


## 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 25 October 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 – Councillor R Snewin (Leave of Absence)

### 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 11 October 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 Greenhouse Gases Emission Savings – Mayor Wilson  
(Report No: 436/22)

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

- 12.1 Councillor Clancy Recognition of Service – Councillor Fleming  
(Report No: 428/22)
- 12.2 Increasing Financial Assistance to Community Centres – Councillor Clancy  
(Report No: 433/22)
- 12.3 Central Booking System – Councillor Clancy (Report No: 434/22)
- 12.4 Partridge House – Councillor Clancy (Report No: 435/22)

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

- 14.1 Draft Minutes – Alwyndor Management Committee – 29 September 2022  
(Report No: 431/22)
- 14.2 Minutes – Jetty Road Mainstreet Committee – 5 October 2022  
(Report No: 411/22)
- 14.3 Minutes – Audit Committee – 19 October 2022 – (Report No: 438/22)

**15. REPORTS BY OFFICERS**

- 15.1 Items in Brief (Report No: 426/22)
- 15.2 2021-22 General Purpose Financial Statements (Report No: 427/22)
- 15.3 Budget and Annual Business Plan Update – as at 30 September 2022  
(Report No: 437/22)
- 15.4 2021-22 Annual Report (Report No: 429/22)
- 15.5 Local Government Association of South Australia Annual General Meeting  
(Report No: Report No: 430/22)
- 15.6 Events Season 2021/22 Summary (Report No: 412/22)
- 15.7 Brighton Street Parties 2022 (Report No: 432/22)
- 15.8 Winter Wonderland 2022 Event Report (Report No: 419/22)
- 15.9 Audit Committee Terms of Reference – Review (Report No: 439/22)

**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. CLOSURE



ROBERTO BRIA  
CHIEF EXECUTIVE OFFICER



Item No: 10.2.1

Subject: **QUESTION ON NOTICE – GREENHOUSE GASES EMISSION SAVINGS – MAYOR WILSON**

Date: 25 October 2022

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## **QUESTION**

Mayor Wilson asked the following question:

***“How much greenhouses gases will Council save by implementing weekly FOGO”.***

## **ANSWER – General Manager, Assets and Delivery**

Collection and processing of FOGO reduces methane which has a much higher global warming potential than carbon dioxide. Based on our anticipated diversion of FOGO away from landfill, Council are looking at a reduction of 1,400 tonnes of CO2 equivalent each year with weekly FOGO. This is over 7 Million vehicle kilometres worth of car travel. Our waste contractor offsets its carbon dioxide emissions from its collection vehicles.

Item No: 12.1

Subject: **MOTION ON NOTICE – COUNCILLOR CLANCY RECOGNITION OF SERVICE – COUNCILLOR FLEMING**

Date: 25 October 2022

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### **PROPOSED MOTION**

Councillor Fleming proposed the following motion:

**That Council note and thank Rosemary Clancy for her years of service and contribution on the Brighton Council as Mayor and Councillor and as a Brighton Ward Councillor for the City of Holdfast Bay Council and wish her well in her future endeavours.**

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### **BACKGROUND**

Councillor Clancy was first elected to Council in 1991, when it was the City of Brighton. She served as Councillor and was Brighton's first female Mayor before the amalgamation with Glenelg Council in 1997. Councillor Clancy went on to represent her community in the City of Holdfast Bay from 1997 to 2022.

Item No: 12.2

Subject: **MOTION ON NOTICE – INCREASING FINANCIAL ASSISTANCE TO COMMUNITY CENTRES – COUNCILLOR CLANCY**

Date: 25 October 2022

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### **PROPOSED MOTION**

Councillor Clancy proposed the following motion:

**That Council during the 2023/24 budget considerations increase financial assistance to our community centres.**

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### **BACKGROUND**

During Covid the costs have been the same and the numbers attending are lower which has dramatically reduced the income. To get people back in the community to improve their wellbeing is very important.

Item No: 12.3

Subject: **MOTION ON NOTICE – CENTRAL BOOKING SYSTEM – COUNCILLOR CLANCY**

Date: 25 October 2022

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### **PROPOSED MOTION**

Councillor Clancy proposed the following motion:

**That Council consider again through the 2023/24 Annual Business Plan process, the provision of a site in Council's webpage to show the availability of sports grounds and facilities to the public and booking facility.**

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### **BACKGROUND**

Many residents have raised their desire for a central booking facility.

### **ADMINISTRATION COMMENT**

In 2021/22, Administration undertook extensive investigation into the cost benefit of implementing a booking system to manage sporting grounds and facilities owned by Council. Given that most of these facilities are subject to exclusive use lease agreements, or shared licence agreements, there is a low-cost benefit to Council for expending significant ongoing funds for a booking system required to manage the current business model. As such, it was recommended by Administration not to proceed with the implementation of a booking system. There has been no change to the business model from 2021/22 that would result in a positive change to the cost benefit to Council of implementing a centralised booking system.

Item No: 12.4

Subject: **MOTION ON NOTICE – PARTRIDGE HOUSE – COUNCILLOR CLANCY**

Date: 25 October 2022

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### **PROPOSED MOTION**

Councillor Clancy proposed the following motion:

**That a report be brought back to Council considering the change of the colour palette for the House and the quality of the crockery.**

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### **BACKGROUND**

I have attended functions there including funerals where attendees have commented on the lettering on the cups and the heaviness of the crockery. This is the jewel in our city and crockery should be bone China which is light and if necessary with a motive which is fitting such as sage green or French blue. Aqua certainly does not show elegance. Bone China washes well and lasts many years and it is less likely to chip.

Item No: 14.1

Subject: **DRAFT MINUTES - ALWYNDOR MANAGEMENT COMMITTEE – 29 SEPTEMBER 2022**

Date: 25 October 2022

Written By: General Manager, Alwyndor

General Manager: Alwyndor, Ms B Davidson-Park

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### **SUMMARY**

The draft minutes of the Alwyndor Management Committee meeting held on 29 September 2022 are provided for information.

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### **RECOMMENDATION**

1. **That the draft minutes of the Alwyndor Management Committee meeting held on 29 September 2022 be noted.**

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

2. **That having considered Attachment 2 to Report No: 431/22 Draft Minutes - Alwyndor Management Committee – 29 September 2022 in confidence under section 90(2) and (3) (b) of the *Local Government Act 1999*, the Council, pursuant to section 91(7) of the Act orders that Attachment 2 be retained in confidence for a period of 24 months and that this order be reviewed every 12 months.**
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### **STRATEGIC PLAN**

Enabling the people in our communities to live healthy, engaged and fulfilling lives.

### **COUNCIL POLICY**

Not applicable

### **STATUTORY PROVISIONS**

Not applicable

**BACKGROUND**

This report is presented following the Alwyndor Management Committee Meetings.

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

**REPORT**

The draft minutes of the meeting are attached for Members' information.

*Refer Attachment 1 and 2*

**BUDGET**

Not applicable

**LIFE CYCLE COSTS**

Not applicable

# Attachment 1





## **CITY OF HOLDFAST BAY**

### **Minutes of the meeting of the Alwyndor Management Committee of the City of Holdfast Bay held on Thursday 29 September 2022 at 6.30pm.**

#### **PRESENT**

##### **Elected Members**

Councillor Susan Lonie  
Councillor Robert Snewin (via Teams)

##### **Independent Members**

Mr Kim Cheater - Chair  
Ms Jo Cottle  
Prof Judy Searle  
Prof Lorraine Sheppard  
Ms Trudy Sutton (via Teams)  
Mr Kevin Whitford (via Teams)

##### **Staff**

Chief Executive Officer – Mr Roberto Bria  
General Manager Alwyndor – Ms Beth Davidson-Park  
Manager, Residential Services – Ms Natasha Stone  
Manager, Finance – Mr Damian Capurro  
Manager, People and Culture, Ms Lisa Hall  
Executive Assistant, Ms Bronwyn Taylor (via Teams)

##### **Guests**

Dean Newbery Partner: Samantha Creten  
Dean Newbery Senior Auditor: Whitney Sandow

#### **1. OPENING**

The Chairperson declared the meeting opened at 6.30pm.

#### **2. KAURNA ACKNOWLEDGEMENT**

With the opening of the meeting the Chair stated:

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

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

### 3. APOLOGIES

- 3.1 For Absence  
Ms Julie Bonnici  
Noted Ms Molly Salt, Manager Community Connections not in attendance
- 3.2 Leave of Absence

### 4. DECLARATION OF INTEREST

Nil.  
Committee members were reminded to declare any interest before each item.

### 5. CONFIRMATION OF MINUTES

#### Motion

**That the Public and Confidential minutes of the Alwyndor Management Committee held on 28 July 2022 be taken as read and confirmed.**

Moved by Cr Susan Lonie, Seconded by Prof Judy Searle

**Carried**

**Chair sought meeting approval to move item 8.2 Confidential Finance Report to first item of business**  
Approved

### **FINANCE REPORT – CONFIDENTIAL - DISTRIBUTED SEPARATELY ON 27/09/22**

#### **8.2 Finance Report – Confidential (Report No:27/22)**

##### **Exclusion of the Public – Section 90(3)(d) Order**

- 1. That pursuant to Section 90(2) of the *Local Government Act 1999* Alwyndor Management Committee hereby orders that the public be excluded from attendance at this meeting with the exception of the General Manager and Staff in attendance at the meeting in order to consider Reports and Attachments to Report No: 27/2022 in confidence.**
- 2. That in accordance with Section 90(3) of the *Local Government Act 1999* Alwyndor Management Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 27/22 on the following grounds:**
  - d. pursuant to section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item**

is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to confer a commercial advantage on a third party of Alwyndor, in addition Alwyndor's financial position is reported as part of Council's regular budget updates.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.

3. The Alwyndor Management Committee is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.

Moved by Mr Kevin Whitford, Seconded by Ms Trudy Sutton

Carried

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

1. That having considered Agenda Item 8.1 Finance Report (Report No: 27/22) in confidence under section 90(2) and (3)(d) of the *Local Government Act 1999*, the Alwyndor Management Committee, pursuant to section 91(7) of that Act orders that the Attachments and Minutes be retained in confidence for a period of 3 years and that this order be reviewed every 12 months.

Moved by Cr Bob Snewin, Seconded by Prof Lorraine Sheppard

Carried

**6. REVIEW OF ACTION ITEMS**

**6.1 Action Items**  
Noted

**6.2 Annual Work Plan**  
Noted

**7. GENERAL MANAGER REPORT**

**7.1 General Manager Report (Report No: 25/2022)**

The General Manager advised that there had been no consultation with the sector regarding the recent cessation of vaccination requirements for visitors to residential aged care. Rapid Antigen Tests are no longer mandated for visitors but we continue to encourage visitors to use a test before each visit, masks remain mandatory. There are no changes to the requirements for staff.

**Motion:**

**That the Alwyndor Management Committee:**

- 1. Notes the update regarding COVID-19 impacts and responses.**
- 2. Notes the Council approval of Ms Julie Bonnici appointment as Deputy Chair AMC.**

Moved by Ms Jo Cottle, Seconded by Cr Susan Lonie

**Carried**

**8. GENERAL MANAGER REPORT – CONFIDENTIAL**

**8.1 General Manager Report – Confidential (Report No: 26/22)**

**Exclusion of the Public – Section 90(3)(d) Order**

- 1. That pursuant to Section 90(2) of the *Local Government Act 1999* Alwyndor Management Committee hereby orders that the public be excluded from attendance at this meeting with the exception of the General Manager and Staff in attendance at the meeting in order to consider Reports and Attachments to Report No: 26/2022 in confidence.**
- 2. That in accordance with Section 90(3) of the *Local Government Act 1999* Alwyndor Management Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 26/22 on the following grounds:**
  - d. pursuant to section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to confer a commercial advantage on a third party of Alwyndor, in addition Alwyndor’s financial position is reported as part of Council’s regular budget updates.**

**In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.**

3. **The Alwyndor Management Committee is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.**

Moved by Mr Kevin Whitford, Seconded by Cr Susan Lonie

**Carried**

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

1. **That having considered Agenda Item 8.1 General Manager's Report (Report No: 26/22) in confidence under section 90(2) and (3)(d) of the *Local Government Act 1999*, the Alwyndor Management Committee, pursuant to section 91(7) of that Act orders that the Attachments and Minutes be retained in confidence for a period of 3 years and that this order be reviewed every 12 months.**

Moved by Cr Susan Lonie, Seconded by Cr Bob Snewin

**Carried**

**9. OTHER BUSINESS – Subject to the leave of the meeting**

Chair advised he will be an apology for the November meeting

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

Agreement to extend meeting by 30 minutes commencing at 6.00pm

The next meeting of the Alwyndor Management Committee will be held on **Thursday 27 October 2022** in the Boardroom Alwyndor, 52 Dunrobin Road, Hove or via Audio-visual telecommunications (to be advised).

**11. CLOSURE**

The meeting closed at 8.30pm.

**CONFIRMED 27 OCTOBER 2022**

**CHAIRPERSON**

Item No: 14.2

Subject: **MINUTES – JETTY ROAD MAINSTREET COMMITTEE – 5 OCTOBER 2022**

Date: 25 October 2022

Written By: General Manager, Community and Business

General Manager: Community and Business, Ms M Lock

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### **SUMMARY**

The Minutes of the Jetty Road Mainstreet Committee meeting held on 5 October 2022 are attached and presented for Council's information.

Jetty Road Mainstreet Committee Agenda, Reports and Minutes are all available on Council's website and the meetings are open to the public.

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### **RECOMMENDATION**

**That Council notes the minutes of the Jetty Road Mainstreet Committee of 5 October 2022.**

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### **STRATEGIC PLAN**

Building an economy and community that is inclusive, diverse, sustainable and resilient.

### **COUNCIL POLICY**

Not applicable

### **STATUTORY PROVISIONS**

Not applicable

### **BACKGROUND**

The Jetty Road Mainstreet Committee (JRMC) has been established to undertake work to benefit the traders on Jetty Road Glenelg, using the separate rate raised for this purpose. Council has endorsed the Committee's Terms of Reference and given the Committee delegated authority to manage the business of the Committee.

Jetty Road Mainstreet Committee Agendas, Reports, and Minutes are all available on Council's website and the meetings are open to the public.

**REPORT**

Minutes of the meetings of JRMC held on 5 October 2022 are attached for member's information.  
*Refer Attachment 1*

**BUDGET**

Not applicable

**LIFE CYCLE COSTS**

Not applicable

# Attachment 1





## CITY OF HOLDFAST BAY

### Minutes of the meeting of the Jetty Road Mainstreet Committee of the City of Holdfast Bay held in the Mayor's Parlour Glenelg Town Hall on Wednesday 5 October 2022 at 6:00pm

#### PRESENT

##### Elected Members:

Councillor W Miller

##### Community Representatives:

Attitudes Boutique, Ms G Martin

Daisy and Hen, Ms G Britton

Cibo Espresso, Mr T Beatrice

Terra & Sol, Mr B Meuris

Smart Hearing Solutions, Mr J Rayment

Glenelg Finance, Mr D Murphy

Ikos Holdings Trust, Mr A Fotopoulos

Beach Burrito, Mr A Warren (virtual connection)

##### Staff:

General Manager, Community & Business, Ms M Lock

Manager, City Activation, Ms R Forrest

Jetty Road Development Coordinator, Ms A Klingberg

Events Coordinator, Ms F Edwards

#### 1. OPENING

The Chair, Ms G Martin, declared the meeting open at 6.00pm.

#### 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. APOLOGIES

3.1 Apologies Received: Councillor R Abley, Mr C Morley

3.2 Absent:

**4. DECLARATION OF INTEREST**

Members were reminded to declare any interest before each item.

**5. CONFIRMATION OF MINUTES****Motion**

**That the minutes of the Jetty Road Mainstreet Committee held on 7 September 2022 to be taken as read and confirmed.**

Moved T Beatrice, Seconded G Britton

**Carried**

A Warren joined the meeting at 6.01pm

**6. QUESTIONS BY MEMBERS**

**6.1 Without Notice: Nil**

**6.2 With Notice: Nil**

**7. MOTIONS ON NOTICE: Nil****8. PRESENTATION:**

- Ms Akarra Klingberg, Jetty Road Development Coordinator provided an update on the Jetty Road Social Media Strategy and sought feedback from the Committee

A Fotopoulos joined the meeting at 6.41pm

**9. REPORTS/ITEMS OF BUSINESS**

**9.1 Monthly Finance Report**

(Report No: 405/22)

This report provides an update on the Jetty Road Mainstreet income and expenditure as at 31 August 2022.

**Motion**

**That the Jetty Road Mainstreet Committee note this report.**

Moved J Rayment, Seconded T Beatrice

**Carried**

9.2 Marketing Update (Report No: 406/22)

This report provides an update on the marketing initiatives undertaken by the Jetty Road Mainstreet Committee aligned to the 2022/23 Marketing Plan and initiatives associated to the delivery of the Jetty Road Glenelg Retail Strategy 2018-2022.

**Motion**

**That the Jetty Road Mainstreet Committee note this report.**

Moved A Fotopoulos, Seconded G Britton

**Carried**

9.3 Jetty Road Events Update (Report No: 407/22)

Jetty Road Mainstreet Committee (JRMC) in partnership with the City of Holdfast Bay are responsible for implementing and managing a variety of major events to support economic stimulus in the precinct in accordance with the annual marketing and business plan. This report provides an overview of upcoming events.

**Motion**

**That the Jetty Road Mainstreet Committee note this report.**

Moved A Fotopoulos, Seconded T Beatrice

**Carried**

**10. URGENT BUSINESS – Subject to the Leave of the Meeting**

**REPORTS/ITEMS OF BUSINESS: Nil**

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

The next meeting of the Jetty Road Mainstreet Committee will be held on Wednesday 2 November 2022 at the Glenelg Town Hall.

**12. CLOSURE**

The meeting closed at 7.16pm

**CONFIRMED:** Wednesday 2 November 2022

**CHAIR PERSON**

Item No: 14.3

Subject: **MINUTES – AUDIT COMMITTEE – 19 OCTOBER 2022**

Date: 25 October 2022

Written By: Personal Assistant, Strategy and Corporate

General Manager: Strategy and Corporate, Ms P Jackson

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### **SUMMARY**

The minutes of the meeting of the Audit Committee held 19 October 2022 are presented to Council for information and endorsement.

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### **RECOMMENDATION**

**That Council notes the minutes of the meeting of the Audit Committee of 19 October 2022, namely that the Audit Committee:**

- 1. advises Council it has received and considered a Standing Items Report addressing:**
    - **Monthly Financial Statements**
    - **External Audit**
    - **Public Interest Disclosures**
    - **Economy and Efficiency Audits**
    - **Council recommendations**
    - **Proposed Audit Committee Meeting Schedule 2023**
  - 2. has reviewed the General Purpose Financial Reports for the year ending 30 June 2022, as required under Section 126(4)(a) of the *Local Government Act 1999*, and found them to present fairly the state of affairs of the Council as required under the *Local Government (Financial Management) Regulations 2011*;**
  - 3. recommends that Council adopts the 2021-22 Annual Report subject to design and minor alterations and the inclusion of the audited financial statements; and**
  - 4. endorses the amended Terms of Reference for adoption by Council.**
-

**STRATEGIC PLAN**

Statutory requirement

**COUNCIL POLICY**

Not applicable

**STATUTORY PROVISIONS**

*Local Government Act 1999*, Sections 41 and 126

**BACKGROUND**

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

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

**REPORT**

The minutes of the meeting of the Audit Committee held on 19 October 2022 are attached for Members' information.

*Refer Attachment 1*

The Local Government Reform process, which has been undertaken over several years will result in mandatory changes to the terms of reference and functions of audit committees. Relevant reforms are not scheduled to commence until late in 2023, however, under the current Audit Committee Terms of Reference, the Committee is required to at least once per year, review its own performance, terms of reference and provide a report to Council including any recommended changes.

The suggested changes were tabled at the Audit Committee meeting on 19 October and the changes were endorsed by the Committee.

**BUDGET**

Not applicable

**LIFE CYCLE COSTS**

Not applicable

# Attachment 1



**Minutes of the meeting of the Audit Committee of the City of Holdfast Bay held in the Kingston Room, Civic Centre, 24 Jetty Road, Brighton on Wednesday 19 October 2022 at 6:00pm.**

**PRESENT**

**Members**

Presiding Member – Councillor J Smedley  
Mr D Powell  
Mr S Tu  
Ms P Davies

**Staff**

Chief Executive Officer –R Bria  
General Manager Strategy and Corporate –P Jackson  
General Manager Alwyndor – B Davidson-Park  
Manager Finance – J Newton  
Management Accountant – C Blunt  
Manager Finance, Alwydor– D Capurro

**Guests**

Ms Samantha Creten, Partner, Dean Newbery

**1. OPENING**

The Chairman declared the meeting open at 6.00pm.

**2. APOLOGIES**

- 2.1 Apologies Received
- 2.2 Absent - Councillor R Snewin (Leave of Absence)

**3. DECLARATION OF INTEREST**

Members were reminded to declare their interest before each item.

**4. CONFIRMATION OF MINUTES**

**Motion**

**That the minutes of the Audit Committee held on 17 August 2022 be taken as read and confirmed.**

Moved by S Tu, Seconded by P Davies

**Carried**

**5. ACTION ITEMS**

The Action Items were tabled and discussed.



## 6. PRESENTATIONS

6.1 Nil

### Leave of meeting

The Presiding Member sought leave of the meeting to propose that Agenda Item 7.4 2021/22 General Purpose Financial Statements (Report No: 423/22) be considered after Item 6.

Leave of the meeting was granted.

## 7. REPORTS BY OFFICERS

7.4 **2021/22 General Purpose Financial Statements** (Report No: 423/22)

The financial statements for the year ended 30 June 2022 have been completed and audited by Council's audit firm, Dean Newbery, who have indicated that an unqualified audit opinion will be provided and that there are no material issues arising from the audit. They are presented to the Audit Committee for review.

### Motion

**That the Audit Committee informs Council it has reviewed the General Purpose Financial Reports for the year ending 30 June 2022, as required under Section 126(4)(a) of the *Local Government Act 1999*, and found them to present fairly the state of affairs of the Council as required under the Local Government (Financial Management) Regulations 2011.**

Moved S Tu, Seconded D Powell

Carried

D Powell joined the meeting at 6.05pm.

7.1 **Standing Items** (Report No: 420/22)

The Audit Committee was provided with a report on the standing items at this meeting.

### Motion

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

- **Monthly Financial Statements**
- **External Audit**
- **Public Interest Disclosures**
- **Economy and Efficiency Audits**
- **Council Recommendations**
- **Audit Committee Meeting Schedule**

Moved P Davies, Seconded D Powell

Carried

## 7.2 **Internal Audit Program Report** (Report No: 421/22)

Of the four risk-based audits scheduled for the Internal Audit Program 2022-23, the first, Flood Mitigation has commenced and the second, Complaints Handling, is currently undergoing a final revision of the audit scope.

In addition, the 'Audit Recommendations Outstanding Actions Update' is attached, highlighting those actions that are not yet implemented, in progress and partially implemented, and completed.

### **Motion**

1. **That the Audit Committee notes this report.**

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

2. **That having considered Agenda Item 7.2 (Report No: 421/22 Internal Audit Program Report) in confidence under Section 90(2) and (3)(e) of the *Local Government Act 1999*, the Audit Committee, pursuant to Section 91(7) of that Act order that the Attachment 2 be retained in confidence for a period of 12 months and that this order be reviewed every 12 months.**

Moved P Davies, Seconded D Powell

**Carried**

## 7.3 **Risk Report** (Report No: 422/22)

A review of the Strategic Risk Register and high operational risks was undertaken in line with ISO31000 (2018), to ensure an accurate reflection of the current risk management position across the business, scoping both business risks and opportunities.

The environmental scan, used to identify new and emerging areas relating to both risk and opportunity, has also been updated and is included in this Risk Report.

### **Motion**

- That the Audit Committee notes this report.**

Moved D Powell, Seconded S Tu

**Carried**

Agenda Item 7.4 2021/22 General Purpose Financial Statements (Report No: 423/22) was considered after Item 6 as per leave of the meeting granted.

## 7.5 **2021/22 Annual Report** (Report No: 424/22)

Council's Annual Report is a legislative requirement under Section 131 of the *Local Government Act 1999*. The information contained within the publication provides legislators and the community with assurance that the City of Holdfast Bay is meeting its strategic and governance requirements. The publication also provides a detailed overview of the Council's services and achievements during the year.

The 2021/22 Annual Report has been prepared to meet all statutory requirements. The report shows that Council has continued to deliver quality services and facilities to its community.

**Motion**

**That the Committee recommends that Council adopts the 2021/22 Annual Report subject to design and minor alterations and the inclusion of the audited financial statements.**

Moved S Tu, Seconded P Davies

**Carried**

**7.6 Terms of Reference - Review (Report No: 425/22)**

The *Local Government Act 1999* requires Council to have an Audit Committee to carry out the functions defined in Section 126. Pursuant to Section 41 of the Act, Council established an Audit Committee in 2007.

The Local Government Reform process, which has been undertaken over several years will result in mandatory changes to the terms of reference and functions of audit committees. Relevant reforms are not scheduled to commence until late in 2023, however, under the current Audit Committee Terms of Reference, the Committee is required to at least once per year, review its own performance, terms of reference and provide a report to Council including any recommended changes.

A light review has been undertaken and suggested changes are marked in Attachment 2.

**Motion**

**That the Audit Committee endorses the amended Terms of Reference, as provided in Attachment 2 for adoption by Council.**

Moved S Tu, Seconded P Davies

**Carried**

**8. URGENT BUSINESS – SUBJECT TO THE LEAVE OF THE MEETING - Nil**

**9. CONFIDENTIAL ITEMS - Nil**

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

The date of the next meeting of the Audit Committee is to be confirmed by the new Council.

**11. CLOSURE**

The Meeting closed at 6.27pm.

**CONFIRMED**

**PRESIDING MEMBER**

Item No: 15.1  
Subject: **ITEMS IN BRIEF**  
Date: 25 October 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**

**That the following items be noted and items of interest discussed:**

1. **Storytellers at Holdfast**
  2. **Seacliff Amenities Building and Beach Access**
  3. **Orange the World Campaign**
  4. **Outstanding Council Actions Update**
  5. **Seacliff Boundary Realignment**
  6. **Planning and Design Code - Preserving South Australia's Character**
  7. **National Electric Vehicle Strategy - Consultation**
- 

## **REPORT**

### **1. Storytellers at Holdfast**

Storytellers at Holdfast was held at the Brighton Performing Arts Centre on Saturday 8 October 2022 by Holdfast Libraries in partnership with the Children's Book Council SA Branch. The event promoted children's literacy by showcasing authors and illustrators including Katrina Germein, Vaughan Duck, Mike Dumbleton, Janeen Brian, Mandy Foot, Alys Jackson, Kylie Covark, Danny Snell and Mem Fox. Aimed at promoting the love of reading to children and also developing future writers and illustrators, the family afternoon attracted 120 enthusiastic readers keen to meet their favourite writers. The mini festival saw 9 popular writers and illustrators read their work and engage with the audience about the creative process to craft a children's picture book. The library is working to increase the range of literary events held across the city and the success of Storytellers at Holdfast is an indicator of the community interest that the library team will continue to explore.

## **2. Seacliff Amenities Building and Beach Access**

On 24 August 2022, concept plans for the Seacliff Amenities Building and Beach Access were submitted for development approval to Council's Development Assessment Panel (CAP). The plans were refused, based on the building's scale and concerns regarding safety pertaining to the proposed locker installations and extent of screening along the eastern facade. Subsequently, the concept plans were amended and resubmitted to the CAP on 28 September 2022, gaining their acceptance. The new plans have retained all the original amenities except the lockers, which have been removed. Other key changes are the 6 m<sup>2</sup> reduction in the scale of the building and increasing transparency of the change area's external eastern facade.

To resolve the original refusal by the CAP, Council as the project proponent, was required to seek development approval through the Environment, Resource and Development Court (ERD) and therefore concurrently, lodged a development appeal with the ERD Court. On 7 October 2022 the ERD court reviewed the appeal, and the CAP's endorsement of amended plans and Council was notified that the plans have been approved by the ERD court. The project is now commencing the detailed design phase and adjusted the project's program to facilitate construction commencing in late Autumn 2023.

*Refer Attachment 1*

## **3. Orange the World Campaign**

Council received correspondence from Philippa Robert, President of the Soroptimist International Club, Southern Districts of Adelaide Inc. This club participates in many global projects and events which aim to improve the lives of women and girls.

The City of Holdfast Bay was invited to participate in the global campaign to Orange the World by illuminating public buildings during the 16-day campaign to end gender based violence. Council will participate in the campaign by illuminating Michael Herbert Bridge and Chapel Plaza during 25 November to 10 December 2022.

*Refer Attachment 2*

## **4. Outstanding Council Actions Update**

A list of outstanding Council Meeting Actions up to 11 October 2022 Council meeting, along with a brief explanation of their current status is provided. For brevity, completed actions have not been included.

*Refer Attachment 3*

## **5. Seacliff Boundary Realignment**

A 'Notice of Intent' was published in the South Australian Government Gazette dated 13 October 2022 regarding a boundary realignment of Seacliff. This Notice formally commences a one-month public consultation period inviting emergency services and the wider community to review and advise the Surveyor-General in writing of any comments relevant to the suburb boundary realignment of the 'Cement Hill' development.

*Refer Attachment 4*

The proposal results in the development (which is on a portion of land that is currently in the suburb of Marino and one that is currently in the suburb of Seacliff Park) being incorporated into the suburb of Seacliff. Council has previously supported this proposal, as presented. Later amendments that were suggested by the City of Marion, which Council supported in part, have not been accommodated in the proposal.

*Refer Attachment 5*

Administration has responded to the engagement, noting that it aligns with Council's original position and therefore no objections will be raised by the City of Holdfast Bay. The consultation is open until 14 November 2022.

#### **6. Planning and Design Code - Preserving South Australia's Character**

Council received correspondence from Craig Holden, Chair of the State Planning Commission, regarding the Commission's recent proposal to improve the Planning and Design Code and preserving South Australia's character.

*Refer Attachment 6*

#### **7. National Electric Vehicle Strategy – Consultation**

The Australian Department of Industry, Science and Resources is currently consulting on proposed goals, objectives and actions for the National Electric Vehicle (EV) Strategy to support an orderly transition to transport electrification, provide a wide range of benefits, and to capture opportunities by improving policy settings to make EVs more affordable and accessible across all vehicle segment types (private and commercial, light and heavy, motor bikes and micro-mobility modes). The consultation is focusing on policies and programs to ensure delivery of a nationally comprehensive framework for EVs. Discussions include options for levers such as fuel efficiency standards to increase supply of lower emission vehicles to Australia.

As the proposed directions broadly align with Council's existing strategies, Administration is proposing to provide an Administration response (given Council is currently in Caretaker). The response is expected to be supportive, welcoming any initiatives that support reductions in greenhouse gas emissions, cleaner cities and improve accessibility of sustainable options to the wider community. The response will also promote the importance of clear messages to the market so that policies, pricing and legal signals all support a change from combustion engine dominance to clean and sustainable vehicles. Importantly, the change in vehicle technologies needs to be considered in a broader context, namely healthy ageing objectives, support for healthy and active transport, and improving public transit options. Further comments will address other practicalities such as issues of access to charging points for apartment dwellers, and other perceived impediments to owning an EV.

The consultation closes on 31 October 2022.

# Attachment 1



# SEACLIFF PLAZA REDEVELOPMENT

## STAGE 1 CONCEPT DESIGN

KAURNA COUNTRY



ADL21070\_REP-004  
CITY OF HOLDFAST BAY  
SEPTEMBER 2022

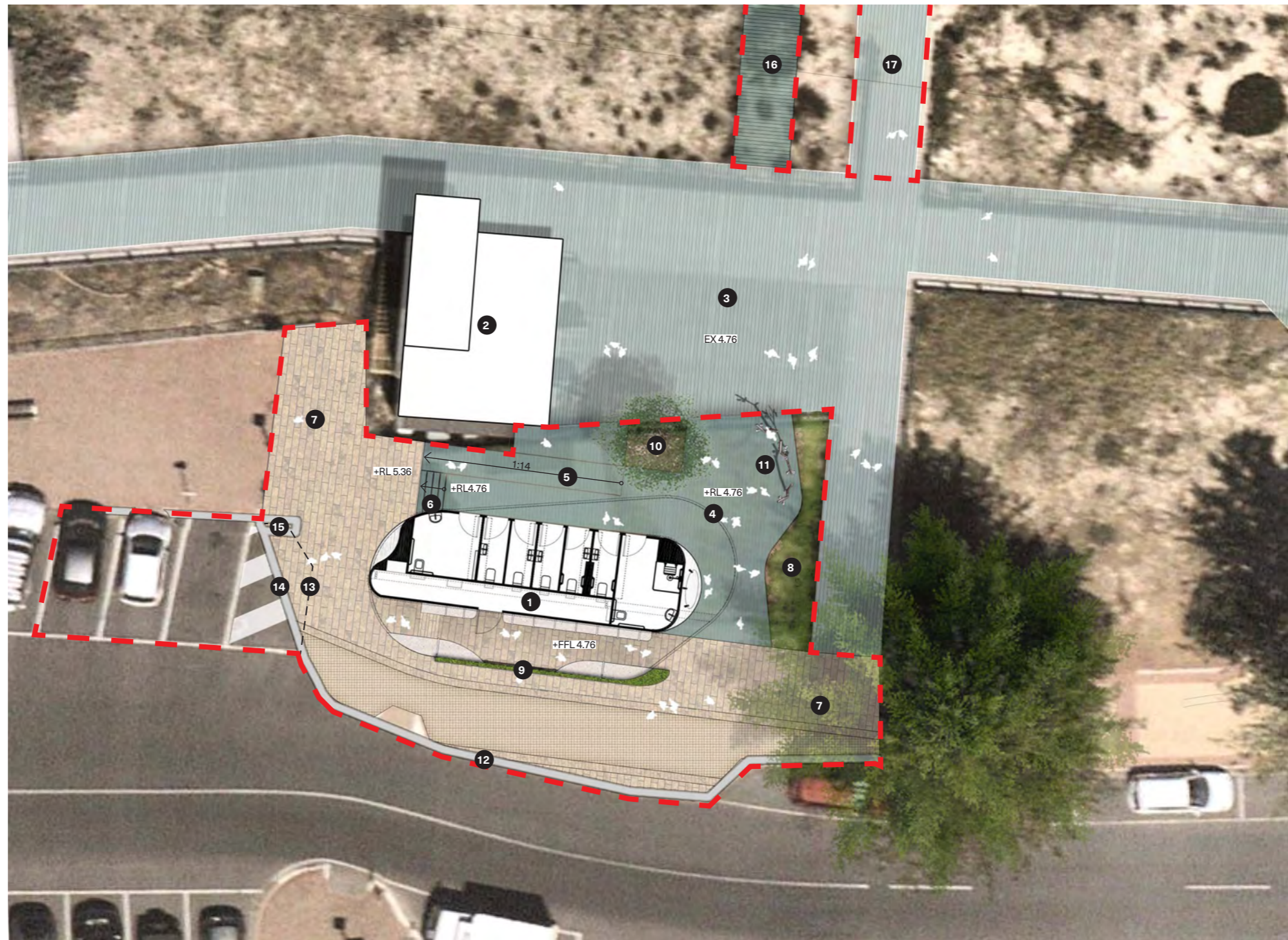
STATUS	FINAL
ISSUE	B
DATE	09.09.2022
PREPARED BY	JW
APPROVED BY	TC



# Concept Plan

Key

- 1 New amenities block - FFL 4.76 (Refer pages 4-10)
  - 2 Seacliff Surf Life Saving Club
  - 3 Existing boardwalk - FSL 4.76
  - 4 New FRP decking - FSL 4.76
  - 5 DDA compliant access ramp
  - 6 Stair access
  - 7 Feature stone paving
  - 8 New planting
  - 9 Planting to amenities block facade
  - 10 New tree (*Banksia integrifolia* - Coastal Banksia)
  - 11 Integrated shower sculpture
  - 12 Existing kerb to be retained
  - 13 Existing kerb to be removed
  - 14 New kerb
  - 15 Chequer plate drain cover to existing stormwater side entry pit
  - 16 FRP DDA compliant beach access ramp (1:14)
  - 17 Existing beach access ramp to be widened for ATV access + extended concrete DDA compliant beach access (1:21) - provision for projected future drop in sand level
- Extent of works





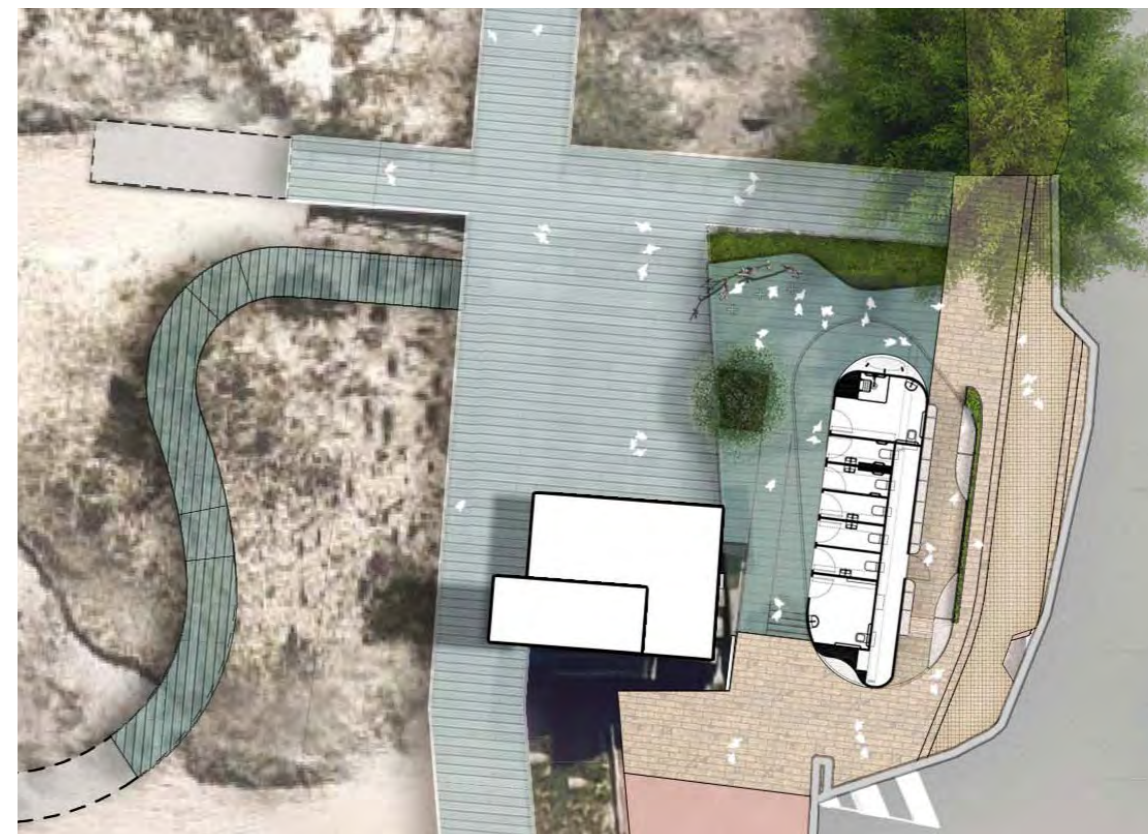
## Key Design Changes

Existing



- No Disability Discrimination Act (DDA) compliant facilities
- Toilet location and positions present safety issues
- Low level services
- Awkward and non-compliant access to facilities and paths
- Narrow footpaths create pedestrian and cycling conflicts
- Unattractive and underutilised space
- Sparse greening

Proposed



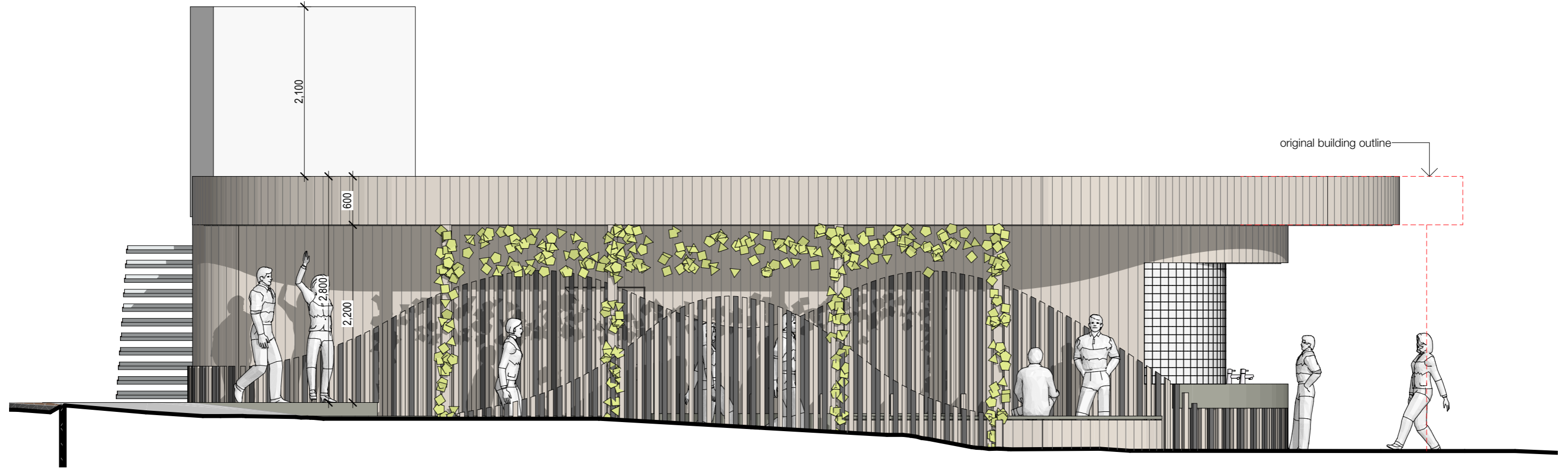
- Compliant DDA toilet, shower, circulation space and beach access
- 5x unisex toilets to meet predicted service levels
- Parent room
- Change/seating area
- Amenities building water harvesting and water sensitive urban design garden features
- Solar panels to reduce energy consumption of the amenities building
- Direct emergency access and all terrain vehicle access for surf lifesaving activities
- Sculptural outdoor showers with night time features
- Widened foot paths
- Enhanced landscape and planting areas



