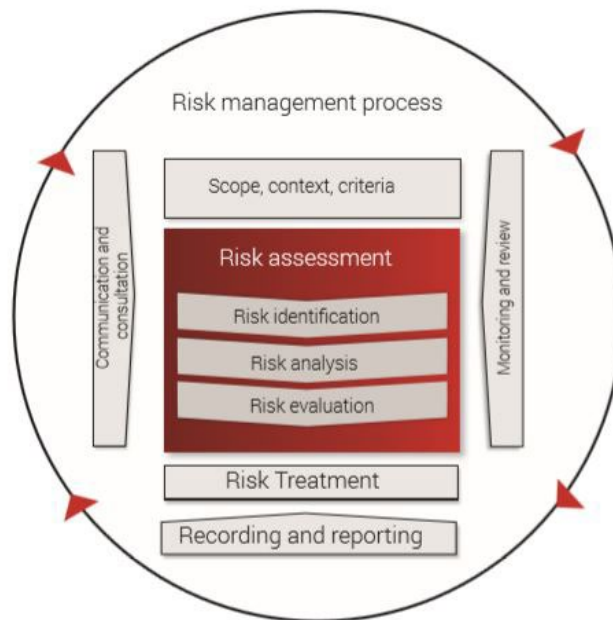
2.2 In addition to the roles and responsibilities outlined in the Risk Management Policy, the following procedural roles apply:

<b>Risk and Improvement</b>	<p>Supports the organisation relevant responsibilities and is responsible for:</p> <ul style="list-style-type: none"><li>- Providing appropriate risk management resources to guide and support the Risk Management process.</li><li>- Assisting in managing risks.</li><li>- Updating and maintaining Council's Corporate Risk Register.</li><li>- Co-ordinating all required reporting.</li><li>- Conducting periodic reviews and recommending improvements to Risk Management as appropriate.</li></ul>
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## RISK MANAGEMENT PROCEDURE

<b>Risk Owners</b>	<p>Accountable for risks by:</p> <ul style="list-style-type: none"> <li>- Identifying and managing risks</li> <li>- Providing progress reports on risks</li> <li>- Securing agreement to:             <ol style="list-style-type: none"> <li>a. the organisation's assessment of the risk, title; description; tolerance and 'acceptable level of risk'</li> <li>b. the risk mitigation strategy (for example, to accept, treat, terminate)</li> <li>c. task people to undertake the treatment strategies that are to be directed towards that particular risk.</li> <li>d. assisting control / treatment owner in seeking resources / budget for mitigation actions</li> <li>e. setting and monitoring key milestones, risk indicators and review dates.</li> </ol> </li> </ul>
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2.3 Council's risk management process is as illustrated and outlined below. Although it is presented as sequential, it should be applied dynamically and iteratively, to account for changing conditions, human behavior, culture and other variables across the business



Source: AS/NZS ISO 31000:2018

### 2.3.1 Communication and Consultation

Establishing a communication and consultation plan with internal and external stakeholders (where relevant) is critical to the success of the risk management process.

Effective communication and consultation throughout the process is essential to ensure that those responsible for implementing risk management, and those with a vested interest, understand the basis on which risk management decisions are made and why particular actions are required.

## RISK MANAGEMENT PROCEDURE

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The Risk and Improvement Officer and Risk Owner will engage with stakeholders throughout the risk management process to:

- Correctly identify risks and understand context;
- Gain a better understanding of the views and interests of stakeholders and how their expectations may be managed;
- Capitalise on the diversity of knowledge, opinions and experience to enhance identification and management of risks and opportunities; and
- Build a sense of inclusiveness and ownership amongst stakeholders.

### 2.3.2 Scope, Context & Criteria

#### Defining the scope

Because the risk management process is applied at different levels throughout the organisation, it is important to define the scope and its alignment with the organisation's objectives. This should include consideration of:

- goals and objectives of risk management activities
- proposed outcomes and timing
- responsibilities and accountabilities for the risk management process
- risk management methodologies
- processes, activities and projects and how they may interact with other processes, activities and projects
- how effectiveness and/or value will be measured and monitored, and
- availability of resources to manage risk.

#### Defining the context

Defining the context is important because risk management takes place in the context of achieving objectives and undertaking activities, and organisational factors can be a source of risk.

The context should reflect the specific environment of the activity to which the risk management process is to be applied. Establishing the context to the organisation requires understanding internal and external factors that may influence the City of Holdfast Bay's ability to achieve its objectives, including:

- Internal Context: - risk culture, organisational structure, strategy and objectives
- External Environment :- factors such as; increased legislative and compliance requirements; reduced funding from State Government; community expectations; social, cultural, political, technological, economic, natural and built environment.

#### Risk criteria

Risk criteria are used to evaluate the significance and source of the risk and are reflective of City of Holdfast's values, objectives and resources and the views of its stakeholders.

## RISK MANAGEMENT PROCEDURE

Criteria	Description	Primary Responsibility
Asset/Infrastructure	Asset management, including condition assessment, replacement and planning new assets	City Assets and Depot
Financial	Budgetary requirements and allocations, tax obligations, grants	Finance
Customer / Service Delivery	Meeting current and changing expectations of customers	Customer Experience
Environment	Environmental management and impacts on environment	Environment
Human Resources	Recruitment and retention of employees, workforce planning, training and development, employee performance	People and Culture
Compliance / legal	Legislative compliance, policy development and compliance	Governance
Political / Reputation	Community expectations, meeting strategic goals, intergovernmental relations	CEO / Council
Safety and Welfare	Safety and welfare of employees and contractors	People and Culture
Community Wellbeing	Safety and welfare of the community	Various (depending on issue)

### 2.3.2 Risk Assessment

#### Risk Identification

The aim of risk identification is to develop an inclusive list of reasonably foreseeable events that are likely to have an impact on achievement of objectives.

Risk identification follows on from the context discussion and formally documents the effects of uncertainty on objectives. An effective approach is to engage as many stakeholders as possible in a structured identification process.

For example – when identifying risks, there are a number of questions that help capture the information required:

- What might happen/ what could go wrong?
- What is the cause?
- How does this affect the objective?

After a risk is identified, it may be categorised and captured in the Corporate Risk Register.

## **RISK MANAGEMENT PROCEDURE**

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The process of risk identification must be comprehensive as risks not identified are by nature excluded from further analysis.

Care must be taken to identify and define risks, rather than causes or consequences.

Capturing an additional level of detail with regards to risk areas assists in reporting and analysing trends.

### **Risk Analysis**

Risk analysis involves developing an understanding of a risk. It provides an input to risk evaluation and to decisions on whether risks need to be treated, and the most appropriate risk treatment strategies and methods.

### **Risk Ratings**

A 'risk rating' can be determined by combining the estimates of effect (consequence rating) and cause (likelihood rating).

The risks are to be assessed against all consequence criteria; and the highest consequence rating will be used. The following risk ratings are used:

- Inherent risk rating, being the level of risk at time of risk assessment with no controls
- Current risk rating, being the level of risk with the controls that are currently in place, operating as they are, and
- Residual risk rating, being the level of risk once further and additional controls are added to reduce the consequence and/or likelihood, (i.e. the residual level of risk remaining after risk treatment).

Not all risk types are the same in terms of their acceptability. If a risk is assessed as above the risk appetite; however within the risk tolerance for that category of risk - then treatment will be required. However, if the risk is assessed as equal to, or below the risk tolerance for that category of risk - then the risk is accepted, providing appropriate controls are implemented.

### **Risk Evaluation**

Risk Evaluation is used to assist in making decisions.

It's based on the outcomes of risk analysis, about will highlight the risks needing further treatment or actions - and the priority for implementation of these additional controls.

Decisions should include the wider context of the risk and consider any risks borne by other parties.

There are also some risks with circumstances that cannot be prevented or reduced and the focus will instead be on contingencies to reduce the impact or aid recovery and resilience.



## RISK MANAGEMENT PROCEDURE

Risk ratings range from Extreme → High → Medium → Low with varying responses and reporting requirements:

Risk level	Managing Risk
<b>EXTREME</b>	<p><b>ACTION:</b> i) Add risk to Risk Register ii) Escalate risk issue immediately to CEO</p> <p><b>CEO to:</b></p> <ul style="list-style-type: none"> <li>– Refer risk to risk owner</li> <li>– Identify and develop treatment strategies for immediate action</li> <li>– Monitor and review actions/strategies</li> <li>– Provide direction and information to relevant stakeholders</li> <li>– Inform the next meeting of the SLT and Audit Committee of the risk issue, outlining the actions taken to mitigate the risk and the outcome (or current status)</li> <li>– Consider cessation/suspension of the activity giving rise to the risk until such time as CEO/Management Team authorises its continuation and/or whilst other risk treatment strategies are being developed/implemented</li> </ul> <p>For WHS related risks, the following applies:</p> <ul style="list-style-type: none"> <li>– Operation of item or activity shall not be allowed to continue until the risk level has been reduced</li> <li>– Will commonly be an unacceptable level of risk</li> <li>– May include both short and long term control measures</li> </ul>
<b>HIGH</b>	<p><b>ACTION:</b> i) Add risk to Risk Register ii) Escalate risk issue to GM/SLT member /Risk Officer</p> <p><b>GM/SLT member to:</b></p> <ul style="list-style-type: none"> <li>– Refer to relevant risk owner</li> <li>– Identify and develop treatment strategies with appropriate timeframes</li> <li>– Monitor and review actions/strategies to manage risk to an acceptable level</li> <li>– Provide direction and information to relevant stakeholders</li> <li>– Inform the next meeting of the SLT and Audit Committee, (as relevant) of the risk issue, the actions taken to mitigate the risk and the outcome (or current status)</li> </ul> <p>For WHS related risks, the following applies:</p> <ul style="list-style-type: none"> <li>– Reduce the risk rating so far as is reasonably practicable</li> <li>– Should only be an acceptable level of risk for ‘Major’ or ‘Catastrophic’ consequences</li> </ul>

## RISK MANAGEMENT PROCEDURE

Risk level	Managing Risk
<b>MODERATE</b>	<p><b>ACTION:</b> i) Add risk to Risk Register ii) Escalate risk to relevant Manager to coordinate with relevant work group to:</p> <ul style="list-style-type: none"> <li>– Identify and develop treatment strategies with appropriate timeframes</li> <li>– Monitor and review actions/strategies to manage risk to an acceptable level</li> </ul> <p>For WHS related risks, the following applies:</p> <ul style="list-style-type: none"> <li>– Reduce the risk rating so far as is reasonably practicable.</li> <li>– May be an acceptable level of risk</li> </ul>
<b>LOW</b>	<p><b>ACTION:</b> i) Add to Risk Register</p> <ul style="list-style-type: none"> <li>– Undertake localised risk management &amp; actions (if required)</li> <li>– Review within the department parameters and routine procedures</li> </ul> <p>For WHS related risks, the following applies:</p> <ul style="list-style-type: none"> <li>– Reduce the risk rating so far as is reasonably practicable.</li> <li>– Commonly is an acceptable level of risk</li> </ul>

### 2.3.3 Risk Treatment

Risk treatment can be conducted using a variety of methods:

- When assessing risks, treatments are aimed at reducing or removing the potential for consequences occurring.
- When assessing opportunities (positive risks), treatments are aimed at ensuring that consequences are realised.
- Risk treatment - selecting one or more options for modifying the likelihood and/or consequence of risks, and implementing those options.

Once treatments are completed, they are added to the controls and re-assessed. Appropriate risk treatment options should have regard to the organisation's objectives, risk appetite, risk criteria and available resources.

#### Risk treatment priorities

Recognising that not all risks can, or should, be managed, the City of Holdfast Bay has determined that it will prioritise treatment of risks in the following order:

- Strategic risks that exceed risk appetite – or risk tolerance
- Operational risks that are rated Extreme or High
- Operational risks that are rated either Moderate or High that exceed risk appetite.

The CEO may make exceptions to this prioritisation where there is an immediate or foreseeable risk to the health or safety of any person.

## RISK MANAGEMENT PROCEDURE

### Risk treatment options

Risk treatment options are not necessarily mutually exclusive or appropriate in all circumstances. Options for negative risks may include:

<b>Eliminate</b>	Remove an asset or discontinue an activity or service completely so as to eliminate the risk altogether
<b>Share</b>	Allocate risk to a third party, such as through appropriate contactor management, (noting however that S272 of the WHS Act voids any agreement or contract that purports to transfer any duty owed under the Act.)
<b>Mitigate</b>	Implement a type of treatment control to reduce or remove the risk. This may include but is not limited to options such as substitution (swapping), isolation (barricade), engineering (modify by design) or administration (policy/process)
<b>Accept</b>	Risk can be accepted for a number of reasons including: <ul style="list-style-type: none"> <li>- no extra treatments being available;</li> <li>- meets the stated target risk appetite for the type of risk;</li> <li>- informed decision has been made about that risk; and</li> <li>- the cost of risk treatment significantly outweighs the potential risk exposure.</li> </ul>

For opportunities – or positive risks - options may include:

<b>Exploit</b>	Implement strategies to capitalise on the likelihood of the risk eventuating and ensure that the organisation is able to respond quickly to the opportunities as they arise
<b>Share</b>	Partnering with another organisation that is able to add skills or value not currently available within City of Holdfast Bay.
<b>Enhance</b>	Influence the factors that will improve the likelihood of the opportunity arising
<b>Accept</b>	Maintain status quo by informed decision

In selecting any risk treatment, consideration must be given to new emerging risks that may arise from implementing it and the processes outlined in this procedure.

### Control characteristics

Risk treatments need to be designed in a manner to ensure they are sufficient to mitigate that risk, and have some of the following characteristics if they are to become an adequate control:

- Documented (e.g. Policies, procedures, task lists, checklists)
- Systems-oriented (e.g. integrated and/or automated)
- Preventative (e.g. system controls) or detective
- Consistent and regular (including during staff absence)

## RISK MANAGEMENT PROCEDURE

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- Performed by competent and trained individuals
- Clear responsibility and accountability
- Create value (i.e. benefits outweigh costs)
- Achievable for the organisation (based on available resources)
- Evidenced (i.e. documented or electronic audit trail)
- Confirmed independently

### **Preparing and implementing risk treatment plans**

Risk treatment plans specify how the risk treatment options will be implemented, so that those involved understand what arrangements are in place and to allow progress against the plan to be monitored.

Risk treatment plans are documented within the Corporate Risk Register and Project Management Plans – providing the following information where appropriate:

- rationale for selection of treatment options
- responsibilities and accountability for approving and implementing the plan
- proposed actions and timeframes
- resourcing requirements
- constraints and contingencies, and
- required reporting and monitoring.

### **2.3.4 Risk Management Processes across Council**

Risk management processes will continue to integrate into Council's operations in order to achieve stated aims and objectives. The following are key areas:

#### **Financial Risks**

Financial Risks including fraud and theft in the areas of payroll, purchasing, contracting, cash handling and investment are captured as a part of the Strategic Risk Register. Controls to mitigate these risks include policies and procedures, controls within the finance system, and compliance monitoring using Control Track.

**Who responsible:** Manager Finance

**Frequency:** Annual

#### **Budget and Annual Business Planning**

Throughout the development of the Annual Business Plan and the budget planning process, key risks and opportunities facing Council are considered. The planning process identifies and reviews key risks that may impact its ability to meet its strategic and legislative requirements and objectives. Council's New Initiative process includes a risk assessment for all new requests for funding, and risk is incorporated into the prioritisation of projects.

**Who responsible:** Senior Leadership Team

**Frequency:** Annual

### **Procurement and Contractor Management**

Council balances risk and opportunity in ensuring that the right mix of risk between suppliers and Council is maintained. It also ensures that suppliers have sufficient professional indemnity and public liability insurance, including the obtaining of Certificates of Currency over the contract duration. It also ensures that its suppliers are committed to workplace health and safety as well as being competent in the provision of goods or services.

**Who responsible:** Staff with financial delegation, project managers, Team Leader Governance

**Frequency:** Ongoing

### **Event Management**

For any events to be undertaken, a risk management plan is developed, consistent with this framework that includes the recording of risks, consequences, likelihood, risk rating, preventative action required, responsive action required. It also includes a guide of possible risks to assist event organisers complete the plan eg. food handling, traffic disruption, trip hazards, etc.

**Who responsible:** Manager City Activation

**Frequency:** Every Event application

### **Alwyndor Aged Care Accreditation**

All aged care homes receiving government subsidies need to meet quality standards called accreditation standards. They cover areas such as management, staffing, health and personal care, resident lifestyle, living environment, catering, cleaning, continuous improvement, and safety and security. Accreditation assessment teams provide ongoing monitoring and make planned visits and yearly unannounced visits to aged care homes as part of the monitoring activities. Alwyndor has its own compliance program ensuring it meets the 44 accreditation requirements. Alwyndor also has its own Risk Management Plan and also maintains a corporate risk register.

**Who responsible:** General Manager Alwyndor

**Frequency:** Ongoing

### **Workplace Health and Safety**

Workplace health and safety (WHS) is managed throughout the City of Holdfast Bay in dealing with its employees, contractors and volunteers. These groups are thoroughly inducted in WHS principles before commencing work at the City of Holdfast Bay and include topics such as worksite hazard management, personal safety, plant and equipment storage, electrical safety and reporting of incidents. Different induction checklists are used for approved contractors depending on the nature (risk) of the work to be performed. Job Safety Assessments are also performed consistent with this framework that includes

## RISK MANAGEMENT PROCEDURE

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the recording of hazards and risks, risk ratings, risk control measures and the name of the person responsible for implementing the control measures.

WHS also includes healthy catering to ensure that Council's staff, elected members, volunteers and visitors always have access to healthy catering options when attending City of Holdfast Bay meetings, workshops, events and facilities.

**Who responsible:** All staff, WHS Coordinator

**Frequency:** Ongoing

### Project Management

Key risks are considered as part of projects to ensure they are effectively managed from concept to implementation. All major projects require a formal documented risk assessment be performed, consistent with this framework, at the concept stage, ongoing and post project completion, as part of the post project review process.

**Who responsible:** Project Managers

**Frequency:** Throughout the project lifecycle

### Asset Management

Council performs regular assessments of risks associated with service delivery from its assets. Council's Asset Management Plans are reviewed every 4 years and include an assessment of risk. Individual asset classes are also reviewed more frequently with risk management forming a part of the condition assessment. Council's Capital Works Program is also determined as a result of risk management processes with project prioritised accordingly.

**Who responsible:** Project Managers, General Manager City Assets and Services

**Frequency:** Ongoing

### Business Continuity

Key risks that impact on the ongoing continuity of service delivery of Council following a disruptive incident have been considered and assessed and included in the Business Continuity Plan.

**Who responsible:** Senior Leadership Team

**Frequency:** Yearly

### Emergency Risk Management Plan

The Cities of Holdfast Bay, Marion, Mitcham and Unley have developed a regional framework that is designed to provide support to current Council systems in place to manage emergencies as well as provide scope for future, ongoing planning and development of improved strategies to prevent, prepare to respond to or recover from emergencies within the community.

**Who responsible:** Senior Leadership Team

**Frequency:** Yearly

### 2.3.5 Monitoring and Review

#### Review of Risks and Controls

Monitoring and review involves regular checking or surveillance of the effectiveness and efficiency of the risk management processes implemented.

A monitoring and review process will:

- ensure that implemented controls are effective and adequate
- provide further information to improve risk assessment and treatment plans
- allow for the identification of emerging risks
- identify any new factors that may influence established strategies/mitigate risks.

#### New & Emerging Risks

It is essential to monitor all activities and processes in order to capture new or emerging risks arising from the changing environment, (both internal and external) and the activities undertaken by Council's employees, contractors and volunteers.

#### Project risks

Due to the dynamic nature of most projects, a risk may change over the project lifecycle, triggering the need for reassessment. The monitoring and review process allows for both validation of risks and adaptation of project plans to ensure that they remain relevant.

Any changes in risks throughout the project and following completion should be recorded and used as future project planning tools.

#### Internal audit

The audit process plays an important role in evaluating the internal controls, and risk management processes, currently employed by the City of Holdfast Bay.

Our internal audit program is 'risk based' and provides assurance that we are managing our risks appropriately. In developing the annual Internal Audit Plan, consideration is given to the extreme and high rated risks identified by the risk assessment process.

Internal audits assess the adequacy of the selected controls identified, and the process will measure risk by:

- Measuring compliance – has the organisation met its Policy objectives
- Measuring maturity – measuring against best practice and sector benchmarking
- Measuring value add – has the risk management and culture added to the achievement of strategic objectives

## RISK MANAGEMENT PROCEDURE

Information is shared between the risk management and internal audit functions. Changes in our risk profile are reflected in the annual Internal Audit Plan.

Similarly, control issues identified through internal audit will inform our Risk Management Policy and documentation. Internal audits are conducted to provide assurance that key risks have been identified and the controls in place are adequate and effective, as per the following:

RATING	DEFINITION
<b>Design adequacy</b>	
Adequate	The control is designed to give reasonable assurance of risk mitigation. Existing systems and procedures cover known circumstances and provide reasonable assurance for majority of risks.
Partially adequate	The control is designed to partially mitigate the risk, in a way to partially meet the objectives.
Legal and compliance	We will tolerate a 20% variance to our service level standards (e.g. medium)
Inadequate	The control design is insufficient to give reasonable assurance of risk mitigation. There may be no systems and procedures in place, or existing systems and procedures are obsolete and require review.
<b>Operating effectiveness</b>	
Effective	The control operates in a manner that is effective in terms of being consistent, complete, reliable and timely.
Partially effective	The control <i>partially</i> operates in a manner that is effective in terms of being consistent, complete, reliable and timely.
Ineffective	The control fails to operate in a manner that is effective in terms of being consistent, complete, reliable and timely.

It is to be noted that the overall combination of:  
design adequacy x operating effectiveness = overall rating of the control

This assists in identifying improvements to existing controls.

	Effective	Partially effective	Ineffective
Adequate	Effective	Partially Effective	Ineffective
Partially adequate	Partially Effective	Partially Effective	Ineffective
Inadequate	Ineffective	Ineffective	Ineffective



- 2.4 This Risk Management Procedure is supported by an annual workplan that includes scheduled risk reviews, engagement with individual risk and treatment owners, regular monitoring and reporting, training and the provision of information as required to all relevant stakeholders.

### 3. REFERENCES

#### 3.1 Legislation

- *Local Government Act 1999*
- *Local Government Financial Management Regulations 2011*
- *Work Health and Safety Act 2012*
- *Emergency Management Act 2004*
- *Civil Liabilities Act 1936*
- *State Records Act 1997*
- *Freedom of Information Act 1991*

#### 3.2 Other References

- AS/NZS ISO 31000:2018 Risk Management
- Audit Committee Terms of Reference
- Better Practice Model – Internal Financial Controls 2012 SALGFMG
- Work Health and Safety Policies and Procedures
- Business Continuity Policy and Business Continuity Plans
- Emergency Management Plans, including Workplace Emergency Evacuation Plans

## RISK MANAGEMENT PROCEDURE

### APPENDIX A: DEFINITIONS

<b>Assurance</b>	A process that provides a level of confidence that objectives will be achieved within an acceptable level of risk
<b>Consequence</b>	The outcome of an event expressed qualitatively or quantitatively, being a loss, injury, disadvantage or gain. There may be a range of possible outcomes associated with an event.
<b>Control</b>	An action that modifies risks and increases the likelihood that objectives and goals of an organisation will be achieved.
<b>Corporate Risk Management</b>	The process applied in strategy setting and decision making throughout the organisation to identify, evaluate and manage potential risks that are likely to impact on achievement of objectives, set risk appetite and tolerance and manage risk within those parameters, to provide reasonable assurance regarding achievement of organisation's objectives.
<b>Event</b>	Occurrence of a particular set of circumstances
<b>Exposure/Rating</b>	The risk exposure (also referred to as risk rating) is a qualitative value of the sum of the consequence of an event multiplied by the likelihood of that event occurring
<b>External Context</b>	External environment in which the organisation seeks to achieve its objectives
<b>Frequency</b>	A measure of the rate of occurrence of an event expressed as the number of occurrences of their event in a given time.
<b>Internal Audit</b>	Independent, objective assurance that uses a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.
<b>Internal Context</b>	Internal environment in which the organisation seeks to achieve its objectives
<b>Likelihood</b>	Chance of something happening
<b>Monitor</b>	To check, supervise, observe critically or record the progress of an activity, action or system on a regular basis in order to identify change.
<b>Reasonable assurance</b>	Concept that risk management, however well designed and operated, cannot guarantee objectives will be met, due to inherent limitations in all Risk Management procedures.
<b>Risk Analysis</b>	A systematic use of available information to determine how often specified events may occur and the magnitude of their consequences.
<b>Risk Appetite</b>	Is the amount of risk an organisation is prepared to accept in pursuit of its objectives
<b>Risk Assessment</b>	An overall process of risk identification, risk analysis and risk evaluation
<b>Risk Culture</b>	Risk culture refers to the behaviours that lead to how a person considers and manages risks,
<b>Risk Evaluation</b>	The process used to determine risk management priorities by comparing the level of risk against predetermined standards, target risk levels or other criteria.
<b>Risk Management</b>	Coordinated activities to direct and control an organisation with regard to risk.
<b>Risk Owner</b>	Staff member with the accountability and authority to manage a risk
<b>Risk Source</b>	Element which alone or in combination has the potential to give rise to risk
<b>Risk Tolerance</b>	The acceptable variation in outcomes related to specific performance measures linked to objectives the organisation seeks to achieve.
<b>Risk</b>	The effect of uncertainty on objectives.
<b>Stakeholder</b>	Person or organisation that can affect, be affected by, or perceive themselves to be affected by, a decision or activity.