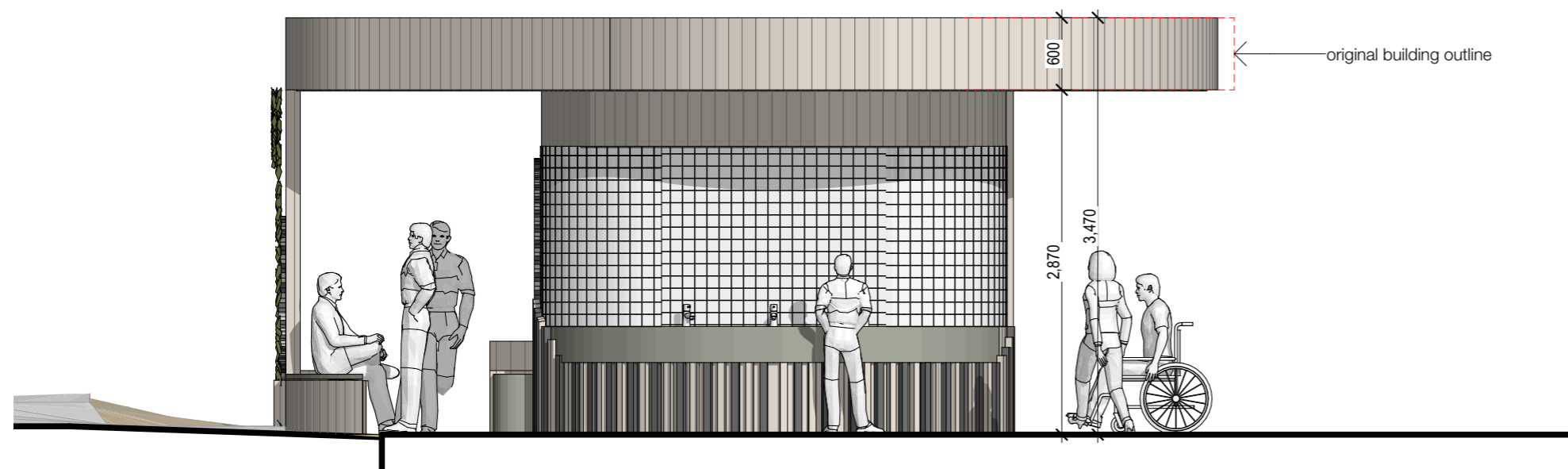




# Amenities Building - Elevations



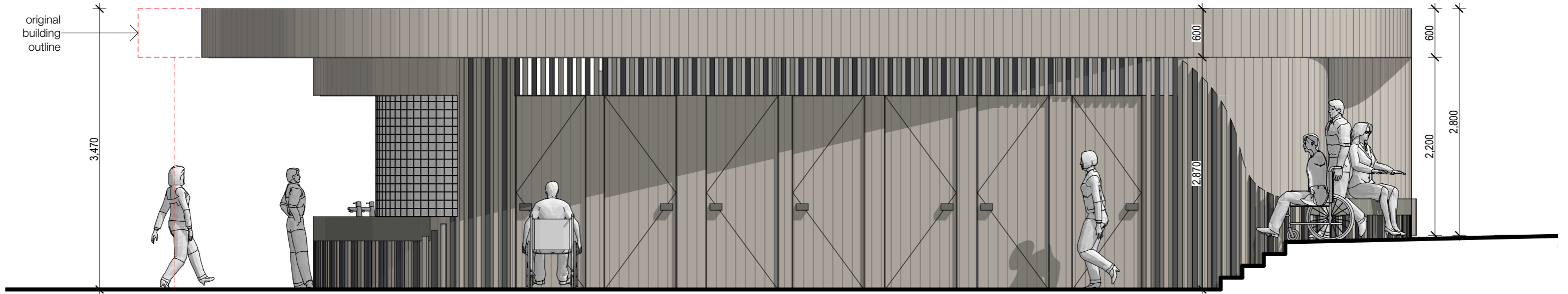
Eastern Elevation



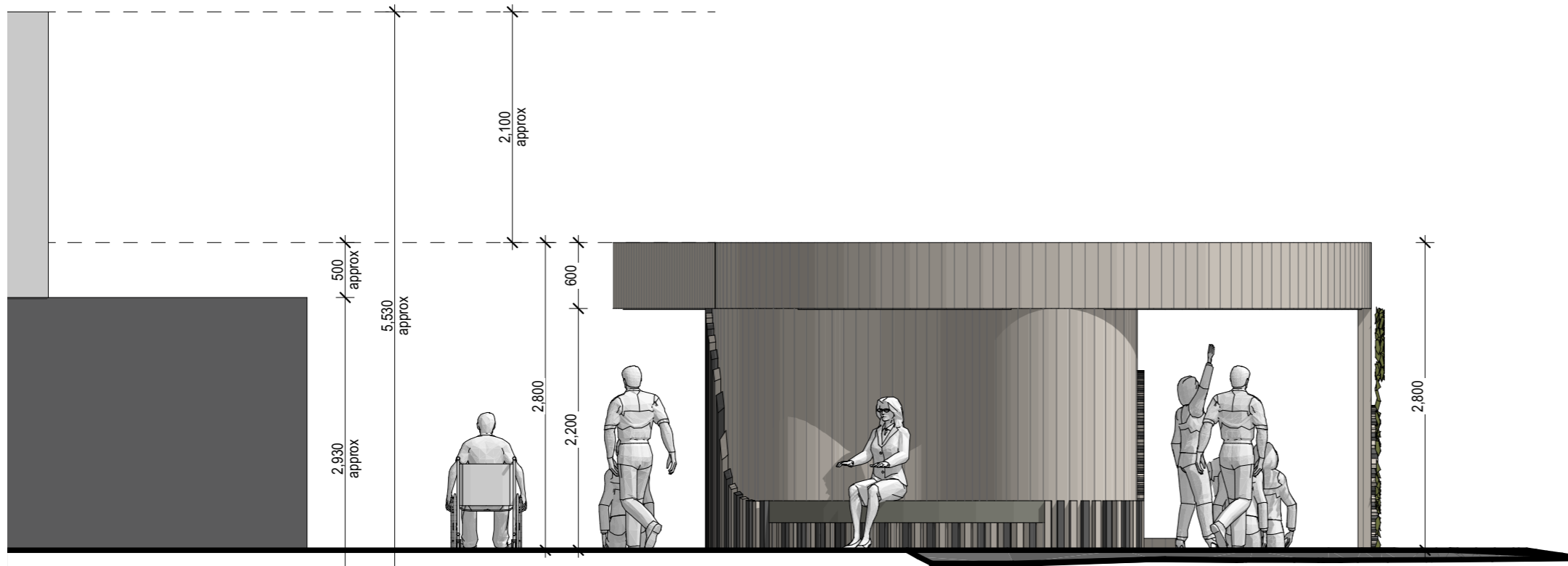
Northern Elevation

Note: Architectural renders only - landscape not shown

# Amenities Building - Elevations



Western Elevation

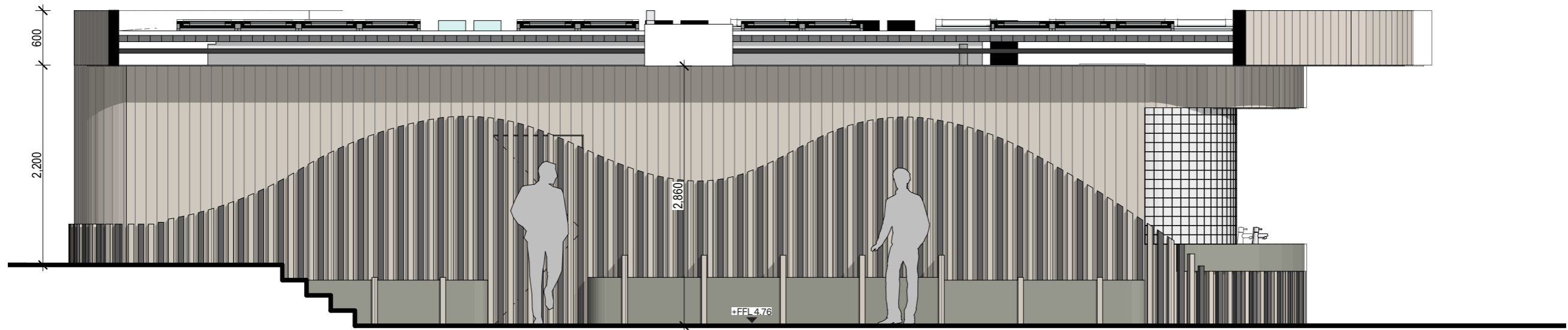


Southern Elevation

Note: Architectural renders only - landscape not shown



# Amenities Building - Locker Area



Internal Elevation



Internal View Looking North



Internal View Looking South

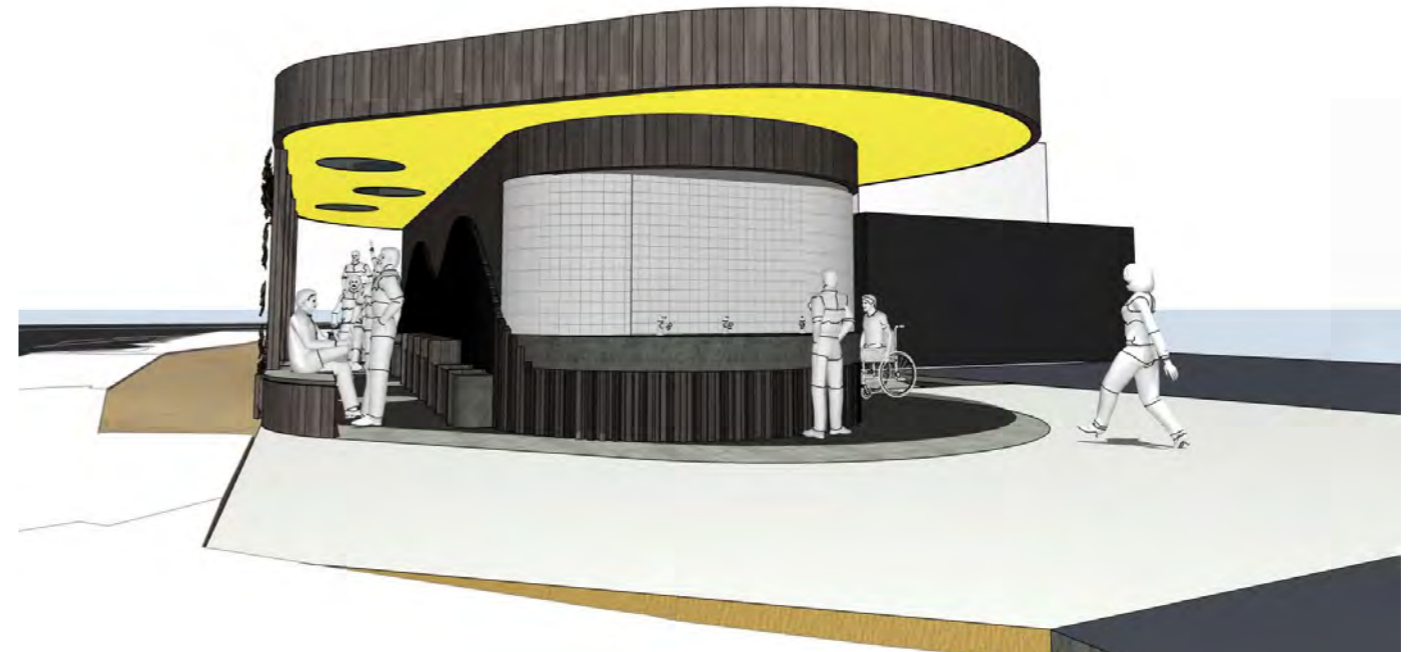
**Note:** Architectural renders only - landscape not shown



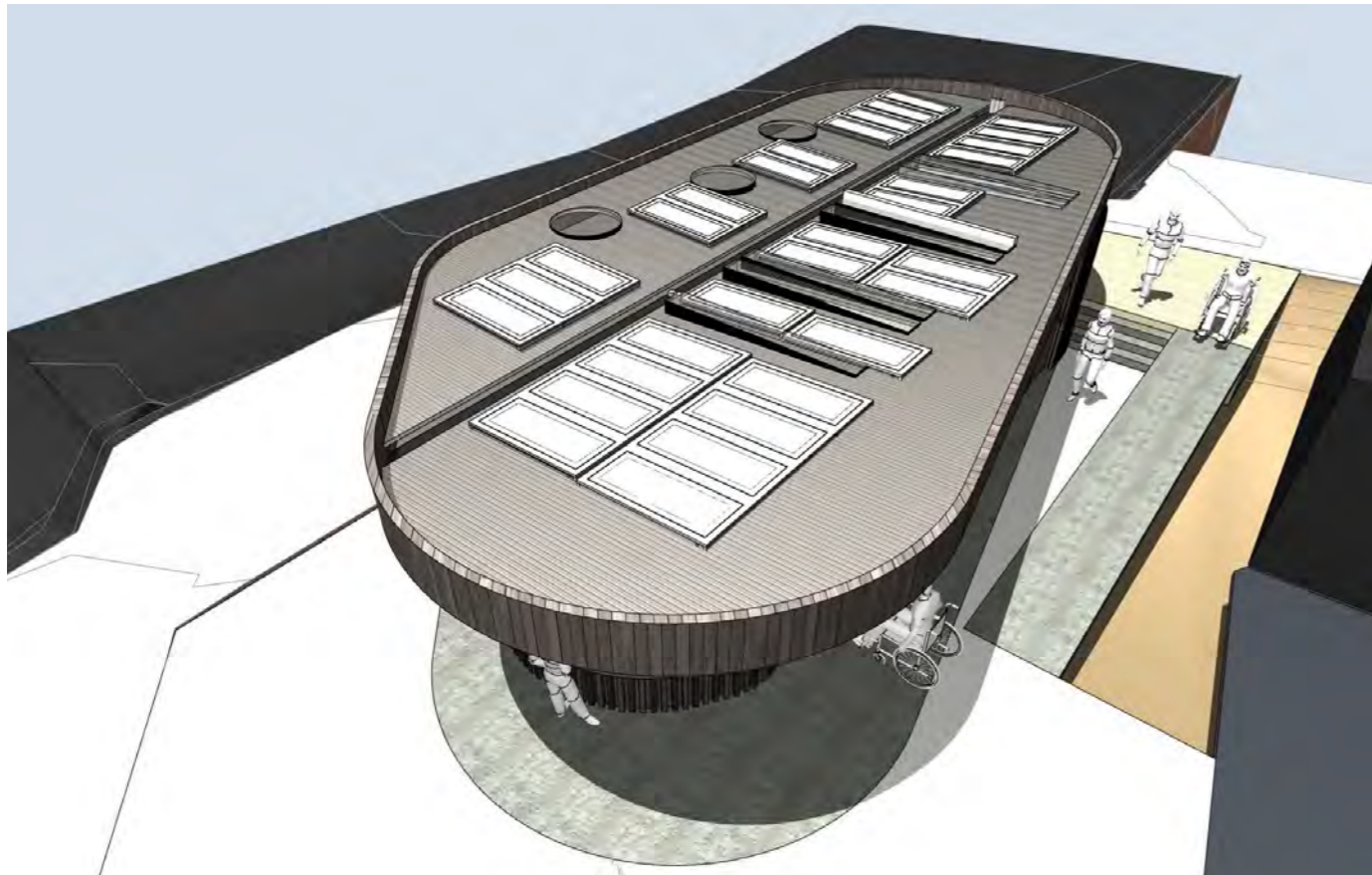
# Amenities Building - Perspective Views



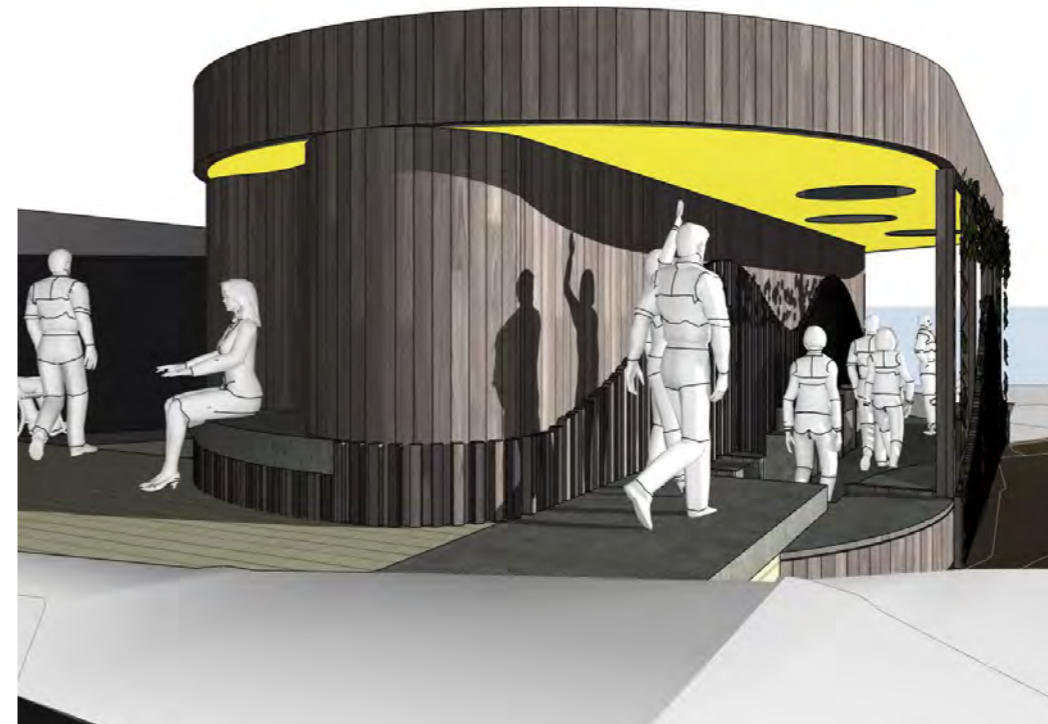
Eastern Facade



Northern Facade and External Basin



Roof - North West Corner



Southern Facade

Note: Architectural renders only - landscape not shown



# Amenities Building - Perspective Views



Toilet Access and External Basin



Toilet Access and Seacliff Surf Lifesaving Club Interface



North West Plaza and Decking



Southern Plaza Interface and Access Ramp

Note: Architectural renders only - landscape not shown



# Attachment 2



Soroptimist



International

South East

Asia Pacific

Southern Districts of Adelaide Inc

PO Box 724

GLENELG SA 5045

29 September 2022

Ms Regan Forrest, Events Manager  
City of Holdfast Bay

Dear Regan

I am President of the local Soroptimist International Club, Southern Districts of Adelaide Inc. As part of a worldwide organisation our club participates in many projects and events which aim to improve the lives of women and girls.

We invite the City of Holdfast Bay to participate in the global campaign to **Orange the World** by illuminating your public buildings in orange during the annual 16-day campaign to end gender-based violence from November 25 to December 10.

In 2021 many public buildings and facilities were lit up in orange and will be again this year. Examples are Government House Gates, Adelaide Oval, the River Torrens footbridge to Adelaide Oval, No 1 Anzac Highway (SA Power Networks), Adelaide Town Hall, Adelaide Railway Station and Lot 14.

In other Australian states and many overseas countries, Soroptimist International clubs and other Human Rights organisations have staged public marches, symbolic displays and street banners.

We are hoping the some of the traders on Jetty Road Brighton might also display orange balloons and a banner in their windows.

We publicise our campaign through Facebook and individual members aim to wear an item of orange clothing or an orange ribbon during the 16 days. We are approaching Marion and Onkaparinga Councils as they are also part of our "southern districts".

I would be happy to meet and talk more about this proposal. My phone number is 0477 952 620 and I can be reached on this email address: [sisouthadelaide@siswp.org](mailto:sisouthadelaide@siswp.org)

P E Robert

Philippa Robert

President, Soroptimist International Southern Districts of Adelaide Inc

[www.facebook.com/sisouthadelaide/](https://www.facebook.com/sisouthadelaide/)

[www.sisa.org.au](http://www.sisa.org.au)



Soroptimist International South East Asia Pacific

# Attachment 3



Outstanding Council Meeting Actions as at 18 October 2022

Meeting Date	Report No.	Report Title	Resolution Number	Resolution	Confidential	Status
23 August 2022	354/22	Development Policy – Art Deco Review	C230822/7214	<p>That Council</p> <ol style="list-style-type: none"> <li>1. notes the reports prepared by Hosking Willis Architects as to the heritage value attributable to a selection of properties incorporating Art Deco design themes;</li> <li>2. That Council seek Hosking Willis Architects review their determinations under the criteria set out in Section 67(1)(d) of the Planning, Development and Infrastructure Act 2016 applying a broader lens for all properties under review with particular reference for 25 &amp; 31 Broadway, Glenelg South, 8 Giles Avenue (Retten) Glenelg, 33 Pier Street, Glenelg South, 18A South Esplanade (Shoreham) Glenelg, and 53 Whyte Street (Strathmerton)Somerton Park;</li> <li>3. That Council notes further consideration will be made to all properties forming the Art Deco Heritage Review utilising all criteria set out in Section 67(1) of the Planning, Development and Infrastructure Act 2016;</li> <li>4. That the findings in the Hosking Willis Architect Reports, including supplementary reports received in association with this project at a later date, inform a future Code Amendment process under the Planning, Development and Infrastructure Act 2016 to consider the properties for formal recognition as Local Heritage Places; and</li> <li>5. That the Holdfast Bay History Centre be included to provide additional comments and reports to inform a future Code Amendment process under the PDI Act 2016 to consider the properties for formal recognition as Local Heritage Places.</li> </ol>	N	In Progress - Hosking Willis Architects are in the process of reviewing their determinations for six properties against the breadth of the criteria in the PDI Act, as well as completing the assessment of the balance of earlier nominations carried forward from the previous project.

Outstanding Council Meeting Actions as at 18 October 2022

Meeting Date	Report No.	Report Title	Resolution Number	Resolution	Confidential	Status
23 August 2022	327/22	Jetty Road Masterplan Stage 2	C230822/7219	<p>That Council:</p> <ol style="list-style-type: none"> <li>approves Administration undertaking concept and detailed design for Stage 2 of the Jetty Road Masterplan, being the Coastal Zone, and that the design: <ul style="list-style-type: none"> <li>use the existing design principles to inform the design options for the Coastal Zone;</li> <li>retain the tram line and tram terminal in its current location; unless future negotiations with State and/or Federal Governments elicit support for an alternative that can be put to Council for approval;</li> <li>investigate the removal of tram barriers and fencing to beautify and increase pedestrian flow and access (in consultation with the Department of Transport and Infrastructure); and</li> <li>use Juperana natural stone (as used in Chapel Plaza) as the primary paver in the Coastal Zone.</li> </ul> </li> <li>endorses Administration to complete concept plan options and cost estimations and report back to Council for further consideration at a Workshop before commencing the detailed design.</li> </ol>	N	In Progress - Following Council approval for the project to undertake detailed design on the Coastal Zone, Administration has released an Expression of Interest to the open market for 3 weeks. Following the evaluation of the submissions, 3 registrants will be selected to participate in a select tender. The select tender will include a small fee for the submission of a sketch concept designs and return brief to assist the evaluation panel with their assessment before awarding a design services contract.
26 July 2022	248/22	Motion on Notice - Portable Solar Speed Monitoring Signs – Councillor Fleming	C260722/2676	<ol style="list-style-type: none"> <li>That Council Administration investigate and bring back a Council report on the feasibility of purchasing or hiring temporary, portable or permanent smart solar speed monitoring signs for school zones; and</li> <li>That the Council report include, the most appropriate locations for the signs around our city, how many may be required and the cost of purchase and maintenance of them.</li> </ol>	N	In Progress – Rhys is meeting with suppliers to look at the different products available. A report will be prepared for Council following the caretaker period as there will be a financial decisions required.

Outstanding Council Meeting Actions as at 18 October 2022

Meeting Date	Report No.	Report Title	Resolution Number	Resolution	Confidential	Status
26 July 2022	297/22	Motion on Notice - Water Safety Education for Immigrants – Councillor Abley	C260722/2677	That Council write to the Department of Home Affairs requesting consideration be given to water safety education and mandatory swimming lessons for immigrants to Australia, prior to arrival.	N	In Progress
10 May 2022	127/22	Telecommunications Tower at Glenelg Oval	C100522/2594	<ol style="list-style-type: none"> <li>1. That Council enters into a lease agreement with Vodafone over a portion of land contained within Certificate of Title Volume 5869 Folio 949 (Glenelg Oval) for a period of 20 years, subject to:                             <ol style="list-style-type: none"> <li>(a) the lessee obtaining Development Approval; and</li> <li>(b) commencing rental of \$23,000 per annum (plus GST) with annual CPI increases.</li> </ol> </li> <li>2. That the Mayor and the Chief Executive Officer be authorised to execute and seal any documents required to give effect to the lease.</li> </ol>	N	In Progress - The draft lease is presently under final review between the solicitors acting on behalf of Council and Vodafone respectively.
26 April 2022	76/22	Pigeon Control	C260422/2580	<p>That Council:</p> <ol style="list-style-type: none"> <li>1. Endorses the following additional strategies for pigeon control:                             <ul style="list-style-type: none"> <li>• Review and update the existing bird feeding prohibited signage.</li> <li>• Provide signage to businesses with outdoor dining permits to encourage patrons not to feed birds and to discard their waste.</li> <li>• Investigate and trial grants for businesses to assist property owners undertaking approved pigeon management actions for proofing and deterrents.</li> <li>• Increased communication and enforcement with businesses to clear food waste from tables.</li> <li>• Provision of information and education campaign via the council’s website, social media channels and newsletters.</li> </ul> </li> <li>2. Endorses \$10,000 to be included in the 2022/23 Draft Annual Business Plan for the additional pigeon control strategies.</li> </ol>	N	In Progress - the signage has been reviewed and updated in Moseley Square. Additional signage has been organised to be placed near the playground. A variety of signs and stickers have been provided to the local business which warns the public not to feed the birds. A grant platform has been set up inviting business to apply for a grant for approved pigeon management actions. Businesses with outdoor dining



Outstanding Council Meeting Actions as at 18 October 2022

Meeting Date	Report No.	Report Title	Resolution Number	Resolution	Confidential	Status
				<p>3. Review the success of the above strategies over the next 12 months and report back to Council with the results and draft Pigeon Management Policy.</p>		<p>have received a letter requiring them to keep the tables clean and discourage patrons to feed the birds. Officers are monitoring and working with business. Officers are also enforcing no feeding of birds, warning people that they can be fined. Social media posts have been posted and the new information is being introduced onto the website.</p>
23 November 2021	397/21	Trial Parklet Installation	C231121/2488	<p>That Council:</p> <ol style="list-style-type: none"> <li>1. notes the complexities of installing parklets as outlined in this Report;</li> <li>2. Administration put together an Expression of Interest to gauge interest from traders and the community in parklets and their preferred locations;</li> <li>3. allocates \$15,000 to undertake a high level traffic assessment to identify standards against which proposals can be evaluated, along with up to 10 locations that would be most suitable for parklet trials; and</li> <li>4. Administration bring back a Report on the outcome of the Expression of Interest and traffic assessment, along with further recommendations.</li> </ol>	N	In Progress

# Attachment 4



# STATE GOVERNMENT INSTRUMENTS

## AGRICULTURAL AND VETERINARY PRODUCTS (CONTROL OF USE) REGULATIONS 2017

### REGULATION 7(3)

#### *Approval of Quality Assurance Schemes*

I, Ross Meffin, Chief Inspector under the *Plant Health Act 2009*, for and on behalf of the Minister for Primary Industries and Regional Development, hereby approve, pursuant to Regulation 7(2) of the *Agricultural and Veterinary Products (Control of Use) Regulations 2017* the quality assurance schemes listed in Column A for the specified crop listed opposite in Column B. Pursuant to Regulation 7(3) a person is an accredited participant of an approved quality assurance scheme only if he or she satisfies the corresponding requirements for that scheme specified in Column C.

Column A	Column B	Column C
A scheme established by the Freshcare Food Safety & Quality Standard Edition 4.1, published by Freshcare Ltd, NSW, Australia.	Carrot	A current certification of Freshcare for the supply of a crop of a kind for which the scheme is approved, issued by Freshcare Ltd.
A scheme established by the Harmonised Australian Retailer Produce Scheme Standard Version 1.0	Carrot	A current certification meeting the requirements of the Harmonised Australian Retailer Produce Scheme for the supply of a crop of a kind for which the scheme is approved.
A scheme established by the Recommended International Code of Practice General Principles of Food Hygiene CAC/RCP 1-1969 including Annex on Hazard Analysis and Critical Control Point (HACCP) System and Guidelines for its Application, as adopted by the Codex Alimentarius Commission in 1997.	Carrot	A current certification meeting the requirements of Codex Alimentarius Alinorm:97/13A for the supply of a crop of a kind for which the scheme is approved.

Dated: 5 October 2022

ROSS MEFFIN  
Chief Inspector (*Plant Health Act 2009*)  
Delegate of the Minister for Primary Industries and Regional Development

## BUILDING WORK CONTRACTORS ACT 1995

### *Exemption*

TAKE notice that, pursuant to section 45 of the *Building Work Contractors Act 1995*, I, Zoe Thomas as a delegate for the Minister for Consumer and Business Affairs, do hereby exempt the licensee named in Schedule 1 from the application of Division 3 of Part 5 of the above Act in relation to domestic building work described in Schedule 2 and subject to the conditions specified in Schedule 3.

#### SCHEDULE 1

JRD BUILDING SOLUTIONS PTY LTD (BLD 199315)

#### SCHEDULE 2

Kitchen and living room extension in an existing residential dwelling at Lot 80 Primary Community Plan 28389, being a portion of the land described in Certificate of Title Volume 6143 Folio 900, more commonly known as 11 Griffiths Road, Plympton Park SA 5038.

#### SCHEDULE 3

- This exemption is limited to domestic building work personally performed by the licensee in relation to the building work described in Schedule 2.
- This exemption does not apply to any domestic building work the licensee contracts to another building work contractor, for which that contractor is required by law to hold building indemnity insurance.
- That the licensee does not transfer his interest in the land prior to five years from the date of completion of the building work the subject of this exemption, without the prior authorisation of Consumer and Business Services (CBS). Before giving such authorisation, CBS may require the licensee to take any reasonable steps to protect the future purchaser(s) of the property, including but not limited to:
  - Providing evidence that an adequate policy of building indemnity insurance is in force to cover the balance of the five-year period from the date of completion of the building work the subject of this exemption;
  - Providing evidence of an independent expert inspection of the building work the subject of this exemption;
  - Making an independent expert report available to prospective purchasers of the property;
  - Giving prospective purchasers of the property notice of the absence of a policy of building indemnity insurance.

Dated: 10 October 2022

ZOE THOMAS  
Assistant Director, Licensing  
Delegate for the Minister for Consumer and Business Affairs

## GEOGRAPHICAL NAMES ACT 1991

### *Notice of Intention to Alter the Boundaries of a Place*

NOTICE is hereby given that, pursuant to section 11B(2)(d) of the *Geographical Names Act 1991*, I, the Honourable Nick Champion MP, Minister for Planning, Minister of the Crown to whom the administration of the *Geographical Names Act 1991* is committed, seeks public comment on a proposal to:

- Alter the suburb boundary to exclude from the suburbs of **MARINO** that area marked (A) and **SEACLIFF PARK** that area marked (B) shown highlighted in green, as shown on the [location map](#), and include that area in the suburb of **SEACLIFF**.

A copy of the location map for this naming proposal can be viewed at;

- the Office of the Surveyor-General, 101 Grenfell Street, Adelaide
- [www.sa.gov.au/placenameproposals](http://www.sa.gov.au/placenameproposals)

Submissions in writing regarding this proposal may be lodged with the Surveyor-General, GPO Box 1354, Adelaide SA 5001, or [DTI.PlaceNames@sa.gov.au](mailto:DTI.PlaceNames@sa.gov.au) within one month of the publication of this notice.

Dated: 25 September 2022

HON NICK CHAMPION MP  
Minister For Planning

DIT: 2022/04690/01

#### HOUSING IMPROVEMENT ACT 2016

##### *Rent Control*

The Minister for Human Services Delegate in the exercise of the powers conferred by the *Housing Improvement Act 2016*, does hereby fix the maximum rental per week which shall be payable subject to Section 55 of the *Residential Tenancies Act 1995*, in respect of each house described in the following table. The amount shown in the said table shall come into force on the date of this publication in the *Gazette*.

Address of Premises	Allotment Section	Certificate of Title Volume/Folio	Maximum Rental per week payable
6 West Street, Burra SA 5417	Allotment 785 Filed Plan 211571 Hundred of Kooringa	CT 5676/898	\$62.00
30 Karpfanger Street, Port Germein SA 5495	Allotment 1 Filed Plan 11020 Hundred of Telowie	CT 5484/119	\$80.00
9 Rodda St, Port Pirie SA 5540	Allotments 16: 17: 18 Deposited Plan 1643 & 1651 Hundred of Pirie	CT 5690/756 & CT 5733/935	\$40.00

Dated: 13 October 2022

CRAIG THOMPSON  
Housing Regulator and Registrar  
Housing Safety Authority, SAHA  
(Delegate of Minister for Human Services)

#### HOUSING IMPROVEMENT ACT 2016

##### *Rent Control Revocations*

Whereas the Minister for Human Services Delegate is satisfied that each of the houses described hereunder has ceased to be unsafe or unsuitable for human habitation for the purposes of the *Housing Improvement Act 2016*, notice is hereby given that, in exercise of the powers conferred by the said Act, the Minister for Human Services Delegate does hereby revoke the said Rent Control in respect of each property.

Address of Premises	Allotment Section	Certificate of Title Volume/Folio
27 Fifth Street, Wingfield SA 5013	Allotment 240 Deposited Plan 774 Hundred of Port Adelaide	CT5680/770
Lot 11 Carpenter Rocks Road, Carpenter Rocks SA 5291	Allotment 11 Deposited Plan 4246 Hundred of Kongorong	CT5707/281

Dated: 13 October 2022

CRAIG THOMPSON  
Housing Regulator and Registrar  
Housing Safety Authority, SAHA  
(Delegate of Minister for Human Services)

#### JUSTICES OF THE PEACE ACT 2005

##### SECTION 4

##### *Notice of Appointment of Justices of the Peace for South Australia by the Commissioner for Consumer Affairs*

I, Dini Soulio, Commissioner for Consumer Affairs, delegate of the Attorney-General, pursuant to Section 4 of the *Justices of the Peace Act 2005*, do hereby appoint the people listed as Justices of the Peace for South Australia as set out below.

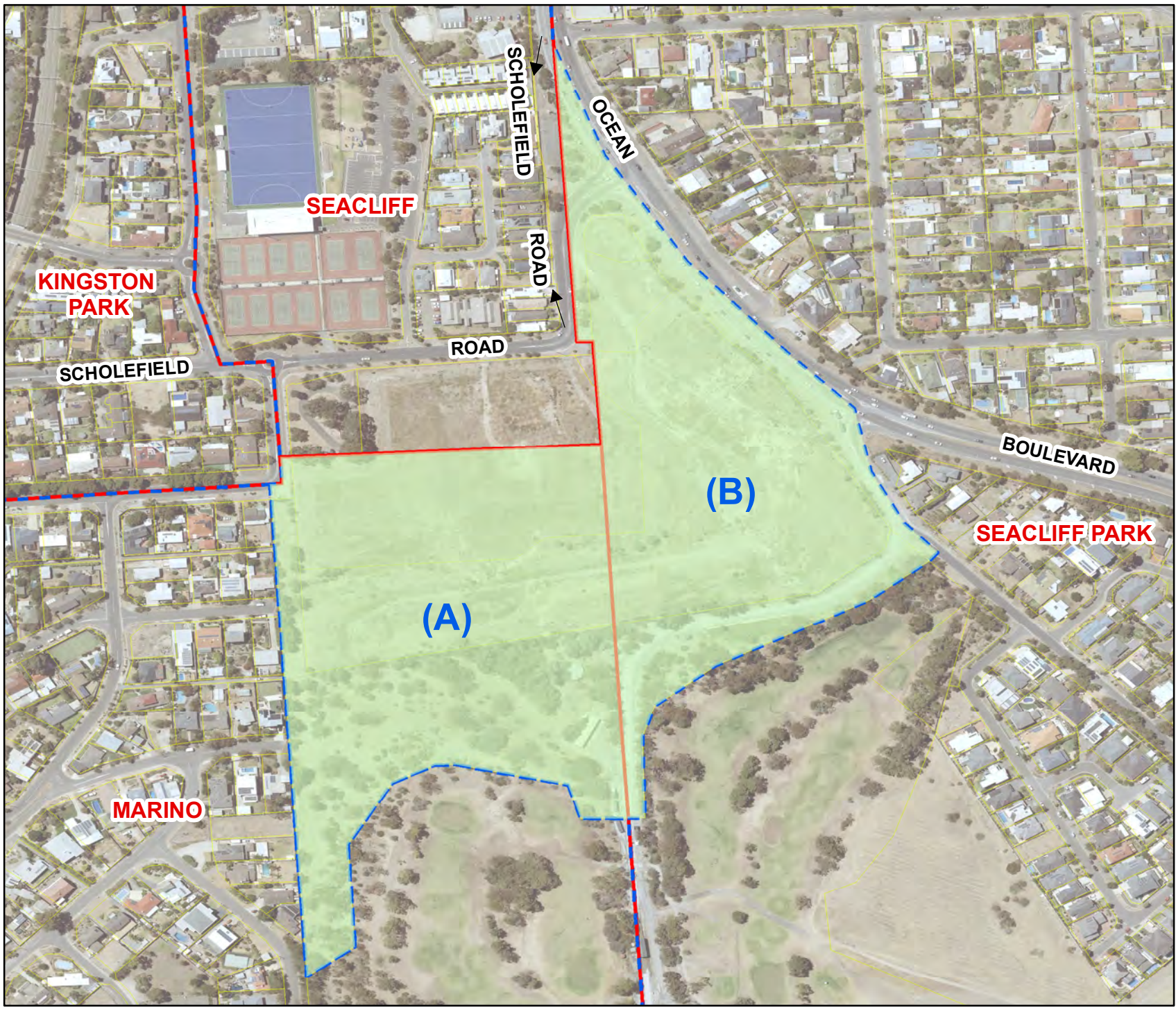
For a period of ten years for a term commencing on 25 October 2022 and expiring on 24 October 2032:

Carolyn Innes YELLAND  
Carmen Vanessa TRAEGER  
Peter Gregory TOOP  
Allan Leslie SIMMONS  
Aileen Bernadette SHANNON  
James Oliver SCHRAPEL  
Graham John MASON  
Naomi Sarah JARVIS  
Michael Peter HOGAN  
Sally May HENERY  
Elizabeth GILL

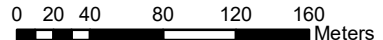
# Attachment 5







**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 6





19391721



19 October 2022

Level 10  
83 Pirie Street  
Adelaide SA 5000

GPO Box 1815  
Adelaide SA 5001

1800 752 664  
saplanningcommission@sa.gov.au

Mayor Amanda Wilson  
City of Holdfast Bay

By email: [awilson@holdfast.sa.gov.au](mailto:awilson@holdfast.sa.gov.au)

Dear Mayor Wilson

On behalf of the State Planning Commission (the Commission), I write to address the ongoing protection and management of our State's important areas of character and streetscape value, and to appraise you of the Commission's recent proposal to improve the Planning and Design Code (the Code).

The Commission acknowledges the strong community sentiment around character streetscapes and redevelopment of older housing stock.

The Commission also recognises that this is a highly complex and emotive issue and has undertaken in-depth deliberations to help preserve valuable character streetscapes.

The Commission has provided its approach to the Minister for Planning (the Minister) and the Expert Panel and received their support for two recommendations listed below. Additional recommendations will form part of the Expert Panel's formal community consultation period which has now commenced and concludes on 16 December 2022.

The following approach will enable both short-term improvements, while also progressing longer-term, more complex changes. The approach comprises the following.

### **1. *Stronger Controls – Transition to the Historic Area Overlay***

Support and facilitate councils to undertake Code Amendments to elevate existing Character Area Overlays to the Historic Area Overlay (where appropriate justification has been provided). This option will allow demolition controls to apply across a broader area of the State, while still maintaining the integrity and consistency in the Code framework.

To facilitate this body of work, the Commission has requested Planning and Land Use Services (PLUS) to prepare updated guidance materials to provide support to councils in undertaking this process. This will include detailed information requirements regarding the preparation of heritage surveys, as well as comprehensive procedural requirements for undertaking Code Amendments.



The Commission considers it important for councils to be provided with the appropriate tools to lead the transition to enhanced heritage protections, where they are considered most important at a local level. Councils are well placed to lead this change in consultation with affected landowners and their local community.

## **2. Better, Locally Responsive Design Outcomes**

Support and facilitate councils to review and update their Character Area Statements (and Historic Area Statements) to address identified gaps or deficiencies. This might include updating themes of importance, incorporating additional design elements and including illustrations where appropriate. These enhanced Statements will provide a stronger focus on design which is bespoke to local character and heritage areas and will provide better tools for assessment of character and heritage values.

To facilitate this body of work, the Commission has requested PLUS to work with councils to better understand the current situation (that is, what is working, what is not working, and identify any gaps or deficiencies). PLUS will prepare guidance material to assist in the addition of policy content within the Statements by councils that want to pursue changes. The Commission is also supportive of facilitating updates to the Statements through a State-led Code Amendment in partnership with those councils seeking to implement changes.

### Character and Heritage Guidance

In addition to the recommendations outlined above, the Commission and PLUS are committed to updating the following guidance material to assist councils in undertaking heritage Code Amendments and the assessment of development within the Character Area Overlay and Historic Area Overlay:

- **Heritage in Transition Practitioner Guide** – assists in assessing proposed Local Heritage Places against the legislated heritage criteria and will be updated to reflect Code Amendment process, and to include Historic Areas:  
[https://dit.sa.gov.au/\\_data/assets/pdf\\_file/0006/575934/Practitioner\\_Guide\\_-\\_Heritage\\_in\\_Transition.pdf](https://dit.sa.gov.au/_data/assets/pdf_file/0006/575934/Practitioner_Guide_-_Heritage_in_Transition.pdf).
- **Historic Area Overlay Design Advisory Guidelines** – assists in assessing development proposals within the Historic Area Overlay, including diagrams and information about how to identify, understand and weight elements of historic value:  
[https://plan.sa.gov.au/\\_data/assets/pdf\\_file/0008/799847/Historic\\_Area\\_Overlay\\_Design\\_Advisory\\_Guidelines.pdf](https://plan.sa.gov.au/_data/assets/pdf_file/0008/799847/Historic_Area_Overlay_Design_Advisory_Guidelines.pdf).
- **Character Area Overlay Design Advisory Guidelines** – assists in assessing development proposals within the Character Area Overlay, including diagrams and information about how to identify, understand and weight elements of character value:  
[https://plan.sa.gov.au/\\_data/assets/pdf\\_file/0007/799846/Character\\_Area\\_Overlay\\_Design\\_Advisory\\_Guidelines.pdf](https://plan.sa.gov.au/_data/assets/pdf_file/0007/799846/Character_Area_Overlay_Design_Advisory_Guidelines.pdf).

- **Style Identification Advisory Guidelines** – identifies a range of building styles to help owners and planners understand elements of importance associated with particular historic styles (eg. Tudors vs villas vs Arts and Craft):  
[https://plan.sa.gov.au/\\_data/assets/pdf\\_file/0007/799126/Style\\_Identification\\_Advisory\\_Guidelines.pdf](https://plan.sa.gov.au/_data/assets/pdf_file/0007/799126/Style_Identification_Advisory_Guidelines.pdf).

### Role of Local Government

It is considered this new approach will provide councils with the necessary tools to manage their local areas and work with their communities around expectations of character preservation.

Councils also have the ability to establish a Local Design Review Panel, which would be beneficial in assisting with the assessment of proposals in character areas, including the upskilling of council planning staff to consider and assess design solutions. The Local Design Review Panel could also assist in the preparation of enhanced local character statements.

Should you have any queries regarding the Commission's proposal to better preserve South Australia's character areas, please do not hesitate to contact the PlanSA Service Desk on 1800 752 664 or via email at: [PlanSA@sa.gov.au](mailto:PlanSA@sa.gov.au). Alternatively, you may wish to write to me directly via email at: [saplanningcommission@sa.gov.au](mailto:saplanningcommission@sa.gov.au).

Kind regards



**Craig Holden**  
Chair

Cc Mr Roberto Bria, Chief Executive Officer, City of Holdfast Bay

Item No: 15.2

Subject: **2021-22 GENERAL PURPOSE FINANCIAL STATEMENTS**

Date: 25 October 2022

Written By: Acting Manager, Financial Services

General Manager: Strategy and Corporate, Ms P Jackson

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## **SUMMARY**

The completed financial statements for the year ended 30 June 2022 have been reviewed by the Audit Committee and audited by Council's external audit firm, Dean Newbery, who have indicated that an unqualified audit opinion will be provided. They are presented to Council to be received, noted and authorised.

The consolidated operating result before capital revenues is \$1,597,000 (surplus) comprising \$2,893,000 rounded surplus from Council's municipal operations and (\$1,310,000) deficit from Alwyndor operations. Contained in Council's municipal operations result is a \$441,000 surplus from Council's equity interest in Southern Region Waste Resource Authority (SRWRA). The operating result has varied from the preliminary result reported to Council on 23 August 2022 (Report No. 350/22). The municipal surplus result decreased by \$2,000 while Alwyndor had a \$203,000 decrease in its deficit. The major reason for the Alwyndor variance was the recognition of additional COVID-19 grant income.

Loan receivables were reviewed and considered by the Audit Committee on 17 August 2022 (Report No. 345/22). On 23 August 2022 Council noted the minutes of the Audit Committee (Minute C230822/7240). The loan impairment provision has been maintained in accordance with the recommendations.

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## **RECOMMENDATION**

- 1. That the financial statements for the City of Holdfast Bay for the year ended 30 June 2022 as contained in Attachment 1 to Report No: 427/22 2021-22 General Purpose Financial Statements be received and noted.**
- 2. That the Mayor and the Chief Executive Officer be authorised to sign the following certification of the financial statements;**

**In our opinion:**

- (a) the accompanying (2021-22) financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards;
- (b) the financial statements present a true and fair view of the Council's financial position at 30 June 2022 and the results of its operations and cash flows for the financial year;
- (c) internal controls implemented by Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year; and
- (d) the financial statements accurately reflect the Council's accounting and other records.

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**STRATEGIC PLAN**

Statutory requirement

**COUNCIL POLICY**

Not applicable

**STATUTORY PROVISIONS**

*Local Government Act 1999*

*Local Government (Financial Management) Regulations 2011*

**BACKGROUND**

The financial statements for the year ended 30 June 2022 have been prepared in accordance with Australian Accounting Standards, the *Local Government Act 1999*, and the *Local Government (Financial Management) Regulations 2011* and Council policies. They have also been reviewed by the Audit Committee which resolved that it is satisfied that they present fairly the state of affairs of Council.

Report No: 350/22 presented to Council at its meeting on 23 August 2022 included preliminary unaudited financial statements as at 30 June 2022. Subsequently, the financial statements have been completed and audited.

## REPORT

Compliance with the *Local Government Act 1999* (“the Act”) and *Local Government (Financial Management) Regulations 2011* (“the Regulations”) necessarily results in a detailed and lengthy report. It has been divided into four parts and discusses the financial performance of Council’s municipal activities and Alwyndor Aged Care facility:

- Statutory requirements and audit;
- Changes since the unaudited interim statements were presented to Council on 23 August 2022;
- Comparison with the prior year, 2020-21, audited financial statements; and
- Comparison of actual results with the 2021-22 original budget and revised forecast.

### Statutory Requirements and Audit

The Act and Regulations provide for a number of requirements in relation to the preparation, presentation, audit and adoption of Council’s financial statements.

Council’s financial statements have been prepared in accordance with legislative requirements and Council policies and are provided for Member’s information.

*Refer Attachment 1*

### Consolidation

The consolidated financial statements include Alwyndor Aged Care Facility (Alwyndor) and Council’s 15% equity interests in the Southern Region Waste Resource Authority (SRWRA).

Alwyndor is not a separate entity to Council but is operated with reasonable autonomy with oversight by the Alwyndor Management Committee, a committee of Council established under Section 41 of the *Local Government Act 1999*, comprising Elected Members and independent members with industry expertise.

Alwyndor has prepared separate financial statements and these are provided for Member’s information.

*Refer Attachment 2*

Council’s auditor has indicated that an unqualified report will be given for the Alwyndor Statements. The Alwyndor Management Committee reviewed the Alwyndor Financial Statements on 29 September 2022. Subsequent to the Committee meeting, the statements will be signed by the Chair of the Alwyndor Management Committee, Council’s Chief Executive Officer and the General Manager – Alwyndor.

### **Review by Audit Committee**

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

At its meeting on 19 October 2022, the Audit Committee received an unqualified audit completion report from Council's external audit firm, Dean Newbery and the minutes of this meeting are provided to Council for information and endorsement under a separate report.

### **Independence of Council's Auditor**

Regulation 22 of the *Local Government (Financial Management) Regulations 2011* details the legislative requirements for the independence of council auditor. Regulation 22(1) states that a council must not engage its auditor to provide services to the council outside the scope of the auditors function under the Act. Furthermore, the Presiding Member of the Audit Committee and Chief Executive Officer are required to provide a statement that provides certification as to compliance with the auditor's independence, such statements to accompany the financial statements.

Copies of the statements from the Presiding Member of the Audit Committee and Chief Executive Officer are provided for Member's information

*Refer Attachment 3*

### **Certification by Chief Executive Officer and Mayor**

The format of certification of the Annual Financial Statements is governed by Regulation 14 which requires that the financial statements must be in accordance with the requirements set out in the Model Financial Statements as published by the Local Government Association and approved by the Minister. The certification statement is placed at the beginning of the statements and requires the Mayor and the Chief Executive Officer to express an opinion as to the statement's legislative compliance, current financial position, effectiveness of associated internal controls and accuracy of accounting records.

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

### **Audit**

The financial statements for the year ended 30 June 2022 have been audited by Council's audit firm, Dean Newbery. The auditor has indicated that an unqualified audit report will be given after the final statements are signed by the Mayor and the Chief Executive Officer.

As part of the audit, the Chief Executive Officer and Council's Manager, Financial Services have signed a letter to the Auditor which provides certain representations in relation to the financial statements pursuant to Australian Auditing Standard ASA580, a copy of which is provided for Member's information.

*Refer Attachment 4*

### **Operating Result**

The consolidated (rounded) operating result before capital revenues is \$1,597,000 (surplus) comprising \$2,893,000 surplus from Council's municipal operations and (\$1,310,000) deficit from Alwyndor operations. Contained in Council's municipal operations result is a \$441,000 surplus from Council's equity interest in SRWRA.

The operating results vary from the preliminary result reported to Council on 23 August 2022 (Report 350/22) as indicated in the table below.

Preliminary Report Council 350/22 operating result before net gain/loss on asset disposals/revaluations – (rounded)	Financial Statements Operating Result (rounded)	Difference (to Council Report 350/22)
<b><i>Municipal Operations</i></b>		
\$2,895,000 Surplus	\$2,893,000 Surplus	\$2,000 decrease in surplus
<b><i>Alwyndor Operations</i></b>		
(\$1,513,000) Deficit	(\$1,310,000) Deficit	\$203,000 decrease in deficit
<b><i>Consolidated</i></b>		
\$1,382,000 Surplus	\$1,597,000 Surplus	\$215,000 increase in surplus

There are only minor differences from Council's previously reported operating result and these were mainly due to final year-end adjustments: late accruals for invoice payments, depreciation calculations and Council's equity share in SRWRA. Alwyndor's deficit decreased by \$203,000 following their final year-end adjustments, primarily due to recognising additional COVID-19 grant income.

Loan receivables were reviewed and considered by the Audit Committee on 17 August 2022 (Report No: 345/22). On 23 August 2022 Council noted the minutes of the Audit Committee (Minute C230822/7240). The loan impairment provision has been maintained in accordance with the recommendations.

Additional comments comparing the results for 2021-22 to the previous year and referenced to the notes in the financial statements are provided for Members information.

*Refer Attachment 5*

### Comparison of Actual Result to Budget Forecasts

During 2021-22 three budget updates detailing budget variances were approved by Council (Report Nos: 364/21, 27/22 and 126/22). A report covering the preliminary results and budget variations was also received by Council (Report No: 350/22).

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

*Refer Attachment 6*

### Ratio Analysis

Financial indicators have been determined and are detailed in Note 15 of the financial statements.

The ratios have been compared to the 2021-22 budget including the interest cover ratio which indicates the ability to service debt by calculating net financial interest as a percentage of overall operating revenue.

The following table provides ratio analysis for consolidated activities including comparisons to budget.

Ratio Consolidated Funds	Target – from Long Term Financial Plan	Original Budget	Revised Budget Forecast	Actual Results
Operating Result*	$\geq 0$	(\$185,730) Deficit	\$118,418 Surplus	\$1,597,000 Surplus
Operating Ratio**	$\geq 0\%$	(0.3%)	0.2%	2.1%
Net Financial Liabilities Ratio***	$\leq 75\%$	71%	68%	51%
Asset Sustainability Ratio****	90% -110%	88%	118%	95%

**\*Operating Result** is the result from total operating income less total operating expenses before asset disposals, amounts received for assets and changes in the valuations of assets.

**\*\*Operating Ratio** expresses the operating result as a percentage of total operating income.

**\*\*\*Net Financial Liabilities Ratio** expresses total liabilities less total financial assets as a percentage of total operating income.

**\*\*\*\*Asset Sustainability Ratio** is defined as net capital expenditure on the renewal and replacement of existing assets expressed as a percentage of the asset management plan required expenditure.



### **Ratios - Municipal Funds**

The following table provides ratio analysis for municipal activities, including comparisons to budget.

<b>Ratio – Municipal Funds</b>	<b>Target – from Long Term Financial Plan</b>	<b>Original Budget</b>	<b>Revised Budget Forecast</b>	<b>Actual Results (rounded)</b>
Operating Result	≥ 0	\$107,462 Surplus	\$1,244,531 Surplus	\$2,893,000 Surplus
Operating Ratio	≥ 0%	0.2%	2.0%	5.7%
Net Financial Liabilities Ratio	≤ 75%	75%	70%	43%
Interest Cover Ratio *	≤ 5%	1.7%	1.4%	1.2%
Asset Sustainability Ratio	90% -110%	100%	124%	92%

*\*Interest Cover Ratio expresses finance costs including interest on borrowings less interest on investments as a percentage of total operating revenue excluding interest on investments.*

### **Explanation of variances between budget and result – Municipal Funds**

The contributing factors for the operating result budget forecast surplus increase from the original forecast have been reported to Council throughout the financial year. The most recent report on 23 August 2022 (Report No: 350/22) fully detailed the budget forecast variations for 2021-22. The report included comprehensive details of the business unit variances in the operating actual surplus result compared to the revised budget forecast. The report was provided to Audit Committee members under separate cover.

The following table summarises the major contributing variances between the revised budget forecast and final result:

<b>Major Municipal Operational Budget Variances</b>	<b>Amount (rounded)</b>
Lower materials, contract and other expenditure	\$842,000
Lower interest on borrowings expense	\$54,000
Higher reimbursements income	\$189,000
Higher depreciation expense	(\$120,000)
Higher caravan park income	\$63,000
Higher development services income	\$65,000
Higher cemetery fee income	\$75,000
Higher off-street parking ticket machine income	\$119,000
Higher on-street parking expiation fees	\$270,000
Operational result from Jetty Road Mainstreet	\$93,000
<b>Total variance to forecast (favourable)</b>	<b>\$1.65m</b>

The major contributing factors for the reduced net financial liabilities ratio are as follows:

- The 2021-22 original ratio assumed completion of the 2020-21 capital works program. However not all 2020-21 capital projects were completed and the net capital expenditure budget was increased by \$8.8m (net) during 2021-22.
- The 2021-22 capital expenditure program was not finalised by 30 June 2022 and \$10.15m (net) has been approved by Council (Report No: 350/22) to be carried forward into 2022-23 to be funded by new borrowings.
- The above factors combined with significant capital grant funds received in advance totaling \$3m contributed to a strong positive cash flow throughout 2021-22. This resulted in no requirement for new borrowings.

#### **Ratios – Alwyndor Funds**

<b>Ratio – Alwyndor Funds</b>	<b>Target – from Long Term Financial Plan</b>	<b>Original Budget</b>	<b>Revised Budget Forecast</b>	<b>Actual Results Rounded</b>
Operating Result	≥ 0	(\$293,192) Deficit	(\$1,126,113) Deficit	(\$1,310,000) Deficit

<b>Additional Alwyndor Performance Indicators</b>	<b>Target</b>	<b>Actual to 30 June 2022</b>
Cash to total revenue	4.4%	0.5%
Cash Liquidity Level – ability to refund bonds/refundable accommodation deposits (RAD's)	Minimum of \$2m	\$4.0m
Bed occupancy rate – year-to-date average	98.0%	96.9%
Average direct care funding per resident per day (Aged Care Funding Instrument)	\$180.00	\$187.70
No. of Home Support Packages	291	379
Home Support funding utilisation – the portion of revenue generated from Home Support Package funds.	78.0%	80.4%
Therapy and Wellness service hours	28,289	14,960

***Explanation of variances between target, budget and result – Alwyndor Funds***

The major contributing factors for the operating result actual deficit increase from the revised forecast is based on numerous factors as tabled below:

<b>Major Alwyndor Operational Variances</b>	<b>Amount</b>
Less spend on AlayaCare (\$331k Actual, \$400k Forecast)	\$68,000
Additional COVID-19 income balance to be claimed in 2022-23	\$159,000
Home Care income reduction (GST impact)	(\$104,000)
Home Care income due to higher growth	\$97,000
Care costs – Residential (COVID-19 costs)	(\$189,000)
Care costs – Residential (Provider Assist) – ACFI management	(\$30,000)
Care costs – HomeCare (offset partly by higher income)	(\$161,000)
Net other	(\$24,000)
<b>Total variance to forecast</b>	<b>(\$184,000)</b>

***Southern Region Waste Resource Authority (SRWRA)***

SRWRA is an established regional subsidiary under Section 43 of the *Local Government Act 1999* to provide and operate services for the management of waste facilities under its control on behalf of its constituent councils. The councils include City of Holdfast Bay, City of Onkaparinga and City of Marion. Each council has equal voting rights, however the percentage of interest and ownership differs being City of Holdfast Bay 15%, City of Onkaparinga 55% and City of Marion 30%. The SRWRA overall financial result for 2021-22 was \$2,941,000 net surplus. The 2021-22 SRWRA financial statements are provided for Member's information.

*Refer Attachment 7*

**BUDGET**

This report has no direct budget implications.

**LIFE CYCLE COSTS**

This report has no direct implication for life cycle costs.

# Attachment 1



# City of Holdfast Bay

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2022

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## General Purpose Financial Statements

for the year ended 30 June 2022

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## General Purpose Financial Statements

for the year ended 30 June 2022

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### Certification of Financial Statements

**We have been authorised by the Council to certify the financial statements in their final form.**

**In our opinion:**

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards,
- the financial statements present a true and fair view of the Council's financial position at 30 June 2022 and the results of its operations and cash flows for the financial year,
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the financial statements accurately reflect the Council's accounting and other records.

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R. Bria  
Chief Executive Officer

/ /

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A. Wilson  
Mayor

/ /

## Statement of Comprehensive Income

for the year ended 30 June 2022

\$ '000	Notes	2022	2021
<b>Income</b>			
Rates	2a	39,060	37,977
Statutory Charges	2b	2,801	2,263
User Charges	2c	8,882	7,754
Grants, Subsidies and Contributions	2g	14,743	15,515
Investment Income	2d	363	191
Reimbursements	2e	4,046	3,575
Other income	2f	5,387	4,398
Net Gain - Equity Accounted Council Businesses	19(a)	441	66
<b>Total Income</b>		<b>75,723</b>	<b>71,739</b>
<b>Expenses</b>			
Employee costs	3a	35,007	32,712
Materials, Contracts and Other Expenses	3b	26,258	25,240
Depreciation, Amortisation and Impairment	3c	11,104	10,684
Finance Costs	3d	1,758	1,814
<b>Total Expenses</b>		<b>74,127</b>	<b>70,450</b>
<b>Operating Surplus / (Deficit)</b>		<b>1,596</b>	<b>1,289</b>
Asset Disposal & Fair Value Adjustments	4	(2,340)	(1,379)
Amounts Received Specifically for New or Upgraded Assets	2g	1,544	5,631
<b>Net Surplus / (Deficit)</b>		<b>800</b>	<b>5,541</b>
<b>Other Comprehensive Income</b>			
<b>Amounts which will not be reclassified subsequently to operating result</b>			
Changes in Revaluation Surplus - I,PP&E	9a	157,837	5,567
Share of Other Comprehensive Income - Equity Accounted Council Businesses	19	173	21
<b>Total Other Comprehensive Income</b>		<b>158,010</b>	<b>5,588</b>
<b>Total Comprehensive Income</b>		<b>158,810</b>	<b>11,129</b>

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.



## Statement of Financial Position

as at 30 June 2022

\$ '000	Notes	2022	2021
<b>ASSETS</b>			
<b>Current assets</b>			
Cash & Cash Equivalent Assets	5a	5,079	19,200
Trade & Other Receivables	5b	6,276	4,000
<u>Subtotal</u>		<u>11,355</u>	<u>23,200</u>
<b>Total current assets</b>		<u>11,355</u>	<u>23,200</u>
<b>Non-current assets</b>			
Financial Assets	6a	12,403	1,133
Equity Accounted Investments in Council Businesses	6b	3,928	3,314
Other Non-Current Assets	6c	2,339	4,497
Infrastructure, Property, Plant & Equipment	7a(i)	894,636	732,135
<b>Total non-current assets</b>		<u>913,306</u>	<u>741,079</u>
<b>TOTAL ASSETS</b>		<u>924,661</u>	<u>764,279</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	8a	42,372	39,818
Borrowings	8b	1,073	1,473
Provisions	8c	5,197	4,706
<u>Subtotal</u>		<u>48,642</u>	<u>45,997</u>
<b>Total Current Liabilities</b>		<u>48,642</u>	<u>45,997</u>
<b>Non-Current Liabilities</b>			
Borrowings	8b	13,365	14,439
Provisions	8c	491	490
<b>Total Non-Current Liabilities</b>		<u>13,856</u>	<u>14,929</u>
<b>TOTAL LIABILITIES</b>		<u>62,498</u>	<u>60,926</u>
<u>Net Assets</u>		<u>862,163</u>	<u>703,353</u>
<b>EQUITY</b>			
Accumulated surplus		185,662	185,045
Asset revaluation reserves	9a	670,086	511,893
Other reserves	9b	6,415	6,415
<b>Total Council Equity</b>		<u>862,163</u>	<u>703,353</u>
<u>Total Equity</u>		<u>862,163</u>	<u>703,353</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

## Statement of Changes in Equity

for the year ended 30 June 2022

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
<b>2022</b>					
Balance at the end of previous reporting period		185,045	511,893	6,415	703,353
Net Surplus / (Deficit) for Year		800	–	–	800
<b>Other Comprehensive Income</b>					
- Gain (Loss) on Revaluation of I,PP&E	7a	–	157,837	–	157,837
Equity Accounted Council Business - asset revaluation adjustment		(183)	356	–	173
<b>Other comprehensive income</b>		<b>(183)</b>	<b>158,193</b>	<b>–</b>	<b>158,010</b>
<b>Total comprehensive income</b>		<b>617</b>	<b>158,193</b>	<b>–</b>	<b>158,810</b>
<b>Balance at the end of period</b>		<b>185,662</b>	<b>670,086</b>	<b>6,415</b>	<b>862,163</b>
<b>2021</b>					
Balance at the end of previous reporting period		179,483	506,326	6,415	692,224
Net Surplus / (Deficit) for Year		5,541	–	–	5,541
<b>Other Comprehensive Income</b>					
- Gain (Loss) on Revaluation of I,PP&E	7a	–	5,567	–	5,567
Equity Accounted Council Business - asset revaluation adjustment		21	–	–	21
<b>Other comprehensive income</b>		<b>21</b>	<b>5,567</b>	<b>–</b>	<b>5,588</b>
<b>Total comprehensive income</b>		<b>5,562</b>	<b>5,567</b>	<b>–</b>	<b>11,129</b>
<b>Balance at the end of period</b>		<b>185,045</b>	<b>511,893</b>	<b>6,415</b>	<b>703,353</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## Statement of Cash Flows

for the year ended 30 June 2022

\$ '000	Notes	2022	2021
<b>Cash flows from operating activities</b>			
<u>Receipts</u>			
Rates		38,989	38,696
Statutory Charges		2,821	2,263
Investment Receipts		364	191
Reimbursements		4,062	3,589
Other Receipts		7,442	2,907
User Charges		9,169	7,767
Grants, Subsidies and Contributions (operating purpose)		16,389	13,030
<u>Payments</u>			
Payments for Materials, Contracts & Other Expenses		(30,205)	(25,463)
Finance Payments		(723)	(657)
Payments to Employees		(34,478)	(32,673)
<b>Net cash provided by (or used in) Operating Activities</b>	11b	<u>13,830</u>	<u>9,650</u>
<b>Cash flows from investing activities</b>			
<u>Receipts</u>			
Sale of Surplus Assets		34	12
Repayments of Loans by Community Groups		239	32
Amounts Received Specifically for New/Upgraded Assets		1,544	5,632
Sale of Replaced Assets		43	261
<u>Payments</u>			
Net Purchase of Investment Securities		(12,407)	–
Expenditure on Renewal/Replacement of Assets		(9,504)	(8,758)
Expenditure on New/Upgraded Assets		(5,655)	(9,715)
<b>Net cash provided (or used in) investing activities</b>		<u>(25,706)</u>	<u>(12,536)</u>
<b>Cash flows from financing activities</b>			
<u>Receipts</u>			
Proceeds from Aged Care Facility Deposits		7,573	6,146
Proceeds from Borrowings		–	5,000
Proceeds from Bonds & Deposits		7	–
<u>Payments</u>			
Repayment of Aged Care Facility Deposits		(8,351)	(7,717)
Repayments of Borrowings		(1,117)	(3,055)
<b>Net Cash provided by (or used in) Financing Activities</b>		<u>(1,888)</u>	<u>374</u>
<b>Net Increase (Decrease) in Cash Held</b>		<u>(13,764)</u>	<u>(2,512)</u>
plus: Cash & Cash Equivalents at beginning of period		18,843	21,355
<b>Cash and cash equivalents held at end of period</b>	11a	<u>5,079</u>	<u>18,843</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

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## Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

### Note 1. Summary of Significant Accounting Policies

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The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (1) Basis of Preparation

##### 1.1 Compliance with Australian Accounting Standards

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

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

##### 1.2 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying Council's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of these Notes.

##### 1.3 Rounding

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

##### 1.4 Aged Care Facility

The City of Holdfast Bay (the Council) is the Trustee of an Aged Care Facility called Alwyndor which was established pursuant to the Dorothy Cheater Trust. Alwyndor is a registered charitable trust.

These consolidated financial statements have been prepared to satisfy the reporting obligations of the Council and Alwyndor. A committee of Council established under Section 41 of the Local Government Act comprising Elected Members and independent members oversees the governance of Alwyndor.

Given Alwyndor is a charitable trust, no profits are distributed to beneficiaries and are retained in Equity on the Statement of Financial Position. Additional disclosure has been made in Note 24.

#### (2) The Local Government Reporting Entity

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

#### (3) Income Recognition

The Council recognises revenue under *AASB 1058 Income of Not-for-Profit Entities* (AASB 1058) or *AASB 15 Revenue from Contracts with Customers* (AASB 15) when appropriate.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Council expects to be entitled in a contract with a customer.

In other cases, AASB 1058 applies when a not-for-profit (NFP) entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the council to acquire or construct a recognisable non-financial asset that

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

## Note 1. Summary of Significant Accounting Policies (continued)

is to be controlled by the council. In this case, the council recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

In recent years the payment of untied grants (financial assistance grants / local roads / supplementary grants) has varied from the annual allocation as shown in the table below:

	Cash Payment Received	Annual Allocation	Difference
2019/20	\$1,234,622	\$1,173,216	+\$61,406
2020/21	\$1,126,691	\$1,180,780	-\$54,089
2021/22	\$1,909,790	\$1,409,816	+\$499,974

Because these grants are untied, the Australian Accounting Standards require that payments be recognised upon receipt. Accordingly, the operating results of these periods have been distorted compared to those that would have been reported had the grants been paid in the year to which they were allocated.

The Operating Surplus Ratio disclosed in Note 15 has also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

**(4) Cash, Cash Equivalents and other Financial Instruments**

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

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

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

All financial instruments are recognised at fair value at the date of recognition, except for trade receivables from a contract with a customer, which are measured at the transaction price. A detailed statement of the accounting policies applied to financial instruments forms part of Note 13.

**(5) Infrastructure, Property, Plant & Equipment****5.1 Initial Recognition**

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

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

**5.2 Materiality**

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life.

Examples of capitalisation thresholds applied during the year are given below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture & Fittings	\$2,000
Equipment	\$2,000
Buildings	\$5,000

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

## Note 1. Summary of Significant Accounting Policies (continued)

Roads	\$5,000
Other Infrastructure	\$5,000

**5.3 Subsequent Recognition**

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Significant uncertainties exist in the estimation of fair value of a number of asset classes including land, buildings and associated structures and infrastructure. Further detail of these uncertainties, and of existing valuations, methods and valuers are provided at Note 7.

**5.4 Depreciation of Non-Current Assets**

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

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

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

*Plant, Furniture & Equipment*

Office Furniture & Equipment	3 to 10 years
Vehicles and Road-making Equip	6 to 15 years
Other Plant & Equipment	3 to 25 years

*Building & Other Structures*

Buildings – masonry	50 to 170 years
Buildings – other construction	20 to 60 years
Park Structures – masonry	40 to 100 years
Park Structures – other construction	20 to 50 years

*Infrastructure*

Sealed Roads – Surface	15 to 40 years
Sealed Roads – Structure	120 to 150 years
Sealed Roads – Sub-base	300 years
Sealed Roads – Kerbing	100 years
Bridges	100 years
Paving & Footpaths	10 to 50 years
Drains / Culverts	15 to 150 years
Playground Equipment	10 to 20 years
Benches, seats, etc	7 to 25 years

*Other Assets*

Library Lending Materials	7 years
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**5.5 Impairment**

Assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, are not subject to impairment testing.

Other assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash inflows or value in use).

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

### Note 1. Summary of Significant Accounting Policies (continued)

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

#### (6) Payables

##### 6.1 Goods & Services

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

##### 6.2 Payments Received in Advance & Deposits

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

#### (7) Borrowings

Borrowings are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables".

#### (8) Employee Benefits

##### 8.1 Salaries, Wages & Compensated Absences

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

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

##### 8.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Statewide Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

#### (9) Leases

Council and Alwyndor Aged Care assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Council and Alwyndor Aged Care have elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Resident loans are treated using the principles of lease accounting because Alwyndor Aged Care has assessed that residents enter a lease to occupy a room within residential aged care facilities. Refer to note 1 (9.1.ii.).

##### i) Aged Care Refundable Accommodation Deposits/ Contributions

Refundable Accommodation Deposits/Contributions are recognised upon receipt as per the amount received. Amounts received are repaid upon the resident vacating their accommodation and are settled in accordance with legislative requirements. The accounting treatment for resident loans is described in 1 (9.1.ii.). below. Un-refunded resident's loans (under the Aged Care Act) incur interest.

##### ii) Aged Care Resident Loans



## City of Holdfast Bay

### Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

#### Note 1. Summary of Significant Accounting Policies (continued)

Resident loans are recorded as aged care facility deposits. Resident loans comprise of Refundable Accommodation Deposits/Contributions and Accommodation Bonds, which are subject to the Aged Care Act 1997.

##### *Resident loans - Aged Care Act 1997*

Lump sum amounts received from residents in payment of their accommodation expense (prior to 01/07/2014: Accommodation Bonds, from 01/07/2014: Refundable Accommodation Deposits (RAD)).

From December 2005 repayment to the resident is guaranteed by the Australian Government.

RADs and Bonds fall within the scope of AASB 16: Leases, in that there is a contract conveying to the resident the right to use an asset for a period of time, in exchange for consideration.

Alwyndor Aged Care estimated the fair value of the consideration by reference to the Daily Accommodation Payment (DAP) that the resident would have paid if they had not chosen to provide a RAD. This results in the recognition of a rental income amount, and corresponding interest expense. The impact of the change in policy is described further in note 1 (12).

#### (10) Equity Accounted Council Businesses

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

#### (11) GST Implications

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

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

#### (12) New accounting standards and UIG interpretations

The Council applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2021. New standards and amendments relevant to the Council are listed below. The Council has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

##### **Amendments to AASB 16 Covid-19 Related Rent Concessions**

In 2020, the AASB issued AASB 2020-4, Amendments to AASs - Covid-19-Related Rent Concessions. The amendments provide relief to lessees from applying AASB 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, in 2021 the AASB extended the period of application of the practical expedient to 30 June 2022. The amendment applies to annual reporting periods beginning on or after 1 April 2021. This amendment had no impact on the consolidated financial statements of the Group.

##### **Standards issued by the AASB not yet effective**

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2022, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these illustrative statements that could be applicable to Councils.

##### **Effective for NFP annual reporting periods beginning on or after 1 January 2022**

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

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**Effective for NFP annual reporting periods beginning on or after 1 January 2023**

- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current and associated standards (amended by AASB 2020-6)
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates (amended by AASB 2021-6)

**Effective for NFP annual reporting periods beginning on or after 1 January 2025**

- AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amended by AASB 2015-10, AASB 2017-5 and AASB 2021-7)

**(13) Disclaimer**

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

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 2. Income

\$ '000	2022	2021
<b>(a) Rates</b>		
<b>General Rates</b>		
General Rates	37,903	36,625
Less: Mandatory Rebates	(518)	(511)
Less: Discretionary Rebates, Remissions & Write Offs	(411)	(195)
<b>Total General Rates</b>	<b>36,974</b>	<b>35,919</b>
<b>Other Rates (Including Service Charges)</b>		
Landscape Levy	1,327	1,309
Separate & Special Rates	673	657
<b>Total Other Rates (Including Service Charges)</b>	<b>2,000</b>	<b>1,966</b>
<b>Other Charges</b>		
Penalties for Late Payment	74	64
Legal & Other Costs Recovered	12	28
<b>Total Other Charges</b>	<b>86</b>	<b>92</b>
<b>Total Rates</b>	<b>39,060</b>	<b>37,977</b>
<b>(b) Statutory Charges</b>		
Development Act Fees	498	421
Animal Registration Fees & Fines	191	191
Parking Fines / Expiation Fees	1,590	1,193
Other Licences, Fees & Fines	522	458
<b>Total Statutory Charges</b>	<b>2,801</b>	<b>2,263</b>
<b>(c) User Charges</b>		
Cemetery/Crematoria Fees	274	199
Parking Fees	1,054	977
Sundry	65	92
Commercial Leases/Caravan Park	1,994	1,917
Aged Care Residential Fees and Rentals	5,492	4,505
Major Community Event	-	61
Other	3	3
<b>Total User Charges</b>	<b>8,882</b>	<b>7,754</b>

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 2. Income (continued)

\$ '000	2022	2021
<b>(d) Investment Income</b>		
Interest on Investments		
- Local Government Finance Authority	119	177
- Banks & Other	244	14
<b><u>Total Investment Income</u></b>	<b><u>363</u></b>	<b><u>191</u></b>
<b>(e) Reimbursements</b>		
Private Works	59	88
Aged Care Facility - Home Care	3,733	3,193
Other	254	294
<b><u>Total Reimbursements</u></b>	<b><u>4,046</u></b>	<b><u>3,575</u></b>
<b>(f) Other income</b>		
Rebates Received	416	449
Sundry	385	258
Aged Care Facility - Home Care Management Fees	2,185	1,524
Aged Care Facility - Accommodation and Care Fees	1,614	1,632
Aged Care Facility - Home Care	435	465
Other	352	70
<b><u>Total Other income</u></b>	<b><u>5,387</u></b>	<b><u>4,398</u></b>
<b>(g) Grants, Subsidies, Contributions</b>		
Amounts Received Specifically for New or Upgraded Assets	1,544	5,631
<b>Total Amounts Received Specifically for New or Upgraded Assets</b>	<b><u>1,544</u></b>	<b><u>5,631</u></b>
Other Grants, Subsidies and Contributions	480	634
Aged Care Facility - Grants, Subsidies and Contributions	11,980	12,184
Untied - Financial Assistance Grant	1,410	1,073
Roads to Recovery	373	374
Home and Community Care Grant	-	143
Local Roads and Community Infrastructure Program	-	1,053
Individually Significant Item - Additional Grants Commission Payment (refer below)	500	54
<b>Total Other Grants, Subsidies and Contributions</b>	<b><u>14,743</u></b>	<b><u>15,515</u></b>
<b><u>Total Grants, Subsidies, Contributions</u></b>	<b><u>16,287</u></b>	<b><u>21,146</u></b>
The functions to which these grants relate are shown in Note 12.		
<b>(i) Sources of grants</b>		
Commonwealth Government	11,735	16,340
State Government	4,203	4,173
Other	349	633
<b>Total</b>	<b><u>16,287</u></b>	<b><u>21,146</u></b>

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 3. Expenses

\$ '000	Notes	2022	2021
<b>(a) Employee costs</b>			
Salaries and Wages		29,532	27,219
Employee Leave Expense		2,201	2,433
Superannuation - Defined Contribution Plan Contributions	18	2,727	2,540
Superannuation - Defined Benefit Plan Contributions	18	199	224
Workers' Compensation Insurance		1,282	1,205
Less: Capitalised and Distributed Costs		(934)	(909)
<b>Total Operating Employee Costs</b>		<b>35,007</b>	<b>32,712</b>
City of Holdfast Bay		175	175
Aged Care Facility		213	174
<b>Total Number of Employees (full time equivalent at end of reporting period)</b>		<b>388</b>	<b>349</b>
<b>(b) Materials, Contracts and Other Expenses</b>			
<b>(i) Prescribed Expenses</b>			
Auditor's Remuneration			
- Auditing the Financial Reports		31	31
Elected Members' Expenses		367	361
Election Expenses		43	11
Lease Expense - Low Value Assets / Short Term Leases		16	17
<b>Subtotal - Prescribed Expenses</b>		<b>457</b>	<b>420</b>
<b>(ii) Other Materials, Contracts and Expenses</b>			
Contractors		7,107	6,968
Energy		372	434
Maintenance		2,312	2,386
Legal Expenses		168	151
Levies Paid to Government - NRM levy		1,302	1,287
Professional Services		2,884	2,823
Water		521	561
Materials		2,892	2,590
Insurances		596	551
Waste Management		4,087	4,068
Covid 19 Related Expenditure		31	169
Other		3,529	2,832
<b>Subtotal - Other Material, Contracts &amp; Expenses</b>		<b>25,801</b>	<b>24,820</b>
<b>Total Materials, Contracts and Other Expenses</b>		<b>26,258</b>	<b>25,240</b>

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 3. Expenses (continued)

\$ '000	2022	2021
<b>(c) Depreciation, Amortisation and Impairment</b>		
<b>(i) Depreciation and Amortisation</b>		
Buildings & Other Structures	3,015	2,933
Infrastructure		
- Stormwater Drainage	568	510
- Roads	1,485	1,470
- Footpaths	973	966
- Kerb & Guttering	683	676
- Other Transport	589	465
- Open Space & Coastal	2,105	2,000
Plant & Equipment	941	965
Furniture & Fittings, Office Equipment	595	549
Library Lending Materials	150	150
<b>Subtotal</b>	<b>11,104</b>	<b>10,684</b>
<b>Total Depreciation, Amortisation and Impairment</b>	<b>11,104</b>	<b>10,684</b>

### (d) Finance Costs

Interest on Loans	641	587
Aged Care Facility - Interest on Deposits	1,117	1,227
<b>Total Finance Costs</b>	<b>1,758</b>	<b>1,814</b>

### Note 4. Asset Disposal & Fair Value Adjustments

\$ '000	2022	2021
<b>Infrastructure, Property, Plant &amp; Equipment</b>		
<b>(i) Assets Renewed or Directly Replaced</b>		
Proceeds from Disposal	44	261
Less: Carrying Amount of Assets Sold	(1,549)	(1,626)
<b>Gain (Loss) on Disposal</b>	<b>(1,505)</b>	<b>(1,365)</b>
<b>(ii) Assets Surplus to Requirements</b>		
Proceeds from Disposal	31	12
Less: Carrying Amount of Assets Sold	(1)	(26)
<b>Gain (Loss) on Disposal</b>	<b>30</b>	<b>(14)</b>
<b>Fair Value movements on Alwyndor Investment Portfolio</b>		
Net gain/(loss) on fair value movements	(836)	-
Net gain/(loss) on disposal of investments	(29)	-
<b>Gain (Loss) on Disposal</b>	<b>(865)</b>	<b>-</b>
<b>Net Gain (Loss) on Disposal or Revaluation of Assets</b>	<b>(2,340)</b>	<b>(1,379)</b>

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2022

Note 5. Current Assets

\$ '000	2022	2021
<b>(a) Cash &amp; Cash Equivalent Assets</b>		
Cash on Hand at Bank	306	610
Deposits at Call	4,553	4,090
Short Term Deposits & Bills, etc.	–	14,500
Other	220	–
<b>Total Cash &amp; Cash Equivalent Assets</b>	<b>5,079</b>	<b>19,200</b>
<b>(b) Trade &amp; Other Receivables</b>		
Rates - General & Other	644	577
Council Rates Postponement Scheme	38	34
Accrued Revenues	1,186	519
Debtors - General	2,105	1,514
GST Recoupment	320	302
Prepayments	508	355
Loans to Community Organisations	252	219
Aged Care Facility Deposits	1,300	610
Investment Income and Imputation Credits	80	–
<b>Subtotal</b>	<b>6,433</b>	<b>4,130</b>
Less: Allowance for Doubtful Debts	(157)	(130)
<b>Total Trade &amp; Other Receivables</b>	<b>6,276</b>	<b>4,000</b>

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2022

Note 6. Non-Current Assets

\$ '000	Notes	2022	2021
<b>(a) Financial Assets</b>			
<b>Receivables</b>			
Loans to Community Organisations		1,379	1,651
Provision for Impairment on Loans to Community Organisations		(518)	(518)
<b>Subtotal</b>		<u>861</u>	<u>1,133</u>
<b>Total Receivables</b>		<u>861</u>	<u>1,133</u>
<b>Other Financial Assets (Investments)</b>			
Interest Rate Securities - Alwyndor Investments		8,904	–
Equity Securities - Alwyndor Investments		2,638	–
<b>Total Other Financial Assets (Investments)</b>		<u>11,542</u>	<u>–</u>
<b>Total Financial Assets</b>		<u>12,403</u>	<u>1,133</u>
<b>(b) Equity Accounted Investments in Council Businesses</b>			
Southern Region Waste Resource Authority	19	<u>3,928</u>	<u>3,314</u>
<b>Total Equity Accounted Investments in Council Businesses</b>		<u>3,928</u>	<u>3,314</u>
<b>(c) Other Non-Current Assets</b>			
<b>Other</b>			
Capital Works-in-Progress		<u>2,339</u>	<u>4,497</u>
<b>Total Other</b>		<u>2,339</u>	<u>4,497</u>
<b>Total Other Non-Current Assets</b>		<u>2,339</u>	<u>4,497</u>



Notes to and forming part of the Financial Statements  
for the year ended 30 June 2022

Note 7. Infrastructure, Property, Plant & Equipment & Investment Property

(a(i)) Infrastructure, Property, Plant & Equipment

\$ '000	Fair Value Level	as at 30/06/21				Asset movements during the reporting period							as at 30/06/22			
		At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Adjustments & Transfers	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount
Land	2	28,062	–	–	28,062	–	–	–	–	33,463	–	59,446	120,971	–	–	120,971
Land	3	330,274	1,115	–	331,389	–	–	–	–	(33,463)	–	85,325	383,251	–	–	383,251
Buildings & Other Structures	2	44,032	288	(12,926)	31,394	–	73	–	(39)	(30,243)	(282)	–	44,651	–	(15,498)	29,153
Buildings & Other Structures	3	91,467	16,219	(40,664)	67,022	1,617	2,370	(637)	(2,976)	29,697	(989)	15,149	132,430	–	(49,425)	83,005
Infrastructure																
- Stormwater Drainage	3	54,779	4,996	(20,832)	38,943	124	1,637	(47)	(568)	2,208	(791)	–	68,267	–	(26,764)	41,503
- Roads	3	120,387	6,381	(44,601)	82,167	–	1,884	(463)	(1,485)	–	–	–	119,134	8,265	(45,296)	82,103
- Footpaths	3	44,504	894	(20,207)	25,191	–	402	(65)	(973)	–	–	–	44,367	1,296	(21,108)	24,555
- Kerb & Guttering	3	63,337	4,975	(20,113)	48,199	–	1,248	(11)	(683)	–	–	–	63,318	6,223	(20,788)	48,753
- Other Transport	3	35,277	–	(8,550)	26,727	–	37	–	(589)	–	–	–	35,277	37	(9,139)	26,175
- Open Space & Coastal	3	51,522	14,109	(21,914)	43,717	4,385	1,211	(314)	(2,105)	(1,744)	–	–	48,134	19,620	(22,604)	45,150
Plant & Equipment		–	10,723	(5,157)	5,566	383	557	(11)	(941)	82	–	–	–	11,525	(5,890)	5,635
Furniture & Fittings, Office Equipment		–	5,893	(2,968)	2,925	995	231	–	(595)	–	–	–	–	7,118	(3,563)	3,555
Library Lending Materials	3	1,366	–	(533)	833	–	165	–	(150)	–	(21)	–	1,347	–	(520)	827
<b>Total Infrastructure, Property, Plant &amp; Equipment</b>		<b>865,007</b>	<b>65,593</b>	<b>(198,465)</b>	<b>732,135</b>	<b>7,504</b>	<b>9,815</b>	<b>(1,548)</b>	<b>(11,104)</b>	<b>–</b>	<b>(2,083)</b>	<b>159,920</b>	<b>1,061,147</b>	<b>54,084</b>	<b>(220,595)</b>	<b>894,636</b>
Comparatives		854,671	53,500	(187,794)	720,377	8,887	9,635	(1,651)	(10,684)	–	(13)	5,580	865,007	65,593	(198,465)	732,135

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

### Note 7. Infrastructure, Property, Plant & Equipment & Investment Property (continued)

#### (b) Valuation of Infrastructure, Property, Plant & Equipment & Investment Property

##### Valuation of Assets

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

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

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

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

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

Refer to Note 7a for the disclosure of the Fair Value Levels of Infrastructure, Property, Plant and Equipment Assets.

##### Information on Valuations

Fair value hierarchy level 2 valuations - Certain land, and the buildings and structures thereon, are shown above as being based on fair value hierarchy level 2 valuation inputs. They are based on prices for similar assets in an active market, with directly or indirectly observable adjustments for specific advantages or disadvantages attaching to the particular asset.

Fair value hierarchy level 3 valuations of land - Valuations of Crown land, community land and land subject to other restrictions on use or disposal, shown above as being based on fair value hierarchy level 3 valuation inputs, are based on prices for similar assets in an active market, but include adjustments for specific advantages or disadvantages attaching to the particular asset that are not directly or indirectly observable in that market, or the number and / or amount of observable adjustments of which are so great that the valuation is more fairly described as being based on level 3 valuation inputs.

Fair value hierarchy level 3 valuations of buildings, infrastructure and other assets - There is no known market for buildings, infrastructure and other assets. These assets are valued at depreciated current replacement cost. This method involves:

- The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar Councils, or on industry construction guides where these are more appropriate.
- The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council.

This method has significant inherent uncertainties, relying on estimates of quantities of materials and labour, residual values and useful lives, and the possibility of changes in prices for materials and labour, and the potential for development of more efficient construction techniques. Accordingly, formal sensitivity analysis does not provide useful information.

##### Other Information

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB 1.D5 to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent addition at cost, this remains as the basis of recognition of non-material asset classes.

Upon revaluation, the current new replacement cost and accumulated depreciation are re-stated such that the difference represents the fair value of the asset determined in accordance with AASB 13 Fair Value Measurement: accumulated depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, current replacement cost is taken to be the fair value.

##### Highest and best use

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

Highest and best use - For land which Council has an unfettered right to sell, the "highest and best use" recognises the possibility of the demolition or substantial modification of some or all of the existing buildings and structures affixed to the land.

## City of Holdfast Bay

### Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

#### Note 7. Infrastructure, Property, Plant & Equipment & Investment Property (continued)

Much of the land under Council's care and control is Crown land or has been declared as community land under the provisions of the Local Government Act 1999. Other types of restrictions also exist.

For land subject to these restrictions, the highest and best use is taken to be the "highest and best use" available to Council, with a rebuttable presumption that the current use is the "highest and best use". The reason for the current use of a large proportion of Council's assets being other than the "highest and best use" relates to Council's principal role as the provider of services to the community, rather than the use of those assets for the generation of revenue.

For buildings and other structures on and in the land, including infrastructure, "highest and best use" is determined in accordance with the land on and in which they are situated.

#### Transition to AASB 13 - Fair Value Measurement

The requirements of AASB 13 Fair Value Measurement have been applied to all valuations undertaken since 1 July 2013 as shown by the valuation dates by individual asset classes below.

#### Land & Land Improvements

Council being of the opinion that it is not possible to attribute a value sufficiently reliably to qualify for recognition, land under roads has not been recognised in these reports. .

Land and Land improvements, including bulk earthworks with an assessed unlimited useful life, were valued at 30 June 2022 by Public Private Property.

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2022
- Valuer: Public Private Property

#### Buildings & Other Structures

Buildings and other structures were revalued as at 30 June 2022 by Public Private Property

- Basis of valuation: Fair Value / Market Value / Written down current replacement cost
- Date of valuation: 30 June 2022
- Valuer: Public Private Property

#### Infrastructure

Infrastructure assets have been valued as follows:

##### *Roads, Kerb and Gutter*

- Basis of valuation: Written down current replacement cost
- Date of valuation: 30 June 2019
- Valuer: Public Private Property

##### *Footpaths*

- Basis of valuation: Written down current replacement cost
- Date of valuation: 31 December 2019
- Valuer: Public Private Property

##### *Stormwater Drainage*

- Basis of valuation: Written down current replacement cost
- Date of valuation: 30 June 2022
- Valuer: City of Holdfast Bay - reviewed by Public Private Property

##### *Other Transport - Bridges, Car Parks, Traffic Control Devices*

- Basis of valuation: Written down current replacement cost
- Date of valuation: 30 June 2021
- Valuer: Asset Engineering

##### *Open Space, Coastal*

- Basis of valuation: Written down current replacement cost
- Date of valuation: 30 June 2018
- Valuer: Jones Lang LaSalle

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2022

Note 7. Infrastructure, Property, Plant & Equipment & Investment Property (continued)

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- An updated valuation will be undertaken in 2022/23

**Plant & Equipment**

These assets are recognised at cost.

**Library Lending Materials**

Library Lending Materials were valued as at 30 June 2022 by Council senior library officers.

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2022

Note 8. Liabilities

\$ '000	2022 Current	2022 Non Current	2021 Current	2021 Non Current
<b>(a) Trade and Other Payables</b>				
Goods & Services	4,762	–	4,734	–
Payments Received in Advance	4,382	–	1,582	–
Accrued Expenses - Employee Entitlements	349	–	236	–
Accrued Expenses - Other	450	–	340	–
Aged Care Facility Deposits	30,514	–	30,601	–
Deposits, Retentions & Bonds	8	–	1	–
Other	1,907	–	2,324	–
<b><u>Total Trade and Other Payables</u></b>	<b><u>42,372</u></b>	<b><u>–</u></b>	<b><u>39,818</u></b>	<b><u>–</u></b>
<b>(b) Borrowings</b>				
Short Term Draw Down Facility	–	–	357	–
Loans	1,073	13,365	1,116	14,439
<b><u>Total Borrowings</u></b>	<b><u>1,073</u></b>	<b><u>13,365</u></b>	<b><u>1,473</u></b>	<b><u>14,439</u></b>
All interest bearing liabilities are secured over the future revenues of the Council				
<b>(c) Provisions</b>				
Employee Entitlements (including oncosts)	5,197	491	4,706	490
<b><u>Total Provisions</u></b>	<b><u>5,197</u></b>	<b><u>491</u></b>	<b><u>4,706</u></b>	<b><u>490</u></b>

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 9. Reserves

\$ '000	as at 30/06/21		Transfers	Impairments	as at 30/06/22	
	Opening Balance	Increments (Decrements)			Closing Balance	
<b>(a) Asset Revaluation Reserve</b>						
Land - Other	310,456	144,771	-	-		455,227
Buildings & Other Structures Infrastructure	40,198	13,878	-	-		54,076
- Stormwater Drainage	22,004	(791)	-	-		21,213
- Roads	67,266	-	-	-		67,266
- Footpaths	13,389	-	-	-		13,389
- Kerb & Guttering	41,589	-	-	-		41,589
- Other Transport	8,307	-	-	-		8,307
- Open Space & Coastal	8,309	-	-	-		8,309
Library Books	375	(21)	-	-		354
Equity Accounted Council Business - asset revaluation reserve	-	356	-	-		356
<b>Total Asset Revaluation Reserve</b>	<b>511,893</b>	<b>158,193</b>	<b>-</b>	<b>-</b>		<b>670,086</b>
Comparatives	506,326	5,567	-	-		511,893

\$ '000	as at 30/06/21		Tfrs to Reserve	Tfrs from Reserve	Other Movements	as at 30/06/22	
	Opening Balance					Closing Balance	
<b>(b) Other Reserves</b>							
Alwyndor General Reserve	6,414	-	-	-	-		6,414
<b>Total Other Reserves</b>	<b>6,414</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>6,414</b>
Comparatives	6,414	-	-	-	-		6,414

### (c) Purpose of Reserves

#### Asset Revaluation Reserve

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

#### Other Reserves

Alwyndor reserve is unspent funds which are carried forward to cover part of the unfunded accommodation deposit liability.