APPENDIX B: RISK MATRIX AND CRITERIA

Table 4: Consequence Criteria

	Reputation	Business impact	People Safety	Environment	Service Delivery
Insignificant	No adverse effect on public image No media interest Insignificant level of community concern. A slight but manageable increase in the number of adverse resident complaints Negligible adverse impact upon social health and wellbeing of the community which has little or no impact upon established community relationships and links	Low financial loss – impact of less than \$10k Operational issues manageable within normal activities <b>Project – up to 5% of original project budget.</b>	No injuries Minor repairs required of an insignificant nature to property / infrastructure.	“Nuisance” category under the SA Environment Protection Act (1993) Short term, immediately reversible effects on ecosystem	Insignificant impact on Council’s ability to achieve strategic outcomes Project – Nil impact on achievement of key project objectives or project duration up to 10% of original timeframe without consequential impacts
Minor	Minor adverse effect on public image Minor media coverage in paper distributed within the local area (small scale single article). Minor level of community concern, an increase in the number of resident complaints requiring direct effort to resolve/attend to Minor adverse impact upon social health and wellbeing of the community that may have a minor impact upon established community relationships and links	Medium financial loss – impact of between \$10k and \$100k Minor impact in undertaking routine activities <b>Project – between 5-10% of original project budget</b>	Only First Aid treatment required Minor loss or infrastructure damage.  Normal seasonal illness leading to minor disruption to activities	“Nuisance” category under SA Environment Protection Act (1993) Some minor adverse effects to few species/ ecosystem parts that are short term and immediately reversible. Contamination – on-site release immediately contained	Some delays in delivery of strategic initiatives, but only minor aspects impacted  Overall strategic intent still achievable Project duration extended up to 35% of original project timeframe without consequential impacts
Moderate	Moderate adverse effect on public image Adverse media campaign in relevant press over two or more issues, supported by uptake of issue in electronic media Moderate level of community concern, large number of complaints and letters to editor in relevant press Minor common law action or Ombudsman investigation threatened/ initiated	Moderate financial loss – impact of between \$100k and \$1 million Impacts up to 2.5% on rate revenue generation Impaired ability to maintain normal operations, reprogramming required Minor legal issues, non-compliances and breaches of regulation <b>Project – between 10-20% of original project budget.</b>	Medical treatment required which may include short term admission to hospital  Moderate loss/or infrastructure damage  Local epidemic leading to noticeable disruption of activities	“Material” category under the SA Environment Protection Act (1993) Contamination – on-site release contained with outside assistance Ecosystems- temporary, reversible damage, loss of habitat and migration of animal populations, some reduction in numbers and die back of plants. Pollution requires physical removal, air quality constitutes potential long term health problems. Manageable restrictions in resource usage Disturbance to sites or artefacts of cultural significance	Some key components of the Strategic Plan cannot be achieved within expected timeframes. Additional funding/resources or some strategies re-prioritisation is required Project duration extended up to 35% of original project timeframe with consequential impacts on other dependencies
Major	Significant adverse effect on public image Widespread adverse media campaign including electronic local and national media. Social media going viral requiring management intervention. Pressure on State Government and agencies to intervene Significant level of community concern Social health and wellbeing of the community seriously affected by major community unrest and/or significant breakdown of established community relationships and links. Significant common law action threatened, major Ombudsman investigation initiated	Major financial loss - impact of between \$1 million and \$3 million Impacts between 2.5% and 10% on rate revenue generation Significant effects loss of ability to complete programs, major restrictions to services and project delivery Serious breach of regulation with investigation or report to authority with prosecution and/or moderate fine possible <b>Project – between 20-35% of original project budget.</b>	Serious & extensive injuries Serious structural damage to infrastructure or serious loss of assets. Widespread epidemic that causes significant disruption to activities	“Serious” category under the SA Environment Protection Act (1993) Contamination – off-site release with no detrimental effects Ecosystems – recoverable damage, death of animals in large numbers, widespread habitation destruction, significant air quality issues. Pollution issues requiring long term management, serious introduction of invasive species Restrictions on resource usage threatening viability of accepted lifestyle Damage to sites or artefacts of cultural significance	Key Strategic Objectives unable to be achieved; review of Strategic Plan is required  Project duration extended by 36- 80% of original project timeframe with or without consequential impacts on other dependencies
Catastrophic	Major effect on public image Widespread adverse media campaign including electronic local, national and international media. Widespread community outrage Social media going viral, unable to be contained. State Government and agencies to intervene Social health and wellbeing of the community severely affected resulting in fracturing of established community relationships and links. Class Actions, Judicial Inquiries initiated	Critical financial loss/exposure – impact greater than \$3 million Impacts of more than 10% on rate revenue generation  Projects & programs failure, inability to meet minimum acceptable standards Major breaches of regulation, sanctions imposed <b>Project - &gt;35% of original project budget.</b>	Fatalities Critical loss, irreversible damage property / infrastructure with a replacement cost that overwhelms the capital budget (>25%) Community movements restricted under State Emergency Plan	“Serious Material harm” category under the SA Environment Protection Act (1993) and EPA actions initiated Off-site contamination requiring immediate and significant remediation actions Ecosystems – irreversible damage, widespread loss of animals, and key stone species extinctions, destruction of flora species, widespread domination of invasive species. Pollution unable to be effectively remediated. Restriction on resource usage resulting in permanent disruption of accepted life-style	Goals of Strategic Plan not achievable; total and immediate re-work of Plan is required Project duration extended by >80% of original project timeframe with consequential impacts on other dependencies

Table 1: Risk Assessment Matrix

		CONSEQUENCE				
		Insignificant	Minor	Moderate	Major	Catastrophic
LIKELIHOOD		1	2	3	4	5
Almost Certain	E	Medium	Medium	High	Extreme	Extreme
Likely	D	Low	Medium	High	High	Extreme
Possible	C	Low	Medium	Medium	High	High
Unlikely	B	Low	Low	Medium	Medium	High
Rare	A	Low	Low	Low	Medium	Medium

Table 2: Risk Review and Reporting

REPORT TO	FREQUENCY	CONTENT
Council and Committees	As required  Once per term	Reports to Council and Committees need to include a discussion of existing and newly emerging risks and treatments. (This requirement does not apply to routine administrative matters.) Set the risk appetite and tolerance.
Audit Committee	Quarterly  Annual	Risks rated high and above. Report on compliance with policy. Any other relevant matters referred by Senior Leadership Team. Propose any emerging risks for consideration. Risk Profile - Verify that risks are controlled within risk appetite and tolerances.
Senior Leadership Team	Quarterly  Annual	Risks rated high and above. Any changes made to the corporate risk register over the previous quarter. Any other risks that require attention or are of concern. Review of all Strategic Risks and any other risks rated high and above. Review of risk appetite and tolerances.
Leadership Team	Quarterly  Annual	Risks rated high and above. Any changes made to the corporate risk register over the previous quarter. Any other risks that require attention or are of concern. Review of full Corporate Risk Register.
Project Board	Monthly	Project Risks and any changes to risks

Table 3: Qualitative Measures of Likelihood

LIKELIHOOD	EXPLANATIONS:		FREQUENCY
	Operations	Projects/ Business Case	
Almost Certain	It is expected to occur again, immediately or within a short period – likely to occur most weeks or months.	Could be expected to occur more than once during the study or project delivery	Event is expected to occur in most circumstances
Likely	Will probably occur in most circumstances – several times a year.	Could easily be incurred and has generally occurred in similar studies or projects.	Event could occur in most circumstances
Possible	Could be incurred within a one – two year period.	Incurred in a minority of similar studies or projects	Event could occur at some time
Unlikely	Could be incurred in a two - five year time frame.	Known to happen, but only rarely.	Event could occur in circumstances
Rare	May occur in exceptional circumstances. Could be incurred in a 5-30 year timeframe.	Has not occurred in similar studies or projects. Conceivable but in extreme circumstances.	Event may only occur in exceptional circumstances

Table 5: Controls

RATING	Definition	Note
Adequate	The control is designed in a manner that it can give reasonable assurance that the risk will be mitigated. In other words existing systems and procedures cover known circumstances and provide reasonable assurance for majority of risks.	This definition applies to the design of the control
Inadequate	The design of the control is not sufficient enough to give reasonable assurance that the risk will be mitigated. There may be no systems and procedures in place, or existing systems and procedures are obsolete and require review	This definition applies to the design of the control
Effective	The control operates in a manner that is effective in terms of being consistent, complete, reliable and timely.	This definition applies for the operating effectiveness of the control
Ineffective	The control does not or partially operates in a manner that is not effective in terms of being consistent, complete, reliable and timely.	This definition applies for the operating effectiveness of the control

Item No: 15.8

Subject: **SUBURB BOUNDARY CHANGE**

Date: 28 June 2022

Written By: Manager, Strategy and Governance

General Manager: Strategy and Corporate, Ms P Jackson

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## **SUMMARY**

On 28 March 2022, correspondence was received from the Surveyor-General advising of his intention to rename the areas constituting the 'Cement Hill' area development as Seacliff. Information was provided to Council as part of Items in Brief (Council Report No 85/22).

It was noted that the portion of land within the boundaries of the City of Holdfast Bay are already named Seacliff, therefore this proposal would not impact on land in Council's area. As assigning a single suburb name to a single development area was considered sensible, Administration responded to the Surveyor-General that the proposal was supported.

On 6 June 2022, the Surveyor-General advised that no objection from the developer or the City of Holdfast Bay had been received in relation to the proposal. However, the City of Marion considered the matter at the General Council meeting held 10 May 2022 and resolved to not support the proposal and instead put forward a different option.

A meeting was held with the Surveyor-General, the City of Marion Administration and the City of Holdfast Bay Administration on 10 June 2022. The Surveyor-General expressed a desire for all parties to support a proposal, which then requires a statutory community engagement period.

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## **RECOMMENDATION**

### **That Council:**

- 1. endorses the proposed extension of the suburb of Seacliff, as indicated by the label 'Seacliff Heights' in Attachment 3; and**
  - 2. per the Surveyor-General's original proposal, endorses the name Seacliff be applied to the area, rather than Seacliff Heights.**
-

**STRATEGIC PLAN**

Statutory compliance

**COUNCIL POLICY**

Not applicable

**STATUTORY PROVISIONS**

*Geographical Names Act 1991*

**BACKGROUND**

On 28 March 2022, correspondence was received from the Surveyor-General advising of his intention to rename the areas constituting the 'Cement Hill' area development as Seacliff.

Information was provided to Council as part of Items in Brief (Council Report No 85/22). A copy of the relevant parts of the Items in Brief Report are provided as Attachment 1.

*Refer Attachment 1*

The Surveyor-General advised that this proposal provided better land administration, whilst eliminating any confusion for emergency response services locating future properties.

It was noted that the portion of land within the boundaries of the City of Holdfast Bay are already named Seacliff, therefore this proposal would not impact on land in Council's area. As assigning a single suburb name to a single development area was considered sensible, Administration responded to the Surveyor-General that the proposal was supported.

It should be noted that suburb realignments or renaming are unrelated to realignments related to Local Government boundaries.

**REPORT**

On 6 June 2022, the Surveyor-General advised that no objection from the developer or the City of Holdfast Bay was received in relation to the proposal for a suburb boundary realignment. However, the City of Marion considered the matter at the General Council meeting held 10 May 2022 and resolved the following:

*"That Council:*

- 1. Advises the Surveyor-General that Council does not support the proposed boundary realignment changes to the suburbs of Seacliff, Marino and Seacliff Park as Council has concerns with the choice of suburb name, the spatial location of boundaries, and confusion for emergency response services.*

2. *Requests that the Surveyor General consider:*
- a. *making Scholefield Road the southern boundary for the suburb of Seacliff; and*
  - b. *including all of the land to the south of Scholefield Road and to the west of Ocean Boulevard (including the Seacliff Village site, Les Scott Reserve, a portion of the golf course currently within the suburb of Marino, the residential land within the vicinity of Clubhouse Road and all other land currently within Seacliff Park, as indicated in Attachment 7 of the Council report - Proposed Suburb Boundaries - CoM) within a new suburb named "Seacliff Heights".*

A copy of the Council Report from the City of Marion is provided as Attachment 2.

*Refer Attachment 2*

A meeting was held with the Surveyor-General, the City of Marion Administration and the City of Holdfast Bay Administration on 10 June 2022. Matters covered included the rationale for City of Marion's position, as well as the process the Surveyor-General would be following.