### Note 10. Assets Subject to Restrictions

\$ '000	2022	2021
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The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.

#### Cash and Financial Assets

Aged Care Facility Deposits	1,300	610
<b>Total Assets Subject to Externally Imposed Restrictions</b>	<b>1,300</b>	<b>610</b>

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2022	2021
<b>(a) Reconciliation of Cash</b>			
Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:			
Total Cash & Equivalent Assets	5	5,079	19,200
Less: Short-Term Borrowings	8	–	(357)
<b>Balances per Statement of Cash Flows</b>		<b>5,079</b>	<b>18,843</b>
<b>(b) Reconciliation of Change in Net Assets to Cash from Operating Activities</b>			
<b>Net Surplus/(Deficit)</b>		<b>800</b>	<b>5,541</b>
<b>Non-Cash Items in Income Statements</b>			
Depreciation, Amortisation & Impairment		11,102	10,684
Equity Movements in Equity Accounted Investments (Increase)/Decrease		(441)	(66)
Grants for capital acquisitions treated as Investing Activity		(1,544)	(5,631)
Net (Gain) Loss on Disposals		2,340	1,379
		<b>12,257</b>	<b>11,907</b>
<b>Add (Less): Changes in Net Current Assets</b>			
Net (Increase)/Decrease in Receivables		(1,580)	479
Change in Allowances for Under-Recovery of Receivables		(27)	297
Net (Increase)/Decrease in Inventories		–	10
Net (Increase)/Decrease in Other Assets		54	(594)
Net Increase/(Decrease) in Trade & Other Payables		2,634	(2,558)
Net Increase/(Decrease) in Unpaid Employee Benefits		492	109
<b>Net Cash provided by (or used in) operations</b>		<b>13,830</b>	<b>9,650</b>
<b>(c) Financing Arrangements</b>			
<b>Unrestricted access was available at balance date to the following lines of credit:</b>			
Corporate Credit Cards		100	100
LGFA Cash Advance Debenture Facility		19,728	19,371

### (c) Financing Arrangements

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

Corporate Credit Cards	100	100
LGFA Cash Advance Debenture Facility	19,728	19,371

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2022

## Note 12(a). Functions

Income, Expenses and Assets have been directly attributed to the following Functions / Activities.  
Details of these Functions/Activities are provided in Note 12(b).

\$ '000	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<b>Functions/Activities</b>										
Business Undertakings	2,937	2,796	710	1,234	2,227	1,562	–	–	103,734	80,628
Community Services	26,103	24,226	32,477	29,367	(6,374)	(5,141)	12,023	12,604	125,570	95,152
Culture	333	321	4,383	3,693	(4,050)	(3,372)	224	270	27,455	18,086
Economic Development	843	756	2,382	2,366	(1,539)	(1,610)	20	20	1,285	1,285
Environment	906	457	7,679	8,171	(6,773)	(7,714)	160	123	45,116	43,626
Recreation	224	203	6,996	7,064	(6,772)	(6,861)	–	–	420,329	325,825
Regulatory Services	2,463	1,959	5,903	6,105	(3,440)	(4,146)	–	–	629	609
Transport & Communication	20	34	9,171	8,388	(9,151)	(8,354)	–	–	179,878	180,766
Unclassified Activities	–	–	–	–	–	–	–	–	3,233	3,233
Council Administration	41,894	41,008	4,426	4,062	37,468	36,946	2,316	2,498	17,432	15,069
<b>Total Functions/Activities</b>	<b>75,723</b>	<b>71,760</b>	<b>74,127</b>	<b>70,450</b>	<b>1,596</b>	<b>1,310</b>	<b>14,743</b>	<b>15,515</b>	<b>924,661</b>	<b>764,279</b>

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



## Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

### Note 12(b). Components of Functions

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The activities relating to Council functions are as follows:

#### **Business Undertakings**

Caravan Parks, Off-street Car Parks, Private Works, Commercial Property, Commercial Activities.

#### **Community Services**

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

#### **Culture**

Library Services, Heritage and Museum Facilities and Services.

#### **Economic Development**

Tourism and Local Businesses Support.

#### **Environment**

Domestic Waste & Green Waste, Recycling, Coastal Protection, Stormwater and other Drainage, Street Cleaning, Street Lighting.

#### **Recreation**

Jetties, Other Marine Facilities, Parks and Gardens, Sports Facilities.

#### **Regulatory Services**

Dog and Cat Control, Building Control, Town Planning, Health Inspection, Litter and Parking Control.

#### **Transport**

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

#### **Council Administration**

Administration n.e.c., Elected Members, Organisational, Support Services, Rate Revenue.

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

## Note 13. Financial Instruments

**Recognised Financial Instruments****Bank, Deposits at Call, Short Term Deposits****Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost; interest is recognised when earned.

**Terms & Conditions:**

Deposits are returning fixed interest rates between 0.3% and 1.05% (2021: 0.3% and 1.7%). Short term deposits have an average maturity of 65 days and an average interest rate of 0.3% (2021: 100 days and 1%).

**Carrying Amount:**

Approximates fair value due to the short term to maturity.

**Receivables - Rates & Associated Charges****Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

**Terms & Conditions:**

Secured over the subject land, arrears attract interest of 0.48% per month (2021: 0.43%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

**Carrying Amount:**

Approximates fair value (after deduction of any allowance).

**Receivables - Fees & Other Charges****Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

**Terms & Conditions:**

Unsecured, and do not bear interest. Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.

**Carrying Amount:**

Approximates fair value (after deduction of any allowance).

**Receivables - Other Levels of Government****Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

**Terms & Conditions:**

Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.

**Carrying Amount:**

Approximates fair value.

**Receivables - Aged Care Facility Contributions****Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

## Note 13. Financial Instruments (continued)

**Terms & Conditions:**

Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.

**Carrying Amount:**

Approximates fair value (after deduction of any allowance).

**Liabilities - Creditors and Accruals****Accounting Policy:**

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.

**Terms & Conditions:**

Liabilities are normally settled on 30 day terms.

**Carrying Amount:**

Approximates fair value.

**Liabilities - Aged Care Facility Contributions****Accounting Policy:**

To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.

**Terms & Conditions:**

Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy.

**Carrying Amount:**

Approximates fair value for short tenancies; may be non-materially overstated for longer tenancies.

**Liabilities - Interest Bearing Borrowings****Accounting Policy:**

Initially recognised at fair value and subsequently at amortised cost using the effective interest rate.

**Terms & Conditions:**

Secured over future revenues, borrowings are repayable (describe basis); interest is charged at fixed rates between 3% and 5.63% (2021: 1.3% and 7.05%).

**Carrying Amount:**

Approximates fair value.

**Liabilities - Leases****Accounting Policy:**

Accounted for in accordance with AASB 16 as stated in Note 1.

**Aged Care Facility Investments****Accounting Policy:**

Financial assets are initially measured at fair value through profit or loss unless measured at amortised cost, Transactions costs are included as part of the initial measurement except where the instrument is classified at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

### Note 13. Financial Instruments (continued)

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determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset.

Financial assets not measured at amortised cost such as equity securities and interest rate securities are classified as financial assets to fair value through profit or loss. Financial assets at fair value through profit or loss are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the entity has transferred substantially all the risks and reqrds of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

#### *Impairment*

The entity will recognise a loss allowance for expected credit losses on financial assets which are measured at amortised cost. The measurement of the loss allowance depends upon the entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information which is available, without undue cost or effort to obtain.

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

## Note 13. Financial Instruments (continued)

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>Financial Assets and Liabilities</b>					
<b>2022</b>					
<b>Financial Assets</b>					
Cash & Cash Equivalents	5,079	–	–	5,079	5,079
Receivables	6,175	690	824	7,689	6,936
Other Financial Assets	3,688	5,600	2,598	11,886	11,542
<b>Total Financial Assets</b>	<b>14,942</b>	<b>6,290</b>	<b>3,422</b>	<b>24,654</b>	<b>23,557</b>
<b>Financial Liabilities</b>					
Payables	41,777	–	–	41,777	41,922
Current Borrowings	1,656	–	–	1,656	1,073
Non-Current Borrowings	–	6,300	11,057	17,357	13,365
<b>Total Financial Liabilities</b>	<b>43,433</b>	<b>6,300</b>	<b>11,057</b>	<b>60,790</b>	<b>56,360</b>
<b>2021</b>					
<b>Financial Assets</b>					
Cash & Cash Equivalents	19,200	–	–	19,200	19,200
Receivables	3,992	820	979	5,791	4,927
<b>Total Financial Assets</b>	<b>23,192</b>	<b>820</b>	<b>979</b>	<b>24,991</b>	<b>24,127</b>
<b>Financial Liabilities</b>					
Payables	39,963	–	–	39,963	37,896
Current Borrowings	1,749	–	–	1,749	1,473
Non-Current Borrowings	–	6,408	12,605	19,013	14,439
<b>Total Financial Liabilities</b>	<b>41,712</b>	<b>6,408</b>	<b>12,605</b>	<b>60,725</b>	<b>53,808</b>

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

\$ '000	2022		2021	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Fixed Interest Rates	4.09%	14,438	4.06%	15,912
		<b>14,438</b>		<b>15,912</b>

**Net Fair Value**

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

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

## Note 13. Financial Instruments (continued)

## Risk Exposures

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

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

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

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

## Expected Credit Losses (ECL)

Council uses an allowance matrix to measure expected credit losses for receivables from individual customers, which comprise a large number of small balances. As rates and annual charges are secured over subject land no allowance for such receivables is made. The following table provides information about Council's ECLs from receivables (excluding secured rates and charges, GST and other amounts held in trust). Impairment analysis is performed each reporting date. ECLS are based on credit history adjusted for forward looking estimates and economic conditions.

Set out below is the movement in the allowance for expected credit losses:

\$ '000	2022	2021
As at 1 July	(130)	(130)
Provisions for Doubtful Debt	(27)	–
<b>As at 30 June</b>	<b>(157)</b>	<b>(130)</b>

## Note 14. Capital Expenditure and Investment Property Commitments

\$ '000	2022	2021
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## Capital Commitments

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

Buildings	503	1,798
Infrastructure	2,261	3,062
Reserves	187	231
Plant & Equipment	897	591
	<b>3,848</b>	<b>5,682</b>

**These expenditures are payable:**

Not later than one year	3,848	5,682
	<b>3,848</b>	<b>5,682</b>

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 15. Financial Indicators

	Indicator 2022	Indicators 2021	Indicators 2020
Financial Indicators overview			
<i>These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.</i>			
<b>1. Operating Surplus Ratio</b>			
Operating Surplus	<b>2.1%</b>	1.8%	(1.7)%
Total Operating Income			
<i>This ratio expresses the operating surplus as a percentage of total operating revenue.</i>			
<b>2. Net Financial Liabilities Ratio</b>			
Net Financial Liabilities	<b>51%</b>	51%	51%
Total Operating Income			
<i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.</i>			
<b>Adjusted Operating Surplus Ratio</b>			
Operating Surplus	<b>1.5%</b>	1.8%	(1.7)%
Total Operating Income			
<b>Adjustments to Ratios</b>			
<i>In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.</i>			
<b>Adjusted Net Financial Liabilities Ratio</b>			
Net Financial Liabilities	<b>52%</b>	51%	51%
Total Operating Income			
<b>3. Asset Renewal Funding Ratio</b>			
Asset Renewals	<b>95%</b>	116%	134%
Infrastructure & Asset Management Plan required expenditure			
<i>Asset renewals expenditure is defined as capital expenditure on the renewal and replacement of existing assets relative to the optimal level planned, and excludes new capital expenditure on the acquisition of additional assets.</i>			

## City of Holdfast Bay

### Notes to and forming part of the Financial Statements for the year ended 30 June 2022

#### Note 16. Uniform Presentation of Finances

\$ '000	2022	2021
<p>The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p>		
Income	75,723	71,739
less Expenses	(74,127)	(70,450)
<b>Operating Surplus / (Deficit)</b>	<b>1,596</b>	<b>1,289</b>
<b>Net Outlays on Existing Assets</b>		
Capital Expenditure on Renewal and Replacement of Existing Assets	(9,504)	(8,758)
add back Depreciation, Amortisation and Impairment	11,104	10,684
add back Proceeds from Sale of Replaced Assets	43	261
	<b>1,643</b>	<b>2,187</b>
<b>Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(5,655)	(9,715)
add back Amounts Received Specifically for New and Upgraded Assets	1,544	5,632
add back Proceeds from Sale of Surplus Assets (including investment property, real estate developments & non-current assets held for resale)	31	12
	<b>(4,080)</b>	<b>(4,071)</b>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>(841)</b>	<b>(595)</b>

#### Note 17. Leases

##### Council as a lessor

##### Leases Providing Revenue to the Council

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

\$ '000	2022	2021
<b>Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:</b>		
Not later than one year	538	436
Later than one year and not later than 5 years	1,841	1,664
Later than 5 years	1,286	877
	<b>3,665</b>	<b>2,977</b>



## Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

### Note 18. Superannuation

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

#### **Accumulation only Members**

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (10.00% in 2021/22; 9.50% in 2020/21). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

#### **Salarylink (Defined Benefit Fund) Members**

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2020/21) of "superannuation" salary.

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

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.34(a), Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2020. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

#### **Contributions to Other Superannuation Schemes**

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

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

## Note 19. Interests in Other Entities

All joint ventures and associates are required to prepare Annual Financial Statements that comply with the SA Local Government Model Financial Statements.

\$ '000	Council's Share of Net Income		Council's Share of Net Assets	
	2022	2021	2022	2021
<b>Council's Share of Net Income</b>				
Joint Ventures	441	66	3,928	3,314
<b>Total Council's Share of Net Income</b>	<b>441</b>	<b>66</b>	<b>3,928</b>	<b>3,314</b>

**((a)i) Joint Ventures, Associates and Joint Operations****(a) Carrying Amounts**

\$ '000	Principal Activity	2022	2021
Southern Region Waste Resource Authority	Management of waste and waste facilities	3,928	3,314
<b>Total Carrying Amounts - Joint Ventures &amp; Associates</b>		<b>3,928</b>	<b>3,314</b>

**Southern Region Waste Resource Authority**

Established under Section 43 of the Local Government Act, 1999 to provide operate services for the management of waste and the management of waste facilities under its control on behalf of the constituent Council, being the City of Holdfast Bay, City of Marion, and City of Onkaparinga. The Authority made a provision of \$13.7m in the accounts for landfill restoration which is considered reasonable.

**(b) Relevant Interests**

	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2022	2021	2022	2021	2022	2021
Southern Region Waste Resource Authority	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%

**(c) Movement in Investment in Joint Venture or Associate**

\$ '000	Southern Region Waste Resource Authority	
	2022	2021
Opening Balance	3,314	3,227
Share in Operating Result	441	66
Share in Other Comprehensive Income	173	21
<b>Council's Equity Share in the Joint Venture or Associate</b>	<b>3,928</b>	<b>3,314</b>

## Note 20. Non-Current Assets Held for Sale &amp; Discontinued Operations

Council does not have any Non-Current Assets Held for Sale or any Discontinued Operations.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 21. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

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The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but knowledge is considered relevant to the users of the financial report in making and evaluating decisions about the allocation of scarce resources.

#### 1. Land under roads

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

At reporting date, Council controlled **178** km of road reserves of average width **8.7** metres.

#### 2. Potential insurance losses

Council is a multi-purpose organisation providing a large range of building, parks infrastructure, playgrounds and other facilities accessible to the public. At any time, it is likely that claims will have been made against Council that remain unsettled.

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to deductible "insurance excesses", the amount of which varies according to the class of insurance.

Council has recognised the potential losses arising from claims known at reporting date based on average historical net cost (including insurance excess) of similar types of claims. Other potential claims not reported to Council may have existed at reporting date.

#### 3. Legal expenses

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of 13 appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

#### 4. Southern Region Waste Resource Authority

Council has a 15% interest in Southern Region Waste Resource Authority. The Authority describes contingent liabilities in Note 15 to their Financial Statements for the year ended 30 June 2022.

### Note 22. Events after the Balance Sheet Date

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Events that occur after the reporting date of 30 June 2022, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

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

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

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 23. Related Party Transactions

#### Key Management Personnel

##### Transactions with Key Management Personnel

The Key Management Personnel of the Council include the Mayor, Councillors, Alwyndor Management Committee CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 30 persons were paid the following total compensation:

\$ '000	2022	2021
<b>The compensation paid to Key Management Personnel comprises:</b>		
Short-Term Employee Benefits	1,136	1,270
Post Employment Benefits	18	16
Payments to Mayor and Elected Members	402	375
Development Assessment Panel Independent Members, Alwyndor Management Committee	53	46
<b>Total</b>	<b>1,609</b>	<b>1,707</b>

Amounts paid as direct reimbursement of expenses incurred on behalf of Council have not been included above.

## City of Holdfast Bay

### Notes to and forming part of the Financial Statements for the year ended 30 June 2022

#### Note 24. Comparative Financial Reporting

Alwyndor Aged Care – City of Holdfast Bay, is a registered charity (being a Public Benevolent Institution), governed by the Alwyndor Trust Deed.

Council is the Trustee of the Alwyndor Trust and, as such, delegates its day to day management of the Trust to the Alwyndor Management Committee, established under Section 41 of the Local Government Act. Australian Accounting Standard AASB 10 requires Council to prepare a consolidated annual financial report incorporating Alwyndor.

Under the Alwyndor Trust Deed and its status as a Public Benevolent Institution, Council is permitted to receive payments from Alwyndor for commercial services provided, but has no legal entitlement to otherwise financially benefit. Alwyndor operates as a self-sustaining business separate to Council.

Separate comparative financial statements of Council have been prepared to report the financial performance and position of Council excluding Alwyndor.

#### Statement of Comprehensive Income

for the year ended 30 June 2022

\$ '000	Consolidated		Excluding Alwyndor	
	2022	2021	2022	2021
<b>Income</b>				
Rates	39,060	37,977	39,060	37,977
Statutory Charges	2,801	2,263	2,801	2,263
User Charges	8,882	7,754	3,401	3,249
Grants, Subsidies and Contributions	14,743	15,515	3,138	3,490
Investment Income	363	191	21	31
Reimbursements	4,046	3,575	520	380
Other income	5,387	4,398	1,347	1,204
Net Gain - Equity Accounted Council Business	441	66	441	66
<b>Total Income</b>	<b>75,723</b>	<b>71,739</b>	<b>50,729</b>	<b>48,660</b>
<b>Expenses</b>				
Employee Costs	35,007	32,712	17,892	17,090
Materials, Contracts and Other Expenses	26,258	25,240	19,442	19,472
Depreciation, Amortisation and Impairment	11,104	10,684	9,861	9,449
Finance Costs	1,758	1,814	641	603
<b>Total Expenses</b>	<b>74,127</b>	<b>70,450</b>	<b>47,836</b>	<b>46,614</b>
<b>Operating Surplus/(Deficit)</b>	<b>1,596</b>	<b>1,289</b>	<b>2,893</b>	<b>2,046</b>
Asset Disposal and Fair Value Adjustments	(2,340)	(1,379)	(1,476)	(1,365)
Amounts Received Specifically for New or Upgraded Assets	1,544	5,631	1,466	5,631
<b>Net Surplus/(Deficit)</b>	<b>800</b>	<b>5,541</b>	<b>2,883</b>	<b>6,312</b>
<b>Other Comprehensive Income</b>				
<b>Amounts which will not be classified subsequently to operating result</b>				
Asset Disposal and Fair Value Adjustments	157,837	5,567	154,485	5,567
Share of Other Comprehensive Income - Equity Accounted Council Business	173	21	173	21
<b>Total Other Comprehensive Income</b>	<b>158,010</b>	<b>5,588</b>	<b>154,658</b>	<b>5,588</b>
<b>Total Comprehensive Income</b>	<b>158,810</b>	<b>11,129</b>	<b>157,541</b>	<b>11,900</b>

## City of Holdfast Bay

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2022

## Note 24. Comparative Financial Reporting (continued)

\$ '000	Consolidated		Excluding Alwyndor	
	2022	2021	2022	2021
<b>Statement of Financial Position</b>				
as at 30 June 2022				
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and Cash Equivalents	5,079	19,200	842	443
Trade and Other Receivables	6,276	4,000	3,216	2,421
<b>Total current assets</b>	<b>11,355</b>	<b>23,200</b>	<b>4,058</b>	<b>2,864</b>
<b>Non-current Assets</b>				
Financial Assets	12,403	1,133	861	1,133
Equity accounted investments - Council Business	3,928	3,314	3,928	3,314
Other Non-Current Assets	2,339	4,497	2,339	4,497
Infrastructure, Property, Plant & Equipment	894,636	732,135	854,056	694,277
<b>Total non-current assets</b>	<b>913,306</b>	<b>741,079</b>	<b>861,184</b>	<b>703,221</b>
<b>TOTAL ASSETS</b>	<b>924,661</b>	<b>764,279</b>	<b>865,242</b>	<b>706,085</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Trade and Other Payables	42,372	39,818	8,795	6,099
Borrowings	1,073	1,473	1,073	1,473
Provisions	5,197	4,706	3,312	2,908
<b>Total Current Liabilities</b>	<b>48,642</b>	<b>45,997</b>	<b>13,180</b>	<b>10,480</b>
<b>Non-current liabilities</b>				
Borrowings	13,365	14,439	13,365	14,439
Provisions	491	490	282	292
<b>Total non-current liabilities</b>	<b>13,856</b>	<b>14,929</b>	<b>13,647</b>	<b>14,731</b>
<b>TOTAL LIABILITIES</b>	<b>62,498</b>	<b>60,926</b>	<b>26,827</b>	<b>25,211</b>
<b>Net Assets</b>	<b>862,163</b>	<b>703,353</b>	<b>838,415</b>	<b>680,874</b>
<b>EQUITY</b>				
Accumulated Surplus	185,662	185,045	183,360	180,304
Asset Revaluation Reserve	670,086	511,893	655,055	500,570
Other Reserves	6,415	6,415	-	-
<b>TOTAL EQUITY</b>	<b>862,163</b>	<b>703,353</b>	<b>838,415</b>	<b>680,874</b>

## City of Holdfast Bay

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2022

## Note 24. Comparative Financial Reporting (continued)

\$ '000	Consolidated		Excluding Alwyndor	
	2022	2021	2022	2021
<b>Statement of Changes in Equity</b> for the year ended 30 June 2022				
<b>Accumulated Surplus</b>				
Balance at beginning of period	185,045	179,483	180,304	173,971
Net Surplus/(Deficit) for Year	800	5,541	2,883	6,312
Equity Accounted Council Business - asset revaluation adjustment	(183)	21	(183)	21
<b>Balance at end of period</b>	<b>185,662</b>	<b>185,045</b>	<b>183,004</b>	<b>180,304</b>
<b>Asset Revaluation Reserve</b>				
Balance at beginning of period	511,893	506,326	500,570	495,003
Gain/(Loss) on revaluation of I,PP&E	157,837	5,567	154,485	5,567
Equity Accounted Council Business - asset revaluation adjustment	356	-	356	-
<b>Balance at end of period</b>	<b>670,086</b>	<b>511,893</b>	<b>655,411</b>	<b>500,570</b>
<b>Other Reserves</b>				
Balance at beginning of period - Alwyndor General	6,415	6,415	-	-
Transfer to/(from) Reserve	-	-	-	-
<b>Balance at end of period</b>	<b>6,415</b>	<b>6,415</b>	<b>-</b>	<b>-</b>
<b>TOTAL EQUITY</b>	<b>862,163</b>	<b>703,353</b>	<b>838,415</b>	<b>680,874</b>

	Consolidated		Excluding Alwyndor	
	2022	2021	2022	2021

## Financial Indicators

for the year ended 30 June 2022

Operating Surplus Ratio	2.1%	1.8%	5.7%	4.2%
Net Financial Liabilities Ratio	51%	51%	43%	44%
Asset Renewal Funding Ratio	95%	116%	92%	135%

General Purpose Financial Statements  
for the year ended 30 June 2022

Independent Auditor's Report - Financial Statements

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General Purpose Financial Statements  
for the year ended 30 June 2022

Independent Auditor's Report - Internal Controls

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## General Purpose Financial Statements

for the year ended 30 June 2022

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### Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Holdfast Bay (Consolidated) for the year ended 30 June 2022, the Council's Auditor, Dean Newbery has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

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R. Bria  
Chief Executive Officer

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J. Smedley  
Presiding Member, Audit Committee

Date:

## General Purpose Financial Statements

for the year ended 30 June 2022

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### Statement by Auditor

I confirm that, for the audit of the financial statements of City of Holdfast Bay (Consolidated) for the year ended 30 June 2022, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) *Local Government (Financial Management) Regulations 2011*.

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Auditor's Name

Audit Firm Name

Date: dd MMMM yyyy

# Attachment 2



# Alwyndor Aged Care

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2022

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## General Purpose Financial Statements

for the year ended 30 June 2022

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## General Purpose Financial Statements

for the year ended 30 June 2022

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### Certification of Financial Statements

**We have been authorised by Alwyndor to certify the financial statements in their final form.**

**In our opinion:**

- the accompanying financial statements comply with the Trust Deed, Australian Charities and Not-for-profits Commission Act 2012 and Australian Accounting Standards,
- the financial statements present a true and fair view of the Alwyndor's financial position at 30 June 2022 and the results of its operations and cash flows for the financial year,
- internal controls implemented by Alwyndor provide a reasonable assurance that Alwyndor's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the financial statements accurately reflect Alwyndor's accounting and other records.

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Roberto Bria  
**Chief Executive Officer**

27 October 2022

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Beth Davidson -Park  
**General Manager - Alwyndor**

27 October 2022

## Alwyndor Aged Care

### General Purpose Financial Statements for the year ended 30 June 2022

## Alwyndor Management Committee Declaration

#### **The Alwyndor Management Committee declare that**

#### **In our opinion:**

The financial statements and notes, as set out in the document are in accordance with the *Australian Charities and not-for-profits Commission Action 2012 and:*

- a comply with Australian Accounting Standards; and
- b give a true and fair view of the financial position of the registered entity as at 30 June 2022 and of its performance for the year ended on that date.

There are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.

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Kim Cheater  
**CHAIR**

**Date:** 27 October 2022



## Statement of Comprehensive Income

for the year ended 30 June 2022

\$	Notes	2022	2021
<b>Income</b>			
User Charges	2a	5,497,676	4,515,138
Grants, Subsidies and Contributions	2e	11,980,043	12,183,734
Investment Income	2b	343,014	175,747
Reimbursements	2c	3,732,897	3,192,538
Other income	2d	4,521,329	3,635,539
<b>Total Income</b>		<b><u>26,074,959</u></b>	<b><u>23,702,696</u></b>
<b>Expenses</b>			
Employee costs	3a	17,127,311	15,612,220
Materials, Contracts and Other Expenses	3b	7,898,785	6,388,807
Depreciation, Amortisation and Impairment	3c	1,242,514	1,234,175
Finance Costs	3d	1,116,705	1,226,842
<b>Total Expenses</b>		<b><u>27,385,315</u></b>	<b><u>24,462,044</u></b>
<b>Operating Surplus / (Deficit)</b>		<b><u>(1,310,356)</u></b>	<b><u>(759,348)</u></b>
Asset Disposal & Fair Value Adjustments	4	(863,815)	(14,541)
Amounts Received Specifically for New or Upgraded Assets	2e	78,225	-
<b>Net Surplus / (Deficit)</b>		<b><u>(2,095,946)</u></b>	<b><u>(773,889)</u></b>
<b>Other Comprehensive Income</b>			
<b>Amounts which will not be reclassified subsequently to operating result</b>			
Changes in Revaluation Surplus - I,PP&E	9a	3,352,632	-
<b>Total Amounts which will not be reclassified subsequently to operating result</b>		<b><u>3,352,632</u></b>	<b><u>-</u></b>
<b>Total Other Comprehensive Income</b>		<b><u>3,352,632</u></b>	<b><u>-</u></b>
<b>Total Comprehensive Income</b>		<b><u>1,256,686</u></b>	<b><u>(773,889)</u></b>

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

## Statement of Financial Position

as at 30 June 2022

\$	Notes	2022	2021
<b>ASSETS</b>			
<b>Current assets</b>			
Cash & Cash Equivalents	5a	4,237,540	18,757,037
Trade & Other Receivables	5b	3,059,413	1,578,221
<u>Subtotal</u>		<u>7,296,953</u>	<u>20,335,258</u>
<b>Total current assets</b>		<u>7,296,953</u>	<u>20,335,258</u>
<b>Non-current assets</b>			
Financial Assets	6	11,542,075	–
Infrastructure, Property, Plant & Equipment	7a(i)	40,581,075	37,858,268
<b>Total Non-Current Assets</b>		<u>52,123,150</u>	<u>37,858,268</u>
<b>TOTAL ASSETS</b>		<u>59,420,103</u>	<u>58,193,526</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	8a	33,577,363	33,718,272
Provisions	8b	1,897,822	1,797,946
<u>Subtotal</u>		<u>35,475,185</u>	<u>35,516,218</u>
<b>Total Current Liabilities</b>		<u>35,475,185</u>	<u>35,516,218</u>
<b>Non-Current Liabilities</b>			
Provisions	8b	209,126	198,202
<b>Total Non-Current Liabilities</b>		<u>209,126</u>	<u>198,202</u>
<b>TOTAL LIABILITIES</b>		<u>35,684,311</u>	<u>35,714,420</u>
<u>Net Assets</u>		<u>23,735,792</u>	<u>22,479,106</u>
<b>EQUITY</b>			
Accumulated surplus		4,898,149	6,994,095
Asset revaluation reserves	9a	12,423,289	9,070,657
Other reserves	9c	6,414,354	6,414,354
<u>Total Alwyndor Equity</u>		<u>23,735,792</u>	<u>22,479,106</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

## Statement of Changes in Equity

for the year ended 30 June 2022

\$	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
<b>2022</b>					
Balance at the end of previous reporting period		6,994,095	9,070,657	6,414,354	22,479,106
Net Surplus / (Deficit) for Year		(2,095,946)	–	–	(2,095,946)
Unrealised gain/(loss) on Fair Value movements of Investment Portfolio		–	–	–	–
<b>Other Comprehensive Income</b>					
Gain (loss) on revaluation of IPP&E	7a	–	3,352,632	–	3,352,632
<b>Other comprehensive income</b>		–	3,352,632	–	3,352,632
<b>Total comprehensive income</b>		(2,095,946)	3,352,632	–	1,256,686
Transfers between Reserves		–	–	–	–
<b>Balance at the end of period</b>		4,898,149	12,423,289	6,414,354	23,735,792
<b>2021</b>					
Balance at the end of previous reporting period		7,767,984	9,070,657	6,414,354	23,252,995
Net Surplus / (Deficit) for Year		(773,889)	–	–	(773,889)
Unrealised gain/(loss) on Fair Value movements of Investment Portfolio		–	–	–	–
<b>Total comprehensive income</b>		(773,889)	–	–	(773,889)
Transfers between Reserves		–	–	–	–
<b>Balance at the end of period</b>		6,994,095	9,070,657	6,414,354	22,479,106

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## Statement of Cash Flows

for the year ended 30 June 2022

\$	Notes	2022	2021
<b>Cash flows from operating activities</b>			
<u>Receipts</u>			
User Charges		5,497,676	4,515,138
Grants, Subsidies and Contributions		12,136,913	12,172,616
Investment Receipts		343,014	175,747
Reimbursements		3,732,897	3,192,538
Other Receipts		3,464,666	2,517,763
<u>Payments</u>			
Payments to Employees		(16,959,936)	(15,423,685)
Payments for Materials, Contracts & Other Expenses		(8,933,479)	(6,571,374)
Finance Payments		(82,164)	(69,810)
<b>Net cash provided by (or used in) Operating Activities</b>	11b	<u>(800,413)</u>	<u>508,933</u>
<b>Cash flows from investing activities</b>			
<u>Receipts</u>			
Sale of Surplus Assets		1,500	11,818
Amounts Received Specifically for New/Upgraded Assets		78,225	–
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(284,486)	(266,493)
Expenditure on New/Upgraded Assets		(330,164)	(416,265)
Net Purchase of Investment Securities		(12,406,922)	–
<b>Net cash provided (or used in) investing activities</b>		<u>(12,941,847)</u>	<u>(670,940)</u>
<b>Cash flows from financing activities</b>			
<u>Receipts</u>			
Proceeds from Aged Care Facility Deposits		7,573,425	6,145,550
<u>Payments</u>			
Repayment of Aged Care Facility Deposits		(8,350,662)	(7,717,196)
<b>Net Cash provided by (or used in) Financing Activities</b>		<u>(777,237)</u>	<u>(1,571,646)</u>
<b>Net Increase (Decrease) in Cash Held</b>		<u>(14,519,497)</u>	<u>(1,733,653)</u>
plus: Cash & Cash Equivalents at beginning of period		18,757,037	20,490,690
<b>Cash and cash equivalents held at end of period</b>	11a	<u>4,237,540</u>	<u>18,757,037</u>
Additional Information:			
plus: Investments on hand – end of year	6b	11,542,075	–

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2022

Contents of the Notes accompanying the General Purpose Financial Statements

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## Alwyndor Aged Care

### Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

#### Note 1. Summary of Significant Accounting Policies

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The principal accounting policies adopted by Alwyndor in the preparation of these financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (1) Basis of Preparation

##### 1.1 Compliance with Australian Accounting Standards

These general purpose financial statements have been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

##### 1.2 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying Alwyndor's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of these Notes.

##### 1.3 Rounding

All amounts in the financial statements have been rounded to the nearest dollar.

##### 1.4 Trustee

The City of Holdfast Bay (the Council) is the Trustee of Alwyndor Aged Care (Alwyndor) which was established pursuant to the Dorothy Cheater Trust. Alwyndor is a registered charitable trust. These financial statements have been prepared to satisfy the reporting obligations of the Council and the Australian Charities and Not-for-profits Commission Act 2012 (ACNC).

##### 1.5 Income Tax

Alwyndor is exempt from income tax in accordance with Section 50-5 of the Income Tax Assessment Act.

#### (2) The Reporting Entity

Alwyndor reports under the Australian Charities and Not-for-profits Commission Act 2012 and has its principal place of business at 52 Dunrobin Road, Hove, South Australia. These financial statements include Alwyndor's direct operations and all entities through which Alwyndor controls resources to carry on its function.

#### (3) Income Recognition

Alwyndor recognises revenue under *AASB 1058 Income of Not-for-Profit Entities* (AASB 1058) or *AASB 15 Revenue from Contracts with Customers* (AASB 15) when appropriate.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which Alwyndor expects to be entitled in a contract with a customer.

In other cases, AASB 1058 applies when a not-for-profit (NFP) entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable Alwyndor to acquire or construct a recognisable non-financial asset that is to be controlled by Alwyndor. In this case, Alwyndor recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

#### (4) Cash, Cash Equivalents and other Financial Instruments

## Alwyndor Aged Care

### Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

#### Note 1. Summary of Significant Accounting Policies (continued)

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

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 12.

#### (5) Infrastructure, Property, Plant & Equipment

##### 5.1 Initial Recognition

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

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

##### 5.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Alwyndor for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life.

Examples of capitalisation thresholds applied during the year are given below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture & Equipment	\$2,000
Other Plant & Equipment	\$2,000
Buildings - new construction/extensions	\$10,000

##### 5.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Significant uncertainties exist in the estimation of fair value of a number of asset classes including land, buildings and associated structures and infrastructure. Further detail of these uncertainties, and of existing valuations, methods and valuers are provided at Note 7.

##### 5.4 Depreciation of Non-Current Assets

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

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

##### 5.5 Impairment

Assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Alwyndor were deprived thereof, are not subject to impairment testing.

Other assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash inflows or value in use).

## Alwyndor Aged Care

### Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

#### Note 1. Summary of Significant Accounting Policies (continued)

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

#### (6) Payables

##### 6.1 Goods & Services

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

##### 6.2 Payments Received in Advance & Deposits

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

#### (7) Employee Benefits

##### 7.1 Salaries, Wages & Compensated Absences

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

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

##### 7.2 Superannuation

Alwyndor makes employer superannuation contributions in respect of its employees to the Statewide Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Alwyndor's involvement with the schemes are reported in Note 13.

#### (8) Leases

##### Leases and Right-of-Use Assets

Alwyndor assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Alwyndor has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred. Resident loans are also treated using the principles of lease accounting because Alwyndor has assessed that residents enter a lease to occupy a room within residential aged care facilities. Refer to note 1 (8.1.ii.).

##### i) Refundable Accommodation Deposits/Contributions



## Alwyndor Aged Care

### Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

#### Note 1. Summary of Significant Accounting Policies (continued)

Refundable Accommodation Deposits/Contributions are recognised upon receipt as per the amount received. Amounts received are repaid upon the resident vacating their accommodation and are settled in accordance with legislative requirements. The accounting treatment for resident loans is described in note 1 (8.1.ii.) below. Un-refunded resident's loans (under the Aged Care Act) incur interest.

##### ii) Resident Loans

Resident loans are recorded as aged care facility deposits. Resident loans comprise of Refundable Accommodation Deposits/Contributions and Accommodation Bonds, which are subject to the Aged Care Act 1997.

##### *Resident loans - Aged Care Act 1997*

Lump sum amounts received from residents in payment of their accommodation expense (prior to 01/07/2014: Accommodation Bonds, from 01/07/2014: Refundable Accommodation Deposits (RAD)).

From December 2005 repayment to the resident is guaranteed by the Australian Government.

RADs and Bonds fall within the scope of AASB 16: Leases, in that there is a contract conveying to the resident the right to use an asset for a period of time, in exchange for consideration.

Alwyndor estimated the fair value of the consideration by reference to the Daily Accommodation Payment (DAP) that the resident would have paid if they had not chosen to provide a RAD. This results in the recognition of a rental income amount, and corresponding interest expense.

##### (9) GST Implications

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

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

##### (10) New and amended standards and interpretations

Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2022, these standards have not been adopted by Alwyndor and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Alwyndor then further information has been provided in this note.

The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these illustrative statements that could be applicable to Alwyndor.

##### **Effective for NFP annual reporting periods beginning on or after 1 January 2022**

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments

##### **Effective for NFP annual reporting periods beginning on or after 1 January 2023**

- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current and associated standards (amended by AASB 2020-6)
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates (amended by AASB 2021-6)

##### **Effective for NFP annual reporting periods beginning on or after 1 January 2025**

- AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amended by AASB 2015-10, AASB 2017-5 and AASB 2021-7)

##### (11) Comparative Figures

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

##### (12) Disclaimer

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

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 1. Summary of Significant Accounting Policies (continued)

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#### **(13) Going Concern**

The financial report has been prepared on a going concern basis which assumes that Alwyndor will be able to meet its financial obligations as and when they fall due. As at 30 June 2022, Alwyndor has refundable loans (liability) payable that exceeds current liquid assets given that Alwyndor records Refundable Accommodation Deposits (RAD) as current liabilities due to the inability of Alwyndor to unconditionally defer settlement of any specific RAD for a period greater than twelve months from reporting date. The total RAD liabilities recorded on the Statement of Financial Position represent amounts received from individual residents upon entry to the facility and which is repayable on exit and which is frequently replaced by new RAD payments received from new residents entering the facility. Alwyndor does not expect the balance of RAD liabilities to reduce significantly in the following financial year and expects that there will be sufficient demand to replace vacant positions created by any existing residents who exit.

#### **(14) Distribution of Profit**

Given Alwyndor is a charitable trust, no profits are distributed to beneficiaries and are retained in Equity on the Statement of Financial Position.

## Alwyndor Aged Care

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2022

## Note 2. Income

\$	2022	2021
<b>(a) User Charges</b>		
Aged Care Fees and Rentals	5,497,676	4,515,138
<b><u>Total User Charges</u></b>	<b><u>5,497,676</u></b>	<b><u>4,515,138</u></b>
<b>(b) Investment Income</b>		
Interest on Investments		
- Local Government Finance Authority	99,557	146,337
- Interest on Securities	22,606	-
- Banks & Other	-	29,410
Investment Income		
- Dividend Income and imputation credits	220,851	-
<b><u>Total Investment Income</u></b>	<b><u>343,014</u></b>	<b><u>175,747</u></b>
<b>(c) Reimbursements</b>		
Home Care	3,732,897	3,192,538
<b><u>Total Reimbursements</u></b>	<b><u>3,732,897</u></b>	<b><u>3,192,538</u></b>
<b>(d) Other income</b>		
Home Care Management Fees	2,184,785	1,523,818
Residential Daily Accommodation Fees	1,614,211	1,631,864
Means Tested Care Fees	435,188	465,302
COVID-19 Grant Income	247,000	-
Other	40,145	14,555
<b><u>Total Other income</u></b>	<b><u>4,521,329</u></b>	<b><u>3,635,539</u></b>
<b>(e) Grants, Subsidies, Contributions</b>		
Amounts Received Specifically for New or Upgraded Assets	78,225	-
<b>Total Amounts Received Specifically for New or Upgraded Assets</b>	<b><u>78,225</u></b>	<b><u>-</u></b>
Grants, Subsidies and Contributions	11,980,043	12,183,734
<b><u>Total Grants, Subsidies, Contributions</u></b>	<b><u>12,058,268</u></b>	<b><u>12,183,734</u></b>
<b>(i) Sources of grants</b>		
Commonwealth Government	10,933,339	11,028,903
State Government	1,112,493	1,154,831
Local Government	12,436	-
<b>Total</b>	<b><u>12,058,268</u></b>	<b><u>12,183,734</u></b>

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 3. Expenses

\$	Notes	2022	2021
<b>(a) Employee costs</b>			
Salaries and Wages		14,864,744	13,573,079
Employee Leave Expense		123,031	171,002
Superannuation - Defined Contribution Plan Contributions	13	1,529,304	1,327,159
Superannuation - Defined Benefit Plan Contributions	13	49,819	56,679
Workers' Compensation Insurance		560,413	484,301
<b><u>Total Operating Employee Costs</u></b>		<b><u>17,127,311</u></b>	<b><u>15,612,220</u></b>
Total Number of Employees (full time equivalent at end of reporting period)		213	174
<b>(b) Materials, Contracts and Other Expenses</b>			
<b>(i) Prescribed Expenses</b>			
Auditor's Remuneration			
- Auditing the Financial Reports		9,200	9,150
Lease Expense - Low Value Assets / Short Term Leases		16,449	16,816
<b><u>Subtotal - Prescribed Expenses</u></b>		<b><u>25,649</u></b>	<b><u>25,966</u></b>
<b>(ii) Other Materials, Contracts and Expenses</b>			
Contractors		3,420,996	2,996,481
Professional Services		682,052	325,975
Sundry		1,923,388	1,454,462
Materials		1,846,700	1,585,923
<b><u>Subtotal - Other Material, Contracts &amp; Expenses</u></b>		<b><u>7,873,136</u></b>	<b><u>6,362,841</u></b>
<b><u>Total Materials, Contracts and Other Expenses</u></b>		<b><u>7,898,785</u></b>	<b><u>6,388,807</u></b>
<b>(c) Depreciation, Amortisation and Impairment</b>			
<b>Depreciation and Amortisation</b>			
Buildings & Other Structures		801,567	793,234
Plant & Equipment		208,990	228,629
Furniture & Fittings		231,957	212,312
<b><u>Total Depreciation, Amortisation and Impairment</u></b>		<b><u>1,242,514</u></b>	<b><u>1,234,175</u></b>
<b>(d) Finance Costs</b>			
Interest on Aged Care Facility Deposits		1,116,705	1,226,842
<b><u>Total Finance Costs</u></b>		<b><u>1,116,705</u></b>	<b><u>1,226,842</u></b>

## Alwyndor Aged Care

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2022

## Note 4. Asset Disposal &amp; Fair Value Adjustments

\$	2022	2021
<b>Infrastructure, Property, Plant &amp; Equipment</b>		
<b>Assets Surplus to Requirements</b>		
Proceeds from Disposal	1,500	11,818
Less: Carrying Amount of Assets Sold/Disposed	(468)	(26,359)
<b>Gain (Loss) on Disposal</b>	<b>1,032</b>	<b>(14,541)</b>
<b>Fair Value movements on the Investment Portfolio</b>		
Net gain/(loss) on fair value movements	(835,604)	–
Net gain/(loss) on disposal of investments	(29,243)	–
<b>Gain (Loss) on Disposal</b>	<b>(864,847)</b>	<b>–</b>
<b>Net Gain (Loss) on Disposal or Revaluation of Assets</b>	<b>(863,815)</b>	<b>(14,541)</b>

## Note 5. Current Assets

\$	2022	2021
<b>(a) Cash &amp; Cash Equivalents</b>		
Cash on Hand at Bank	113,901	267,101
Deposits at Call	3,903,364	3,989,936
Short Term Deposits & Bills, etc.	–	14,500,000
Cash on Hand - at Ord Minnett (Investment Manager)	220,275	–
<b>Total Cash &amp; Cash Equivalent Assets</b>	<b>4,237,540</b>	<b>18,757,037</b>
<b>(b) Trade &amp; Other Receivables</b>		
Accrued Revenues	1,186,447	518,842
Debtors - General	285,605	332,975
GST Recoupment	96,027	53,404
Prepayments	122,725	63,000
Aged Care Facility Deposits	1,300,000	610,000
Investment Income and Imputation Credits	79,970	–
<b>Subtotal</b>	<b>3,070,774</b>	<b>1,578,221</b>
Less: Allowance for Doubtful Debts	(11,361)	–
<b>Total Trade &amp; Other Receivables</b>	<b>3,059,413</b>	<b>1,578,221</b>

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2022

## Note 6. Non-Current Assets

\$	2022	2021
<b>Financial Assets</b>		
<b>Other Financial Assets (Investments)</b>		
Interest Rate Securities	8,904,232	–
Equity Securities	2,637,843	–
<b>Total Other Financial Assets (Investments)</b>	<u>11,542,075</u>	<u>–</u>
<u>Total Financial Assets</u>	<u>11,542,075</u>	<u>–</u>

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2022

Note 7. Infrastructure, Property, Plant & Equipment & Investment Property (continued)

(a(i)) Infrastructure, Property, Plant & Equipment

	Fair Value Level	as at 30/06/21				Asset movements during the reporting period								as at 30/06/22				
		At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	WIP Transfers	Adjustments & Transfers	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	
Capital Work in Progress		-	1,496	-	1,496	-	-	-	-	(1,496)	-	-	-	-	-	-	-	-
Land	2	5,288,840	-	-	5,288,840	-	-	-	-	-	-	-	4,341,160	9,630,000	-	-	-	9,630,000
Buildings & Other Structures	3	40,379,868	-	(10,291,115)	30,088,753	32,089	-	-	(801,567)	-	(82,215)	(988,528)	-	39,885,000	-	(11,636,467)	28,248,533	
Plant & Equipment		-	2,791,942	(1,407,591)	1,384,351	180,235	209,570	(468)	(208,990)	-	82,215	-	-	-	3,266,640	(1,619,725)	1,646,915	
Furniture & Fittings		-	2,198,856	(1,104,028)	1,094,828	117,840	74,916	-	(231,957)	-	-	-	-	-	2,391,612	(1,335,985)	1,055,627	
<b>Total Infrastructure, Property, Plant &amp; Equipment</b>		<b>45,668,708</b>	<b>4,992,294</b>	<b>(12,802,734)</b>	<b>37,858,268</b>	<b>330,164</b>	<b>284,486</b>	<b>(468)</b>	<b>(1,242,514)</b>	<b>(1,496)</b>	<b>-</b>	<b>(988,528)</b>	<b>4,341,160</b>	<b>49,515,000</b>	<b>5,658,252</b>	<b>(14,592,177)</b>	<b>40,581,075</b>	
Comparatives		45,303,232	4,722,012	(11,589,201)	38,436,043	416,265	266,493	(26,358)	(1,234,175)	-	-	-	-	45,668,708	4,992,294	(12,802,734)	37,858,268	

## Alwyndor Aged Care

### Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

#### Note 7. Infrastructure, Property, Plant & Equipment & Investment Property (continued)

##### (b) Valuation of Infrastructure, Property, Plant & Equipment & Investment Property

###### Valuation of Assets

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

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

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

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

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

Refer to Note 7a for the disclosure of the Fair Value Levels of Infrastructure, Property, Plant and Equipment Assets.