The City of Marion considered that the proposal put forward by that Council would better achieve the results sought by the Surveyor-General than the original proposal, and that their version of the proposal would also protect their interests in deliberations relating to Council boundaries.

Local Government boundary realignments are subject to a separate process. City of Holdfast Bay Administration is of the view that the communities of interest and other factors that are weighed up as part of the Local Government boundary realignment process exist irrespective of the name of a suburb.

The Surveyor-General has expressed a desire for all parties to support a proposal, which will then be subject to a statutory community engagement period before being put to the Minister for a decision.

The boundary proposed by the City of Marion, which includes the new 'Cement Hill' development along with Seacliff Park, is supported as it is sensibly bordered by significant roads. For clarity, the proposed boundary is provided again as Attachment 3.

*Refer Attachment 3*

To acknowledge and give due weight to the Surveyor-General's original proposal, it is suggested that the suburb name of Seacliff be applied to the area, rather than Seacliff Heights as proposed by the City of Marion.

#### **BUDGET**

Nil

#### **LIFE CYCLE COSTS**

Nil

# Attachment 1



Item No: 15.1  
Subject: **ITEMS IN BRIEF**  
Date: 12 April 2022  
Written By: Executive Officer and Personal Assistant to the Mayor  
Chief Executive Officer: Mr R Bria

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## **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.

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## **RECOMMENDATION**

**That the following items be noted and items of interest discussed:**

1. **Suburb Boundary Alteration of Seacliff, Marino and Seacliff Park**
  2. **Review of Planning, Development and Infrastructure Act 2016**
  3. **Glenelg Equinox Festival and Beach Concerts**
- 

## **REPORT**

1. **Suburb Boundary Alteration of Seacliff, Marino and Seacliff Park**

Correspondence was received on 28 March 2022 advising of the Surveyor-General's intention to rename the areas constituting the 'Cement Hill' area development as Seacliff, which is provided as attachments 1 and 2. The portion of land that is within the boundaries of the City of Holdfast Bay are already named Seacliff, therefore this proposal does not impact on land in Council's area. Assigning a single suburb name to a single development area is considered sensible. Administration will reply with an email expressing support for the proposal.

*Refer Attachments 1 and 2*

2. **Review of Planning, Development and Infrastructure Act 2016**

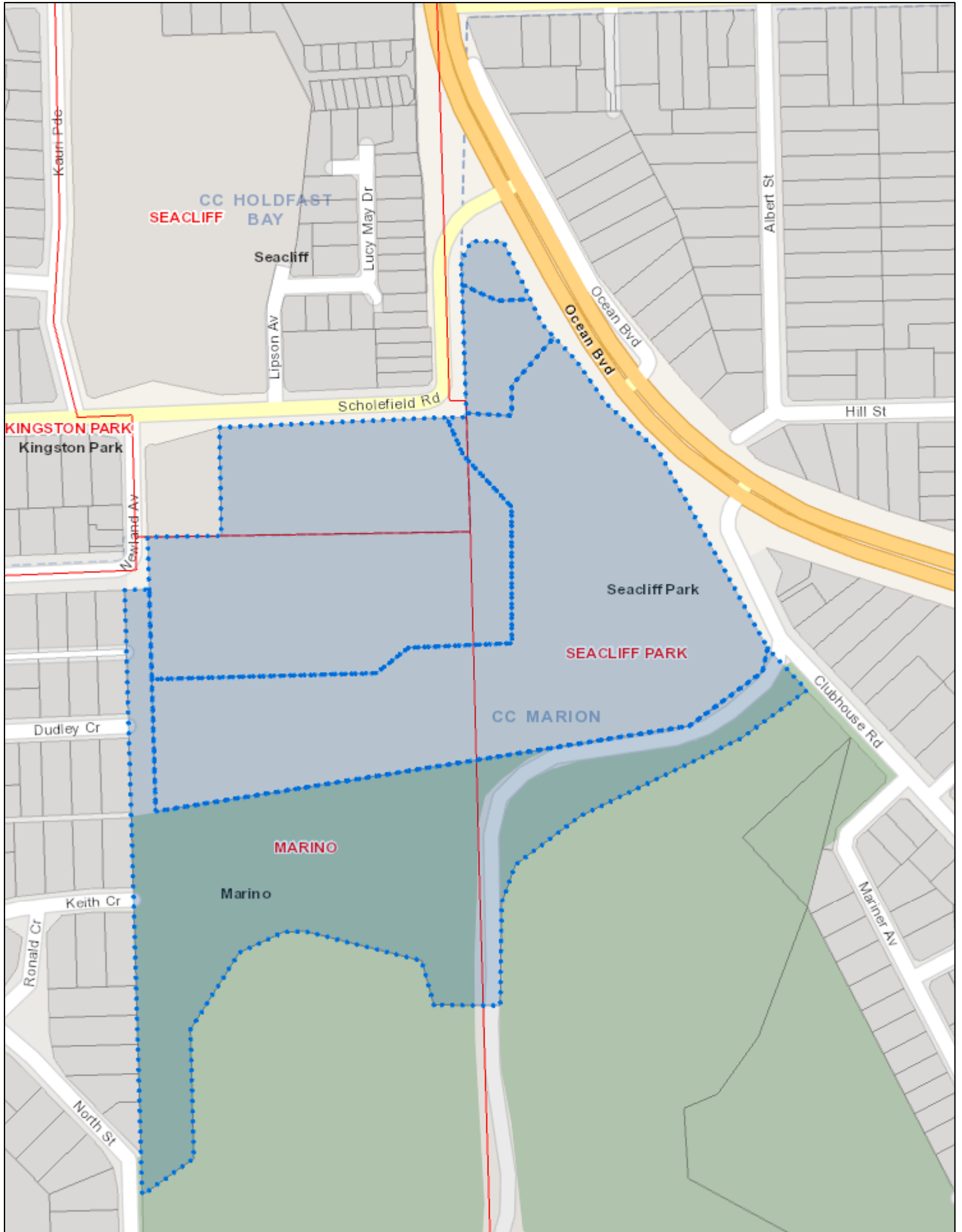
Correspondence addressed to The Hon. Peter Malinauskas MP was received on 5 April 2022 from Acting Mayor, Councillor Simon McMahon, City of Onkaparinga advising that their council will advocate in support of a comprehensive review of the *Planning, Development and Infrastructure Act 2016*.

*Refer Attachment 3*



# Attachment 1

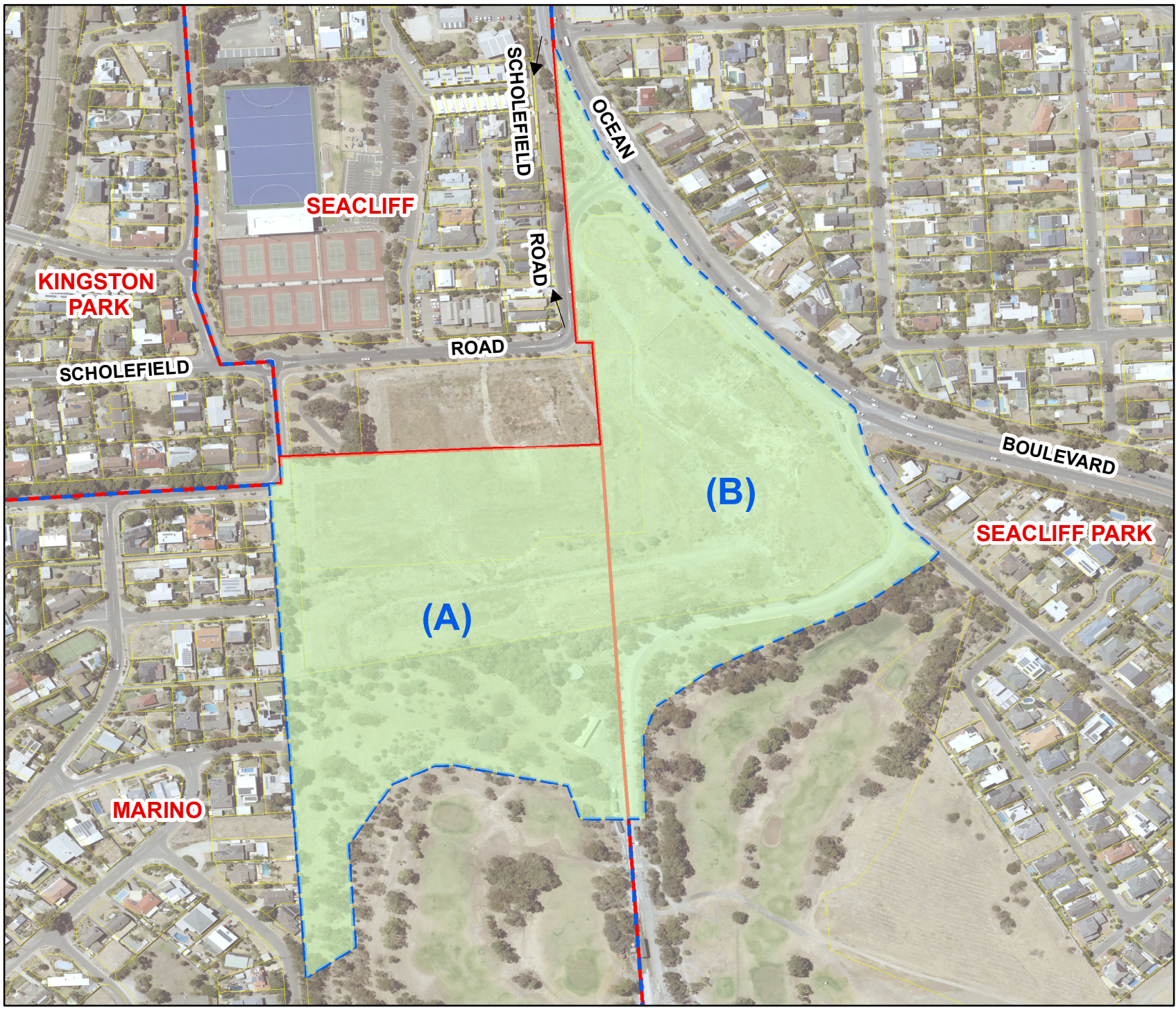




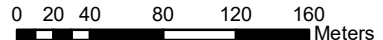
**Disclaimer:** The information provided above, is not represented to be accurate, current or complete at the time of printing this report. The Government of South Australia accepts no liability for the use of this data, or any reliance placed on it.

# Attachment 2





**SUBURB BOUNDARY ALTERATION OF SEACLIFF, MARINO AND SEACLIFF PARK**



**Legend**

- AreaAffected
- Parcel Boundaries
- Suburb Boundaries**
- Proposed
- Current

**DESCRIPTION**

Exclude from the suburb of MARINO that area marked (A) and SEACLIFF PARK that area marked (B) shown highlighted in green and include in the suburb of SEACLIFF.

# Attachment 2



#### 11.4 Seacliff Village Development Site - Proposed Suburb Name Change

<b>Report Reference</b>	GC220510R11.4
<b>Originating Officer</b>	Senior Policy Planner – David Melhuish
<b>Corporate Manager</b>	Manager Development and Regulatory Services - Warwick Deller-Coombs
<b>General Manager</b>	General Manager City Development - Tony Lines

#### REPORT OBJECTIVE

To provide Council with an opportunity to comment on the proposed suburb realignment in Seacliff Park.

#### REPORT HISTORY

<b>Report Reference</b>	<b>Report Title</b>
EMF220419R1.7	Seacliff Development Site - Proposed Suburb Name Change

#### EXECUTIVE SUMMARY

The Surveyor General is proposing to realign suburb boundaries so that the ‘Seacliff Village’ development site will be in one suburb (Seacliff) rather than the current three (Seacliff, Seacliff Park, Marino).

The view of Council’s administration is that the proposed suburb realignment is not appropriate because several issues relating to the subject land and the surrounding area do not appear to have been taken into consideration in the decision-making process.

Administration is proposing a different option, including a new suburb.

#### RECOMMENDATION

**That Council:**

- 1. Advises the Surveyor General that Council does not support the proposed boundary realignment changes to the suburbs of Seacliff, Marino and Seacliff Park as Council has concerns with the choice of suburb name, the spatial location of boundaries, and confusion for emergency response services.**
- 2. Requests that the Surveyor General consider:**
  - a. making Scholefield Road the southern boundary for the suburb of Seacliff; and**
  - b. including all of the land to the south of Scholefield Road and to the west of Ocean Boulevard (including the Seacliff Village site, Les Scott Reserve, a portion of the golf course currently within the suburb of Marino, the residential land within the vicinity of Clubhouse Road and all other land currently within Seacliff Park, as indicated in Attachment 7 of the Council report - Proposed Suburb Boundaries - CoM) within a new suburb named “Seacliff Heights”.**

#### GENERAL ANALYSIS

Background

A boundary change for the area was originally proposed by the Surveyor General (Geographical Names Unit) in 2008. A report was considered by Council on 25 November 2008 (refer to **Attachment 1**). This report provides useful background information on the options provided to Council at the time.

Council's preference at the time was to have Scholefield Road as the boundary for the suburb of Seacliff and all the land to the south of Scholefield Road and to the west of Ocean Boulevard (currently within Seacliff Park) becoming part of the suburb of Marino.

Council also put forward the renaming of all the land to the south of Scholefield Road to a new suburb of 'Seacliff Heights'. The Surveyor General would not support the creation of a new suburb at the time because the area was considered '*too small to necessitate its own address and future development plans are not fixed*'.

### Current Proposal

The Surveyor General is proposing to realign suburb boundaries so that the 'Seacliff Village' development site will be in one suburb (Seacliff) rather than the current three (Seacliff, Seacliff Park, Marino). There appears to be no intention to include the residential area (currently comprising around 95 properties) to the south-east (in and around Clubhouse Road). The correspondence from the Surveyor General, location maps, suburb boundary maps and proposed boundary realignment in **Attachments 2, 3, 4, 5, 6** outline what is proposed.

## **DISCUSSION**

Administration's view is that the proposed suburb realignment is not appropriate because several issues relating to the subject land and the surrounding area do not appear to have been taken into consideration in the decision-making process.

The suburb of Seacliff Park straddles both sides of Ocean Boulevard so can cause confusion for emergency response services locating properties. The current proposal does not resolve this as the residential area to the south-east (in and around Clubhouse Road) and parts of the golf course and quarry further south will still be within Seacliff Park. (Refer to Attachment 4 - Proposed Suburb Boundaries – SG (Surveyor General))

It is considered more appropriate for Scholefield Road to be the boundary of the suburb of Seacliff rather than an allotment or cadastral boundary as it would give greater clarity for both the public and emergency services.

The small area of the suburb of Seacliff currently located within the Seacliff Village site could then be included in another adjacent suburb south of Scholefield Road.

The whole of the suburb of Seacliff Park (west of Ocean Boulevard) should be replaced by another suburb name to provide greater clarity and reduce confusion for both emergency services and the public.

Extending the suburb of Marino may be an option, however it does not match up well with the estate name of Seacliff Village currently being promoted by the developers of the site.

An appropriate option would be to create a new suburb. As previously mentioned, the name 'Seacliff Heights' was suggested by Council in 2008 but not supported by the Surveyor General. However, since that time, the 'Seacliff Village' development site has been rezoned to allow the development of medium density residential and shopping facilities. It is understood that around 700 townhouse/apartment type dwellings are planned for the site, as well as a medium-sized shopping centre that will facilitate the needs of the surrounding community. With the existing 95 residential

properties, nearly 800 dwellings will eventually be located within the suburb. The option of creating a new suburb may now be suitable for reconsideration by the Surveyor General.

At the Elected Member's Forum – 19 April 2022, consensus amongst Members was that Council should seek that the Surveyor General consider having Scholefield Road as the southern boundary for the suburb of Seacliff, and that all the land to the south of Scholefield Road and to the west of Ocean Boulevard (including the Seacliff Village site, Les Scott Reserve, a portion of the golf course currently within the suburb of Marino, the residential land within the vicinity of Clubhouse Road and all other land currently within Seacliff Park, as indicated in **Attachment 7 – 'Suburb Boundaries Realignment 2022 – Marion Proposal'** becoming part of a new suburb named Seacliff Heights.

## **ATTACHMENTS**

1. G C 251108 R 08 - Suburb Boundary Alteration - Marino, Seacliff [**11.4.1** - 14 pages]
2. Correspondence Surveyor General [**11.4.2** - 1 page]
3. Current Suburb Boundaries - SG [**11.4.3** - 1 page]
4. Proposed Suburb Boundary Alignment - SG [**11.4.4** - 1 page]
5. Suburb Boundaries Realignment 2022 - Existing Suburbs [**11.4.5** - 1 page]
6. Suburb Boundaries Realignment 2022 - As proposed by SG [**11.4.6** - 1 page]
7. Suburb Boundaries Realignment 2022 - Marion Proposal [**11.4.7** - 1 page]



**CITY OF MARION  
GENERAL COUNCIL MEETING  
25 November 2008**

**REPORT RELATING TO:  
Leader in the delivery of the Community Vision**

**Originating Officer:** David Melhuish Senior Policy Planner

**Director:** Jeff Rittberger Director Governance / Peter Tsokas Director City Development

**Subject:** Suburb Boundary Alteration – Marino/Seacliff/Seacliff Park

**Reference No:** GC251108R08  
**File No:** 9.10.1.1

---

**CORPORATE OBJECTIVES:**

*CW3 – A well planned city to improve character, amenity and safety*

**REPORT OBJECTIVE AND EXECUTIVE SUMMARY:**

The Geographical names Unit of DTEI has advised that as part of a suburb boundary review in Metropolitan Adelaide part of the boundary between the suburbs of Marino, Seacliff and Seacliff Park requires altering.

Council is to consider and choose one of two options put forward by the Surveyor General, after which, all affected properties are to be notified and given the opportunity to provide comment.

It is recommended that option 1 be Council's preferred option subject to Community Notification. Option 1 is preferred due to its clearer suburb boundary delineation (using a road rather than a property boundary) and locational clarity, increased safety and convenience for emergency services and the general public (using Ocean Boulevard as the suburb boundary rather than having a suburb located on both sides of the arterial road).

Following community notification, Council will give final consideration to the matter and inform the Surveyor General of its preference.

**RECOMMENDATIONS:**

**That:**

- 1. That Council endorses the Surveyor General's Option Number 1, (i.e.: using Scholefield Road as the boundary for the suburb of Seacliff and all of the land to the south of Scholefield Road and to the west of Ocean Boulevard (currently in the suburb of Seacliff Park) becoming part of the suburb of Marino), as the basis for community consultation for the suburb boundary alteration.**

2. That all affected properties be notified of the proposed suburb boundary alterations and given the opportunity to provide comment.
3. That following notification and receipt of any comments received, the matter come back before Council for final consideration and the Surveyor General be informed of Council's preference for suburb boundary alteration.

**BACKGROUND:**

In a letter dated 17 September 2008, the Geographical Names Unit (GNU) of DTEI advised that as part of a suburb boundary review for Metropolitan Adelaide, part of the boundary between the suburbs of Marino, Seacliff and Seacliff Park is proposed to be altered by extending the suburb of Seacliff further to the south to include the whole of the land informally known as "Cement Hill" or the "Monier/Lorenzin" land. The suburb of Seacliff currently extends over Scholefield Road to include a portion of the former Monier site.

*(The letter from the GNU is attached as Appendix 1)*

Council's administration advised the GNU, via letter, that the proposed suburb realignment was not considered appropriate because a number of issues relating to the subject land and the surrounding area did not appear to have been taken into consideration in the decision making process. The GNU were advised that it would be more appropriate for the small area of the suburb of Seacliff currently located to the south of Scholefield Road to be included into one of the suburb names of the greater portion of the land to the south of Scholefield Road, i.e.: Marino or Seacliff Park. A new suburb with the name Seacliff Heights was also suggested.

*(Council's letter to the GNU is attached as Appendix 2)*

In a letter dated 21 October 2008 the GNU advised that it agreed that a more encompassing approach was required and that the Surveyor General therefore proposes to alter the boundaries by either:

1. Using Scholefield Road as the boundary for the suburb of Seacliff and all of the land to the south of Scholefield Road and to the west of Ocean Boulevard (currently in the suburb of Seacliff Park) becoming part of the suburb of Marino *(the explanation in GNU's letter is not clear so was clarified over the telephone)*
2. Moving the southern boundary of the suburb of Seacliff to the northern boundary of the golf course and adding the balance of the land (currently in the suburb of Seacliff Park), through to Ocean Boulevard into the suburb of Marino.

*(The letter from the GNU dated 21 October and two marked up maps showing the proposed suburb boundaries and drawn by Council are attached as Appendix 3)*

**DISCUSSION:**

Having considered the two options put forward by the Surveyor General it is considered that the first option is the more suitable for a number of reasons:

- The majority of the land in question is currently within the suburbs of Seacliff Park and/or Marino (approximately a total of 6.0 ha within the Lorenzin/Cement Hill site and over 100 ha containing the golf course, quarry etc), whilst only 1.0 ha of the land is within the suburb of Seacliff.

- The suburb boundary would be delineated by a roadway (Scholefield Road) rather than an allotment or cadastral boundary, or as in the second option, the golf course. This gives greater clarity for both the general public and emergency services.
- Changing the suburb name to Marino rather than the existing Seacliff Park will also provide greater clarity and convenience and reduce any confusion for emergency services and the general public by eliminating the situation of having the suburb of Seacliff Park existing on both sides of an arterial road (Ocean Boulevard).

Although much of the land in question is currently undeveloped or used as a golf course there is a small residential area around Clubhouse Road, including a relatively new subdivision with housing at various stages of construction. It will be necessary to consult with the owners of these residential properties to ascertain their views on the proposed alteration to the suburb name in which they live.

Following the consideration of any comment received back from the residents, Council will need to give final endorsement to, and advise the Surveyor General of, Council's preference for the suburb boundary change.

#### **INTERNAL ANALYSIS:**

##### **Consultation:**

The matter has been discussed with Council's Rates Section and Director Governance and the proposed course of action and recommendations outlined in this report have been agreed upon.

##### **Financial Implications:**

The proposed suburb boundary alterations should have a neutral effect financially. The proposal does not include a Council boundary realignment.

##### **Resource (capacity) Impact:**

Apart from the work already undertaken on the issue, Council, will undertake a community notification process. The GNU are the responsible authority for suburb/boundary alterations.

Council's records (i.e.: property addresses, rates etc) will require amending, but this would not be a significant task.

#### **EXTERNAL ANALYSIS:**

##### **Consultation/Communication:**

Council will notify all properties affected by the proposed suburb boundary alterations seeking comment prior to making a final decision on the matter.

##### **Social / Cultural Impact:**

Changing the suburb name to Marino should negate the current confusing situation of having a suburb which is divided by an arterial road, for both the general public and emergency services.

**CONCLUSION:**

As part of a suburb boundary review in Metropolitan Adelaide part of the boundary between the suburbs of Marino, Seacliff and Seacliff Park requires altering.

Option number 1, using Scholefield Road as the boundary for the suburb of Seacliff and all of the land to the south of Scholefield Road and to the west of Ocean Boulevard (currently in the suburb of Seacliff Park) becoming part of the suburb of Marino, is considered the preferable option.

All affected properties should now be notified and given the opportunity to provide comment.

Following notification, Council will give final consideration to the matter and inform the Surveyor General of its preference.

In reply please quote DAIS.22-413/06/0010  
Enquiries to Maria Vassallo  
Telephone 8204 8539  
E-mail: Vassallo.Maria@saugov.sa.gov.au



Government of South Australia

Department for Transport, Energy and Infrastructure

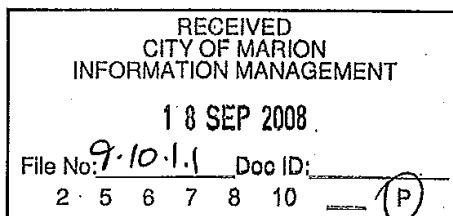
LAND SERVICES GROUP  
101 Grenfell Street  
Adelaide 5000

Office of the Surveyor-General  
GPO Box 1354  
Adelaide SA 5001  
DX 58195

Telephone: 8204 8539  
Facsimile: 8204 8544

ABN 71 987 041 422

Mr Mark Searle  
Chief Executive Officer  
City of Marion  
PO Box 21  
OAKLANDS PARK SA 5047



Dear Mr Searle

**Marino / Seacliff / Seacliff Park Minor Boundary Realignment**

A review of suburb boundaries in metropolitan Adelaide has revealed a number of situations where the main access to an allotment is from a differing suburb to that in which the allotments lies. It is preferable to place all of the allotment within the suburb from which access is gained in order to alleviate confusion and concern for probate, electoral registration, emergency services and general deliveries.

As such the Surveyor-General is undertaking a program to address these situations. The Surveyor-General therefore proposes to alter the above suburb boundary to correct this particular situation. In this instance area south of Scholefield Road on the enclosed plan will be part of a new subdivision.

In order to correct this situation, it is proposed that the boundary be altered as shown by the blue dashed line on the enclosed plan. In general, the change will be made to place all of the allotment within the suburb from which current access is gained. The proposal would place Areas (A) and (B) into the suburb of Seacliff, the suburb from which the new subdivision will gain access.

Given the minor nature of these alterations, it is proposed to effect the change using Section 11(B) 4 of the Geographical Names Act 1991 (copy enclosed).