###### Information on Valuations

###### Valuation techniques used to derive Level 2 and Level 3 fair values recognised in the financial statements

The following table sets out the valuation techniques used to measure fair value within Level 2, including a description of the significant inputs used.

Description	Valuation approach and inputs used
Land	Direct comparison of market evidence approach. This method seeks to determine the current value of an asset by reference to recent comparable transactions involving the sale of similar assets. The valuation is based on price per square metre.

The following table sets out the valuation techniques used to measure the fair value within Level 3, including details of the significant unobservable inputs used and the relationship between unobservable inputs and fair value.

Description	Valuation Approach	Unobservable Inputs	Range of Inputs	Relationship between unobservable inputs and fair value
Buildings & Other Structures	Depreciated replacement cost approach. This is the current replacement cost of an asset less, where applicable accumulated depreciation calculated on a basis to reflect the already consumed or expired service potential.	Replacement Cost	\$8,233 to \$3,881,973	The higher the replacement cost the higher the fair value
Buildings & Other Structures		Remaining Useful Life of Assets	25 years to 150 years	The shorter the remaining life the lower the fair value

###### Other Information

At 1 July 2004 upon the transition to AIFRS, Alwyndor elected pursuant to AASB 1.D5 to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent addition at cost, this remains as the basis of recognition of non-material asset classes.



## Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

### Note 7. Infrastructure, Property, Plant & Equipment & Investment Property (continued)

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Upon revaluation, the current new replacement cost and accumulated depreciation are re-stated such that the difference represents the fair value of the asset determined in accordance with AASB 13 Fair Value Measurement: accumulated depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, current replacement cost is taken to be the fair value.

#### Highest and best use

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

#### Transition to AASB 13 - Fair Value Measurement

The requirements of AASB 13 Fair Value Measurement have been applied to all valuations undertaken since 1 July 2013 as shown by the valuation dates by individual asset classes below.

#### Land & Land Improvements

Land and Land improvements, with an assessed unlimited useful life, were valued at 30 June 2022.

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2022
- Valuer: Public Private Property

The next revaluation is expected to be undertaken in the 2026-2027 financial year.

#### Buildings & Other Structures

Buildings and other structures were revalued as at 30 June 2022

- Basis of valuation: Written down current replacement cost
- Date of valuation: 30 June 2022
- Valuer: Public Private Property

The next revaluation is expected to be undertaken in the 2026-2027 financial year.

#### Plant & Equipment

These assets are recognised on the cost basis.

#### Furniture & Fittings

These assets are recognised on the cost basis.

#### Residential Bed Licences

Alwyndor holds 134 bed licenses. These have not been brought to account as they do not meet the recognition criteria of AASB 138 Intangible Assets.

#### All other Assets

These assets are recognised at cost.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 8. Liabilities

\$	2022 Current	2022 Non Current	2021 Current	2021 Non Current
<b>(a) Trade and Other Payables</b>				
Trade Creditors	365,659	–	369,818	–
Payments Received in Advance				
- Grants, Subsidies, Contributions	216,364	–	59,494	–
Accrued Expenses - Employee Entitlements	349,016	–	235,830	–
Accrued Expenses - Other	225,429	–	128,642	–
Aged Care Facility Deposits	30,513,583	–	30,600,820	–
Other	1,907,312	–	2,323,668	–
<b>Total Trade and Other Payables</b>	<b>33,577,363</b>	<b>–</b>	<b>33,718,272</b>	<b>–</b>

### (b) Provisions

Employee Entitlements (including oncosts)	1,897,822	209,126	1,797,946	198,202
<b>Total Provisions</b>	<b>1,897,822</b>	<b>209,126</b>	<b>1,797,946</b>	<b>198,202</b>

### Note 9. Reserves

\$	as at 30/06/21				as at 30/06/22
	Opening Balance	Increments (Decrements)	Transfers	Impairments	Closing Balance
<b>(a) Asset Revaluation Reserve</b>					
Land - Other	4,943,268	4,341,160	–	–	9,284,428
Buildings & Other Structures	4,127,389	(988,528)	–	–	3,138,861
<b>Total Asset Revaluation Reserve</b>	<b>9,070,657</b>	<b>3,352,632</b>	<b>–</b>	<b>–</b>	<b>12,423,289</b>
Comparatives	9,070,657	–	–	–	9,070,657

### (b) Available-for-Sale Investment Reserve

Investment Portfolio	–	–	–	–	–
<b>Total AFS Investment Reserve</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

\$	as at 30/06/21				as at 30/06/22
	Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	Closing Balance
<b>(c) Other Reserves</b>					
General Reserves	6,414,354	–	–	–	6,414,354
<b>Total Other Reserves</b>	<b>6,414,354</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>6,414,354</b>

## Notes to and forming part of the Financial Statements for the year ended 30 June 2022

### Note 9. Reserves (continued)

\$	<u>as at 30/06/21</u>	Tfrs to Reserve	Tfrs from Reserve	Other Movements	<u>as at 30/06/22</u>
	Opening Balance				Closing Balance
Comparatives	6,414,354	–	–	–	6,414,354

#### (c) Purpose of Reserves

##### Asset Revaluation Reserve

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

##### Other Reserves

General reserves are unspent funds which are carried forward to cover part of the unfunded accommodation deposit liability.

## Alwyndor Aged Care

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2022

## Note 10. Assets Subject to Restrictions

\$	2022	2021
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The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Alwyndor, or for which the revenues were originally obtained.

**Cash & Financial Assets**

Aged Care Facility Deposits	1,300,000	610,000
<b>Total Assets Subject to Externally Imposed Restrictions</b>	<b>1,300,000</b>	<b>610,000</b>

## Note 11. Reconciliation to Statement of Cash Flows

\$	Notes	2022	2021
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## (a) Reconciliation of Cash

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

Total Cash & Equivalent Assets	5	4,237,540	18,757,037
<b>Balances per Statement of Cash Flows</b>		<b>4,237,540</b>	<b>18,757,037</b>

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

<b>Net Surplus/(Deficit)</b>		(2,095,946)	(773,889)
<b>Non-Cash Items in Income Statements</b>			
Depreciation, Amortisation & Impairment		1,242,514	1,234,175
Grants for capital acquisitions		(78,225)	–
Net (Gain) Loss on Disposals on Fixed Assets		(1,032)	14,541
Transfer Capital Work in Progress to Expense		1,496	–
Net (Gain) Loss on disposal - Investment Portfolio		29,243	–
Net (Gain) Loss on fair value movements - Investment Portfolio		835,604	–
		<b>(66,346)</b>	<b>474,827</b>
<b>Add (Less): Changes in Net Current Assets</b>			
Net (Increase)/Decrease in Receivables		(779,834)	(436,160)
Change in Allowances for Under-Recovery of Receivables		(11,361)	–
Net Increase/(Decrease) in Trade & Other Payables		(53,672)	247,112
Net Increase/(Decrease) in Unpaid Employee Benefits		110,800	223,154
<b>Net Cash provided by (or used in) operations</b>		<b>(800,413)</b>	<b>508,933</b>

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

### Note 12. Financial Instruments

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#### Recognised Financial Instruments

##### Bank, Deposits at Call, Short Term Deposits

**Accounting Policy:**

Carried at lower of cost and net realisable value; Interest is recognised when earned.

**Terms & Conditions:**

Deposits are returning fixed interest rates between 0.30% and 0.65% (2021: 0.65% and 1.7%). Short term deposits have an average maturity of 65 days and an average interest rate of 0.33% (2021: 100 days and 1%).

**Carrying Amount:**

Approximates fair value due to the short term to maturity.

#### Investments

**Accounting Policy:**

Financial assets are initially measured at fair value through profit or loss unless it is measured at amortised cost. Transaction costs are included part of the initial measurement except where the instrument is classified at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset.

Financial assets not measured at amortised cost such as equity securities and interest rate securities are classified as financial assets to fair value through profit or loss. Fair value movements are recognised in profit or loss. Financial assets at fair value through profit or loss are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

*Impairment*

The entity will recognise a loss allowance for expected credit losses on financial assets which are measured at amortised cost. The measurement of the loss allowance depends upon the entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

#### Receivables - Fees & Other Charges

**Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

**Terms & Conditions:**

Unsecured, and do not bear interest. Alwyndor is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Alwyndor's boundaries.

**Carrying Amount:**

Approximates fair value (after deduction of any allowance).

#### Receivables - Aged Care Facility Contributions

**Accounting Policy:**

## Alwyndor Aged Care

### Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

#### Note 12. Financial Instruments (continued)

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

**Terms & Conditions:**

Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.

**Carrying Amount:**

Approximates fair value (after deduction of any allowance).

#### Liabilities - Creditors and Accruals

**Accounting Policy:**

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Alwyndor.

**Terms & Conditions:**

Liabilities are normally settled on 30 day terms.

**Carrying Amount:**

Approximates fair value.

#### Liabilities - Aged Care Facility Contributions

**Accounting Policy:**

To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.

**Terms & Conditions:**

Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy.

**Carrying Amount:**

Approximates fair value for short tenancies; may be non-materially overstated for longer tenancies.

#### Liabilities - Leases

**Accounting Policy:**

Accounted for in accordance with AASB 16 as stated in Note 1.

#### LIQUIDITY ANALYSIS

\$	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
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#### Financial Assets and Liabilities

**2022**

**Financial Assets**

Cash & Cash Equivalents	4,237,540	–	–	4,237,540	4,237,540
Receivables	3,070,774	–	–	3,070,774	3,059,413
Investments - Interest Rate Securities	1,050,016	5,599,712	2,598,465	9,248,193	8,904,232
Investments - Equity Securities	2,637,843	–	–	2,637,843	2,637,843

continued on next page ...

## Alwyndor Aged Care

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

## Note 12. Financial Instruments (continued)

\$	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Total Financial Assets	10,996,173	5,599,712	2,598,465	19,194,350	18,839,028
<b>Financial Liabilities</b>					
Payables	33,256,999	–	–	33,256,999	33,360,999
Total Financial Liabilities	33,256,999	–	–	33,256,999	33,360,999
<b>2021</b>					
<b>Financial Assets</b>					
Cash & Cash Equivalents	18,757,037	–	–	18,757,037	18,757,037
Receivables	1,578,221	–	–	1,578,221	1,578,221
Investments - Interest Rate Securities	–	–	–	–	–
Investments - Equity Securities	–	–	–	–	–
Total Financial Assets	20,335,258	–	–	20,335,258	20,335,258
<b>Financial Liabilities</b>					
Payables	33,692,062	–	–	33,692,062	33,658,778
Total Financial Liabilities	33,692,062	–	–	33,692,062	33,658,778

## Risk Exposures

**Credit Risk** represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of Alwyndor is the carrying amount, net of any impairment. Alwyndor investments are made with the SA Local Government Finance Authority which is guaranteed by the SA Government and via an external investment manager, Ord Minnett. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within Alwyndor's boundaries, and there is no material exposure to any individual debtor.

**Market Risk** is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. Alwyndor is exposed to Market risk investments in equity investments, managed funds and income securities. Such risk is managed through diversification of investments across industries and geographic locations.

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

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

## Alwyndor Aged Care

### Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

#### Note 13. Superannuation

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

##### **Accumulation only Members**

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (10.0% in 2021/22; 9.50% in 2020/21). No further liability accrues to Alwyndor as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

##### **Salarylink (Defined Benefit Fund) Members**

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Alwyndor makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2020/21) of "superannuation" salary.

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

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.34(a), Alwyndor does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2021. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Alwyndor's contribution rates at some future time.

##### **Contributions to Other Superannuation Schemes**

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



## Alwyndor Aged Care

### Notes to and forming part of the Financial Statements for the year ended 30 June 2022

#### Note 14. Interests in Other Entities

Alwyndor has no interest in any Equity Accounted Businesses such as Joint Ventures, Associates & Joint Operations.

#### Note 15. Non-Current Assets Held for Sale & Discontinued Operations

Alwyndor does not have any Non-Current Assets Held for Sale or any Discontinued Operations.

#### Note 16. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

Alwyndor does not have any Contingencies & Asset/Liabilities Not Recognised in the Balance Sheet.

#### Note 17. Events after the Balance Sheet Date

Alwyndor is unaware of any material or significant "non adjusting events" that should be disclosed.

#### Note 18. Related Party Transactions

##### Key Management Personnel

##### Transactions with Key Management Personnel

The Key Management Personnel of the Alwyndor includes the Alwyndor Management Committee and General Manager - Alwyndor under section 112 of the Local Government Act 1999.

In all, 8 persons were paid the following total compensation:

\$	2022	2021
<b>The compensation paid to Key Management Personnel comprises:</b>		
Short-Term Employee Benefits	181,425	171,611
Post-Employment Benefits	18,142	16,303
Payments to Alwyndor Management Committee	31,619	27,976
<b>Total</b>	<b>231,186</b>	<b>215,890</b>

##### Transactions with Related Parties

City of Holdfast Bay

	Sales of goods and Services	Amounts Outstanding from Related Parties
Services provided to City of Holdfast Bay	10,667	0

Description of services provided:

Group class services and staff physiotherapy services for early intervention.

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2022

Note 18. Related Party Transactions (continued)

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	<b>Sales of goods and Services</b>	<b>Amounts Outstanding to Related Parties</b>
Services received from City of Holdfast Bay	1,103,924	20,739

Description of services received:

Fee for use of land, brokerage fees to deliver community services, contribution to public liability insurance premium, contribution for consultancy services, ICT and marketing services.

## Alwyndor Aged Care

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2022

### Note 19. Segment Reporting

\$	2022	2021
Alwyndor operates in the aged care industry within South Australia and within 3 primary business segments:		
- provision and management of residential aged care accommodation		
- aged care services to the community,		
- rehabilitation and support services (day therapy)		
<b>Residential Aged Care</b>		
<b>Income Statement</b>		
for the year ended 30 June 2022		
<b>Care Income</b>		
Subsidies & Supplements (Commonwealth)	8,043,483	8,301,415
Resident Fees - Means Tested Care Fees	435,089	460,922
<b>Total Residential Care Income</b>	<b>8,478,572</b>	<b>8,762,337</b>
<b>Accommodation Income</b>		
Subsidies & Supplements (Commonwealth)	1,012,334	981,456
Resident Accommodation Payments and Charges	1,614,211	1,631,864
<b>Total Residential Accommodation Income</b>	<b>2,626,545</b>	<b>2,613,320</b>
<b>Other Resident Fee Income</b>		
Basic Daily Fee	3,200,318	2,646,132
Additional Service Fee	24,022	28,554
<b>Total Other Residential Fee Income</b>	<b>3,224,341</b>	<b>2,674,686</b>
<b>Financing Income</b>		
Interest Income	122,163	175,747
Dividend and Imputation Credit income	220,851	-
<b>Total Financing Income</b>	<b>343,013</b>	<b>175,747</b>
<b>Other Income</b>		
Donations and Fundraising	19,599	134
Gain on Sale of Assets	976	-
COVID-19 Grant Income	247,000	-
Other Income	39,935	27,663
<b>Total Other Income</b>	<b>307,509</b>	<b>27,797</b>
<b>Total Revenue</b>	<b>14,979,980</b>	<b>14,253,887</b>

## Alwyndor Aged Care

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2022

## Note 19. Segment Reporting (continued)

\$	2022	2021
<b>Residential Aged Care</b>		
Income Statement (continued)		
for the year ended 30 June 2022		
<b>Care Expenses</b>		
Labour Costs	8,672,904	8,015,858
Other Expenses	340,242	293,793
<b>Total Care Expenses</b>	<b>9,013,146</b>	<b>8,309,651</b>
<b>Accommodation Expenses</b>		
Labour Costs	280,352	242,642
Property Repairs, Maintenance and Replacement	268,838	264,213
Other Accommodation Expenses	333,767	307,865
<b>Total Accommodation Expenses</b>	<b>882,957</b>	<b>814,720</b>
<b>Hotel Services Expenses</b>		
Labour Costs	465,854	451,477
Contracted Services - External Service Organisations	1,590,935	1,483,077
Other Hotel Services Expenses	153,778	157,772
<b>Total Hotel Services Expenses</b>	<b>2,210,567</b>	<b>2,092,325</b>
<b>Administration Expenses</b>		
Labour Costs	1,181,156	1,159,381
Management Fees	14,947	14,273
Other Administration Expenses	580,822	551,917
<b>Total Administration Expenses</b>	<b>1,776,925</b>	<b>1,725,571</b>
<b>Capital and Financing Expenses</b>		
Depreciation	1,111,245	1,107,591
Interest Expenses	1,055,655	1,226,843
<b>Total Capital and Financing Expenses</b>	<b>2,166,900</b>	<b>2,334,434</b>
<b>Other Expenses</b>		
Loss on Sale of Assets	-	13,667
Investments - Loss on disposal	29,243	-
Investments - Fair Value movements on unrealised losses	835,604	-
<b>Total Other Expenses</b>	<b>864,847</b>	<b>13,667</b>
<b>Total Expenses</b>	<b>16,915,342</b>	<b>15,290,368</b>
<b>Net Profit (Before Tax)</b>	<b>(1,935,362)</b>	<b>(1,036,481)</b>

## Alwyndor Aged Care

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2022

## Note 19. Segment Reporting (continued)

\$	2022	2021
<b>Residential Aged Care</b>		
<b>Statement of Financial Position</b>		
as at 30 June 2022		
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	1,762,373	15,803,741
Trade & Other Receivables	3,059,414	1,578,220
<b>Total Current Assets</b>	<b>4,821,786</b>	<b>17,381,961</b>
<b>Non-Current Assets</b>		
Financial Assets	11,542,075	-
Property, Plant & Equipment	40,581,075	37,858,269
<b>Total Non-Current Assets</b>	<b>52,123,150</b>	<b>37,858,269</b>
<b>TOTAL ASSETS</b>	<b>56,944,936</b>	<b>55,240,231</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade & Other Payables	970,760	631,905
Employee Provisions	948,120	917,948
Accommodation Bonds	30,513,583	30,600,820
Other Current Liabilities	216,364	59,494
<b>Total Current Liabilities</b>	<b>32,648,827</b>	<b>32,210,167</b>
<b>Non-Current Liabilities</b>		
Employee Provisions	114,645	122,439
<b>Total Non-Current Liabilities</b>	<b>114,645</b>	<b>122,439</b>
<b>TOTAL LIABILITIES</b>	<b>32,763,472</b>	<b>32,332,605</b>
<b>Net Assets</b>	<b>24,181,464</b>	<b>22,907,625</b>

## Alwyndor Aged Care

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2022

## Note 19. Segment Reporting (continued)

\$	Rehabilitation and Support Services	Consumer Directed Care	Other Home Care	Total
<b>2022</b>				
Revenue	1,148,510	7,487,283	2,538,385	11,174,179
Expenses	1,461,747	7,271,007	2,602,010	11,334,763
<b>Surplus/(Deficit)</b>	<b>(313,237)</b>	<b>216,277</b>	<b>(63,625)</b>	<b>(160,584)</b>
Assets	-	2,475,167	-	2,475,167
Liabilities	250,546	2,475,167	195,126	2,920,839
<b>Total Equity</b>	<b>(250,546)</b>	<b>-</b>	<b>(195,126)</b>	<b>(445,672)</b>
<b>2021</b>				
Revenue	1,183,723	5,884,523	2,380,563	9,448,809
Expenses	1,351,584	5,548,344	2,286,289	9,186,217
<b>Surplus/(Deficit)</b>	<b>(167,860)</b>	<b>336,179</b>	<b>94,274</b>	<b>262,592</b>
Assets	-	2,953,296	-	2,953,296
Liabilities	230,365	2,953,296	198,154	3,381,815
<b>Total Equity</b>	<b>(230,365)</b>	<b>-</b>	<b>(198,154)</b>	<b>(428,519)</b>

## Alwyndor Aged Care

### General Purpose Financial Statements

for the year ended 30 June 2022

### Independent Auditor's Report - Financial Statements

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## General Purpose Financial Statements

for the year ended 30 June 2022

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### Statement by Auditor

I confirm that, for the audit of the financial statements of Alwyndor Aged Care for the year ended 30 June 2022, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) *Local Government (Financial Management) Regulations 2011*.

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Auditor's Name

Audit Firm Name

Date: dd MMMM yyyy



# Attachment 3



General Purpose Financial Statements  
for the year ended 30 June 2022

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**Certification of Auditor Independence**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Holdfast Bay (Consolidated) for the year ended 30 June 2022, the Council's Auditor, Dean Newbery has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



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R. Bria  
Chief Executive Officer



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J. Smedley  
Presiding Member, Audit Committee

Date:

# Attachment 4





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

Brighton Civic Centre 24 Jetty Road, Brighton SA 5048

PO Box 19 Brighton SA 5048

P 08 8229 9999 F 08 8298 4561

Glenelg Customer Service Centre and Library

2 Colley Terrace, Glenelg SA 5045

25 October 2022

Samantha Creten  
Partner  
Dean Newbery  
PO Box 755  
NORTH ADELAIDE SA 5006

Dear Samantha

**Management Representations: External Audit, Financial Year Ended 30 June 2022**

This Management Representation letter is provided in connection with your audit examination of the General Purpose Financial Report (**2022 Financial Report**) of City of Holdfast Bay (**'the Council'**) for the financial year ended 30 June 2022.

**We hereby confirm, at your formal request, that to the best of our knowledge and belief, the following representations relating to the 2022 Financial Report are correct.**

In making these representations, we understand that they are provided to you in connection with your external audit of the Council for the year ended 30 June 2022 as prescribed by the *Local Government Act 1999*, for the express purpose of your expressing an opinion as to whether the 2022 Financial Report is, in all material respects, presented fairly in accordance with all applicable standards and requirements, including statutory. In making these representations, we have read and understood the standard unqualified Audit Opinion that would be normally expressed to the Council by you as is required under Section 129(3) of the *Local Government Act 1999* for the financial year ended 30 June 2022. We therefore understand, without exception, the potential ramifications of making any representations to you that are not correct, to the best of our knowledge and belief as of the date of this letter.

We understand and acknowledge that it is the Council management's responsibility for the fair presentation of the 2022 Financial Report and that management, as appropriate, have approved the Financial Report. Accordingly, management of the Council are of the opinion that the 2022 Financial Report is free of material misstatements, including omissions.

**1. Compliance with all Applicable Standards, including Statutory**

The Financial Report of the Council has been prepared so as to present a true and fair view of the state of affairs of the Council as at 30 June 2022 and of the results of operations of the Council for the financial year ended on that date, including for all post balance date matters, as applicable.



The accounting and financial management policies, practices and records of the Council were at all times maintained in accordance with the requirements of the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and that the Financial Report was prepared in accordance with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011*, Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board together with all other mandatory professional reporting requirements in Australia.

## **ASSETS**

### **Cash and Cash Equivalents**

- (1) Cash on hand at balance date was represented by cash floats reconciled and on hand as at 30 June 2022.
- (2) Cash at bank at balance date represented the reconciled operating account(s) of the Council.
- (3) Short term deposits represented amounts held with the LGFA by Council and Ord Minnett (Investment Manager) for Alwyndor.

### **Rates and Other Receivables**

- (1) Current rate receivables at balance date represented all outstanding amounts owed by rate payers.
- (2) Current other receivables at balance date represented all outstanding amounts owed by debtors other than rate payers.
- (3) Debts due at balance date that are known to be uncollectible have since been written-off and adequate provision has been made for impairment to cover allowances, discounts and losses that may be sustained by Council in the collection of the debts.

### **Other Current Assets**

- (1) Prepayments at balance date represented payments for goods and services to be received in the 30 June 2023 financial year.
- (2) There are no non-current assets held for sale.

### **Financial Assets**

- (1) There are no grounds to provide for any impairment loss for loans to community groups or other organisations apart from the provision reported in the 2020-21 statements of \$517,780.
- (2) Other financial assets refer to Alwyndor interest rate and equity securities.

### **Investments Accounted using the Equity Method**

- (1) Council has complied with all applicable Australian Accounting Standards with regard to Council's equity in subsidiaries, regional subsidiaries and other interests, as applicable.

### **Infrastructure, Property, Plant & Equipment and Depreciation**

- (1) Infrastructure, property, plant and equipment at the 2022 balance date was represented by the following fair values, cost, accumulated depreciation and carrying amounts for each class of asset, in accordance with all prescribed requirements and standards, as follows:

	At Fair Value \$'000	At Cost \$'000	Accumulated Depreciation \$'000	Carrying Amount \$'000
Land	504,222	-	-	504,222
Buildings & Other Structures	177,081	-	(64,923)	112,158
Infrastructure	378,498	35,441	(145,699)	268,240
Plant & Equipment	-	11,525	(5,890)	5,635
Furniture & Fittings	-	7,118	(3,563)	3,555
Library Lending Materials	1,347	-	(520)	827
Total Infrastructure, Property, Plant & Equipment	1,061,148	54,084	(220,595)	894,637

- (2) The additions during the 2022 financial year to Infrastructure, property, plant and equipment general ledger control accounts and asset registers represents the cost of additions and or improvements to existing facilities or replacements thereof. All units of property which have been replaced, sold, dismantled or otherwise disposed of, or which are permanently unusable, have been removed from general ledger and applicable asset register. Adequate provision, determined in a manner consistent with that of the preceding financial year, has been made to write-off depreciable assets over their useful economic working lives.

No circumstances have arisen which render adherence to the existing basis of depreciation misleading or inappropriate and that depreciation expense for the financial year ended 30 June 2022 is reliable.

- (3) All additions to depreciable assets represent actual additions or improvements of a capital nature, based on capitalisation thresholds consistently applied for the 2022 financial year in accordance with Council's Asset Accounting Policy.

- (4) Where the recorded carrying amount of any depreciable assets exceeds its recoverable amount as at 30 June 2022, that asset's recorded carrying amount has been written down to its recoverable amount.
- (5) Contractual commitments for capital expenditure(s) included in the Financial Report payable not later than one year are as described in the notes accompanying the Financial Report.
- (6) There are no deficiencies or encumbrances attaching to the title of the assets of the Council at 30 June 2022 other than those reflected in the financial report and those are not greater than the value of the asset.
- (7) No Operating or Finance Lease commitments exist that have not been disclosed in the Financial Report. All Operating Lease expenses have been fully disclosed in the notes to the 2022 Statement of Comprehensive Income. Finance Leasing commitments have been fully disclosed in the notes to the 2022 Balance Sheet.
- (8) The asset revaluation of all land owned by Council was undertaken by independent valuers Public Private Property as at 30 June 2022 based on Fair Value using the Market Approach. Accordingly, the fair value was reliably established for each asset and the financial records of Council were restated in accordance with all applicable Australian Accounting Standards, and the Financial Report reflects all such accounting entries.
- (9) The asset revaluation of all buildings owned by Council was undertaken by independent valuers Public Private Property as at 30 June 2022 based on Fair Value using a combination of the Market Approach and Cost Approach. The fair value, total economic working life, residual economic working life were reliably established for each asset and the financial records of Council were restated in accordance with all applicable Australian Accounting Standards, and the Financial Report reflects all such accounting entries.
- (10) The asset revaluations of stormwater infrastructure assets undertaken during the 2022 financial year by internal staff and reviewed by Public Private Property as at 30 June 2022 were based on the principle of written down replacement value. Accordingly, total replacement value, total economic working life, residual economic working life were reliably established for each asset and the financial records of Council were restated in accordance with all applicable Australian Accounting Standards, and the Financial Report reflects all such accounting entries.
- (11) Valuations of all land, buildings and infrastructure assets are reflected in the 2022 Financial Report and will be considered by Audit Committee and Council as part of the adoption of the Financial Statements.
- (12) The resultant increment to the asset revaluation reserve during the year represents the difference between the prior written down value of the assets being valued and the valuations as at 30 June 2022.

- (13) Depreciation expense reported in the 2022 Statement of Comprehensive Income is reliable, being based on reliable 'whole of life' asset management information for each class of depreciable non-current asset.

**LIABILITIES – Current and Non-Current**

- (1) All liabilities which have arisen or which will arise out of the activities of the Council to the end of the 2022 financial year have been included in the 2022 Financial Report.
- (2) All outstanding trade payables at balance date have been taken up as at the 2022 balance date.
- (3) All applicable accrued wages and salaries and accrued employee entitlements at the 2022 balance date have been taken up.
- (4) All accrued interest at the 2022 balance date have been taken up.
- (5) All revenue received in advance as at the 2022 balance date have been taken up.
- (6) Provisions for employee benefits, inclusive of on-costs, all discounted as at the 2022 balance date representing long service leave benefits calculated for all valid employees (as at balance date) have been taken up.
- (7) Accrued employee benefits represent annual leave accrued for all valid employees as at the 2022 balance date.
- (8) Borrowings as at the 2022 balance date represented amounts owed to the Local Government Finance Authority. Loans with the LGFA have varying maturity dates and interest rates with details fully provided in the notes to the 2022 Financial Report.
- (9) There were no contingent liabilities including for:
- a) guarantees;
  - b) bills and accounts receivable discounted, assigned or sold and which are subject to recourse;
  - c) endorsements;
  - d) pending law suits - noting (as separately advised) that a pre-action notice has been served on 61 SA Councils in relation to fees associated with negotiating public lighting tariffs. The LGA are facilitating the response and coordinated defence with advice that the claim does not have merit;
  - e) unsatisfied judgements or claims;
  - f) repurchase agreements; or
  - g) contractual disputes between the Council and any contractor / service provider that may result in an increased liability as at 30 June 2022; which are not fully disclosed in the notes to the 2022 Financial Report.



## **EQUITY**

- (1) There have been no adjustments to the Accumulated Surplus other than those allowable under the Australian Accounting Standards.
- (2) There have been no adjustments to the Asset Revaluation Reserve other those allowable under the Australian Accounting standards and the balance of the reserve has been reconciled to each class of asset.
- (3) All reserve funds required by legislation to be maintained have been at all times maintained in the accounting records of the Council.
- (4) All transfers to and from reserve funds (including the Accumulated Surplus) have been prior authorised by Council.
- (5) Other than for the Asset Revaluation Reserve, all other reserve accounts are those applied for 2022 Council budget purposes and have the same balances as at 30 June 2022.

## **2021 STATEMENT OF COMPREHESIVE INCOME**

- (1) Please find attached a summary of all material variations for all income and expense amounts (variances less than \$5,000 have been deemed immaterial and not included) disclosed in the 2022 Statement of Comprehensive Income, compared to 2021.
- (2) No 2020-21 amounts that have been re-classified in the 2022 Statement of Comprehensive Income.
- (3) All depreciable physical resources received free of charge have been included in the appropriate asset register and depreciated from the date when Council assumed control (of the asset).
- (4) Depreciation expense for 2022 is in accordance with Council's asset registers and has been determined on the same basis as for 2021.
- (5) Salaries and Wages expense disclosed in the 2022 Statement of Comprehensive Income reconciles to the last budgeted salaries and wage amount approved by Council for 2022 annual budget funding purposes.
- (6) Capital grants have been correctly separated from operating grants, in accordance with the requirements of the Model Financial Statements.

## **KEY FINANCIAL INDICATORS**

Council has three major financial targets as follows:

- To achieve an operating ratio of 0-10 per cent over a five year period.
- To achieve a net financial liabilities ratio of less than 75 per cent.

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

### **CHIEF EXECUTIVE OFFICER'S REPORT**

There are no exceptions to the standard Chief Executive Officer's Report that may be or will be expressed in the 2022 report to be included in the 2022 Financial Report.

### **OTHER REQUIRED REPRESENTATIONS**

- (1) No events have occurred (or are known to occur) subsequent to the 30 June 2022 that would require any consideration for adjustment to or additional disclosure in the 2022 Financial Report.
- (2) The Council does not have any plans or intentions that may materially affect the carrying value or classification of all assets and liabilities as at 30 June 2022.
- (3) The Council has complied with all aspects of contractual arrangements and agreements that would have a material effect on the 2022 Financial Report in the event of non-compliance.
- (4) There were no material commitments for construction or acquisition of property, plant and equipment or to acquire other non-current assets, other than those disclosed in the 2022 Financial Report.
- (5) There are no violations or possible violations of laws, compulsory standards or regulations whose effects should be considered for disclosure in the 2022 Financial Report or as a basis for recording as an expense or otherwise.
- (6) The methods, the data, and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.
- (7) The Council has full title to all assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- (8) All details concerning related party transactions and related amounts receivable or payable (including sales, purchases, loans and guarantees) have been correctly recorded in the accounting records. All related parties have been identified and disclosed to you during your audit.
- (9) The Council reviews, at least on an annual basis, the adequacy of insurance cover on all assets and insurable risks. This review has been consistently performed, and where it is considered appropriate, assets and insurable risks of the Council are at all times adequately covered by appropriate insurance.

- (10) The minutes of all meetings of Council and its Committees were made available to you and are complete and authentic records of all such meetings held during the 2022 financial year and to the date of this letter. All other statutory records were properly kept at all times during the year and have been made available to you for audit purposes.
- (11) All audit correspondence has been formally and promptly responded.
- (12) All audit correspondence has been referred to Council and Council's Audit Committee.
- (13) Salaries and wages records together with records for the Goods and Service Tax were at all times fully maintained in accordance with the requirements of the Australian Taxation Office, as applicable.
- (14) All documentation relating to the capture of Related Party Disclosures and Transactions (AASB 124 Related Party Disclosures) including all authorised forms provided by the deemed Key Management Personnel, evidence of review of total related party transactions processed during the financial year by the Council e.g. transaction reports of payments made by Council to related parties and any working papers of calculation methodologies for the disclosures in the 30 June 2022 financial statements have been made available to the auditors.
- (15) All deemed material transactions relating to Related Party Disclosures and Transactions (AASB 124 Related Party Disclosures) have been included and adequately disclosed in the 30 June 2022 financial statements.
- (16) Council has formally in place and has at all times maintained an appropriate standard of accounting, internal control structure and framework, segregation of duties and risk management structure and framework across the entire organisation, including appropriate controls and mechanisms specifically designed to prevent and detect fraud and error. Further, we advise that there have not been any instances of fraud or error during the financial year ended 30 June 2022 or to the date of this letter. In addition, there are no matters that should be brought to your attention for the purposes of your making an assessment as to Sections 129(5) and 129(6) of the Local Government Act 1999.
- (17) The 2022 Financial Report has been adjusted for all agreed audit adjustments for the year ended 30 June 2022.
- (18) There were no changes in accounting practices and accounting policies made for the financial year ended 30 June 2022 compared to the financial year ended 30 June 2021.
- (19) Council's Audit Committee has addressed all of its prescribed responsibilities and no member of the Committee has undertaken other professional services for the Council.

(20) In our opinion, there are no grounds to believe that the Council will not be able to pay its debts as and when they fall due, that assets will be at all time maintained to the service standards currently determined by Council and accordingly, the Council is long term financially sustainable.

Yours sincerely

-----  
**Chief Executive Officer**

-----  
**Manager Financial Services**

**Attachment**

## **Attachment**

### **2021-22 Statement of Comprehensive Income - Summary of material prior year variations. Note References refer to the General Purpose Financial Statements**

#### **Note 2(b) - Statutory Charges \$2,801,000 (2020-21 \$2,263,000)**

Increased by \$538,000 due to an increase in: parking fines \$397,000, development assessment fees \$77,000, food inspection fees \$41,000 and encroachment permit fees \$28,000.

#### **Note 2(c) - User Charges \$8,882,000 (2020-21 \$7,754,000)**

Municipal user charges increased by \$141,000 with additional off-street parking ticket machine income \$77,000 and an increase in cemetery fee income \$75,000.

Alwyndor user charges increased by \$987,000 due to an increase in residential funding from a new basic daily fee supplement (additional \$10 per resident per day to deliver better food and nutrition to residents) and third party services and consumables for Home Care Packages (offset by third costs at note 3(b)).

#### **Note 2(g) – Operating Grants, Subsidies and Contributions \$14,743,000 (2020-21 \$15,515,000)**

Municipal operating grants decreased by \$568,000. A major variance occurred due to no new Local Roads and Community Infrastructure (LRCI) being received during 2021-22 (\$1,053,000 was received in 2020-21). Due to accounting standard requirements any payments received are only recorded as income at time of receipt. Additionally the Home and Community Care grant program finished in 2020-21, \$143,000. These variances were offset by a positive variance of \$500,000 in the timing of the payment of the Financial Assistance Grants and new grants for a seawall remediation trial \$55,000, the greening of Seacliff \$42,000 and a grants management guide \$32,000.

Alwyndor grants and subsidies decreased by \$204,000. This is mainly due to an increase in the total Aged Care Funding Instrument (ACFI) revenue generated throughout the year offset by lower occupancy levels as a direct result of COVID outbreaks.

#### **Note 2(d) - Investment Income \$363,000 (2020-21 \$191,000)**

Municipal reserve fund investment reduced by \$10,000 due to lower interest rates and less available cash for investing. In accordance with Councils Treasury Management policy available cash was used to fund major operating and capital expenditure in preference to new borrowings which occurred late in 2021-22.

Alwyndor investment income increased by \$182,000 mainly due to dividend and distribution income from investing surplus funds through commencing investments with external investment manager, Ord Minnett.

**Note 2(e) – Reimbursements \$4,046,000 (2020-21 \$3,575,000)**

Municipal reimbursements decreased by \$69,000 mainly due to reimbursements received in 2020-21 but not in 2021-22: Fringe Benefit Tax, LGA Asset Mutual Fund and apprentice training reimbursements received through the Workers Compensation scheme.

Alwyndor reimbursements increased by \$540,000 due to increased direct services provided to Support at Home clients following growth in clients.

**Note 2(f) – Other Income \$5,387,000 (2020-21 \$4,398,000)**

Municipal other income has increased by \$104,000 largely due to additional income raised through various events held over 2021-22, including: Pro Hustle Basketball tournament, beach concert, Ferris wheel and Christmas Pageant.

Alwyndor other income increased by \$885,000 due to recording \$661,000 higher income compared to prior year for Home Care Package fees due to increased clients. The remaining variance of \$224,000 is mainly due to COVID Grant income recognised to offset expenses relating to managing COVID outbreaks in residential care.

**Note 19 - Net gain – EQUITY ACCOUNTED COUNCIL BUSINESSES \$441,000 (2020-21 \$66,000)**

This refers to Council's 15% share (\$441,000 surplus) in the Southern Region Waste Resource Authority (SRWRA). For 2021/22 SRWRA achieved a \$2,941,000 net surplus (\$578,000 in 2020/21). Major prior year variances included an increase in joint venture cost reimbursement income for the Southern Materials Recycling Facility of \$1,673,000 and an increase of \$1,848,000 to account for a 50% equity share in the net surplus of the same joint venture. This is offset by a decrease in landfill operation income of \$1,240,000. The full SRWRA financial statements are attached to the covering report. The financial results, provisions and expanded notes of Councils equity share of SRWRA are included in Note 19 to the Council financial statements.

**Note 3(a) - Employee Costs \$35,007,000 (2020-21 \$32,712,000)**

Overall municipal employee costs increased by \$780,000 from the prior year. This is made up of an increase in direct employment costs of \$977,000 due to vacancies in 2020-21 being filled in 2021-22 and a 2% wages and salaries increase in line with the relevant Enterprise Bargaining Agreements. This is offset by a reduction of \$172,000 in the annual employee leave provision expense. Capitalised employment costs increased by \$25,000.

Alwyndor employment costs increased by \$1,515,000. This is due to additional costs to support increased residential client needs (refer higher Aged Care Funding Instrument (ACFI) revenue noted in 2g), \$270,000 from 2% annual remuneration increase, \$172,000 COVID wages during outbreaks (offset by Income noted in 2f), \$475,000 in increased Support at Home and Therapy following growth in these areas. Increased wages also led to \$195,000 higher Superannuation costs and \$76,000 higher Workers Compensation costs.

**Note 3(b) - Materials, Contracts and Other Expenses \$26,258,000 (2020-21 \$25,240,000)**

Municipal expenses in this grouping decreased by \$30,000. This comprised numerous items either included in the original budget or varied throughout the year. Major prior year variances include the running of community events that had been deferred in 2020-21 due to COVID-19 \$136,000, higher insurance premiums \$45,000 and the need to hold a supplementary election \$32,000. This was offset by a decrease in expenditure of \$138,000 related to the COVID-19 pandemic and lower energy costs of \$62,000.

Alwyndor expenses increased by \$1,017,000. This is due to a \$343,000 increase in third party costs paid for Home Care Package clients, which is offset by User Charges at Note 2(c), project implementation costs for the new Home Care software program of \$331,000, \$96,000 increased in-house kitchen costs following early departure of the third party contractor, \$132,000 additional COVID expenditure on Agency costs and medical costs, additional \$72,000 in gardening and maintenance for the CHSP program and \$35,000 in costs for the investment portfolio.

**Note 3(c) - Depreciation \$11,104,000 (2020-21 \$10,684,000)**

Overall municipal depreciation increased by \$412,000 reflecting new and revalued assets including bridges and car parks (Other Transport) \$124,000, open space coastal assets \$105,000, buildings \$74,000 and stormwater assets \$58,000.

Alwyndor depreciation increased by \$8,000 with most of this increase applicable to buildings.

**Note 3(d) - Finance Costs \$1,758,000 (2020-21 \$1,814,000)**

Municipal finance charges increased by \$54,000 due to interest payments on new borrowings undertaken in June 2021 but offset by less interest paid on cash advance debenture draw-downs due to low interest rates and a positive cashflow.

Alwyndor Finance charges decreased by \$110,000 due to a \$123,000 reduction of interest recognised in accordance with the new AASB 16 accounting standards. The interest expense recognised is offset against the consideration noted at Note 2(f). The balance of \$13,000 is due to an increase in the interest rate payable on Refundable Accommodation Deposit refunds.

**Note 4 - Asset Disposal and Fair Value Adjustments (\$2,340,000 loss) - (2020-21 \$1,379,000 - loss)**

Municipal assets were sold, or disposed of, throughout the year resulting in a \$1,476,000 loss. The assets are itemised as follows:

- \$1,475,000 – Loss - Capital renewal program. Refers to existing infrastructure assets removed or disposed as part of the annual capital program
- \$32,000 – profit on sale of vehicles
- \$33,000 – loss on sale of caravan park cabins

Alwyndor's \$864,000 reduction represents mainly the unrealised loss on the capital value of the investment portfolio as at 30 June 2022 of \$835,000.

***Note 2(g) - Amounts Received for New/Upgraded Assets \$1,544,000 (2020-21 \$5,631,000)***

New grants were accounted for in 2021-22 including the following major projects - Jetty Road Glenelg Masterplan \$797,000, Brighton Oval redevelopment \$409,000, Glenelg Oval Masterplan \$165,000 and Mawson Oval upgrade \$95,000.

Alwyndor received \$78,000 in funding for new/upgraded assets, comprising \$66,000 funding for an Outdoor Gym and \$12,000 funding for noise cancelling headsets from the Local Government Association.