I have contacted the affected property owners, as well as obtaining the opinions of the local government authority and the government and service agencies affected by suburb alteration.

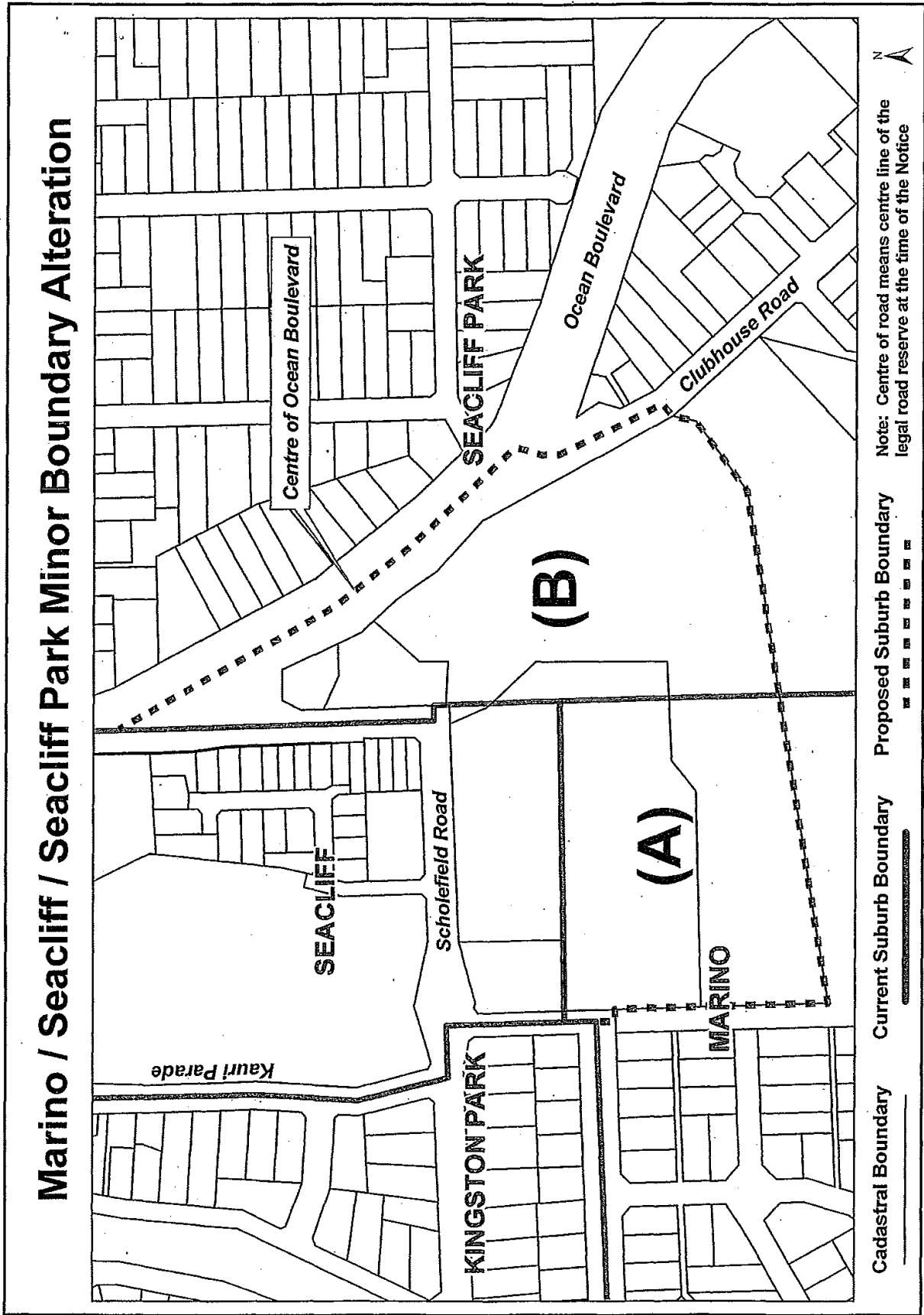
It would be appreciated if you could review the proposal and advise of any concerns you may have. It would also be appreciated if you could reply in writing before the 20 October 2008. If no comment is received by this date the Surveyor-General will assume your support of the boundary change as proposed.

If any of the consulted parties have unresolved objections to the proposal, a different Section of the Act will be used to effect the change if it proceeds.

If you have any questions or require additional information please contact me.

Yours sincerely

Maria Vassallo  
Supervisor  
Geographical Names Unit  
17 September 2008



**Part 2A—Geographical names**

**11A—Approval of common name of place as geographical name**

- If the Minister is satisfied—
- (a) that the recorded name of a place is the name that is by common usage assigned to that place; and
  - (b) that there are no other names (including any variants of the recorded name) that are by common usage assigned to that place,

the Minister may, by notice in the Gazette, declare that from the date specified in the notice the recorded name of the place is approved as its geographical name.

**11B—Assignment of geographical name**

- (1) The Minister may, by notice in the Gazette—
  - (a) assign a geographical name to a place described in the notice; or
  - (b) alter the boundaries of a place in respect of which a geographical name has been assigned or approved under this Act,
 to have effect from the date specified in the notice.
- (2) If the Minister proposes—
  - (a) to assign a geographical name to a place; or
  - (b) to alter the boundaries of a place that has a geographical name,
 the Minister—

- (c) must give written notice of the details of the proposal to each local council likely to be interested in the proposal, inviting them to make written submissions to the Minister in relation to the proposal within one month of receipt of the notice; and
- (d) must cause to be published in the Gazette and in a newspaper circulating in the neighbourhood of that place a notice that—
  - (i) gives details of the proposal; and
  - (ii) invites interested persons to make written submissions to the Minister in relation to the proposal within one month of publication of the notice.

- (3) The Minister must take into account any submissions received in accordance with an invitation under subsection (2).
- (4) The Minister need not comply with subsection (2) in the case of a proposed boundary alteration if satisfied—
  - (a) that the alteration is minor and non-contentious; and
  - (b) that the views of interested persons have been adequately canvassed by some other means.

- (5) If a division or amalgamation of allotments of land does not result in a change of address of any allotment involved in the division or amalgamation, the Minister need not comply with subsection (2) in altering the boundary of a place in respect of which a geographical name has been assigned or approved under this Act so as to align it with a boundary of an allotment of land resulting from the division or amalgamation.
- (6) Subsection (5) applies in relation to a division or amalgamation of allotments of land occurring before or after the commencement of that subsection.

**11C—Discontinuance of use of geographical name**

The Minister may, by notice in the Gazette, declare that from the date specified in the notice the use of the geographical name of a place is discontinued.

**12—Certain places not to be named without Surveyor-General's approval**

- (1) On application, the Surveyor-General may, by instrument in writing, approve a name to be given to—
  - (a) a hospital, school, college or educational institution that is established after the commencement of this Act
  - (b) an area of land that is divided for residential, industrial or commercial purposes after the commencement of this Act
  - (c) any other place or type of place that the Surveyor-General specifies by notice published in the Gazette.
- (2) In this section—
  - divided* means subdivided and re-subdivided and includes the alteration of the boundaries of allotments of land.

**13—Offences**

- (1) Where—
  - (a) a geographical name has been assigned or approved in respect of a place under this Act; or
  - (b) a name for a place has been approved pursuant to an application made under section 12,
 a person must not produce or cause to be produced, or display or cause to be displayed, a document or advertisement in which another name is represented, specifically or by implication, as being the name of that place unless the geographical name or the approved name is also prominently represented.
 

Maximum penalty: \$5 000.
- (2) In this section—
  - document* includes a book, brochure, guide, manual, map, newspaper, notice or billboard.

File Ref:- 9.10.1.1



Office of the Surveyor-General  
Land Services Group  
Geographical Names Unit  
Attn:- Ms Maria Vassallo  
GPO BOX 1354  
ADELAIDE SA 5001

PO Box 21, Oaklands Park  
South Australia 5046  
245 Sturt Road, Sturt  
South Australia  
council@marion.sa.gov.au  
www.marion.sa.gov.au  
Phone +61 (08) 8375 6600  
Fax +61 (08) 8375 6699

16 October, 2008

Dear Ms Vassallo,

### **Marino / Seacliff / Seacliff Park - Minor Boundary Realignment**

I refer to your letter dated 17 September regarding the proposed suburb boundary realignment of Marino, Seacliff and Seacliff Park.

It is Council's understanding that the Surveyor – General proposes to alter the existing suburb boundaries between Seacliff, Seacliff Park and Marino by extending the suburb of Seacliff further to the south to include the whole of the land informally known as "Cement Hill" or the "Monier/Lorenzin" land (shown as Areas (A) and (B) on your enclosed plan). The suburb of Seacliff currently extends over Scholefield Road to include a portion of the former Monier site.

The City of Marion does not agree that the proposed suburb realignment is minor in nature as a number of issues (both current and future) relating to the subject land and the surrounding area do not appear to have been taken into consideration in the decision making process.

- The majority of the subject site in question (6.77 ha) is currently within the suburbs of Seacliff Park and Marino, whilst 1.05 ha of the subject site is within the suburb of Seacliff.
- Where at all practical, the City of Marion would argue that suburb boundaries should not be delineated by allotment boundaries, but rather by roadways.
- The suburb of Seacliff Park extends much further south through to a boundary which is in line with Majors Road. Currently there are a number of residential dwellings on and around Clubhouse Road, including a relatively new subdivision with housing at different stages of construction. The proposed realignment would result in only a small



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portion of Seacliff Park, on the western side of Ocean Boulevard comprising residential development.

- The suburb of Seacliff Park is currently dissected by an arterial road (Ocean Boulevard) which has caused some confusion in the past, and creates a less than convenient means of traversing between the suburb if the wrong side of the suburb has been entered.
- Although much of the suburbs of Seacliff Park and Marino currently comprise land used for a golf course and a working quarry there is future potential, as the quarry moves further south, and the land is remediated, for the golf course to be relocated within this land and further residential development considered on sections of the current golf course.
- For the above reasons it is believed that the whole of the suburb of Seacliff Park and perhaps a section of the suburb of Marino should be taken into consideration as part of the suburb realignment process rather than just the area comprising the Lorenzin/Monier land.

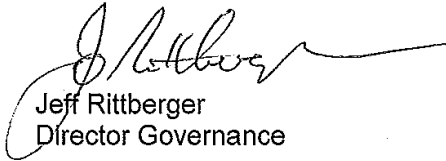
The City of Marion believes that it would be more appropriate for the small area of the suburb of Seacliff currently located to the south of Scholefield Road to be included into the suburb name of the greater portion of the land to the south of Scholefield Road. The following suburb realignment options are considered to be more appropriate than the option proposed in this particular instance:

- The whole of the suburb of Seacliff Park on the western side of Ocean Boulevard, the section of the suburb of Seacliff south of Scholefield Road and the section of Marino east of the existing residential area all be included in the suburb of:

<u>Seacliff Heights</u>	Name would ensure that there is no confusion with the suburb of Seacliff Park on the eastern side of Ocean Boulevard
<u>Marino</u>	Uses an existing adjacent suburb name whilst ensuring that there is no confusion with the suburb of Seacliff Park on the eastern side of Ocean Boulevard
<u>Seacliff Park</u>	Whole of the land south of Scholefield Road is located in one suburb but some confusion with the suburb of Seacliff Park on the eastern side of Ocean Boulevard will be retained.

If you require further clarification regarding the issues raised in this letter, please contact Council's Senior Planning Officer, Mr David Melhuish on telephone 83756721 or Acting Principal Rating Officer, Mrs Nicola Graves on telephone 8375 6617 or via email.

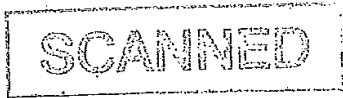
Yours sincerely,



Jeff Rittberger  
Director Governance

Telephone (08) 8375 6601  
Email [nicola.graves@marion.sa.gov.au](mailto:nicola.graves@marion.sa.gov.au)  
[david.melhuish@marion.sa.gov.au](mailto:david.melhuish@marion.sa.gov.au)

In reply please quote DTEI.22-413/06/0010  
Enquiries to Maria Vassallo  
Telephone (08) 8204.8539  
E-mail: vassallo.maria@saugov.sa.gov.au



Government of South Australia

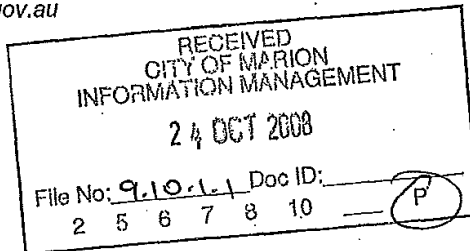
Department for Transport, Energy and Infrastructure

LAND SERVICES GROUP  
101 Grenfell Street  
Adelaide 5000

Office of the Surveyor-General  
GPO Box 1364  
Adelaide SA 5001  
DX 68186

Telephone: 8204 8539  
Facsimile: 8204 8544

ABN 71 967 041 422



Mr David Melhuish  
Senior Planning Officer  
City of Marion  
PO Box 21  
OAKLANDS PARK SA 5046

Dear Mr Melhuish

**Marino / Seacliff / Seacliff Park Boundary Alteration**

Thank you for the letter from Jeff Rittberger, Director Governance, dated 16 October 2008 regarding the above boundary proposal.

Following the receipt of your letter and the further information supplied, the Surveyor-General accepts Council's recommendation that a more encompassing approach is required. He therefore proposes to alter the suburb boundaries by either:-

1. Using ~~Scholefield Road~~ as the boundary between Seacliff and Seacliff Park and adding the balance of the land, through to Ocean Boulevard, into Marino or
2. Moving the southern boundary of Seacliff to the northern boundary of the golf course and adding the balance of the land, through to Ocean Boulevard, into Marino.

The Surveyor-General acknowledges that either proposal will mean that there is no thoroughfare connection between various parts of Marino due to topography and the quarry. However he will not support the creation of a new suburb as the area is considered too small to necessitate it's own address and future development plans are not fixed.

The Surveyor-General appreciates that minor boundary alterations may be required in the future as, and when new, developments occur to ensure new residents purchase property in a well-defined suburb.

Would Council please advise me of which boundary option it would prefer by 21 November 2008 to enable me to continue consultation with emergency services and Australia Post.

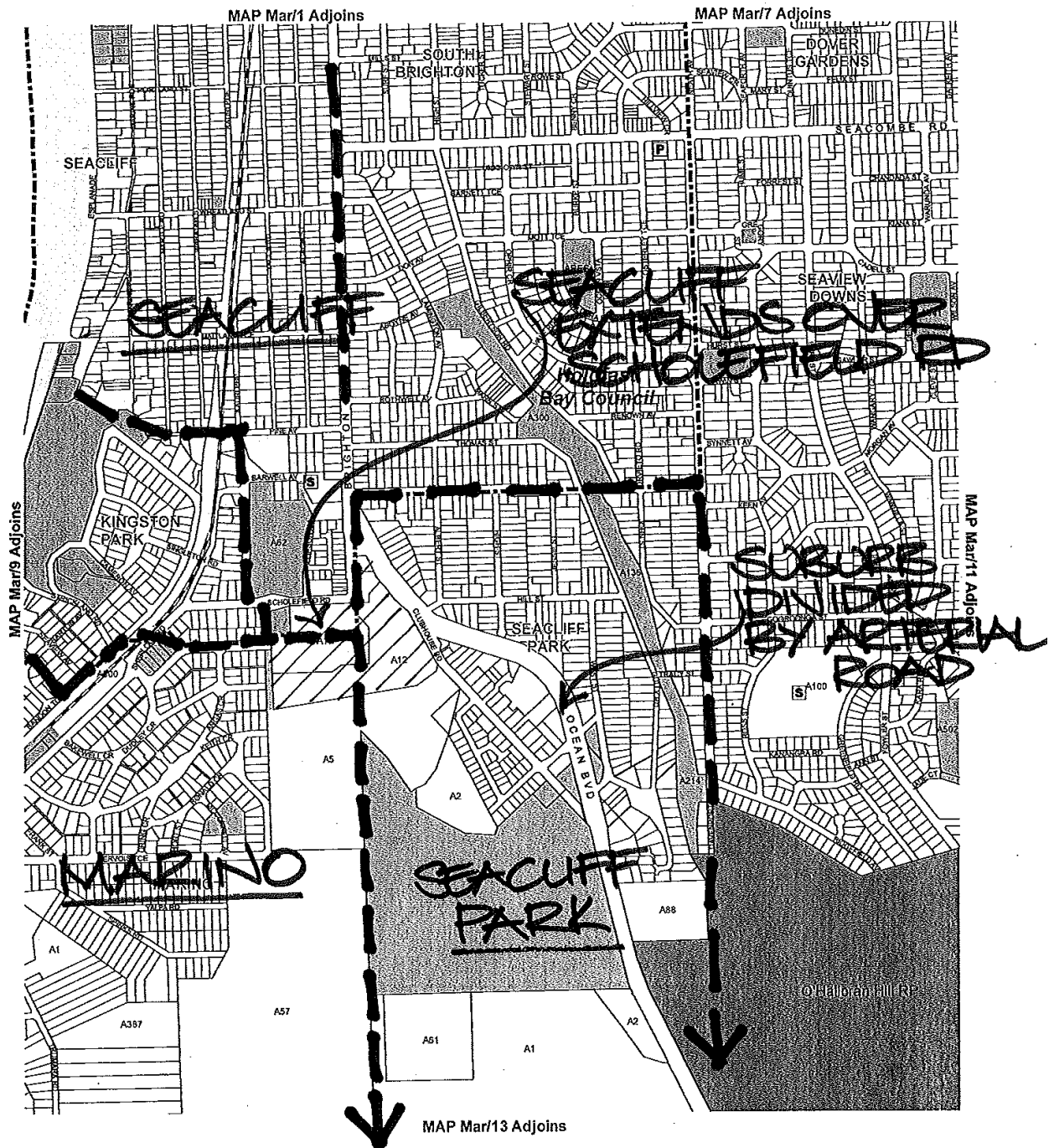
Thank you for your assistance with this matter. Please contact me if you have any questions.

Yours sincerely

Maria Vassallo  
Supervisor  
Geographical Names Unit

21 October 2008

South of Scholefield + west of Ocean Boulevard.



# EXISTING SUBURB BOUNDARIES

Location Map Mar/10

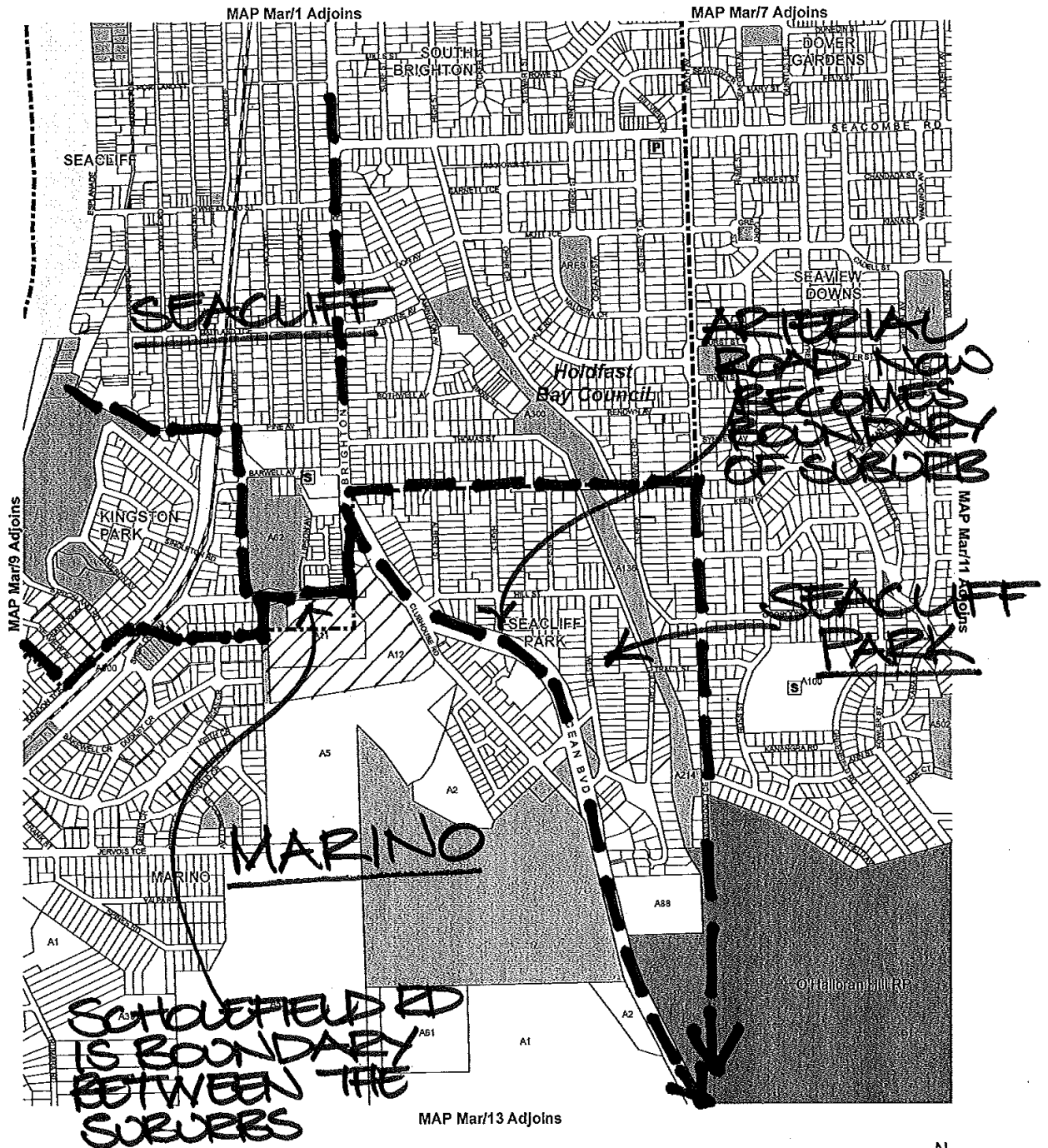
- School
- Post Office
- Railways
- Local Reserves
- Recreation Park
- Development Plan Boundary



CEMENT HILL SITE

MARION COUNCIL

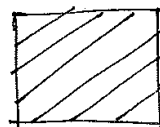
BDP and General DPA for Consultation - November 2008



# OPTION # 1



- School
- Post Office
- Railways
- Local Reserves
- Recreation Park
- Development Plan Boundary/ Council

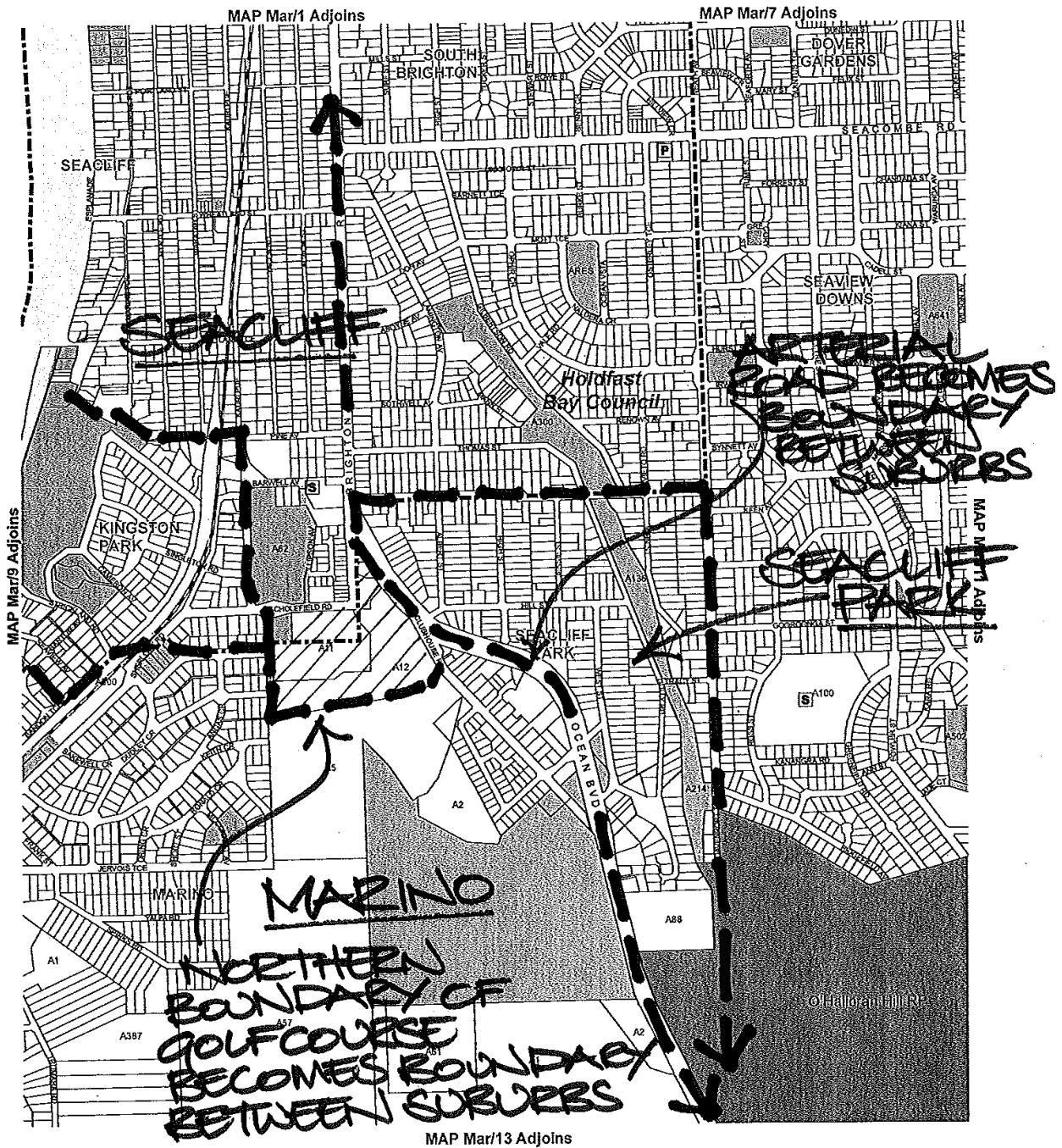


**CEMENT HILL SITE**

## Location Map Mar/10

MARION COUNCIL

BDP and General DPA for Consultation - November 2008



# OPTION # 2



- School
- Post Office
- Railways
- Local Reserves
- Recreation Park
- Development Plan Boundary / Council

**CEMENT HILL SITE**

## Location Map Mar/10

MARION COUNCIL

BDP and General DPA for Consultation - November 2008

**OFFICIAL: Sensitive**

Good afternoon,  
Our Ref: 2022/04690/01

**PROPOSED SUBURB BOUNDARY REALIGNMENT – SEACLIFF, MARINO & SEACLIFF PARK**

Under the provisions of Section 11B of the *Geographical Names Act 1991*, the Surveyor-General is proposing to realign a suburb boundary located within the City of Marion and the City of Holdfast Bay.