***Note 9(a) - Change in Revaluation Surplus – \$157,837,000 increase (2020-21 \$5,567,000 increase)***

Land and building assets were revalued by Public Private Property. The last revaluation on these assets was performed in 2017. Based on current replacement rates this resulted in a valuation increase of \$144,771,000 for land and \$13,878,000 for buildings. Stormwater assets were revalued by a qualified Council officer and reviewed by Public Private Property resulting in a valuation decrease of \$791,000. Though the current replacement costs of these assets has increased, their carrying value has decreased due to a reduction in their estimated remaining life. Library materials were also valued by senior library officers resulting in a valuation decrease of \$21,000.



# Attachment 5



## **Attachment**

### **2021-22 Statement of Comprehensive Income - Summary of material prior year variations. Note References refer to the General Purpose Financial Statements**

#### **Note 2(b) - Statutory Charges \$2,801,000 (2020-21 \$2,263,000)**

Increased by \$538,000 due to an increase in: parking fines \$397,000, development assessment fees \$77,000, food inspection fees \$41,000 and encroachment permit fees \$28,000.

#### **Note 2(c) - User Charges \$8,882,000 (2020-21 \$7,754,000)**

Municipal user charges increased by \$141,000 with additional off-street parking ticket machine income \$77,000 and an increase in cemetery fee income \$75,000.

Alwyndor user charges increased by \$987,000 due to an increase in residential funding from a new basic daily fee supplement (additional \$10 per resident per day to deliver better food and nutrition to residents) and third party services and consumables for Home Care Packages (offset by third costs at note 3(b)).

#### **Note 2(g) – Operating Grants, Subsidies and Contributions \$14,743,000 (2020-21 \$15,515,000)**

Municipal operating grants decreased by \$568,000. A major variance occurred due to no new Local Roads and Community Infrastructure (LRCI) being received during 2021-22 (\$1,053,000 was received in 2020-21). Due to accounting standard requirements any payments received are only recorded as income at time of receipt. Additionally the Home and Community Care grant program finished in 2020-21, \$143,000. These variances were offset by a positive variance of \$500,000 in the timing of the payment of the Financial Assistance Grants and new grants for a seawall remediation trial \$55,000, the greening of Seacliff \$42,000 and a grants management guide \$32,000.

Alwyndor grants and subsidies decreased by \$204,000. This is mainly due to an increase in the total Aged Care Funding Instrument (ACFI) revenue generated throughout the year offset by lower occupancy levels as a direct result of COVID outbreaks.

#### **Note 2(d) - Investment Income \$363,000 (2020-21 \$191,000)**

Municipal reserve fund investment reduced by \$10,000 due to lower interest rates and less available cash for investing. In accordance with Councils Treasury Management policy available cash was used to fund major operating and capital expenditure in preference to new borrowings which occurred late in 2021-22.

Alwyndor investment income increased by \$182,000 mainly due to dividend and distribution income from investing surplus funds through commencing investments with external investment manager, Ord Minnett.

**Note 2(e) – Reimbursements \$4,046,000 (2020-21 \$3,575,000)**

Municipal reimbursements decreased by \$69,000 mainly due to reimbursements received in 2020-21 but not in 2021-22: Fringe Benefit Tax, LGA Asset Mutual Fund and apprentice training reimbursements received through the Workers Compensation scheme.

Alwyndor reimbursements increased by \$540,000 due to increased direct services provided to Support at Home clients following growth in clients.

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New grants were accounted for in 2021-22 including the following major projects - Jetty Road Glenelg Masterplan \$797,000, Brighton Oval redevelopment \$409,000, Glenelg Oval Masterplan \$165,000 and Mawson Oval upgrade \$95,000.

Alwyndor received \$78,000 in funding for new/upgraded assets, comprising \$66,000 funding for an Outdoor Gym and \$12,000 funding for noise cancelling headsets from the Local Government Association.

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Land and building assets were revalued by Public Private Property. The last revaluation on these assets was performed in 2017. Based on current replacement rates this resulted in a valuation increase of \$144,771,000 for land and \$13,878,000 for buildings. Stormwater assets were revalued by a qualified Council officer and reviewed by Public Private Property resulting in a valuation decrease of \$791,000. Though the current replacement costs of these assets has increased, their carrying value has decreased due to a reduction in their estimated remaining life. Library materials were also valued by senior library officers resulting in a valuation decrease of \$21,000.

# Attachment 6



## City of Holdfast Bay Municipal Funds Statement as at June 2022

2021 - 2022 Original Budget \$'000	Year to Date				Note
	Adopted Forecast \$'000	Actual \$'000	Variance \$'000		
84	110	181	(72)	Cemeteries	1
466	473	446	28	Commercial & Club Leases	
(1,143)	(1,098)	(1,136)	39	Council Administration	
(1,011)	(978)	(819)	(159)	Development Services	2
1,490	2,363	2,283	81	FAG/R2R Grants	3
(1,689)	(1,807)	(1,792)	(14)	Financial Services	
(9,743)	(9,743)	(9,863)	120	Financial Services-Depreciation	4
(262)	(262)	(654)	391	Financial Services-Employee Leave Provisions	5
(834)	(689)	(635)	(54)	Financial Services-Interest on Borrowings	6
160	434	441	(7)	Financial Services-SRWRA	
37,146	37,157	37,160	(3)	General Rates	
(2,780)	(2,832)	(2,484)	(347)	Innovation & Technology	7
(684)	(604)	(603)	(1)	People & Culture	
(508)	(563)	(566)	4	Public Realm and Urban Design	
(913)	(853)	(903)	50	Strategy & Governance	8
(1,506)	(1,261)	(1,059)	(202)	City Activation	9
1,134	1,267	1,380	(113)	Commercial - Brighton Caravan Park	10
15	31	33	(2)	Commercial - Partridge House	
(367)	(564)	(548)	(16)	Communications and Engagement	
(349)	(344)	(342)	(2)	Community and Business Administration	
(894)	(935)	(871)	(64)	Community Events	11
661	661	1,145	(484)	Community Safety	12
(540)	(602)	(595)	(7)	Community Wellbeing	
(617)	(617)	(517)	(100)	Customer Service	13
-	(165)	(72)	(93)	Jetty Road Mainstreet	14
(1,492)	(1,496)	(1,346)	(150)	Library Services	15
(299)	(299)	(287)	(12)	Assets & Delivery Administration	
(1,195)	(1,275)	(1,156)	(118)	Engineering & Traffic	16
(989)	(819)	(791)	(28)	Environmental Services	
(7,561)	(7,775)	(7,851)	76	Field Services & Depot	17
(2,062)	(2,059)	(1,889)	(171)	Property Management	18
(455)	(455)	(440)	(15)	Street Lighting	
(4,086)	(4,086)	(3,891)	(195)	Waste Management	19
928	928	934	(6)	Less full cost attribution - % admin costs capitalised	
<b>107</b>	<b>1,245</b>	<b>2,893</b>	<b>(1,648)</b>	<b>=Operating Surplus/(Deficit)</b>	
9,743	9,743	9,863	(120)	Depreciation	
102	(171)	213	(384)	Other Non Cash Items	
<b>9,845</b>	<b>9,572</b>	<b>10,076</b>	<b>(504)</b>	<b>Plus Non Cash Items in Operating Surplus/(Deficit)</b>	
<b>9,953</b>	<b>10,817</b>	<b>12,969</b>	<b>(2,152)</b>	<b>=Funds Generated from Operating Activities</b>	
879	2,442	1,466	977	Amounts Received for New/Upgraded Assets	20
528	1,683	72	1,611	Proceeds from Disposal of Assets	21
<b>1,407</b>	<b>4,125</b>	<b>1,537</b>	<b>2,588</b>	<b>Plus Funds Sourced from Capital Activities</b>	
(9,392)	(12,188)	(7,910)	(4,278)	Capital Expenditure on Renewal and Replacement	
(6,461)	(15,179)	(6,717)	(8,462)	Capital Expenditure on New and Upgraded Assets	
<b>(15,853)</b>	<b>(27,367)</b>	<b>(14,627)</b>	<b>(12,740)</b>	<b>Less Total Capital Expenditure</b>	22
247	247	239	8	Plus:Repayments of loan principal by sporting groups	
<b>247</b>	<b>247</b>	<b>239</b>	<b>8</b>	<b>Plus/(less) funds provided (used) by Investing Activities</b>	
<b>(4,246)</b>	<b>(12,178)</b>	<b>118</b>	<b>(12,296)</b>	<b>= FUNDING SURPLUS/(REQUIREMENT)</b>	
-	399	399	-	Increase/(Decrease) in Cash & Cash Equivalents	
-	(176)	(1,753)	1,577	Non Cash Changes in Net Current Assets	
(5,584)	(13,516)	-	(13,516)	Less: Proceeds from new borrowings	23
-	-	357	(357)	Less: Net Movements from Cash Advance Debentures	
1,338	1,116	1,116	-	Plus: Principal repayments of borrowings	
<b>(4,246)</b>	<b>(12,178)</b>	<b>118</b>	<b>(12,296)</b>	<b>=Funding Application/(Source)</b>	

Note 1 – Cemeteries - \$72,000 (65%) favourable

Cemetery fee (\$65,000) and memorial seat (\$7,000) income higher than budgeted.

Note 2 – Development Services - \$159,000 (16%) favourable

Planning fee income higher than anticipated (\$65,000), employment cost savings due to temporary vacancies (\$75,000) and Art Deco Review project not complete at 30 June (\$18,000) – carried forward operational budget.

Note 3 – Financial Assistance Grants - \$81,000 (3%) unfavourable

Expected receipt of Local Roads and Community Infrastructure (LRCI) grant income has now been delayed to 2022/23 (\$689,000). This has been offset by an advance part payment of the 2022/23 Federal Government Financial Assistance Grant, 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 4 – Financial Services - Depreciation - \$120,000 (1%) unfavourable

Following the 2021 revaluation of Council's bridges, car parks and traffic control assets depreciation was higher than originally budgeted for.

Note 5 – Financial Services – Employee Leave Provisions - \$391,000 (149%) unfavourable

Final movements in the provisions made for Annual Leave and Long Service Leave owed to employees. COVID-19 has continued to impact the amount of leave taken, however, planning is in place to reduce this provision next year.

Note 6 – Financial Services – Interest on Borrowings - \$54,000 (8%) favourable

Due to the positive cash flow Council has not had to borrow as forecast, resulting in a saving on budgeted interest costs.

Note 7 – Innovation & Technology - \$347,000 (12%) favourable

Employment cost savings due to temporary vacancies (\$106,000), positive variances on: software licenses (\$161,000), photocopying costs (\$30,000), website hosting (\$26,000) and telecommunications charges (\$15,000).

Note 8 – Strategy and Governance - \$50,000 (6%) unfavourable

Employment costs higher than budgeted, though offset by employment cost savings across the organisation.



Note 9 – City Activation - \$202,000 (16%) favourable

Employment cost savings due to temporary vacancies (\$50,000) and favourable variances for: administration costs (\$22,000), business and economic development (\$27,000), Kaurua meetings (\$9,000) and tourism (\$6,000). Additionally, a lower than budgeted number of shopfront character grants (\$72,000) and small business development grants (\$13,000) were processed – both are carried forward operational budgets.

Note 10 – Commercial – Brighton Caravan Park - \$113,000 (9%) favourable

Revenue generated higher than forecast (\$60,000), reimbursement of utility charges incurred in 2020/21 (\$22,000) and Council related maintenance costs lower than budgeted (\$31,000).

Note 11 – Community Events - \$64,000 (7%) favourable

The Seafood Festival event has been moved from January 2022 to October 2022 (\$50,000) – carried forward operational budget.

Note 12 – Community Safety - \$484,000 (73%) favourable

Car parking related revenue higher than forecast (\$430,000) and employment cost savings due to temporary vacancies (\$46,000).

Note 13 – Customer Service - \$100,000 (\$16%) favourable

Employment cost savings due to temporary vacancies.

Note 14 – Jetty Road Mainstreet - \$93,000 (56%) favourable

Underspend on event management (\$35,000) and the rescheduled Seafood Festival (\$50,000). Due to separate rate funding arrangements unspent budget was carried forward as in previous years.

Note 15 – Library Services - \$150,000 (10%) favourable

Grant in kind for new library books received from State Library Board (\$86,000) and employment cost savings due to temporary vacancies (\$64,000).

Note 16 – Engineering & Traffic - \$118,000 (9%) favourable

Increased bus shelter advertising revenue (\$18,000), while two projects are to be continued in 2022/23: Integrated Transport Strategy Priorities (\$90,000) and Trial Parklet Investigation (\$15,000) – both are carried forward operational budgets.

Note 17 – Field Services & Depot - \$76,000 (1%) unfavourable

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

Note 18 – Property Management - \$171,000 (8%) favourable

Positive variances on electricity charges (\$65,000), water usage (\$33,000), gas monitoring costs at Kauri Parade Sports Complex (\$41,000) and Patawalonga Lock maintenance and repairs (\$22,000).

Note 19 – Waste Management - \$195,000 (5%) favourable

Savings on waste disposal costs at Southern Region Waste Resource Authority (SRWRA).

Note 20 – Amounts Received for New/Upgraded Assets - \$977,000

Grant funding received, but not yet expended, for Seacliff Plaza (\$300,000), Pine Gully stormwater (\$100,000), former Buffalo site improvements (\$100,000), Dover Square Tennis Club lighting (\$75,000) and an Access & Inclusion grant for Glenelg Beach access (\$50,000). Additional budgeted funding will now be received in 2022/23 for Glenelg Oval stages 3 & 4 (\$293,000) and Pine Gully Stormwater (\$50,000) – budgets were carried forward.

Note 21 – Proceeds from Disposal of Assets - \$1,611,000

Sale of Council land budgeted for \$1m is due for completion in 2022/23 and trade-in of council vehicles has been delayed (\$610,000) – budgets were carried forward.

Note 22 – Capital Expenditure - \$12,740,000

There are positive variances on a number of capital projects. Some projects have been completed with a saving while other projects were not completed at the 30 June 2022. Details of these and the amount requested to be carried forward to 2022/23 were previously itemised in report 350/22.

Note 23 – Proceeds from new borrowings - \$13,516,000

The Treasury Management Policy stipulates that new borrowings only be drawn down to meet cash flow requirements to finance capital projects. During 2021/22 cash advance debentures were utilised to meet normal operational cash flow cycles. The loan budget is yet to be utilised and will finance the in progress capital works carried forward into the 2022/23 budget as listed in report 350/22.



## Alwyndor Aged Care Funds Statement as at 30 June 2022

2021-22 Original Budget \$'000	Year to Date				Note
	Revised Budget YTD \$'000	Actual YTD \$'000	Variance \$'000		
5,435	5,429	5,498	(69)	User Charges	
12,472	12,031	11,980	51	Operating Grants and Subsidies	
165	304	343	(39)	Investment Income	
3,268	3,797	3,733	65	Reimbursements	
2,722	3,240	4,521	(1,282)	Other Income	
<b>24,062</b>	<b>24,801</b>	<b>26,075</b>	<b>(1,274)</b>	<b>Operating Revenue</b>	<b>1</b>
(16,551)	(17,121)	(17,127)	6	Employee Costs - Salaries & Wages	
(6,512)	(7,494)	(7,899)	405	Materials, Contracts and Other Expenses	2
(60)	(80)	(1,117)	1,037	Finance Charges	3
(1,232)	(1,232)	(1,243)	10	Depreciation	
<b>(24,355)</b>	<b>(25,927)</b>	<b>(27,385)</b>	<b>1,458</b>	<b>Less Operating Expenditure</b>	
<b>(293)</b>	<b>(1,126)</b>	<b>(1,310)</b>	<b>184</b>	<b>=Operating Surplus/(Deficit)</b>	<b>5</b>
0	0	(29)	29	Loss on disposal on Investment portfolio	
0	0	(836)	836	Loss on fair value movements on Investment portfolio	
<b>(293)</b>	<b>(1,126)</b>	<b>(2,175)</b>	<b>1,049</b>	<b>Net Surplus/(Deficit)</b>	
1,232	1,232	1,243	(10)	Depreciation	
0	0	836	(836)	Loss on fair value movements on Investment portfolio	
168	132	123	10	Provisions	
<b>1,401</b>	<b>1,364</b>	<b>2,201</b>	<b>(836)</b>	<b>Plus Non Cash Items in Operating Surplus/(Deficit)</b>	
<b>1,107</b>	<b>238</b>	<b>26</b>	<b>213</b>	<b>=Funds Generated from Operating Activities</b>	
0	12	78	(66)	Amounts Received for New/Upgraded Assets	4
0	0	1	(1)	Proceeds from Disposal of Assets	
<b>0</b>	<b>12</b>	<b>79</b>	<b>(67)</b>	<b>Plus Funds Sourced from Capital Activities</b>	
(633)	(984)	(615)	(369)	Capital Expenditure on New and Upgraded Assets	
<b>(633)</b>	<b>(984)</b>	<b>(615)</b>	<b>(369)</b>	<b>Less Total Capital Expenditure</b>	
<b>475</b>	<b>(733)</b>	<b>(510)</b>	<b>(223)</b>	<b>= Funding SURPLUS/(REQUIREMENT)</b>	
				<b>Funded by</b>	
475	(733)	(510)	(223)	Increase/(Decrease) in Cash & Cash Equivalents	5
<b>475</b>	<b>(733)</b>	<b>(510)</b>	<b>(223)</b>	<b>=Funding Application/(Source)</b>	

**Alwyndor Aged Care – Notes**  
**June 2022 – Final Audited Result compared to Revised Budget**

1 Operating Revenue

Operating Revenue is favourable by \$1,274K.

\$1,034K was due to the consideration recognised for Refundable Accommodation Deposits in accordance with AASB16 accounting standards, which offset against finance charges in point 3 below.

The remaining variance of \$240K can mainly be explained by:

- Additional COVID income, offsetting costs within point 2.\*
- Growth in Support at Home with increased clients offset by a reduction in income recorded for GST previously claimed on Home Care Packages.

\*At 30 June 2022, the \$247k COVID Grant income has been recorded as revenue even though it has not been approved by the Department of Health. This is due to a high level of certainty of approval being granted.

2 Materials, Contracts and other expenditure

The YTD increase can be attributed to:

- The increased expenditure from revised 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 offset by the COVID Grant Income (refer comment within note 1, Operating Revenue).
- Reduced Alayacare spend incurred in FY22 compared to revised budget

3 Finance charges

The unfavourable finance charge variance was due to the \$1,034K adjustment for Accounting Standard AASB 16 as mentioned at point 1 above.

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.

\$66K of income relating to a specific Government Grant relating to the installation of an Outdoor Gymnasium for the use by our Residential and Therapy.

5 Operating Deficit

June 2022 YTD

The \$1,310K Operating Deficit, after allowing for depreciation and capital expenditure, has led to a funding requirement of \$510K as at June YTD. This will be funded by Alwyndor's existing cash reserves.

Excluding the one-off Alayacare implementation costs (as mentioned in point 3 above), the Operating Deficit would be \$979K, which is comparable to the FY21 Operating Deficit of \$759K deficit.

The Alwyndor investment portfolio at 30 June 2022, has recorded an unrealised loss of \$836K. This has no impact upon funding requirements and does not represent a permanent loss.

**CITY OF HOLDFAST BAY**  
**CONSOLIDATED INCOME STATEMENT**  
**FOR THE YEAR ENDED 30TH JUNE 2022**

	<b><u>2021-22</u></b> <b><u>ORIGINAL</u></b> <b><u>BUDGET</u></b> \$	<b><u>2021-22</u></b> <b><u>ADOPTED</u></b> <b><u>FORECAST</u></b> \$	<b><u>2021-22</u></b> <b><u>ACTUAL</u></b> <b><u>ROUNDED</u></b> \$
<b>REVENUES</b>			
Rates - General	37,049,400	37,055,000	37,060,000
Rates - Jetty Road Glenelg	598,480	598,480	598,000
Rates - Patawalonga Marina	74,750	74,750	75,000
Rates - NRM Levy	1,321,600	1,326,700	1,327,000
Statutory Charges	2,210,235	2,440,319	2,801,000
User Charges	8,585,121	8,532,335	8,882,000
Operating Grants & Subsidies	14,500,882	15,129,950	14,743,000
Investment Income	201,189	324,621	363,000
Reimbursements	3,867,307	4,495,038	4,046,000
Other	3,264,597	3,856,099	5,387,000
Share of profit - joint ventures	160,000	433,650	441,000
<b>TOTAL REVENUES</b>	<b><u>71,833,561</u></b>	<b><u>74,266,942</u></b>	<b><u>75,723,000</u></b>
<b>EXPENSES</b>			
Employee Costs	35,095,204	35,687,764	35,941,000
Materials, contracts and other expenses	25,977,541	27,638,171	26,258,000
Finance Charges	899,520	775,190	1,758,000
Depreciation	10,975,123	10,975,000	11,104,000
Less full cost attribution	(928,097)	( 928,097)	( 934,000)
<b>TOTAL EXPENSES</b>	<b><u>72,019,291</u></b>	<b><u>74,148,028</u></b>	<b><u>74,127,000</u></b>
Operating Surplus/(Deficit) - Before Capital Revenue	( 185,730)	118,914	1,596,000
Amounts specifically for new or upgraded assets	878,828	2,454,884	1,544,000
Asset Disposals & Fair Value Adjustments	-	-	( 2,340,000)
<b>NET SURPLUS/(DEFICIT)</b>	<b><u>693,098</u></b>	<b><u>2,573,798</u></b>	<b><u>800,000</u></b>
Changes in Revaluation Surplus - Land, Buildings, Drainage	-	-	157,837,000
Share of Other Comprehensive Income - SRWRA Equity	-	-	173,000
<b>TOTAL COMPREHENSIVE INCOME</b>	<b><u>693,098</u></b>	<b><u>2,573,798</u></b>	<b><u>158,810,000</u></b>

**CITY OF HOLDFAST BAY**  
**CONSOLIDATED BALANCE SHEET**  
**AS AT 30TH JUNE 2022**

	<b><u>2021-22</u></b> <b><u>ORIGINAL</u></b> <b><u>BUDGET</u></b>	<b><u>2021-22</u></b> <b><u>ADOPTED</u></b> <b><u>FORECAST</u></b>	<b><u>2021-22</u></b> <b><u>ACTUAL</u></b> <b><u>ROUNDED</u></b>
	\$	\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3,865,000	2,290,945	5,079,000
Trade and Other Receivables	4,476,425	4,000,447	6,276,000
Inventory	22,786	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>8,364,211</b>	<b>6,291,392</b>	<b>11,355,000</b>
<b>NON-CURRENT ASSETS</b>			
Financial Assets	20,357,208	16,966,326	12,403,000
Equity accounted investments-Council businesses	3,387,000	3,587,276	3,928,000
Land, Infrastructure, Property, Plant & Equipment	746,504,343	752,319,833	896,975,000
<b>TOTAL NON-CURRENT ASSETS</b>	<b>770,248,551</b>	<b>772,873,435</b>	<b>913,306,000</b>
<b>TOTAL ASSETS</b>	<b>778,612,762</b>	<b>779,164,827</b>	<b>924,661,000</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	43,111,866	39,585,215	42,372,000
Borrowings	1,338,040	963,697	1,073,000
Short-term Provisions	4,775,089	4,845,510	5,197,000
<b>TOTAL CURRENT LIABILITIES</b>	<b>49,224,995</b>	<b>45,394,422</b>	<b>48,642,000</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-term Borrowings	30,316,534	28,008,755	13,365,000
Long-term Provisions	444,911	489,740	491,000
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>30,761,445</b>	<b>28,498,495</b>	<b>13,856,000</b>
<b>TOTAL LIABILITIES</b>	<b>79,986,440</b>	<b>73,892,917</b>	<b>62,498,000</b>
<b>NET ASSETS</b>	<b>698,626,322</b>	<b>705,271,910</b>	<b>862,163,000</b>
<b>EQUITY</b>			
Accumulated Surplus	188,138,311	189,216,899	185,662,000
Asset Revaluation Reserve	504,073,657	509,640,657	670,086,000
Other Reserves	6,414,354	6,414,354	6,415,000
<b>TOTAL EQUITY</b>	<b>698,626,322</b>	<b>705,271,910</b>	<b>862,163,000</b>

**CITY OF HOLDFAST BAY**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30TH JUNE 2022**

	<b><u>2021-22</u></b> <b><u>ORIGINAL</u></b> <b><u>BUDGET</u></b>	<b><u>2021-22</u></b> <b><u>ADOPTED</u></b> <b><u>FORECAST</u></b>	<b><u>2021-22</u></b> <b><u>ACTUAL</u></b> <b><u>ROUNDED</u></b>
	\$	\$	\$
Balance at beginning of period	187,445,213	186,643,101	185,045,000
Net Surplus/(Deficit)	693,098	2,573,798	973,000
SRWRA Asset Revaluation Reserve adjustment	-	-	(356,000)
Balance at end of period	188,138,311	189,216,899	185,662,000
<b>ASSET REVALUATION RESERVE</b>	<b>504,073,657</b>	<b>509,640,657</b>	<b>670,086,000</b>
<b>ALWYNDOR RESERVES</b>	<b>6,414,354</b>	<b>6,414,354</b>	<b>6,415,000</b>
<b>TOTAL RESERVES CLOSING BALANCE</b>	<b>510,488,011</b>	<b>516,055,011</b>	<b>676,501,000</b>
<b>TOTAL EQUITY</b>	<b>698,626,322</b>	<b>705,271,910</b>	<b>862,163,000</b>

**CITY OF HOLDFAST BAY**  
**CONSOLIDATED BUDGETED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30TH JUNE 2022**

	<b><u>2021-22</u></b> <b><u>ORIGINAL</u></b> <b><u>BUDGET</u></b> \$ (OUTFLOWS)	<b><u>2021-22</u></b> <b><u>ADOPTED</u></b> <b><u>FORECAST</u></b> \$ (OUTFLOWS)	<b><u>2021-22</u></b> <b><u>ACTUAL</u></b> <b><u>ROUNDED</u></b> \$ (OUTFLOWS)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<u>Receipts</u>			
Operating Receipts	71,654,721	73,719,301	79,236,000
<u>Payments</u>			
Operating payments to suppliers and employees	(59,790,027)	(62,079,713)	(64,683,000)
Finance Payments	(899,520)	(775,190)	(723,000)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>10,965,174</b>	<b>10,864,398</b>	<b>13,830,000</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<u>Receipts</u>			
Grants specifically for new or upgraded assets	878,828	1,666,264	1,544,000
Sale of replaced assets	528,000	682,868	43,000
Sale of surplus assets	-	1,000,000	34,000
Net purchase of Investment Securities	(17,304,284)	(17,304,284)	(12,407,000)
Repayments of loans (principal) by community groups	247,000	247,000	239,000
<u>Payments</u>			
Expenditure on renewal/replacement of assets	(9,901,907)	(12,840,835)	(9,504,000)
Expenditure on new/upgraded assets	(6,583,666)	(15,509,495)	(5,655,000)
<b>NET CASH (USED IN) INVESTING ACTIVITIES</b>	<b>(32,136,029)</b>	<b>(42,058,482)</b>	<b>(25,706,000)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<u>Receipts</u>			
Proceeds from Borrowings/CAD - External	5,584,449	14,399,075	-
<u>Payments</u>			
Repayments of Borrowings/CAD - External	(1,338,040)	(1,338,040)	(1,117,000)
Aged Care Facility Deposits - Net Movement	1,223,774	1,223,774	(771,000)
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>5,470,183</b>	<b>14,284,809</b>	<b>(1,888,000)</b>
<b>NET INCREASE (DECREASE) IN CASH HELD CASH AND CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD</b>	<b>(15,700,672)</b>	<b>(16,909,275)</b>	<b>(13,764,000)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD</b>	<b>3,865,000</b>	<b>2,290,945</b>	<b>5,079,000</b>
<b><u>RECONCILIATION OF INCOME STATEMENT TO BUDGETED STATEMENT OF CASH FLOWS</u></b> <b><u>FOR THE YEAR ENDED 30TH JUNE 2022</u></b>			
<b>SURPLUS FROM INCOME STATEMENT</b>	<b>693,098</b>	<b>2,573,798</b>	<b>5,562,000</b>
<b>NON-CASH ITEMS IN INCOME STATEMENT</b>			
Depreciation	10,975,123	10,975,000	11,104,000
Other Items - provisions, equity, grants, asset disposals	175,781	(1,018,136)	(1,292,000)
<b>TOTAL NON-CASH ITEMS</b>	<b>11,150,904</b>	<b>9,956,864</b>	<b>9,812,000</b>
<b>CASH ITEMS NOT IN INCOME STATEMENT</b>			
Capital Expenditure	(16,485,573)	(28,350,330)	(15,159,000)
Loan Repayments - External	(1,338,040)	(1,338,040)	(1,117,000)
Proceeds from Borrowings - External	5,584,449	14,399,075	-
Repayments of loans (principal) by community groups	247,000	247,000	239,000
Proceeds from Disposal of Assets	528,000	1,682,868	77,000
Net Proceeds - Aged Care Facility Deposits	1,223,774	1,223,774	(771,000)
Net Purchase on Investment Securities	(17,304,284)	(17,304,284)	(12,407,000)
<b>TOTAL CASH ITEMS</b>	<b>(27,544,674)</b>	<b>(29,439,937)</b>	<b>(29,138,000)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(15,700,672)</b>	<b>(16,909,275)</b>	<b>(13,764,000)</b>



**CITY OF HOLDFAST BAY**  
**CONSOLIDATED SUMMARY OF OPERATING AND CAPITAL INVESTMENT ACTIVITIES**  
**FOR THE YEAR ENDED 30TH JUNE 2022**

	<b><u>2021-22</u></b> <b><u>ORIGINAL</u></b> <b><u>BUDGET</u></b> \$	<b><u>2021-22</u></b> <b><u>ADOPTED</u></b> <b><u>FORECAST</u></b> \$	<b><u>2021-22</u></b> <b><u>ACTUAL</u></b> <b><u>ROUNDED</u></b> \$
Operating Revenues	71,833,561	74,266,942	75,723,000
less Operating Expenses	(72,019,291)	(74,148,028)	(74,127,000)
Operating Surplus/(Deficit) before Capital Amounts	(185,730)	118,914	1,596,000
<b>Less net outlays on Existing Assets</b>			
Capital Expenditure on renewal & replacement of existing assets	9,901,907	12,840,835	9,504,000
Less Depreciation	(10,975,123)	(10,975,000)	(11,104,000)
	(1,073,216)	1,865,835	(1,600,000)
<b>Less outlays on New and Upgraded Assets</b>			
Capital Expenditure on new & upgraded assets	6,583,666	15,509,495	5,655,000
Less amounts received for for new & upgraded assets	(878,828)	(2,454,884)	(1,544,000)
	5,704,838	13,054,611	4,111,000
<b>Net lending/(borrowing) for financial year</b>	<b><u>(4,817,352)</u></b>	<b><u>(14,801,532)</u></b>	<b><u>(915,000)</u></b>

**CONSOLIDATED FINANCIAL INDICATORS**  
**FOR THE YEAR ENDED 30TH JUNE 2022**

**OPERATING SURPLUS/(DEFICIT) - BEFORE CAPITAL AMOUNTS**

(185,730)      118,914      1,596,000

**OPERATING SURPLUS RATIO**

(Operating surplus/(deficit) before capital amounts as % of total operating revenue)

-0.3%      0.2%      2.1%

**NET FINANCIAL LIABILITIES - (Total liabilities less financial assets)**

51,287,807      50,635,199      38,740,000

**NET FINANCIAL LIABILITIES RATIO**

(Total liabilities less financial assets as % of total operating revenue)

71%      68%      51%

**INTEREST COVER RATIO**

(Net interest expense as % of total operating revenue less investment income)

1%      1%      2%

**ASSET SUSTAINABILITY RATIO**

(Capital expenditure on renewal/replacement of existing assets, excluding new capital expenditure as % of asset management plan)

88%      104%      95%

# Attachment 7



# **SOUTHERN REGION WASTE RESOURCE AUTHORITY**

## **General Purpose Financial Report for the financial year ended 30 June 2022**

### **Contents**

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# SOUTHERN REGION WASTE RESOURCE AUTHORITY

Annual Financial Statements  
for the financial year ended 30 June 2022

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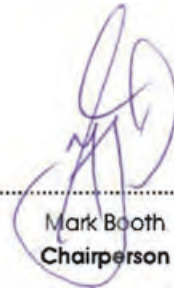
## Certification of Financial Statements

I have been authorised by Southern Region Waste Resource Authority to certify the financial statements in their final form. In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011 and Australian Accounting Standards.*
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2022 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.



Chris Adams  
Chief Executive Officer



Mark Booth  
Chairperson

**Date:** 19 September 2022

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Statement of Comprehensive Income for the financial year ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
<b>Income</b>			
User charges	2	10,534	11,774
Investment income	2	656	487
Other	2	2,309	454
Net gain - equity accounted Joint Venture	13	2,988	1,032
<b>Total Income</b>		<b>16,487</b>	<b>13,747</b>
<b>Expenses</b>			
Employee costs	3	951	1,131
Finance costs		1	-
Materials, contracts & other expenses	3	11,671	11,176
Depreciation, amortisation & impairment	3	936	1,002
<b>Total Expenses</b>		<b>13,559</b>	<b>13,309</b>
<b>Operating Surplus</b>		<b>2,928</b>	<b>438</b>
Asset disposal & fair value adjustments	3	13	140
Amounts received specifically for new/upgraded assets		-	-
<b>Net Surplus</b>		<b>2,941</b>	<b>578</b>
<b>Other Comprehensive Income</b>			
Changes in revaluation surplus - property, plant & equipment		1,153	-
<b>Total Other Comprehensive Income</b>		<b>1,153</b>	<b>-</b>
<b>Total Comprehensive Income</b>		<b>4,094</b>	<b>578</b>

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

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Statement of Financial Position as at 30 June 2022

	Notes	2022 \$'000	2021 \$'000
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	5,828	4,643
Trade & other receivables	4	2,501	3,008
Loan - Related Party	11,13	400	1,500
<b>Total Current Assets</b>		<b>8,729</b>	<b>9,151</b>
<b>Non-current Assets</b>			
Equity accounted joint venture	13	8,808	5,801
Property, plant & equipment	5	25,693	25,745
<b>Total Non-current Assets</b>		<b>34,501</b>	<b>31,546</b>
<b>Total Assets</b>		<b>43,230</b>	<b>40,697</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade & other payables	6	3,203	4,752
Provisions	6	119	128
<b>Total Current Liabilities</b>		<b>3,322</b>	<b>4,880</b>
<b>Non-Current Liabilities</b>			
Provisions	6	13,723	13,726
<b>Total Non-current Liabilities</b>		<b>13,723</b>	<b>13,726</b>
<b>Total Liabilities</b>		<b>17,045</b>	<b>18,606</b>
<b>Net Assets</b>		<b>26,185</b>	<b>22,091</b>
<b>Equity</b>			
Accumulated surplus		23,810	20,869
Asset revaluation reserve		2,375	1,222
<b>Total Equity</b>		<b>26,185</b>	<b>22,091</b>

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

## SOUTHERN REGION WASTE RESOURCE AUTHORITY

### Statement of Changes in Equity for the financial year ended 30 June 2022

	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Total Equity \$'000
<b>Balance at start of period - 1 July 2020</b>	20,291	1,222	21,513
Net Surplus/ (Deficit) for Year	578	-	578
<b>Other Comprehensive Income</b>			
Gain on revaluation of property, plant & equipment	-	-	-
Transfers between reserves	-	-	-
Distributions to Member Councils	-	-	-
<b>Balance at end of period - 30 June 2021</b>	<u>20,869</u>	<u>1,222</u>	<u>22,091</u>
<b>Balance at start of period - 1 July 2021</b>	20,869	1,222	22,091
Net Surplus/ (Deficit) for Year	2,941	-	2,941
<b>Other Comprehensive Income</b>			
Gain on revaluation of property, plant & equipment	-	1,153	1,153
Transfers between reserves	-	-	-
Distributions to Member Councils	-	-	-
<b>Balance at end of period - 30 June 2022</b>	<u>23,810</u>	<u>2,375</u>	<u>26,185</u>

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

## SOUTHERN REGION WASTE RESOURCE AUTHORITY

### Statement of Cash Flows for the financial year ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
<b>Cash Flows from Operating Activities</b>			
Operating receipts from customers		13,334	11,450
Investment receipts		656	487
Operating payments to suppliers & employees		(12,228)	(9,920)
Finance payments		(1)	-
<b>Net Cash provided by (or used in) Operating Activities</b>	7	<b>1,761</b>	<b>2,017</b>
<b>Cash Flows from Investing Activities</b>			
Amounts specifically for new or upgraded assets		-	-
Sale of replaced assets	3	57	244
Distributions from equity accounted Joint Ventures	13	700	600
Contributions to equity accounted Joint Ventures	13	(703)	(513)
Expenditure on equity accounted contributed assets	13	-	(5,679)
Expenditure on renewal/replacement of assets	5	-	(634)
Expenditure on new/upgraded assets	5	(1,730)	(6,898)
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(1,676)</b>	<b>(12,880)</b>
<b>Cash Flows from Financing Activities</b>			
Repayment Related Party Loans		1,500	-
Payment of Related Party Loans		(400)	-
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>1,100</b>	<b>-</b>
<b>Net Increase (Decrease) in cash held</b>		<b>1,185</b>	<b>(10,863)</b>
Cash & cash equivalents at beginning of period	4	4,643	15,506
<b>Cash &amp; cash equivalents at end of period</b>	4	<b>5,828</b>	<b>4,643</b>

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



# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the Financial Statements

for the year ended 30 June 2022

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### Note 1 – Significant Accounting Policies

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

#### 1 Basis of Preparation

##### 1.1 Compliance with Australian equivalents to International Financial Reporting Standards

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), Urgent Issues Group Interpretations (UIGs) and relevant South Australian legislation.

The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of City of Onkaparinga, City of Marion and the City of Holdfast Bay.

Each Constituent Council hold the following equitable interest in the Authority:

- City of Onkaparinga 55%
- City of Marion 30%
- City of Holdfast Bay 15%

##### 1.2 Historical Cost Convention

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

##### 1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying the Authority's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

##### 1.4 Rounding

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

#### 2 The Local Government Reporting Entity

Southern Region Waste Resource Authority operates as a regional subsidiary pursuant to Section 43 of the SA Local Government Act 1999 and Section 25 of the Local Government Implementation Act 1999, and has its principal place of business at 112 Bakewell Dr, Seaford Heights SA 5169.

#### 3 Income recognition

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

#### 4 Cash, Cash Equivalents and other Financial Instruments

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

Receivables are generally unsecured and do not bear interest.

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the Financial Statements

for the year ended 30 June 2022

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### Note 1 (cont.) – Significant Accounting Policies

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 9.

### 5 Infrastructure, Property, Plant & Equipment

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use".

#### 5.1 Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

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

#### 5.2 Materiality

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

Capitalisation threshold applied of \$1,000 for all asset classes. Any purchases greater than this amount are capitalised and depreciated on the Authority's asset register.

#### 5.3 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. Major depreciation periods for each class are shown below. Depreciation of Landfill Construction and Future Capping, Rehabilitation and Restoration costs are amortised proportionately to the rate of filling based upon the projected remaining airspace of landfill cells as at the beginning of the reporting period. The Authority annually assesses the remaining airspace of landfill cells and accordingly, depreciation and amortisation rates are adjusted to reflect these estimates. Depreciation periods for infrastructure assets have been estimated based on the best information available to the Authority, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimated.

Plant, Furniture & Equipment	3 - 10 years
Buildings	30 -50 years
Waste Facility	10 - 15 years
Landfill construction	Amortised proportionately to rate of filling
Future capping costs	Amortised proportionately to rate of filling
Future rehabilitation and restoration costs	Amortised proportionately to rate of filling

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the Financial Statements

for the year ended 30 June 2022

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### Note 1 (cont.) – Significant Accounting Policies

#### 6 Payables

##### 6.1 Goods & Services

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

#### 7 Employee Benefits

##### 7.1 Salaries, Wages & Compensated Absences

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

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

The Authority recognises all presently entitled liabilities as current liabilities regardless of whether it is expected to be paid within the preceding 12 months of reporting date.

##### 7.2 Superannuation

The Authority makes employer superannuation contributions in respect of its employees to Hostplus (formerly Statewide Super). The Scheme has two types of membership, each of which is funded differently.

###### Accumulation Fund Members

*Accumulation fund members receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with Superannuation Guarantee Legislation 10% in 2021/22 (9.5% in 2020/21).*

*No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.*

###### Salarylink (Defined Benefit Fund) Members

*Defined benefit scheme is where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. The Authority makes employer contributions as determined by the scheme's Trustee based on advice from the Scheme's Actuarial. The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2021.*

*The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to the Authority's contribution rates at some future time.*

The Authority also makes contributions to other superannuation schemes selected by employees under the 'choice of fund' legislation.

All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the new assets of the scheme, and no further liability attaches to the Authority.

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the Financial Statements

for the year ended 30 June 2022

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### Note 1 (cont.) – Significant Accounting Policies

#### 8 Provisions for Landfill Capping, Rehabilitation and Restoration Costs

The Authority's provision for landfill capping, post closure rehabilitation costs and restoration costs are calculated based on the net present value of the future cash outflows expected to be incurred to remediate the landfill which will include the costs of capping, rehabilitating and restoring the landfill site.

The measurement of the provisions requires significant estimates and assumptions such as discount rate, inflation rate, assessment of the requirements of the Environment Protection Authority (EPA) or other government authorities, the timing, extent and costs of activities required and the area of the landfill to be remediated, which is determined by volumetric aerial surveys.

These uncertainties may result in future actual expenditure differing from the amounts currently provided. Expenditure relating to ongoing rehabilitation and restoration will reduce any provision previously established.

The Authority monitors the remaining airspace, the airspace consumption efficiency (compaction) ratio, the discount rate and the inflation rate used to calculate the net present value of the future landing capping, rehabilitation and restoration costs on an annual basis and makes adjustments to the liability as required to ensure an accurate projected cost of the liability is showing in the balance sheet.

A complete review of all future capping, rehabilitation and restoration costs including a review of all the key assumptions and estimates in relation to the measurement of these costs is performed on a regular basis with the assistance of external consultants to ensure all projected costs have been independently verified.

The dates of the last review of the key assumptions and estimates in relation to the measurement of the future capping, rehabilitation and restoration costs are shown below:

Costs	Effective Date	Independent Assessor
Capping costs	30 June 2019	Golder Associates
Restoration costs	30 June 2018	Golder Associates
Rehabilitation costs	30 June 2016	Katalyse Pty Ltd

#### 9 Inventory

Inventory held by the Authority reflect materials stored on site which have either been purchased or gifted which will be used for future Cell and Capping construction works to be undertaken in future years.

#### 10 GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax". Receivables and Creditors include GST receivable and payable. Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable. Non-current assets and capital expenditures include GST net of any recoupment.

Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

#### 11 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with AIFRS.

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the Financial Statements

for the year ended 30 June 2022

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### Note 1 (cont.) – Significant Accounting Policies

#### 12 New Accounting Standards

No new accounting standards were applied by the Authority during the financial year. The Authority has not elected to early adopt any new accounting standards, interpretations or amendments which are not yet effective.

#### 13 Valuation of Land and Building Assets

Building assets held by the Authority were valued by Opteon (South Australia) Pty Ltd with an effective valuation date of 30 June 2014 applied for financial reporting purposes. Assets were valued to their market value based on highest and best use. All purchases made post 30 June 2014 have been recorded at cost. Since 1 July 2019, The Authority has undertaken significant building construction works which represent 65% of the recorded "At Cost" balance of assets recorded in Note 5 as at 30 June 2022.

Land assets held by the Authority were valued by AssetVal with an effective valuation date of 30 June 2022 applied for financial reporting purposes. Where there is an active and liquid market as evidenced by sales transactions of similar property types, a Market approach by way of Direct Comparison or Income methods were utilised.

Some parcels of land are subject to restrictions as to use and sale and the value of these land assets has been determined after considering suitable market evidence and making necessary adjustment to account for these restrictions.

#### 14 Valuation of Landfill Assets

Landfill assets comprise the acquisition of landfills, cell development costs, landfill improvements costs and the assets related to future landfill capping, rehabilitation and restoration costs.

Assets related to future landfill capping, rehabilitation and restoration costs are valued based on the net present value of the future cash outflows expected to remediate the landfill which will include the costs of capping, rehabilitating and restoring the landfill asset. The assumptions used to estimate these costs and details of their regular review are described in item 8 – Provision for Landfill Capping, Rehabilitation and Restoration Costs.

All landfill assets are amortised proportionately to the rate of filling as described in Note 1.5.3 Depreciation of Non-Current Assets.

#### 15 Equity Accounted Joint Ventures

The Authority accounts for its interest in Joint Ventures applying the equity method per AASB 128. The value of investments held in Joint Venture entities are held at cost.

#### 16 COVID-19

Given the nature of the business activities undertaken by the Authority, there has been no restrictions imposed on waste processing operations of the Authority due to government enforced restrictions introduced as a result of the COVID-19 pandemic event.

## SOUTHERN REGION WASTE RESOURCE AUTHORITY

### Notes to the Financial Statements for the financial year ended 30 June 2022

	2022 \$'000	2021 \$'000
<b>Note 2 - Income</b>		
<b>User Charges</b>		
Landfill Operations	10,534	11,774
	<u>10,534</u>	<u>11,774</u>
<b>Investment Income</b>		
Interest on investments	34	102
Rental income	622	385
	<u>656</u>	<u>487</u>
<b>Other Income</b>		
Other income	353	171
Joint Venture cost reimbursement *	1,956	283
	<u>2,309</u>	<u>454</u>
<b>Note 3 - Expenses</b>		
<b>Employee Costs</b>		
Salaries and Wages	829	1,092
Employee leave expense	(13)	(25)
Superannuation	99	98
Workers' Compensation Insurance	36	47
Less: Capitalised and distributed costs	-	(81)
	<u>951</u>	<u>1,131</u>
<b>Materials, Contracts &amp; Other Expenses</b>		
Auditor's Remuneration	39	21
Board Expenses	52	36
Contractors	403	397
Fuels & oils	199	128
Equipment hire	28	10
Maintenance	292	450
Legal	52	160
Levies - EPA	8,137	9,570
Professional services	166	26
Joint Venture costs*	1,956	108
Sundry	347	270
	<u>11,671</u>	<u>11,176</u>

\* Expenses recorded for the Southern Materials Recycling Facility relate to leasehold improvements undertaken on the recycling shed premises by the Authority which were reimbursed by the Joint Venture and recorded as income in Note2. The leasehold improvements are recognised as an asset by the Joint Venture.