The current suburb boundary of Seacliff, Marino and Seacliff Park intersects land which has been reserved for a residential and commercial re-development identified as 'Seacliff Village'.

<https://brazzalegroup.com.au/seacliff-estate/>  
<https://villawoodproperties.com.au/community/seacliff-village/>

Land affected by this proposal is identified as;

CT 6025/669 (being Allotment 501 in D15039 – Seacliff Developments Pty Ltd)  
CT 5755/333 (being Allotment 13 in D17780 – Seacliff Developments Pty Ltd)  
CT 5755/334 (being Allotment 12 in D17780 – Seacliff Developments Pty Ltd)  
CT 5774/145 (being Allotment 11 in D17780 – Seacliff Oceanview Estate Pty Ltd)  
CT 6244/924 (being Allotment 42 in D123990 – Seacliff Oceanview Estate Pty Ltd & Seacliff Developments Pty Ltd)

The proposal is to exclude from the suburbs of MARINO that area marked (A) and SEACLIFF PARK that area marked (B) shown highlighted in green on the enclosed plan and include in the suburb of SEACLIFF.

In summary, this realignment will allow for the proposed large-scale residential/commercial subdivision over these land parcels, of which the suburb boundary currently intersects, to be entirely bound within the suburb of SEACLIFF. The Surveyor-General views this proposal as providing better land administration, whilst eliminating any confusion for emergency response services locating future properties.

Before commencement of the above proposal is formally processed, the Surveyor-General seeks comment from both the City of Marion and the City of Holdfast Bay Councils and the property owners/developers affected. The Surveyor-General will notify the developer of this proposal.

If no objections are received by **2 May 2022**, the Surveyor-General will assume Councils support and proceed with the changes proposed.

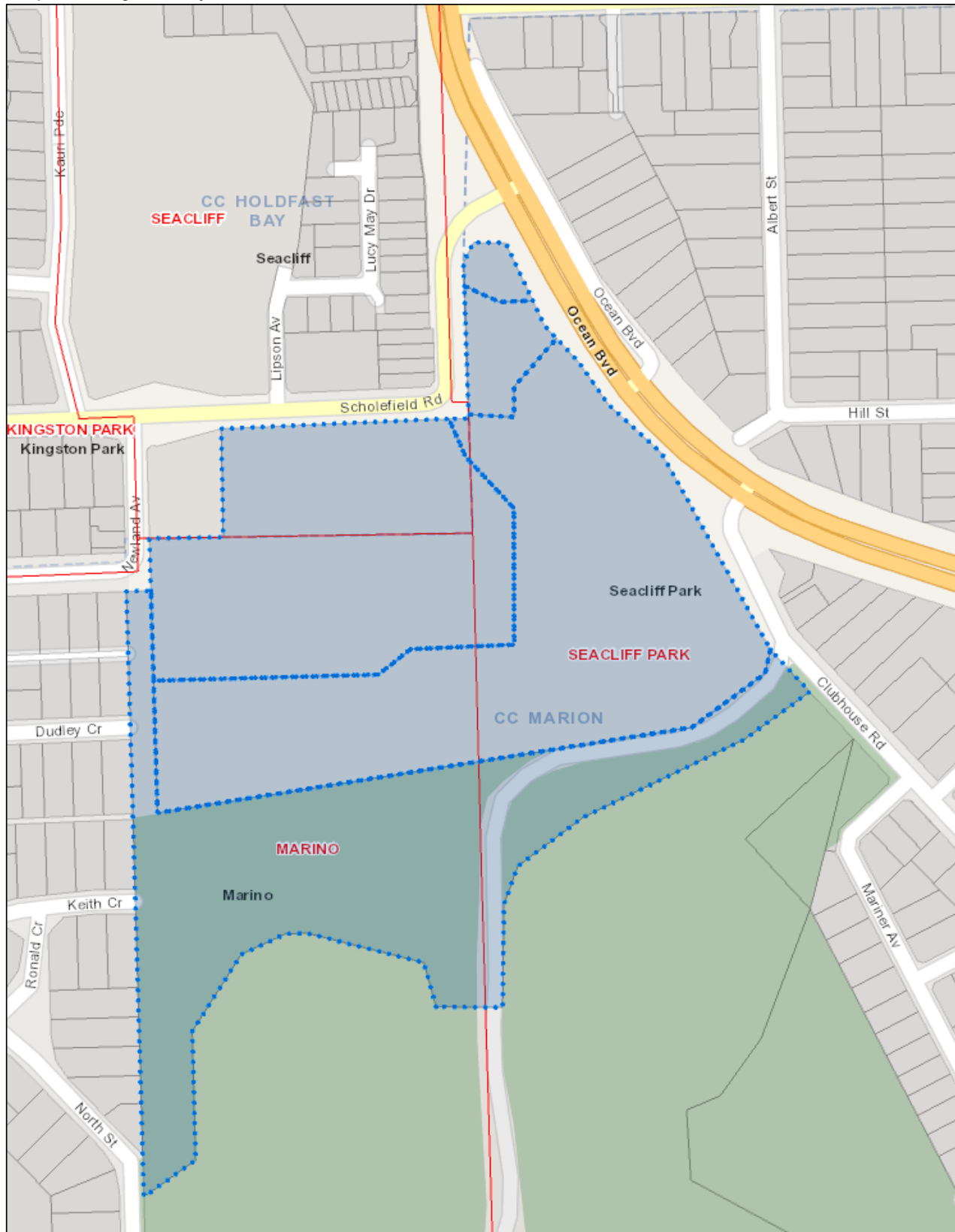
If you have any questions or require additional information please don't hesitate in contacting me.

Regards,

**Shane Smith** | Research Officer  
Land and Built Environment Directorate | Planning & Land Use Services  
Attorney-General's Department  
E [shane.smith@sa.gov.au](mailto:shane.smith@sa.gov.au) | [www.agd.sa.gov.au](http://www.agd.sa.gov.au)  
P (08) 8456 4863

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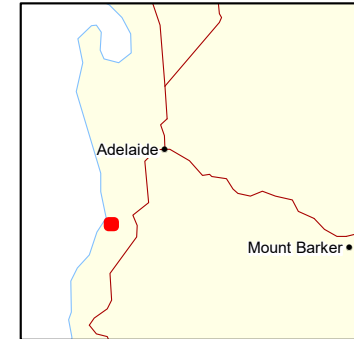
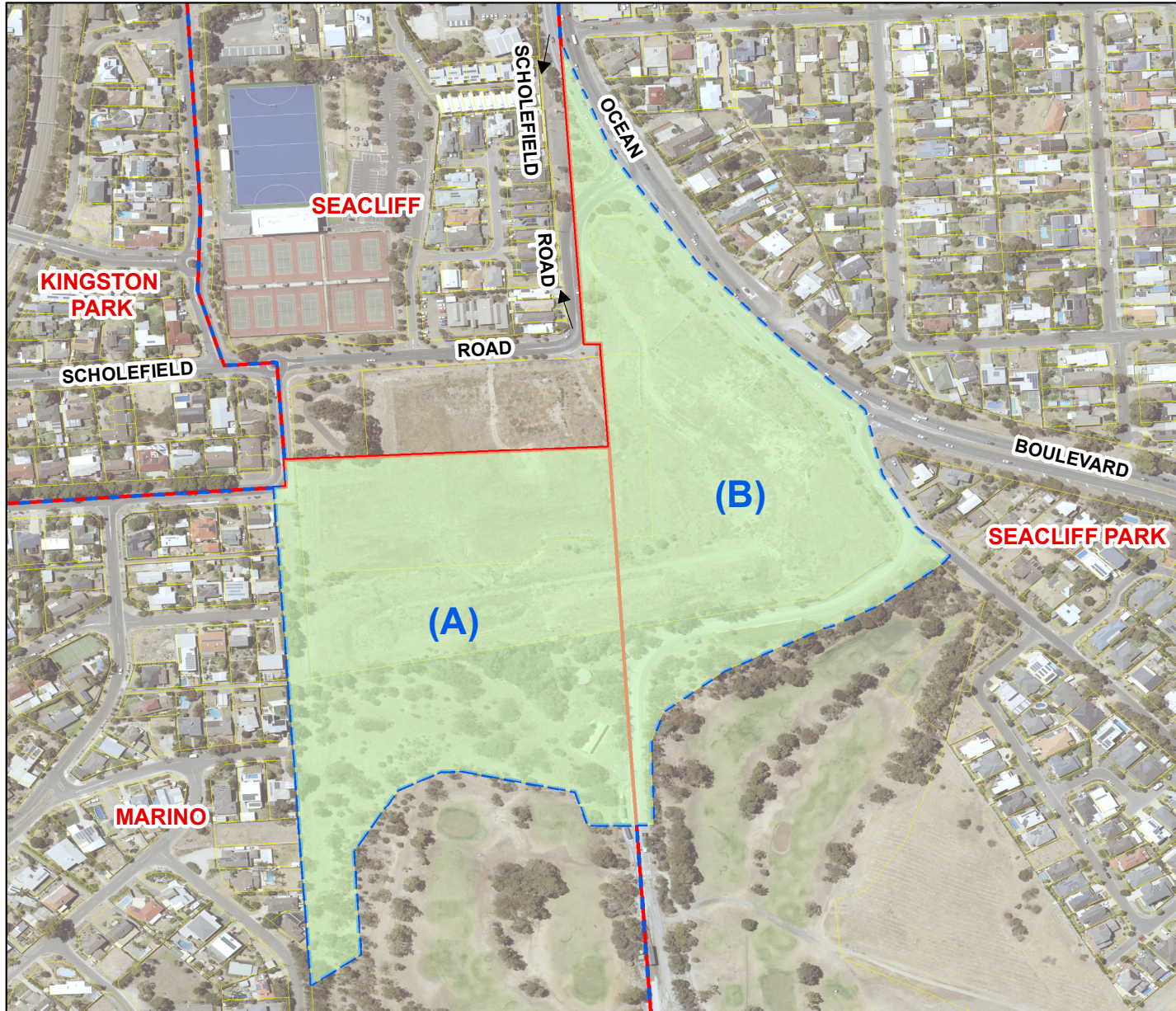
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PLB Pro - developed by DPTI GIS Office

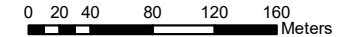
[DPTI.GISOoffice@sa.gov.au](mailto:DPTI.GISOoffice@sa.gov.au)







**SUBURB BOUNDARY ALTERATION OF SEACLIFF, MARINO AND SEACLIFF PARK**



**Legend**

- Area Affected
- Parcel Boundaries
- Suburb Boundaries**
- Proposed
- Current

**DESCRIPTION**

Exclude from the suburb of MARINO that area marked (A) and SEACLIFF PARK that area marked (B) shown highlighted in green and include in the suburb of SEACLIFF.



Government of South Australia  
Attorney-General's Department

# EXISTING SUBURB BOUNDARIES



# PROPOSED SUBURB BOUNDARIES - SG



# PROPOSED SUBURB BOUNDARIES - CoM



# Attachment 3



# PROPOSED SUBURB BOUNDARIES - CoM