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the Financial Statements for the financial year ended 30 June 2022

### Note 3 - Expenses (cont)

	2022 \$'000	2021 \$'000
<b>Depreciation, Amortisation &amp; Impairment</b>		
Buildings & Structures	314	184
Plant & Equipment	310	408
Office Equipment	6	8
Super Cell	156	205
Super Cell Capping	132	174
Post Closure Rehabilitation	15	19
Future Restoration Costs	3	4
Work in Progress	-	-
	<u>936</u>	<u>1,002</u>

### Asset Disposals

Proceeds from disposal	57	244
Less: Carrying amount of assets sold	(44)	(104)
<b>Gain (Loss) on disposal</b>	<u>13</u>	<u>140</u>

### Note 4 - Current Assets

#### Cash & Cash Equivalents

Cash on Hand and at Bank	2,575	4,519
Short-term deposits	3,253	124
	<u>5,828</u>	<u>4,643</u>

#### Trade & Other Receivables

Debtors - general	2,394	3,008
Accrued Revenues	13	-
Prepayments	49	-
Sundry Debtors	45	-
	<u>2,501</u>	<u>3,008</u>

## SOUTHERN REGION WASTE RESOURCE AUTHORITY

### Notes to the Financial Statements for the financial year ended 30 June 2022

#### Note 5 - Property, Plant & Equipment

	2021 \$'000				2022 \$'000			
	At Fair Value	At Cost	Accumulated Depreciation	Carrying Amount	At Fair Value	At Cost	Accumulated Depreciation	Carrying Amount
Land	5,205	-	-	5,205	6,335	-	-	6,335
Buildings & Structures	560	5,810	(955)	5,415	560	11,637	(1,265)	10,932
Plant & Equipment	-	4,938	(2,718)	2,220	-	4,994	(2,950)	2,044
Office Equipment	-	172	(141)	31	-	122	(118)	4
Super Cell	-	8,970	(5,599)	3,371	-	8,988	(5,756)	3,232
Super Cell Capping	5,426	-	(2,570)	2,856	5,426	-	(2,702)	2,724
Post Closure Rehabilitation	6,143	-	(5,818)	325	6,143	-	(5,833)	310
Future Restoration Costs	4,228	-	(4,169)	59	4,228	-	(4,172)	56
Work in Progress	-	6,263	-	6,263	-	56	-	56
	<b>21,562</b>	<b>26,153</b>	<b>(21,970)</b>	<b>25,745</b>	<b>22,692</b>	<b>25,797</b>	<b>(22,796)</b>	<b>25,693</b>



## SOUTHERN REGION WASTE RESOURCE AUTHORITY

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the financial year ended 30 June 2022

#### Note 5 - Property, Plant & Equipment

	2021	Movement in Property, Plant & Equipment during the Financial Year					2022	
	\$'000	Additions Renewal / Replacement	New/Upgrade	Disposals	Revaluation	Adjustment / Transfer	Depreciation	Carrying Value
Land	5,205	-	-	(23)	1,153	-	-	6,335
Buildings & Structures	5,415	-	-	-	-	5,831	(314)	10,932
Plant & Equipment	2,220	-	-	-	-	134	(310)	2,044
Office Equipment	31	-	-	(21)	-	-	(6)	4
Super Cell	3,371	-	17	-	-	-	(156)	3,232
Super Cell Capping	2,856	-	-	-	-	-	(132)	2,724
Post Closure Rehabilitation	325	-	-	-	-	-	(15)	310
Future Restoration Costs	59	-	-	-	-	-	(3)	56
* Work in Progress	6,263	-	1,713	-	-	(7,920)	-	56
	<b>25,745</b>	<b>-</b>	<b>1,730</b>	<b>(44)</b>	<b>1,153</b>	<b>(1,955)</b>	<b>(936)</b>	<b>25,693</b>
	<b>19,319</b>	634	12,577	(104)	-	(5,679)	(1,002)	<b>25,745</b>

\* A transfer of Work in Progress totalling \$1.955 million to operating expenses occurred during the financial year as improvements to the recycling shed were agreed to be taken on by the Joint Venture as a leasehold improvement. A disclosure has been included in Note 3 to show the total cost of the project and the funds reimbursed by the Joint Venture to the Authority for works undertaken.

## SOUTHERN REGION WASTE RESOURCE AUTHORITY

### Notes to the Financial Statements for the financial year ended 30 June 2022

#### Note 6 - Liabilities

	2022 \$'000		2021 \$'000	
	Current	Non-current	Current	Non-current
<b>Trade &amp; Other Payables</b>				
Goods & services	3,186	-	4,752	-
Payments received in advance	17	-	-	-
	<b>3,203</b>	<b>-</b>	<b>4,752</b>	<b>-</b>

#### Provisions

Annual Leave	58	-	70	-
Long Service Leave	61	5	58	8
Super Cell Capping	-	7,980	-	7,980
Post Closure Rehabilitation	-	4,064	-	4,064
Future Restoration Costs	-	1,674	-	1,674
	<b>119</b>	<b>13,723</b>	<b>128</b>	<b>13,726</b>

#### Reconciliation of Movement in Landfill & Restoration Provisions

	Super Cell Capping	Post Closure Rehabilitation	Future Restoration Costs	Total
<b>Opening Balance</b>	<b>7,980</b>	<b>4,064</b>	<b>1,674</b>	<b>13,718</b>
Additional Amounts Recognised/ (Derecognised)	-	-	-	-
Payments	-	-	-	-
Unwinding of Present Value Discounts	-	-	-	-
<b>Closing Balance</b>	<b>7,980</b>	<b>4,064</b>	<b>1,674</b>	<b>13,718</b>

An independent review and update of key assumptions and estimates included in the calculation of landfill capping and post closure liabilities is planned to be conducted in 2022/23. As part of the review and update to the liabilities, consideration will be given to key assumptions relating to the estimated remaining filling life and available capping techniques/technology. Details relating to the previous review of the landfill liabilities has been disclosed in Note 1.8.

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the Financial Statements for the financial year ended 30 June 2022

### Note 7 - Cash Flow Reconciliation

#### (a) Reconciliation of Cash

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

	2022 \$'000	2021 \$'000
Total cash & equivalent assets	5,828	4,643
Less: Short-term borrowings	-	-
Balances per Cash Flow Statement	<u>5,828</u>	<u>4,643</u>

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

Net Surplus (Deficit)	2,941	578
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	936	1,002
Transfer of Work in Progress	1,955	-
Equity adjustment - Joint Venture	(16)	-
Net (Gain) Loss on equity accounted joint ventures	(2,988)	(1,032)
Net (Gain) Loss on disposal of assets	(13)	(140)
	<u>2,815</u>	<u>408</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	507	(778)
Net increase (decrease) in trade & other payables	(1,549)	2,411
Net increase (decrease) in other provisions	(12)	(24)
<b>Net Cash provided by (or used in) operations</b>	<u>1,761</u>	<u>2,017</u>

#### (c) Financing Arrangements

Corporate Credit Cards	20	18
Cash Advance Debenture (CAD) Facility*	500	-

\*The CAD facility is held with the Local Government Finance Authority (LGFA) and the Authority has no drawdown of funds from the facility as at reporting date.

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the Financial Statements for the financial year ended 30 June 2022

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### Note 8 - Financial Instruments

#### Recognised Financial Instruments

**Bank, Deposits at Accounting Policy:** Carried at lower of cost and net realisable value; Interest is Call, Short Term recognised when earned.

**Deposits Terms & conditions:** Deposits on Call do not have a maturity period and have an average interest rates of 0.5% - 1.05% (2021: 0.3%).

**Carrying amount:** approximates fair value due to the short term to maturity.

**Receivables - Gate Accounting Policy:** Carried at nominal values less any allowance for doubtful Fees & Associated debts. An allowance for doubtful debts is recognised (and re-assessed annually) Charges when collection in full is no longer probable.

**Carrying amount:** approximates fair value (after deduction of any allowance).

**Liabilities - Creditors Accounting Policy:** Liabilities are recognised for amounts to be paid in the future and Accruals for goods and services received, whether or not billed to the Authority.

**Terms & conditions:** Liabilities are normally settled on 30 day terms.

**Carrying amount:** approximates fair value.

#### Net Fair Value

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

#### Risk Exposure

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any provision for doubtful debts. All investments are made with the SA Local Government Finance Authority and Bank SA. There is no material exposure to any individual debtor.

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

Liquidity Risk is the risk that the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Policy (LGA Information Paper 15), liabilities have a range of maturity dates based on cash inflows. The Authority also has available a range of bank overdraft and short-term draw down facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of the Authority's financial instruments are at fixed rates. Any such variations in future cash flows will not be material in effect on either the Authority's incomes or expenditures.

## SOUTHERN REGION WASTE RESOURCE AUTHORITY

### Notes to the Financial Statements for the financial year ended 30 June 2022

#### Note 8 - Financial Instruments

##### Liquidity Analysis

2022	Maturity			Non- interest bearing	Total
	≤ 1 year	> 1 year ≤ 5 years	> 5 years		
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets</b>					
<b>Amortised Cost</b>					
Cash Assets	5,828	-	-	-	<b>5,828</b>
Receivables	-	-	-	2,501	<b>2,501</b>
<b>Total</b>	<b>5,828</b>	<b>-</b>	<b>-</b>	<b>2,501</b>	<b>8,329</b>
<b>Financial Liabilities</b>					
Payables	-	-	-	3,203	<b>3,203</b>
Borrowings	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,203</b>	<b>3,203</b>

2021	Maturity			Non- interest bearing	Total
	≤ 1 year	> 1 year ≤ 5 years	> 5 years		
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets</b>					
<b>Amortised Cost</b>					
Cash Assets	4,643	-	-	-	4,643
Receivables	-	-	-	3,008	3,008
<b>Total</b>	<b>4,643</b>	<b>-</b>	<b>-</b>	<b>3,008</b>	<b>7,651</b>
<b>Financial Liabilities</b>					
Payables	-	-	-	4,752	4,752
Borrowings	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,752</b>	<b>4,752</b>

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the Financial Statements for the financial year ended 30 June 2022

### Note 9 - Commitments for Expenditure

	2022 \$'000	2021 \$'000
<b>Capital Commitments</b>		
Capital expenditure committed at reporting date but which is not recognised in the financial statements as liabilities are as follows:		
Committed Projects	79	1,250
	<u>79</u>	<u>1,250</u>

### Note 10 - Events Occurring After Reporting Date

There were no events that occurred after reporting date that requires to be disclosed.

### Note 11 - Disclosure of Related Party Transactions

The Key Management Personnel include the Chair of the Board, Chief Executive and other officers prescribed under Section 112 of the *Local Government Act 1999*. In all, 6 persons were paid the following total compensation:

Salaries, allowances & other short term benefits	402	404
<b>Total</b>	<u>402</u>	<u>404</u>

#### Transactions with Related Parties:

The following transactions occurred with Related Parties:

Related Party Entity	Sale of Goods and Services (\$'000)	Amounts Outstanding from Related Parties (\$'000)	Description of Services Provided to Related Parties
City of Onkaparinga (Member Council)	7,913	466	Provision of waste disposal services
City of Holdfast Bay (Member Council)	1,446	115	Provision of waste disposal services
City of Marion (Member Council)	3,526	313	Provision of waste disposal services
Southern Materials Recycling Facility (Joint Venture)	3,309	362	Provision of waste disposal services
Southern Recycling Centre (Joint venture)	6,327	593	Provision of waste disposal services

Amounts recorded as outstanding from Related Parties are recorded in Trade and other receivables in Note 4. Member Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial and operating decisions of the Authority. No one Member Council individually has control of those policies.

In addition to the waste disposal services above, SRWRA undertook \$1.956 million of works to upgrade the Material Recovery Facility by the Southern Materials Recycling Facility Joint Venture. The income and expenses relating to this activity have been disclosed in Note 2 and 3.

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the Financial Statements for the financial year ended 30 June 2022

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### Note 12 - Uniform Presentation of Finances

	2022 \$'000	2021 \$'000
Income	16,487	13,747
Expenses	(13,559)	(13,309)
Operating Surplus / (Deficit)	<u>2,928</u>	<u>438</u>
<b>Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	-	(634)
Depreciation, Amortisation, Impairment and Movement in Landfill Provisions	936	1,002
Proceeds from Sale of Replaced Assets	57	244
	<u>993</u>	<u>612</u>
<b>Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets	(1,730)	(6,898)
Amounts received specifically for New and Upgraded Assets	-	-
Proceeds from Sale of Surplus Assets	-	-
	<u>(1,730)</u>	<u>(6,898)</u>
<b>Net Lending / (Borrowing) for Financial Year</b>	<u><u>2,191</u></u>	<u><u>(5,848)</u></u>

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the Financial Statements for the financial year ended 30 June 2022

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### Note 13 - Equity Accounting Joint Ventures

#### Southern Recycling Centre (SRC)

The Authority has entered into a joint venture arrangement with Integrated Waste Services to operate the Southern Recycling Centre located on the Authority's landfill site.

	2022 \$'000	2021 \$'000
<b>The Authority's respective interests are:</b>		
- interest in operating result:	50.00%	50.00%
- ownership of equity	49.99%	49.99%
- the proportion of voting power	50.00%	50.00%
 <u>Movement in Investment in Joint Operation:</u>		
Opening Balance	1,164	677
New Capital Contributions	-	-
Share in Operating Result	1,140	1,087
Equity Adjustment	16	-
Distributions Received	(700)	(600)
<b>Share in Equity of Joint Operation</b>	<b>1,620</b>	<b>1,164</b>

#### Expenditure Commitments

There were no expenditure commitments at reporting date that required to be recognised in the financial statements.

#### Contingent Liabilities

There were no contingent liabilities at reporting date that required to be recognised in the financial statements.



# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the financial statements for the financial year ended 30 June 2022

### Note 13 (cont.) - Equity Accounting Joint Ventures

#### Southern Materials Recycling Facility (SMRF)

The Authority has entered into a joint venture arrangement with Re.Cycle (Adelaide) Pty Ltd to operate the Southern Material Recovery Facility located on the Authority's landfill site.

	2022 \$'000	2021 \$'000
<b>The Authority's respective interests are:</b>		
- interest in operating result:	50.00%	50.00%
- ownership of equity	50.00%	50.00%
- the proportion of voting power	50.00%	50.00%
<u>Movement in Investment in Joint Operation:</u>		
Opening Balance	4,637	-
Capital Contributions (cash contribution)	703	513
Capital Contributions (transfer of plant assets)	-	5,679
Capital Contribution (conversion to loan)	-	(1,500)
Share in Operating Result	1,848	(55)
<b>Share in Equity of Joint Operation</b>	<b>7,188</b>	<b>4,637</b>

The Authority applies AASB 1058 when recognising income from Grants in line with the applicable treatment applied by not-for-profit entities. The Joint Venture recognises grant income on a different basis which has resulted in an inconsistent application of accounting policy between the entities on the timing of recognising income from grant revenues. As a result of this different application in accounting standards and policy on grant revenue recognition, this has resulted in an adjustment to the Share in Operating Result of \$2.327 million (increase) in the current financial year.

The Authority has an outstanding receivable loan with the Southern Materials Recovery Facility totalling \$0.4 million (FY21: \$1.5 million) as at the reporting date.

#### Expenditure Commitments

The Joint Venture has a \$3.956 million capital commitment as at reporting date relating to the construction of plant and equipment which is expected to be completed in the 2022/23 period.

#### Contingent Liabilities

There were no contingent liabilities at reporting date that required to be recognised in the financial statements.

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2022

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### Note 14 - Fair Value Measurements

The Authority measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- Land assets.

The Authority does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

#### (a) Fair value hierarchy

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information according to the relevant level in the fair value hierarchy. This hierarchy categorises fair value measurements into one of three possible levels based on the lowest level that a significant input can be categorised into. The levels are outlined below:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair value of assets and liabilities that are not traded in an active market is determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

#### *Valuation techniques*

The Authority selects valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the association are consistent with one or more of the following valuation approaches:

- *Market approach*: uses prices and other relevant information generated by market transactions involving identical or similar assets or liabilities.
- *Income approach*: converts estimated future cash flows or income and expenses into a single current (i.e. discounted) value.
- *Cost approach*: reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Authority gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data are not available and therefore are developed using the best information available about such assumptions are considered unobservable.

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2022

### Note 14 (cont.) - Fair Value Measurements

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>2022</b>					
Recurring fair value measurements					
<b>Property, Plant &amp; Equipment and Landfill Assets</b>					
- Land	5	-	6,335	-	6,335
- Buildings	5	-	560	-	560
- Super Cell Capping	5	-	-	5,426	5,426
- Post Closure Rehabilitation	5	-	-	6,143	6,143
- Future Restoration Costs	5	-	-	4,228	4,228
<b>Total financial assets recognised at fair value</b>		-	<b>6,895</b>	<b>15,797</b>	<b>22,692</b>
<b>2021</b>					
Recurring fair value measurements					
<b>Property, Plant &amp; Equipment and Landfill Assets</b>					
- Land	5	-	3,450	1,755	5,205
- Buildings	5	-	560	-	560
- Super Cell Capping	5	-	-	5,426	5,426
- Post Closure Rehabilitation	5	-	-	6,143	6,143
- Future Restoration Costs	5	-	-	4,228	4,228
<b>Total financial assets recognised at fair value</b>		-	<b>4,010</b>	<b>17,552</b>	<b>21,562</b>

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2022

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### Note 14 (cont.) - Fair Value Measurements

#### (b) Disclosed fair value measurements

The following tables provide the level of the fair value hierarchy within which the disclosed fair value measurements are categorised in their entirety and a description of the valuation technique(s) and inputs used.

	<b>Fair Value Hierarchy Level</b>	<b>Valuation Technique</b>	<b>Inputs Used</b>
There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements.	2	Market Value	Observable sales of similar properties – both vacant land and land with improvements
There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements.	3	Cost Approach	Landfill assets unobservable inputs. The measure of these costs requires significant estimates and assumptions such as: discount rate, inflation rate, assessment of EPA requirements, the timing, extent and costs of the required activities and the estimated remaining airspace of the landfill.
There has been no change in the valuation technique(s) used to determine the value of parcels of land where there are restrictions as to use and sale of these assets.	3	Market Value	Land assets unobservable inputs. Some parcels of land are subject to restrictions as to use and sale and the value of these land assets has been determined after considering suitable market evidence and making necessary adjustments to account for these restrictions. These adjustments are usually unobservable inputs that are likely to have a significant effect on valuation.



**Southern Region Waste Resource Authority**

**Audit Committee - Auditor Independence**

**Presiding Member Certification**

I, Greg Connor, the person occupying the position of Presiding Member of the Southern Region Waste Resource Authority's Audit Committee, do hereby certify (for the purposes of Regulation 21 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the Southern Region Waste Resource Authority, Galpins, has not been engaged by the Southern Region Waste Resource Authority to provide services to the Southern Region Waste Resource Authority outside the scope of the audit functions under the Local Government Act 1999.



Greg Connor  
Presiding Member

Southern Region Waste Resource Authority Audit Committee

22/8/2022  
Dated



## SOUTHERN REGION WASTE RESOURCE AUTHORITY

### GENERAL PURPOSE FINANCIAL STATEMENTS For the year ended 30 June 2022

#### Statement by Auditor

I confirm that, for the audit of the financial statements of the Southern Region Waste Resource Authority for the year ended 30 June 2022, I have maintained my independence in accordance with the requirements of APES 110 – *Code of Ethics for Professional Accountants (including Independence Standards)*, Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) *Local Government (Financial Management) Regulation 2011*.

#### GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

A handwritten signature in blue ink, appearing to read 'Tim Muhlhausler'.

**Tim Muhlhausler** CA, Registered Company Auditor

Director

21 September 2022

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Galpins Trading Pty Ltd  
ABN: 89 656 702 886

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## INDEPENDENT AUDITOR'S REPORT

To the members of the Southern Region Waste Resource Authority

### Report on the Audit of the Financial Report

#### Opinion

We have audited the accompanying financial report of SRWRA (the Authority), which comprises the statements of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the Executive Officer and the Chairman.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Authority as at 30 June 2022, and its financial performance and its cash flow for the year then ended in accordance with the Australia Accounting Standards, *Local Government Act 1999* and *Local Government (Financial Management) Regulations 2011*.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibility for the Financial Report

The Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* and for such internal control as Authority determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Authority is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Authority either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Authority's financial reporting process.

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## **Auditor's Responsibility for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of this financial report.

As part of an audit of the financial report in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the financial report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS**



**Tim Muhlhausler** CA, Registered Company Auditor

Director

21 September 2022





## INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE SOUTHERN REGION WASTE RESOURCE AUTHORITY

To the members of the Southern Region Waste Resource Authority

### Opinion

We have audited the compliance of SRWRA (the Authority) with the requirements of Section 125 of the *Local Government Act 1999* in relation only to the internal controls established by the Authority to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2021 to 30 June 2022 have been conducted properly and in accordance with the law.

In our opinion, SRWRA has complied, in all material respects, with Section 125 of the *Local Government Act 1999* in relation to internal controls established by the Authority in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Authority have been conducted properly and in accordance with law for the period 1 July 2021 to 30 June 2022.

### Basis for Opinion

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagement ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagement on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2021 to 30 June 2022. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### The Authority's Responsibility for Internal Control

The Authority is responsible for implementing and maintaining an adequate system of internal controls, in accordance with Section 125 of the *Local Government Act 1999* to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with law.

### Our Independence and Quality Control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applied Auditing Standard ASQC 1 *Quality Control for Firms that Performs Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking this assurance engagement.

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## **Auditor's responsibility**

Our responsibility is to express an opinion on the Authority's compliance with Section 125 of the *Local Government Act 1999* in relation only to the internal controls established by the Authority to ensure that financial transactions relating to receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Information* and ASAE 3150 *Assurance Engagements on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2021 to 30 June 2022. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

## **Limitations of Controls**

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An assurance engagement on controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

## **Limitations of Use**

This report has been prepared for the members of the Authority in accordance with section 129 of the *Local Government Act 1999* in relation to the internal controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Authority, or for any purpose other than that for which it was prepared.

## **GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS**



**Tim Muhlhausler** CA, Registered Company Auditor

Director

21 September 2022



**Southern Region Waste Resource Authority  
Board Chairperson - Auditor Independence**

I, Mark Booth, the person occupying the position of Chairperson of the Southern Region Waste Resource Authority's Board, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the Southern Region Waste Resource Authority, Galpins, has not been engaged by the Southern Region Waste Resource Authority to provide services to the Southern Region Waste Resource Authority outside of the scope of the audit functions under the Local Government Act 1999

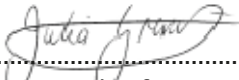
**Mark Booth**  
Chairperson  
Southern Region Waste Resource Authority

24 / 08/ 2022...

Date

**Chief Executive Officer's Certificate of Compliance  
Auditor Independence  
Southern Region Waste Resource Authority**

I, Julia Grant, the person for the time being occupying the position of Acting Chief Executive Officer of the City of Onkaparinga, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside of the scope of the audit functions under the Local Government Act 1999.



.....  
Acting Chief Executive Officer  
City of Onkaparinga

24/08/2022.  
Dated

**Chief Executive Officer's Certificate of Compliance  
Auditor Independence  
Southern Region Waste Resource Authority**

I, Tony Harrison, the person for the time being occupying the position of Chief Executive Officer of the City of Marion, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside of the scope of the audit functions under the Local Government Act 1999.



.....  
Chief Executive Officer  
City of Marion

**18 / 08 / 2022**  
Dated

The City of Marion acknowledges it is part of Kaurna land and recognises the Kaurna people as the traditional and continuing custodians of the land.



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

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P 08 8229 9999 F 08 8298 4561

Glenelg Customer Service Centre and Library  
2 Colley Terrace, Glenelg SA 5045

19 August 2022

**Chief Executive Officer's Certificate of Compliance  
Auditor Independence  
Southern Region Waste Resource Authority**

I, Roberto Bria, the person for the time being occupying the position of Chief Executive Officer of the City of Holdfast Bay, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside of the scope of the audit functions under the *Local Government Act 1999*.

Chief Executive Officer  
City of Holdfast Bay

19/8/22  
Dated



Item No: 15.3

Subject: **BUDGET AND ANNUAL BUSINESS PLAN UPDATE – AS AT  
30 SEPTEMBER 2022**

Date: 25 October 2022

Written By: Management Accountant

General Manager: Strategy and Corporate, Ms P Jackson

---

## **SUMMARY**

This report covers the first update of Council's 2022/23 budget conducted as at 30 September 2022.

A comprehensive review of Municipal budgets has increased the forecast operating surplus by \$464,147 to \$489,981 due to additional revenue received through the Local Roads and Community Infrastructure (LRCI) program and the reallocation of operational budget to fund minor capital works on cabins at the caravan park. This has been offset by increased operational expenditure already approved by Council for new pigeon control strategies.

Capital expenditure has increased by \$3,649,507 as a result of a number of grant funded projects including Phase 3 of the LRCI program and additional project funding already approved by Council. This has been offset by an increase in capital revenue of \$2,330,000.

Attached are financial reports for Municipal and Alwyndor operations, commercial activities, and progress summaries and analysis of Annual Business Plan projects.

---

## **RECOMMENDATION**

1. **That Council notes the first 2022/23 budget update for Council's Municipal operations including:**
  - (a) **an increase in the forecast operating surplus for 2022/23 of \$464,147 from \$25,834 to \$489,981;**
  - (b) **an increase in forecast capital expenditure of \$3,649,507 from \$27.099 million to \$30.749 million;**
  - (c) **an increase in forecast capital revenue of \$2,330,413 from \$4.087 million to \$6.418 million;**
  - (d) **a decrease in forecast net financial liabilities of \$854,947 at 30 June 2023 from \$32.425 million to \$33.280 million.**

2. That Council notes for Alwyndor operations no change to the 2022/23 original budget forecast; and
  3. That Council notes the Annual Business Plan quarterly update for September 2022.
- 

## **STRATEGIC PLAN**

Culture: Being financially accountable

## **COUNCIL POLICY**

Not applicable

## **STATUTORY PROVISIONS**

*Local Government (Financial Management) Regulations 2011, Regulation 9.*

## **BACKGROUND**

The *Local Government (Financial Management) Regulations 2011* requires three specific budget performance reports to be prepared and considered by councils including:

1. Budget Update (at least twice per year);
2. Mid-year Budget Review (once per year); and
3. Report on Financial Results (after completion and audit of annual financial statement of previous financial year).

The three reports collectively are intended to provide a comprehensive reporting process that allows Council to track performance against the financial targets it established in its annual budget.

## **REPORT**

The current forecast projections comprise the original budget adopted by Council at its meeting on 28 June 2022 and items carried forward from 2021/22 adopted by Council on 23 August 2022. Following a comprehensive review of these budgets no change is proposed to Alwyndor's budgeted operating result, but a number of proposed variations have been identified for Municipal operations.

Positive operational variances have been forecast with additional revenue received of \$454,947 for Phase 3 of the Local Roads and Community Infrastructure (LRCI) program along with the reallocation of operational budget to fund minor capital works on cabins at the caravan park. This



has been offset by additional expenditure already approved by Council for new pigeon control strategies. The result is an increase to the forecast operating surplus by \$464,147 to \$489,981.

The accounting treatment for LRCI grant funding is different to that of other funding received for capital projects. The SA Local Government Auditors Group considered the appropriate accounting standards and after reviewing the characteristics of the grant agreement concluded it is to be accounted for as an operating grant. This treatment is primarily due to the level of discretion councils have with project nomination and specification, combined with a formula based methodology which uses overall road length and population of the council. After considering the program guidelines and applying the relevant accounting standards the grant income is required to be accounted for in the year in which it is received.

In line with this treatment \$909,894 of LRCI funded capital project budgets are included in this budget update and are partially offset by the \$454,947 of operational grant funding already received. On completion of these projects the remaining 50% of the grant funding will be received and accounted for, which is expected to occur early in 2023/24.

The remaining increase in capital expenditure includes grant funded projects for stormwater upgrade works at Tarlton Street, renewal of tennis courts at Kingston House Reserve and crossing improvements at Paringa Park Primary School. Additional capital expenditure already approved by Council for construction of the Kingston Park Kiosk has also been included.

Further details of the amounts and notes along with funding statements for both Council Municipal and Alwyndor operations have been prepared and are provided for Members information.

*Refer Attachment 1*

The statements comprise six columns:

- 2022/23 original full year budget;
- current year to date revised forecast;
- actual to 30 September 2022;
- year to date variance to 30 September 2022;
- current approved full year revised forecast comprising the original budget and items carried forward from 2021/22; and
- proposed budget forecasts variances arising from this budget update.

Major year-to-date variances have been accounted for as part of this budget update. The remaining year-to-date variances are the result of budget timings.

### **Commercial Activities**

Comparative reports to 30 September 2022 have been provided for Council's major commercial activities including Brighton Caravan Park, Partridge House and Partridge Street carpark.

*Refer Attachment 2*

### **Financial Indicators**

Financial indicators have been prepared including an operating surplus ratio, net financial liabilities ratio and asset sustainability ratio.

The operating surplus ratio is determined by calculating the operating surplus/(deficit) before capital amounts as a percentage of total operating revenue.

The net financial liabilities ratio is determined by calculating total liabilities less financial assets as a percentage of total operating revenue.

Another relevant measure of ability to service debt is the interest cover ratio. The interest cover ratio is measured by calculating net financial interest as a percentage of the total operating revenue. A ratio of 5 per cent indicates that for every \$100 of revenue \$5 is spent in net interest payments. The current interest cover ratio indicates that Council is in a strong financial position to manage debt.

The asset sustainability ratio is determined by calculating capital expenditure on the renewal or replacement of existing assets, excluding new capital works, as a percentage of planned expenditure detailed in the Asset Management Plan. This ratio measures the extent to which existing infrastructure and assets are being replaced.

The following tables provide updated forecasts for these and other major ratios for Council, Alwyndor and the consolidated result for both entities at 30 September 2022.

<b>Municipal Funds</b>	<b>Target – from 2022/23 Annual Budget/LTFP</b>	<b>Original Budget Forecast</b>	<b>Revised Budget Forecast</b>
Operating Result*	≥ 0	\$389,644 Surplus	\$489,981 Surplus
Operating Ratio**	≥ 0%	0.8%	1.0%
Net Financial Liabilities ratio***	≤ 75%	72%	66%
Interest Cover Ratio****	≤ 5%	1.6%	1.6%
Asset Sustainability Ratio *****	90% -110%	100%	185%

**\*Operating Result** is the result from total operating income less total operating expenses before asset disposals, amounts received for assets and changes in the valuations of assets.

**\*\*Operating Ratio** expresses the operating result as a percentage of total operating income.

\*\*\***Net Financial Liabilities Ratio** expresses total liabilities less total financial assets as a percentage of total operating income.

\*\*\*\***Interest Cover Ratio** expresses finance costs including interest on borrowings less interest on investments as a percentage of total operating revenue excluding interest on investments.

\*\*\*\*\***Asset Sustainability Ratio** is defined as net capital expenditure on the renewal and replacement of existing assets expressed as a percentage of the asset management plan required expenditure.

Ratio – Alwyndor Funds	Target – from 2022/23 Annual Budget/LTFP	Original Budget Forecast	Revised Budget Forecast
Operating Result	$\geq 0$	(\$281,415) Deficit	(\$281,415) Deficit
Net Financial Liabilities ratio	NA	53%	53%
Asset Sustainability Ratio	90% -110%	30%	30%

Ratio – Consolidated Funds *	Target – from 2022/23 Annual Budget/LTFP	Original Budget Forecast	Revised Budget Forecast
Operating Result	$\geq 0$	\$108,229 Surplus	\$208,566 Surplus
Operating Ratio	$\geq 0\%$	0.1%	0.3%
Net Financial Liabilities ratio	$\leq 75\%$	65%	63%
Interest Cover Ratio	$\leq 5\%$	0.6%	0.6%
Asset Sustainability Ratio	90% -110%	82%	165%

\*Amounts and ratios include Alwyndor operations.

Additional financial indicators have been identified for Alwyndor operations which give a better measure of financial performance. These measures and indicators have been included in the table below as at 30 September 2022.

Additional Alwyndor Performance Indicators	Target	Actual to 30 September 2022
Cash to total revenue	4.4%	0.6%
Cash Liquidity Level – ability to refund bonds/refundable accommodation deposits (RAD's)	Minimum of \$2.5m	Minimum of \$2.5m
Bed occupancy rate – year-to-date average	98.0%	95.3%
Average direct care funding per resident per day (Aged Care Funding Instrument)	\$187.00	\$193.10
No. of Home Support Packages	435	424
Home Support funding utilisation – the portion of revenue generated from Home Support Package funds.	78.0%	74.8%
Therapy and Wellness service hours	18,981	6,755

### ***Annual Business Plan Quarterly Update***

The City of Holdfast Bay has begun to pursue the vision set out in the new Strategic Plan *Our Holdfast 2050+* and the three focus areas that support it.

### ***Our Holdfast 2050+ Vision***

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

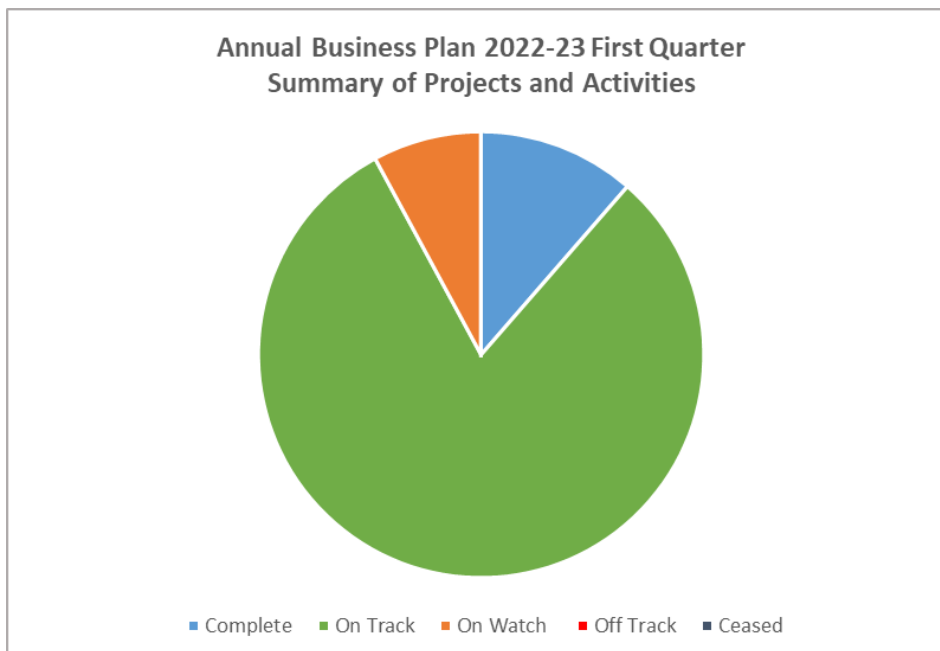
To achieve this vision, three focus areas have been identified:

- 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.

To deliver this Strategic Plan, the *Our Plan for Our Place Annual Business Plan 2022-23* (the Business Plan) outlines specific actions for the year. The following provides an overview of progress on projects and significant activities within the Business Plan.

*Refer Attachment 3*

The overwhelming number of projects are 'on track' to be delivered or have been 'completed'. There are nine projects identified as 'on watch' which means there are circumstances that impact the successful delivery of the project which are being managed. No projects are 'off track'.



Common issues in regard to 'on watch' projects are the impacts of global supply pressures on the timing of projects and the cost of some materials and specialised labour.

### WELLBEING

Project Title	Status	Notes
Somerton Bowling Club Roof Replacement	On Watch	There are some issues around the availability of materials and contractors able to deliver this project.

### SUSTAINABILITY

Project Title	Status	Notes
CCTV Glenelg (LRCI Phase 2) <sup>2</sup>	On Watch	The timelines for this project are tight and consideration to the level of resources required to finalise needs consideration
Public Reserve Lighting	On Watch	Carry forward project to be delivered in 2022-23
Street Light LED conversion	On Watch	There are some issues around the availability of materials and contractors able to deliver this project.
Glenelg Rotunda Roof replacement	On Watch	Additional resourcing may be required given current quotes

### INNOVATION

Project Title	Status	Notes
Partridge House - Paving	On Watch	There are issues around the timely delivery of materials and ensuring the least disruption to the operation of Partridge House
Plant & Equipment - Depot / Stores	On Watch	Global supply chain delays for vehicles
Major Plant & Equipment Purchases - Heavy Vehicles / Other	On Watch	Global supply chain delays for vehicles
Executive / Regulatory / Passenger Vehicles (Plant & Equipment - Car Fleet)	On Watch	Global supply chain delays for vehicles

### 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 September 2022**

2022 - 2023 Original Budget \$'000	Year to Date				2022 - 2023 Adopted Forecast \$'000	Proposed Forecast Adjustment \$'000	Note
	Adopted Forecast \$'000	Actual \$'000	Variance \$'000				
131	16	64	(48)	Cemeteries	131	-	
495	127	143	(16)	Commercial & Club Leases	495	-	
(1,458)	(310)	(284)	(25)	Council Administration	(1,458)	-	
(917)	(210)	(177)	(33)	Development Services	(935)	-	
1,730	250	705	(455)	FAG/R2R Grants	1,730	455	1
(1,825)	(821)	(895)	74	Financial Services	(1,825)	(104)	2
(10,468)	(2,638)	(2,620)	(18)	Financial Services-Depreciation	(10,468)	-	
(267)	-	-	-	Financial Services-Employee Leave Provisions	(267)	-	
(830)	61	58	3	Financial Services-Interest on Borrowings	(830)	-	
101	-	-	-	Financial Services-SRWRA	101	-	
38,455	39,431	39,539	(108)	General Rates	38,455	104	3
(2,867)	(1,402)	(1,401)	-	Innovation & Technology	(2,867)	-	
(614)	(70)	(91)	21	People & Culture	(614)	-	
(612)	(121)	(117)	(4)	Public Realm and Urban Design	(637)	59	4
(819)	(169)	(186)	17	Strategy & Governance	(819)	(59)	5
(1,204)	(268)	(222)	(46)	City Activation	(1,272)	-	
1,266	94	170	(77)	Commercial - Brighton Caravan Park	1,266	19	6
44	(5)	9	(14)	Commercial - Partridge House	44	-	
(563)	(120)	(127)	7	Communications and Engagement	(563)	-	
(351)	(84)	(79)	(4)	Community and Business Administration	(351)	-	
(887)	(148)	(128)	(20)	Community Events	(937)	-	
892	110	359	(249)	Community Safety	892	(10)	7
(574)	(94)	(83)	(11)	Community Wellbeing	(578)	-	
(533)	(127)	(132)	5	Customer Service	(533)	-	
-	487	500	(13)	Jetty Road Mainstreet	(93)	-	
(1,518)	(361)	(359)	(2)	Library Services	(1,518)	-	
(302)	(70)	(61)	(9)	Assets & Delivery Administration	(302)	-	
(1,413)	(271)	(237)	(34)	Engineering & Traffic	(1,518)	-	
(966)	(27)	16	(42)	Environmental Services	(966)	-	
(8,137)	(1,945)	(1,947)	2	Field Services & Depot	(8,137)	-	
(2,036)	(437)	(378)	(59)	Property Management	(2,036)	-	
(439)	(106)	(73)	(33)	Street Lighting	(439)	-	
(4,072)	(776)	(706)	(70)	Waste Management	(4,072)	-	
945	-	-	-	Less full cost attribution - % admin costs capitalised	945	-	
<b>390</b>	<b>29,998</b>	<b>31,260</b>	<b>(1,261)</b>	<b>=Operating Surplus/(Deficit)</b>	<b>26</b>	<b>464</b>	
10,468	2,638	2,620	18	Depreciation	10,468	-	
166	-	-	-	Other Non Cash Items	166	-	
<b>10,634</b>	<b>2,638</b>	<b>2,620</b>	<b>18</b>	<b>Plus Non Cash Items in Operating Surplus/(Deficit)</b>	<b>10,634</b>	<b>-</b>	
<b>11,024</b>	<b>32,637</b>	<b>33,880</b>	<b>(1,243)</b>	<b>=Funds Generated from Operating Activities</b>	<b>10,660</b>	<b>464</b>	
1,484	1,225	3,555	(2,330)	Amounts Received for New/Upgraded Assets	2,152	2,330	8
474	180	180	-	Proceeds from Disposal of Assets	1,936	-	
<b>1,958</b>	<b>1,405</b>	<b>3,735</b>	<b>(2,330)</b>	<b>Plus Funds Sourced from Capital Activities</b>	<b>4,087</b>	<b>2,330</b>	
(9,094)	(1,424)	(1,327)	(97)	Capital Expenditure on Renewal and Replacement	(12,747)	(2,605)	
(5,721)	(820)	(625)	(194)	Capital Expenditure on New and Upgraded Assets	(14,352)	(1,044)	
<b>(14,815)</b>	<b>(2,244)</b>	<b>(1,953)</b>	<b>(291)</b>	<b>Less Total Capital Expenditure</b>	<b>(27,099)</b>	<b>(3,650)</b>	9
253	8	8	-	Plus:Repayments of loan principal by sporting groups	253	-	
<b>253</b>	<b>8</b>	<b>8</b>	<b>-</b>	<b>Plus/(less) funds provided (used) by Investing Activities</b>	<b>253</b>	<b>-</b>	
<b>(1,580)</b>	<b>31,806</b>	<b>35,671</b>	<b>(3,864)</b>	<b>= FUNDING SURPLUS/(REQUIREMENT)</b>	<b>(12,099)</b>	<b>(855)</b>	
<b>Funded by</b>							
-	3,606	3,606	-	Increase/(Decrease) in Cash & Cash Equivalents	-	-	
-	28,200	32,065	(3,865)	Non Cash Changes in Net Current Assets	-	-	
(2,959)	-	-	-	Less: Proceeds from new borrowings	(13,478)	(855)	
-	-	-	-	Less: Net Movements from Cash Advance Debentures	-	-	
1,379	-	-	-	Plus: Principal repayments of borrowings	1,379	-	
<b>(1,580)</b>	<b>31,806</b>	<b>35,671</b>	<b>(3,864)</b>	<b>=Funding Application/(Source)</b>	<b>(12,099)</b>	<b>(855)</b>	

Note 1 – FAG/R2R Grants - \$455,000 favourable

The first instalment of Phase 3 of the Local Roads and Community Infrastructure (LRCI) funding program was received in August 2022. Based on relevant accounting standards and advice from the SA Local Government Auditors Group this grant income is required to be accounted for in the year in which it is received and not when the projects are undertaken – see main report for more details.

Note 2 – Financial Services - \$104,000 unfavourable

Actual Emergency Services Levy (\$9,000), insurance premiums for public liability, buildings and vehicles (60,000) and temporary employment costs (\$35,000) were higher than budgeted for – offset by other favourable variances (see note 3).

Note 3 – General Rates - \$104,000 favourable

Following the generation of rates for 2022-23 the cost of eligible rate rebates was lower than provided for in the original budget – offset by other variances (see note 2).

Note 4 – Public Realm and Urban Design - \$59,000 reallocation

Reallocation of staff and associated employment costs between business units – see note 5.

Note 5 – Strategy and Governance - \$59,000 reallocation

Reallocation of staff and associated employment costs between business units – see note 4.

Note 6 – Commercial – Brighton Caravan Park - \$19,000 reallocation

Transfer of operational budget to capital expenditure for the installation of kitchens and worktops in six Seaside cabins – see note 9.

Note 7 – Community Safety - \$10,000 unfavourable

Council approved budget for additional pigeon control strategies – resolution C260422/2580.

Note 8 – Amounts Received for New/Upgraded Assets - \$2,330,000 favourable

Grant funding and contributions received for:

- \$2,100,000 – Stormwater upgrade works at Tarlton Street (Dept. Industry, Science, Energy and Resources)
- \$200,000 – renewal of tennis courts at Kingston House Reserve (Office for Recreation, Sport and Racing)
- \$19,000 – Paringa Park Primary School crossing improvements (Dept. Infrastructure and Transport)
- \$11,000 – contribution to the restoration and upgrade of Helmsdale tennis court surface (Helmsdale Tennis Club)



Note 9 – Capital Expenditure - \$3,631,000 unfavourable and \$19,000 reallocation

- \$2,100,000 – grant funded expenditure for Tarlton Street stormwater upgrade
- \$910,000 – LRCI phase 3 funded projects:
  - Brighton Beachfront Holiday Park retaining wall - \$260,000
  - Somerton Park Tennis Club fencing and lighting - \$140,000
  - Glenelg beach access - \$235,000
  - Dover Square Tennis Club lighting - \$40,000
  - Playground upgrades and reserve improvements - \$175,000
  - Kingston Park Reserve lookout platform - \$60,000
- \$360,000 – Council approved additional budget for construction of the Kingston Park Kiosk – resolution C230822/7226
- \$200,000 – grant funded expenditure for renewal of Kingston House Reserve tennis courts
- \$30,000 – non-discretionary works required for Bowker Oval clubrooms kitchen facilities compliance upgrade
- \$19,000 – grant funded expenditure for additional works at Paringa Park Primary School crossing
- \$11,000 – restoration and upgrade of Helmsdale tennis court surface, funded from tennis club contribution
- \$19,000 – reallocation of operational budget for the installation of kitchens and worktops in six Seaside cabins – see note 6

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

2022-23 Original Budget \$'000	Year to Date				2022-23 Adopted Forecast \$'000
	Adopted Forecast \$'000	Actual \$'000	Variance \$'000		
(944)	-	-		- Full Cost Attribution	(944)
(806)	(134)	(142)		7 Information Technology	(892)
(989)	(53)	(2)	(51)	(51) Commercial and Economic Enterprises	(2,804)
(85)	(20)	(18)	(2)	(2) Brighton Library	(85)
-	-	-		- Sport and Recreation	(562)
(13)	(3)	(8)		5 Depot and Stores	(13)
(1,306)	(735)	(671)	(63)	(63) Machinery Operating	(2,670)
(2,322)	(150)	(125)	(25)	(25) Road Construction and Re-seal Program	(2,788)
-	-	-		- Car Park Construction	(100)
(453)	(50)	-	(50)	(50) Footpath Program	(453)
(1,200)	(120)	(24)	(96)	(96) Stormwater Drainage Program	(1,607)
-	(60)	(67)		7 Traffic Control Construction Program	(142)
(1,122)	(50)	(56)		6 Kerb and Water Table Construction Program	(1,360)
(30)	-	5		(5) Other Transport - Bus Shelters etc.	(30)
(3,487)	(634)	(571)	(63)	(63) Reserve Improvements Program	(7,451)
(1,302)	(225)	(231)		6 Land, Buildings and Infrastructure Program	(2,983)
(450)	(10)	(16)		6 Streetscape Program	(1,266)
(306)	-	(9)		9 Foreshore Improvements Program	(949)
-	-	(19)		19 Caravan Park - General	-
(14,815)	(2,244)	(1,953)	(291)	<b>Total</b>	(27,099)

**Alwyndor Aged Care  
Funds Statement as at 30 September 2022**

2022-23 Original Budget \$'000	Year to Date				2022-23 Adopted Forecast \$'000	Note
	Original Budget YTD \$'000	Actual YTD \$'000	Variance \$'000			
5,576	1,375	1,484	(109)	User Charges	5,576	
13,653	3,369	3,358	12	Operating Grants and Subsidies	13,653	
445	134	180	(46)	Investment Income	445	
5,361	1,288	1,164	124	Reimbursements	5,361	
3,993	953	1,329	(376)	Other Income	3,993	
<b>29,027</b>	<b>7,120</b>	<b>7,515</b>	<b>(395)</b>	<b>Operating Revenue</b>	<b>29,027</b>	<b>1</b>
(20,916)	(5,104)	(5,100)	(3)	Employee Costs - Salaries & Wages	(20,916)	2
(6,966)	(1,736)	(2,366)	631	Materials, Contracts and Other Expenses	(6,966)	3
(68)	(17)	(33)	16	Finance Charges	(68)	
(1,358)	(342)	(333)	(10)	Depreciation	(1,358)	
<b>(29,308)</b>	<b>(7,198)</b>	<b>(7,833)</b>	<b>634</b>	<b>Less Operating Expenditure</b>	<b>(29,308)</b>	
<b>(281)</b>	<b>(79)</b>	<b>(317)</b>	<b>239</b>	<b>=Operating Surplus/(Deficit)</b>	<b>(281)</b>	<b>4</b>
-	-	(16)	16	Net gain/(loss) on disposal of investments	-	
-	-	201	(201)	Net gain/(loss) on Fair Value movement on investments	-	
<b>(281)</b>	<b>(79)</b>	<b>(132)</b>	<b>53</b>	<b>=Net Surplus/(Deficit)</b>	<b>(281)</b>	
1,358	342	333	10	Depreciation	1,358	
-	-	16	(16)	Net gain/(loss) on disposal of investments	-	
-	-	(201)	201	Net gain/(loss) on Fair Value movement on investments	-	
193	48	26	22	Provisions	193	
<b>1,551</b>	<b>390</b>	<b>174</b>	<b>217</b>	<b>Plus Non Cash Items in Operating Surplus/(Deficit)</b>	<b>1,551</b>	
<b>1,269</b>	<b>312</b>	<b>42</b>	<b>270</b>	<b>=Funds Generated from Operating Activities</b>	<b>1,269</b>	
(524)	(481)	(382)	(99)	Capital Expenditure on New and Upgraded Assets	(874)	
<b>(524)</b>	<b>(481)</b>	<b>(382)</b>	<b>(99)</b>	<b>Less Total Capital Expenditure</b>	<b>(874)</b>	
<b>745</b>	<b>(169)</b>	<b>(341)</b>	<b>171</b>	<b>= Funding SURPLUS/(REQUIREMENT)</b>	<b>395</b>	
<b>Funded by</b>						
745	(169)	(341)	171	Increase/(Decrease) in Cash & Cash Equivalents	395	
<b>745</b>	<b>(169)</b>	<b>(341)</b>	<b>171</b>	<b>=Funding Application/(Source)</b>	<b>395</b>	<b>4</b>

## Alwyndor - Notes September 2022

### 1 Operating Revenue

Operating Revenue is favourable by \$395K mainly due to recording COVID Grant Income of \$225k which offsets higher operating expenses.

Residential has experienced lower occupancy levels from COVID outbreaks in July and August, impacting our ability to secure new residents. Higher government funding (ACFI) received for permanent residents has helped offset the lower occupancy levels.

Support at Home client growth remains strong and monthly targets are being exceeded, contributing to higher care management and package management fees and higher brokered income offset by higher operating expenses.

### 2 Employee Costs – Salaries & Wages

The variance in employee costs (\$3k favourable) is comprised of:

- Savings in Alwyndor staff running the kitchen due to a need to utilise contract labour (refer below) whilst Enterprise Agreement negotiations were being finalised.
- Residential – additional carers in response to higher acuity residents (offset by higher government funding (ACFI) as part of Operating Revenue) and staff COVID payments (offset by COVID Grant Income as part of Operating Revenue)
- Staff wage increases in the range of 3% to 5% being higher than the 2% increase assumed in the budget noting the national wage increase and associated workforce market forces at 4.6%.  
NB this was highlighted as an anticipated cost pressure when the budget was prepared however the quantum was not known at that time and will be addressed in a future budget forecast.

### 3 Materials, Contracts and Other Expenses

The \$631k YTD increase can be attributed to:

- Contract labour costs to run the inhouse kitchen (offsets the save in Employee Costs – Salaries & Wages)
- Additional brokered services in Support at Home which are recovered as part of Operating Revenue. As above this has been addressed through Enterprise Agreement negotiations.

4 Operating Deficit

September 2022 YTD

The \$317K Operating Deficit, after allowing for depreciation and capital expenditure, has led to a funding requirement of \$341K as at September YTD. This will be funded by Alwyndor's existing cash reserves.

# Attachment 2



### BRIGHTON CARAVAN PARK

Financial Results	Actual \$ 01/07/21 to 30/09/21	Actual \$ 01/07/22 to 30/09/22
Revenue From Cabins and Sites	\$197,770	\$298,933
Occupancy Rates	Actual % 01/07/21 to 30/09/21	Actual % 01/07/22 to 30/09/22
Accommodation Type		
Cabins	58%	82%
Sites	45%	62%
<b>Average Total</b>	<b>52%</b>	<b>72%</b>

### PARTRIDGE STREET CAR PARK

Financial Results	Actual \$ 01/07/21 to 30/09/21	Actual \$ 01/07/22 to 30/09/22
Income & Expenditure		
Car Parking Revenue	\$25,080	\$29,904
Operational Costs	\$28,100	\$25,683
<b>Net Result</b>	<b>(\$3,020)</b>	<b>\$4,221</b>
Car Park Usage	Actual No. 01/07/21 to 30/09/21	Actual No. 01/07/22 to 30/09/22
Car Park		
Eastern Car Park - No. of Transactions	14,910*	29,028
Western Car Park - No. of Transactions	28,447	30,566
<b>Total No. of Transactions</b>	<b>43,357</b>	<b>59,594</b>

\* Recorded numbers are low due to vehicle detection loop equipment error. Issue fixed 29.11.2021.

### PARTRIDGE HOUSE

Financial Results	Actual \$ 01/07/21 to 30/09/21	Actual \$ 01/07/22 to 30/09/22
Income & Expenditure		
Functions and Room Hire Revenue	\$54,642	\$50,684
Operational Costs	\$42,010	\$41,055
<b>Net Result</b>	<b>\$12,632</b>	<b>\$9,629</b>
Number of Events	Actual No. 01/07/21 to 30/09/21	Actual No. 01/07/22 to 30/09/22
Event Type		
Wedding	1	3
Funeral	37	27
Community Function	57	79
Other Events	18	20
<b>Total Number of Events</b>	<b>113</b>	<b>129</b>

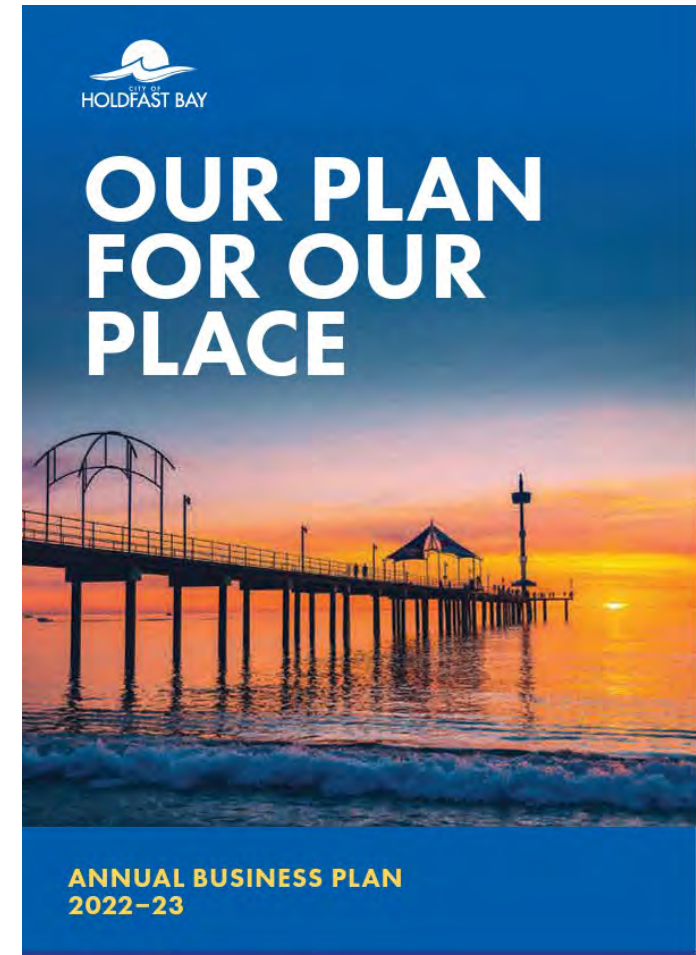
# Attachment 3







**Annual Business Plan 2022 – 23**  
**Quarterly Status Report**  
**July – September 2022**



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## OVERVIEW

The City of Holdfast Bay has begun to pursue the vision set out in the new Strategic Plan *Our Holdfast 2050+* and the three focus areas that support it:

### *Our Holdfast 2050+ Vision*

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

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.**

To deliver this Strategic Plan, the *Our Plan for Our Place Annual Business Plan 2022-23* (the Business Plan) outlines specific actions for the year. This report captures progress against the Business plan.

The overwhelming number of projects are ‘on track’ to be delivered or have been ‘completed’. There are nine projects identified as ‘on watch’ which means there are circumstances that impact on the successful delivery of the project which are being managed. No projects are ‘off track’.

The following page provides an overview of progress in all focus areas.



Overall Summary		%
Complete	13	11%
On Track	94	81%
On Watch	9	8%
Off Track	0	0%
Ceased	0	0%
<b>Total</b>	<b>116</b>	<b>100%</b>

## Annual Business Plan - Quarterly Status Report

As at 30 September 2022

Annual Business Plan 2022-23 First Quarter  
Summary of Projects and Activities



■ Complete ■ On Track ■ On Watch ■ Off Track ■ Ceased



### WELLBEING

Wellbeing Summary	
Complete	7
On Track	30
On Watch	1
Off Track	0
Ceased	0



### SUSTAINABILITY

Sustainability Summary	
Complete	5
On Track	49
On Watch	4
Off Track	0
Ceased	0



### INNOVATION

Innovation Summary	
Complete	1
On Track	15
On Watch	4
Off Track	0
Ceased	0

This table provides detail of those projects that are 'on watch' within each of the focus areas.

### WELLBEING

Project Title	Status	Notes
Somerton Bowling Club Roof Replacement	On Watch	There are some issues around the availability of materials and contractors able to deliver this project.

### SUSTAINABILITY

Project Title	Status	Notes
CCTV Glenelg (LRCI Phase 2)	On Watch	The timelines for this project are tight and consideration to the level of resources required to finalise needs consideration
Public Reserve Lighting	On Watch	Carry forward project to be delivered in 2022-23
Street Light LED conversion	On Watch	There are some issues around the availability of materials and contractors able to deliver this project.
Glenelg Rotunda Roof replacement	On Watch	Additional resourcing may be required given current quotes

### INNOVATION

Project Title	Status	Notes
Partridge House - Paving	On Watch	There are issues around the timely delivery of materials and ensuring the least disruption to the operation of Partridge House
Plant & Equipment - Depot / Stores	On Watch	Global supply chain delays for vehicles
Major Plant & Equipment Purchases - Heavy Vehicles / Other	On Watch	Global supply chain delays for vehicles
Executive / Regulatory / Passenger Vehicles (Plant & Equipment - Car Fleet)	On Watch	Global supply chain delays for vehicles

The following pages provide detail of the projects under each of the three focus areas of *Our Holdfast 2050+*.



## Annual Business Plan - Wellbeing - Status Report

As at 30 September 2022



### WELLBEING

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










### Wellbeing Summary






■ Complete ■ On Track ■ On Watch ■ Off Track ■ Ceased

Wellbeing Summary		
Complete	7	18%
On Track	30	79%
On Watch	1	3%
Off Track	0	0%
Ceased	0	0%
<b>Total</b>	<b>38</b>	


## Wellbeing - Carry Forward Projects

Title	Officer	Start Date	End Date	Project Stage	1st ¼ Status	1st ¼ Rating	1st ¼ Notes
Playspace - Bowker St Oval - Equipment/Softfall/Surfaces	Bill Blyth	Dec-22	Mar-23	Not Started	On Track		
Stone Wall Improvements - Various Reserves	Mathew Walsh	Jul-22	Aug-22	4. Closure	Complete		
Kauri Parade Precinct Public Toilet	Mathew Walsh	May-22	Dec-22	3. Delivery	On Track		
Brighton Oval - Rotary Club Shed	Mathew Walsh	Jul-22	Dec-22	3. Delivery	On Track		
Buffalo Site - Amenity Improvements	Matthew Rechner	Jul-22	Jun-23	1. Planning	On Track		
Playspace - Fordham Reserve	Matthew Rechner	TBA	Jun-23	Not Started	On Track		
Lookout Decking - Kingston Park Cliff Face	Matthew Rechner	Jul-22	Jun-23	2. Procurement	On Track		
Reserve Improvements Program - East of Brighton	Matthew Rechner	Jul-22	Aug-22	5. DLP	Complete		
Jetty Rd Glenelg - Masterplan - Stg 1 Construction	Matthew Rechner	Jul-22	Jun-23	4. Closure	On Track		

## Wellbeing - Carry Forward Plus 2022-23 Budget Projects

Title	Officer	Start Date	End Date	Project Stage	1st ¼ Status	1st ¼ Rating	1st ¼ Notes
Glenelg Oval Stage 3 and 4	Matthew Rechner	Jul-22	Jun-23	2. Procurement	On Track		
Seacliff Plaza Upgrade	Matthew Rechner	Jul-22	Jun-23	1. Planning	On Track		
Jetty Rd Glenelg - M'plan - Stg 2 Detailed Design	Matthew Rechner	Jul-22	Jun-23	1. Planning	On Track		

## Wellbeing - New Initiatives

Title	Officer	Start Date	End Date	Project Stage	1st ¼ Status	1st ¼ Rating	1st ¼ Notes
Beach Showers & Taps Audit	James Mitchell	Jul-22	Jun-23	2. Procurement	On Track		

## Wellbeing - Capital and Other Projects

Title	Officer	Start Date	End Date	Project Stage	1st ¼ Status	1st ¼ Rating	1st ¼ Notes
Seating Replacement Program	Bill Blyth	Aug-22	Dec-22	Various Projects	On Track		
Sporting Structures - Bike Rails - various	Bill Blyth	Nov-22	Jan-23	1. Planning	On Track		
Coastal Shower Replacement Program	Bill Blyth	Sep-22	Dec-22	1. Planning	On Track		
Drink Fountain and Dog Bowl Replacement	Bill Blyth	Nov-22	Feb-23	Not Started	On Track		
Somerton Park Yacht Club Refurbishment	Mathew Walsh			4. Closure	Complete		
Holdfast Bay Bowling Club - Toilets	Mathew Walsh		Jun-23	Not Started	On Track		
Council Depot - Paint Lunchroom/Offices	Mathew Walsh	Aug-22	Sep-22	3. Delivery	On Track		
Helmsdale Tennis Clubrooms - External paint	Mathew Walsh	Jul-22	Jun-22	4. Closure	Complete		
Brighton Oval - Dog Training Centre - Fence	Mathew Walsh	Aug-22	Aug-22	4. Closure	Complete		
Seacliff Youth Centre - Southern Hall Roofing	Mathew Walsh	Aug-22	May-23	2. Procurement	On Track		Additional resourcing may be required given current quotes
Brighton Table Tennis Clubrooms - Gutter	Mathew Walsh		Jun-23	Not Started	On Track		



<i>Title</i>	<i>Officer</i>	<i>Start Date</i>	<i>End Date</i>	<i>Project Stage</i>	<i>1st ¼ Status</i>	<i>1st ¼ Rating</i>	<i>1st ¼ Notes</i>
Somerton Bowling Club Roof Replacement	Mathew Walsh	Aug-22	Jun-23	1. Planning	On Watch	●	There are some issues around the availability of materials and contractors able to deliver this project.
Fencing & Lighting - Somerton Tennis Club	Matthew Rechner	Jul-22	Jun-23	1. Planning	On Track	●	
Dover Square - Playground Renewal	Matthew Rechner	Jul-22	Jun-23	1. Planning	On Track	●	
Paringa Park - Playground Renewal	Matthew Rechner	TBA	TBA	Not Started	On Track	●	
Partridge House - Playground Renewal	Matthew Rechner	TBA	TBA	Not Started	On Track	●	
Fordham Reserve - Playground Renewal	Matthew Rechner	TBA	TBA	Not Started	On Track	●	
Holdfast Bay Bowling and Croquet Club Lighting	Matthew Rechner	Jul-22	Jun-23	1. Planning	On Track	●	
Seacliff Hockey Club Netting (LRCl Phase 2)	Matthew Rechner	Jul-22	Aug-22	5. DLP	Complete	●	
Dover Square Pathway, Tennis Court & Bike Rail	Matthew Rechner	Jul-22	Jun-23	3. Delivery	On Track	●	
Pathway Refurbishment Program	Matthew Rechner	Jul-22	Apr-23	3. Delivery	On Track	●	
Playspace - John Miller Reserve	Matthew Rechner	Jul-22	Apr-22	5. DLP	Complete	●	Project was completed in 2021-22. Minor finalisation in 2022-23
Helmsdale Tennis Court	Matthew Rechner	Jul-22	Jun-23	3. Delivery	On Track	●	
Seacliff Toilets	Matthew Rechner	Jul-22	Jun-23	3. Delivery	On Track	●	
Jetty Rd Glenelg - Masterplan - Stg 1 Detailed Design	Matthew Rechner	Jul-22	TBA	4. Closure	On Track	●	



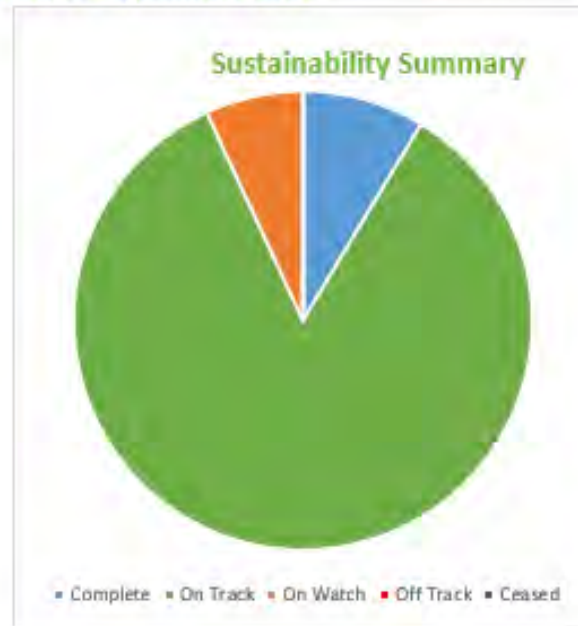


**SUSTAINABILITY**

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

## Annual Business Plan - Sustainability - Status Report

As at 30 September 2022



Sustainability Summary		
Complete	5	9%
On Track	49	84%
On Watch	4	7%
Off Track	0	0%
Ceased	0	0%
Total	58	

## Sustainability - Carry Forward Projects

Title	Officer	Start Date	End Date	Project Stage	Project Status	1st ¼ Rating	1st ¼ Notes
Public Reserve Lighting	Mathew Walsh	Jan-22	Dec-22	3. Delivery	On Watch	●	Carry forward project to be delivered in 2022-23
CCTV Glenelg (LRCI Phase 2)	Mathew Walsh	Dec-21	Jan-23	3. Delivery	On Watch	●	The timelines for this project are tight and consideration to the level of resources required to finalise needs consideration
FOGO Capital Implementation	James Mitchell	Jun-21	Jul-23	3. Delivery	On Track	●	
Street Light LED conversion	Mathew Walsh		Apr-23	3. Delivery	On Watch	●	There are some issues around the availability of materials and contractors able to deliver this project.
Renewable energy - Solar systems/energy monitoring	Mathew Walsh	Dec-21	Mar-23	3. Delivery	On Track	●	
Kingston House - Shed	Mathew Walsh			4. Closure	Complete	●	
Jetty Rd, Brighton - Lighting Masterplan	James Mitchell	Jul-21	Jun-23	3. Delivery	On Track	●	
Broadway Toilets Replacement	Mathew Walsh			4. Closure	Complete	●	
Ringwood - Timber Replacements	Mathew Walsh			4. Closure	Complete	●	
Greening Seacliff	James Mitchell	Jun-22	Dec-22	3. Delivery	On Track	●	
Seacliff \$100k Poject - Trees	James Mitchell	Jun-22	Dec-22	3. Delivery	On Track	●	
Art Deco Heritage Review	Anthony Marroncelli	Jul-22	Mar-23	3. Delivery	On Track	●	
Kingston Park - Kiosk	Matthew Rechner	Jul-22	Jun-23	3. Delivery	On Track	●	

## Sustainability - Carry Forward plus 2022-23 Budget Projects

<i>Title</i>	<i>Officer</i>	<i>Start Date</i>	<i>End Date</i>	<i>Project Stage</i>	<i>Project Status</i>	<i>1st ¼ Rating</i>	<i>1st ¼ Notes</i>
Roads Reseal Program	James Mitchell	Jul-22	Jun-23	Various Projects	On Track	●	Note - details of the Roads Reseal Program are shown in a separate table
Stormwater Management Plan Implementation (as per AMP)	James Mitchell	Jul-22	Jun-23	Various Projects	On Track	●	
Brighton Caravan Park - Stage 2 redevelopment	Matthew Rechner	Jul-22	Jun-23	2. Procurement	On Track	●	
Sturt Creek Linear Park Design	Matthew Rechner	Jul-22	Jun-23	2. Procurement	On Track	●	
Kerbing & Water Table Renewal Program	James Mitchell	Jul-22	Jun-23	Various Projects	On Track	●	
Gully Masterplans Implementation	James Mitchell	Jul-22	Jun-23	1. Planning	On Track	●	
Glenelg Town Hall - BDC - Structure	Mathew Walsh		Jul-23	3. Delivery	On Track	●	
Brighton Caravan Park - Stage 2 redevelopment	Matthew Rechner	Jul-22	Jun-23	2. Procurement	On Track	●	
Sturt Creek Linear Park Design	Matthew Rechner	Jul-22	Jun-23	2. Procurement	On Track	●	

## Sustainability - New Initiatives

<i>Title</i>	<i>Officer</i>	<i>Start Date</i>	<i>End Date</i>	<i>Project Stage</i>	<i>Project Status</i>	<i>1st ¼ Rating</i>	<i>1st ¼ Notes</i>
Urban Forest Maintenance	James Mitchell	Aug-22	May-23	2. Procurement	On Track	●	
Stormwater Data Collection	James Mitchell	Jul-22	Jun-22	2. Procurement	On Track	●	
Resilient Asset Management Project (RAMP)	James Mitchell	Jul-22	Jun-23	3. Delivery	On Track	●	
Electric Vehicle Transition Plan	James Mitchell	Jul-22	Mar-23	3. Delivery	On Track	●	
Gordon St/Augusta St Roundabout Landscaping	Bill Blyth	Jul-22	Jun-23	1. Planning	On Track	●	

Greening Diagonal Rd Triangle	Matthew Rechner	Oct-22	Jun-23	Not Started	On Track	●	Site scoping and concept design work will commence in Q3
Greening Brighton/Hove Railway Corridor	James Mitchell	Jul-22	Jun-23	1. Planning	On Track	●	

## Sustainability - Capital and Other Projects

Title	Officer	Start Date	End Date	Project Stage	Project Status	1st ¼ Rating	1st ¼ Notes
Stormwater Pipes/Pits Renewal Program	James Mitchell	Jul-22	Jun-23	Various Projects	On Track	●	
Electrical and Lighting Renewal	Mathew Walsh	Jul-22	Aug-22	3. Delivery	On Track	●	
Fences Renewal Program	James Mitchell	Aug-22	Jun-23	Various Projects	On Track	●	
Pathways Renewal Program	James Mitchell	Aug-22	Jun-23	Various Projects	On Track	●	
Pathway - Edith Butler Pier	James Mitchell	Aug-22	Jun-23	2. Procurement	On Track	●	
Gate - Bowker St Oval	Bill Blyth	Sep-22	Mar-23	1. Planning	On Track	●	
Walls Renewal Program	James Mitchell	Aug-22	Jun-23	1. Planning	On Track	●	
Bin Replacement Program	Bill Blyth	Sep-22	Dec-22	Various Projects	On Track	●	
Bollards Renewal Program	Bill Blyth	Oct-22	Jan-23	Not Started	On Track	●	
CCTV Installations - Various Locations	Mathew Walsh	Aug-22	Mar-23	2. Procurement	On Track	●	
Street lighting replacements (SAPN and Reserves)	Mathew Walsh		May-23	Not Started	On Track	●	
Patawalonga Lock Gate East	Mathew Walsh		Aug-23	1. Planning	On Track	●	
Patawalonga Lock Sea Gate West	Mathew Walsh		Aug-23	1. Planning	On Track	●	
Glenelg Jetty Structural Repairs	James Mitchell	Sep-22	Jun-23	1. Planning	On Track	●	
Accelerated Footpath Program	Bill Blyth	Aug-22	Sep-22	3. Delivery	On Track	●	
Footpaths Renewal Program	James Mitchell	Jul-22	Mar-23	2. Procurement	On Track	●	
Broadway Kiosk - Int/Ext - Finishes	Mathew Walsh	Jul-22	May-23	1. Planning	On Track	●	
Glenelg Town Hall - Refurbishment	Mathew Walsh		Jun-23	Not Started	On Track	●	
Bay Discovery Centre - Drain Trays	Mathew Walsh	Jun-22	Jun-22	4. Closure	Complete	●	
Brighton Civic Centre -insulate 1st floor	Mathew Walsh	Jul-22	Jul-23	2. Procurement	On Track	●	
Glenelg Town Hall - Gallery Doors	Mathew Walsh	Jul-22	Jun-22	4. Closure	Complete	●	
Glenelg Foreshore Toilets - Partition/Refurb	Mathew Walsh	Aug-22	Jan-23	1. Planning	On Track	●	
Broadway Toilets Exeloo	Mathew Walsh	May-22	May-23	1. Planning	On Track	●	
Beachouse Toilets – refurbish	Mathew Walsh	Aug-22	Jan-23	1. Planning	On Track	●	

<b>Title</b>	<b>Officer</b>	<b>Start Date</b>	<b>End Date</b>	<b>Project Stage</b>	<b>Project Status</b>	<b>1st ¼ Rating</b>	<b>1st ¼ Notes</b>
Glenelg Rotunda Roof replacement	Mathew Walsh	Aug-22	Jun-23	1. Planning	On Watch	●	Additional resourcing may be required given current quotes
Beachouse - Exterior lighting	Mathew Walsh	Jul-22	Jun-23	1. Planning	On Track	●	
Depot Cleaning Compound	Bill Blyth	Jul-22	Jun-23	1. Planning	On Track	●	
Brighton Caravan Park Retaining Wall (LRCI Phase 3)	Matthew Rechner	Jul-22	Jan-23	3. Delivery	On Track	●	
Wigley Reserve lighting	Matthew Rechner	Jul-22	Jun-23	2. Procurement	On Track	●	

### Roads Reseal Program

The Roads Reseal Program for 2022-23 includes these sections of Road

<b>Road</b>	<b>From</b>	<b>To</b>	<b>Suburb</b>
Indra Terrace	Yester Avenue	Dunluce Avenue	Brighton
Indra Terrace	Alfreda Street	Yester Avenue	Brighton
Keelara Street	Brighton Road	Torr Avenue	Brighton
Mortimer Terrace	Wahroonga Avenue	Bennett Street	Brighton
Sexton Road	Rudford Street	Hastings Road	Brighton
Taroola Street	Fulton Street	Ross Street	Brighton
Taroola Street	Oraston Avenue	Fulton Street	Brighton
Torr Avenue	Brighton Road	Alfreda Street	Brighton
Wenlock Street	Jetty Road	Hartley Road	Brighton
Giles Avenue	Moseley Street	East End	Glenelg
Lymington Street	Moseley Street	St Johns Row	Glenelg
Percival Street	South End	College Street	Glenelg
Soal Street	Jetty Road	Augusta Street	Glenelg
Maxwell Terrace	Wyatt Street	Buttrose Street	Glenelg East
Maxwell Terrace	Buttrose Street	Council Boundary	Glenelg East
Maxwell Terrace	Fortrose Street	Malcolm Street	Glenelg East

Maxwell Terrace	Brighton Road	Fortrose Street	Glenelg East
Maxwell Terrace	Glenloth Street	Wyatt Street	Glenelg East
Maxwell Terrace	Malcolm Street	Glenloth Street	Glenelg East
Blackburn Avenue	Leak Avenue	Davey Avenue	Glenelg North
Blackburn Avenue	Tapleys Hill Road	Leak Avenue	Glenelg North
Blackburn Avenue	Davey Avenue	Goldsworthy Crescent	Glenelg North
Winchester Avenue	Lascelles Avenue	Sunshine Avenue	Hove
Winchester Avenue	Stopford Road	Lascelles Avenue	Hove
Downing Street	King George Avenue	Cross Street	Hove
Downing Street	Cross Street	Esplanade	Hove
Cameron Avenue	Kingston Crescent	Car Pk Entrance Kerb Line	Kingston Park
Cameron Avenue	Car Pk Entrance Kerb Line	Strickland Avenue	Kingston Park
Singleton Road	Kauri Parade	Bandon Terrace	Kingston Park
Singleton Road	Bandon Terrace	Cygnets Terrace	Kingston Park
Strickland Road	Burnham Road	Cameron Avenue	Kingston Park
Maitland Terrace	Brighton Road	Acacia Street	Seacliff
Maitland Terrace	Acacia Street	Yacca Road	Seacliff
Myrtle Road	Maitland Terrace	Pine Avenue	Seacliff
Pine Avenue	Yacca Road	Kauri Parade	Seacliff
Pine Avenue	Acacia Street	Yacca Road	Seacliff
Pine Avenue	Brighton Road	Acacia Street	Seacliff
Waratah Street	Maitland Terrace	Pine Avenue	Seacliff
Yacca Road	Wheatland Street	Maitland Terrace	Seacliff
Broadway	Brighton Road	Margate Street	South Brighton
High Street	Stephenson Avenue	Mills Street	South Brighton
High Street	Mills Street	Seacombe Road	South Brighton
Mills Street	Surf Street	High Street	South Brighton
Mills Street	Brighton Road	Surf Street	South Brighton
Stewart Street	Stephenson Avenue	Rowe Street	South Brighton



## Annual Business Plan - Innovation - Status Report

As at 30 September 2022



### INNOVATION

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



Innovation Summary		
Complete	1	5%
On Track	15	75%
On Watch	4	20%
Off Track	0	0%
Ceased	0	0%
<b>Total</b>	<b>20</b>	



### Innovation - Carry Forward Capital Projects

<i>Title</i>	<i>Officer</i>	<i>Start Date</i>	<i>End Date</i>	<i>Project Stage</i>	<i>1st ¼ Status</i>	<i>1st ¼ Rating</i>	<i>1st ¼ Notes</i>
Traffic Safety Improvements	James Mitchell	Jul-22	Jun-23	Various Projects	On Track	●	
PLEC and Aerial Bundled Cable Investigations	James Mitchell	Jul-22	Mar-23	1. Planning	On Track	●	
Integrated Transport Strategy Priorities	James Mitchell	Jul-22	Jun-23	1. Planning	On Track	●	

### Innovation - Carry Forward plus 2022 -23 Budget Projects

<i>Title</i>	<i>Officer</i>	<i>Start Date</i>	<i>End Date</i>	<i>Project Stage</i>	<i>1st ¼ Status</i>	<i>1st ¼ Rating</i>	<i>1st ¼ Notes</i>
Major Plant & Equipment Purchases - Heavy Vehicles / Other	James Mitchell	Jul-22	Jun-23	2. Procurement	On Watch	●	Global supply chain delays for vehicles
Executive / Regulatory / Passenger Vehicles (Plant & Equipment - Car Fleet)	James Mitchell	Jul-22	Jun-23	1. Planning	On Watch	●	Global supply chain delays for vehicles

### Innovation - Capital and Other Projects

<i>Title</i>	<i>Officer</i>	<i>Start Date</i>	<i>End Date</i>	<i>Project Stage</i>	<i>1st ¼ Status</i>	<i>1st ¼ Rating</i>	<i>1st ¼ Notes</i>
Sign Replacement Program	Bill Blyth	Sep-22	Dec-22	Various Projects	On Track	●	
Glenelg Town Hall - Café - Electrical/Mechanical	Mathew Walsh		Jun-23	Not Started	On Track	●	
Glenelg Library - Paint Ceiling	Mathew Walsh		Jun-23	Not Started	On Track	●	

<i>Title</i>	<i>Officer</i>	<i>Start Date</i>	<i>End Date</i>	<i>Project Stage</i>	<i>1st ¼ Status</i>	<i>1st ¼ Rating</i>	<i>1st ¼ Notes</i>
Partridge House - Paving	Mathew Walsh	Jul-22		1. Planning	On Watch	●	There are issues around the timely delivery of materials and ensuring the least disruption to the operation of Partridge House
Bowker Oval Clubrooms - Switchboard	Mathew Walsh	Aug-22	Jun-23	1. Planning	On Track	●	
Partridge House - internal toilets refurb	Mathew Walsh	Aug-22	Jun-23	1. Planning	On Track	●	
Bus Stops Renewal Program	James Mitchell	Jul-22	Jun-23	1. Planning	On Track	●	
Plant & Equipment - Depot / Stores	James Mitchell	Jul-22	Jun-23	1. Planning	On Watch	●	Global supply chain delays for vehicles
ICT Replacement Program	Robert Zanin	Jul-22	Jun-23	2. Procurement	On Track	●	
Brighton Caravan Park - Renewal Program	Matthew Rechner	Jul-22	Jan-23	3. Delivery	On Track	●	
Partridge House - Plant & Equipment	Regan Forrest	Jul-23	Mar-23	2. Procurement	On Track	●	
Library Books Purchases	Tania Paull	Jul-22	Jul-23	2. Procurement	On Track	●	
Library Books Purchases - Reading Group	Tania Paull	Jul-22	Jul-23	2. Procurement	On Track	●	
Kingston Park Stages 4 & 6 - Detailed Design	Matthew Rechner	Jul-22	Jun-23	1. Planning	On Track	●	
Caravan Pk - Cabins	Regan Forrest	Jul-22	Aug-22	4. Closure	Complete	●	

Item No: 15.4  
Subject: **2021-22 ANNUAL REPORT**  
Date: 25 October 2022  
Written By: Corporate and Service Planning Lead  
General Manager: Strategy and Corporate, Ms P Jackson

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### **SUMMARY**

Council's Annual Report is a legislative requirement under Section 131 of the *Local Government Act 1999*. The information contained within the publication provides legislators and the community with assurance that the City of Holdfast Bay is meeting its strategic and governance requirements. The publication also provides a detailed overview of the Council's services and achievements during the year.

The 2021-22 Annual Report has been prepared to meet all statutory requirements. The report shows that Council has continued to deliver quality and improved services and facilities to its community.

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### **RECOMMENDATION**

**That Council adopts the 2021-22 Annual Report, subject to design and minor alterations and the inclusion of the audited financial statements.**

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### **STRATEGIC PLAN**

Statutory compliance

### **COUNCIL POLICY**

Not applicable

### **STATUTORY PROVISIONS**

Section 131 *Local Government Act 1999*

## BACKGROUND

Section 131 of the *Local Government Act 1999* (the Act) requires Council to prepare and adopt an Annual Report each year, by 30 November, that reflects the progress in reaching its strategic and financial goals in an appropriately governed manner.

A copy of this Annual Report must be submitted by Council to the Presiding Members of both Houses of Parliament, the Parliamentary Library, State Library and National Library as well as the SA Local Government Grants Commission by 31 December.

## REPORT

The 2020-21 Annual Report meets all the requirements of the *Local Government Act 1999* and provides an overview of Council's substantial achievements. The Annual Report was considered by the Audit Committee at its meeting on 19 October 2022 and the Committee endorsed its referral to Council for adoption.

*Refer Attachment 1*

This Annual Report is part of a strategic planning and reporting framework that guides Council's direction and measures our performance against the goals set out in the City of Holdfast Bay Strategic Plan—*Our Place: 2030*, which was in effect until 31 December 2021. In November 2021 Council adopted a new Strategic Plan titled *Our Holdfast 2050+*, which came into effect on 1 January 2022. This Annual Report primarily reports against the previous Strategic Plan *Our Place 2030*, as this was the basis of the *Annual Business Plan 2021-22 Our Plan for Our Place*.

This report records Council's achievements in line with the ambitious program of work outlined in the *Annual Business Plan 2021-22*, and reports on performance compared to last financial year's budget and strategic aims.

The achievements for the year include:

- the November 2021 launch of the \$23 million Southern Material Recycling Facility (SMRF) operated by Council's regional subsidiary, the Southern Region Waste Resource Authority.
- a state-first change to weekly household bin collections with weekly green-lid FOGO (Food Organics Garden Organics) bin collections. The move to weekly FOGO bin collections resulted in 6,288 tonnes of waste being diverted from landfill.
- the unveiling of Chapel Plaza as part of the first stage of the Jetty Road, Glenelg Masterplan. This included the installation of a thought-provoking sculpture. Titled Sesquipedalian Sea Squirt, the sculpture was created by South Australian artist Michael Kutschbach.
- Pedestrian access was further improved across the city with 120 new kerb ramps built which meet the requirements of the Disability Discrimination Act (DDA).

- Hindmarsh Lane was also transformed, and its name changed to Bouchée Walk, to honour Holdfast Bay's longest-serving female Elected Member, Councillor Mikki Bouchée, who passed away in July 2021. The lane transformation was a part of the precinct's \$3.6 million upgrade. The State Government part funded the project with a \$1.8 million grant through the Planning and Development Fund. This included a Changing Places toilet, which provides suitable facilities for people with complex disabilities who cannot use standard accessible toilets. Glenelg is now one of only 16 places in South Australia with an accredited Changing Places toilet.
- A memorial to honour the service of animals in war times was installed on the western side of the Glenelg Town Hall which was an initiative proposed by Councillor Bouchée.
- The City hosted more than 400 events, from small community gatherings to an outdoor opera spectacular on Glenelg Beach.
- In another first, the 185th Proclamation Day event on 28 December 2021, was jointly hosted by the City of Holdfast Bay together with the Kaurna Nation.
- Our dedicated team of volunteers, who have contributed 46,800 hours of their time to the community, which is equal to \$2.1 million in economic value to the City.
- A further 4,557 hours of social activities were delivered to engage older people in the community through programs offered through Alwyndor, which is our aged care provider based at Hove.
- Due to the ongoing impact of the pandemic, we conducted 378 COVID-19 welfare checks for the most vulnerable older people in our community.
- More than 2000 m<sup>2</sup> of footpaths were replaced with maintenance and repairs carried out on another 6,000 linear metres as part of our accelerated maintenance program.

It is noteworthy that on a normal day in the City of Holdfast Bay:

- Nearly 1500 items are borrowed from our libraries at Glenelg and Brighton.
- 747 people visit the libraries.
- More than 300 people attend our four Community Centres.
- 170 phone calls and 100 emails are responded to by our Customer Service team.
- Our two Jetty Roads at Glenelg and Brighton are serviced by street sweepers.
- 60 separate cleaning services are conducted at council buildings.

- Each of our 31 public toilet facilities are serviced and cleaned.
- Maintenance and other works are carried out at Glenelg Oval by our Open Spaces team.
- 7,200 bins lifts for residential and business waste collection.
- 3,246 page views on our website.
- 20 trips on the Community Wellbeing bus.
- 4 Development Applications processed.
- 206m<sup>2</sup> of roads resealed.
- 12.3 linear metres of kerb replaced.

These achievements have been accomplished within a framework of tight financial control with all financial indicators well within each of our financial targets.

The report will also be updated to include the audited financial statements of Council along with those of Council's regional subsidiary, the Southern Region Waste Resource Authority. Both of these statements are the subject of a separate item in this agenda.

They will be incorporated into the Annual Report 2021-22 once Council has resolved to approve the General Purpose Financial Reports for the year ending 30 June 2022, as required under Section 126(4)(a) of the *Local Government Act 1999*, and found them to present fairly the state of affairs of the Council as required under the *Local Government (Financial Management) Regulations 2011*.

As in previous years, this year's Annual Report will be provided in an electronic format on the Council's website with a limited number of printed copies available upon request.

As it is an election year and the Caretaker Period currently applies, a Foreword from the Mayor has not been included. This is in accordance with recommendations previously made by the Ombudsman.

## **BUDGET**

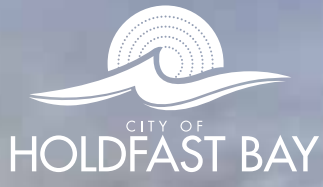
The cost of design, printing and publishing of the Annual Report is incorporated in the 2022-23 budget.

## **LIFE CYCLE COSTS**

There are no life cycle costs associated with this report.

# Attachment 1





# OUR PLACE

**2021-22  
ANNUAL REPORT**



## TRADITIONAL CUSTODIANS

The City of Holdfast Bay acknowledges the Kurna People as the traditional owners and custodians of the 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 the Kurna people today.

## WELCOME TO OUR PLACE

This annual report is part of a strategic planning and reporting framework that guides Council's direction and measures our performance against the goals set out in the City of Holdfast Bay strategic plan—*Our Place: 2030*, which was in effect until 31 December 2021.

This report records our achievements in line with the ambitious program of work outlined in our *Annual Business Plan 2021–22*, and reports on our performance compared to last financial year's budget and strategic aims.

In November 2021 Council adopted a new Strategic Plan titled *Our Holdfast 2050+*. This Plan came into effect on 1 January 2022. For continuity this Annual Report is described against the previous Strategic Plan *Our Place 2030*, as this was the basis of the *Annual Business Plan 2021–22 Our Plan for Our Place*.

In 2021–22, Council undertook a range of improvements on behalf of the community and continued to deliver an extensive suite of high-quality services—while containing our rate revenue increase to a modest 2.4 per cent, which is well below annual CPI.



## OUR VISION

The vision in *Our Place 2030* was:

*Balancing our progress with our heritage, we lead in coastal management to deliver high quality public spaces and services to build a welcoming, safe and active community where resident, visitor and business prosperity meet.*

In *Our Holdfast 2050+* the vision is:

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



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# OUR PLACE

## Adelaide's Favourite Coastal Destination

For 65,000 years, Aboriginal people have inhabited the vast lands of Australia. The coastal environment of Holdfast Bay, with its freshwater lagoons and abundant plant and animal resources, was used for millennia as a meeting place for cultural celebrations, ceremony and trade by the local Kurna people. It continues to be a place of significant Kurna cultural heritage.

In 1836, Colonel William Light arrived on a ship named Rapid on a mission to survey the South Australian coast in search of a place for settlement. While the Rapid stood offshore near the mouth of the Patawalonga River, 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.

In 1997, the City of Holdfast Bay was formed through the amalgamation of the Glenelg and Brighton councils.

Located just 11 kilometres from Adelaide's city centre and five minutes from Adelaide Airport, our City is now home to over 37,000 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 options; a vibrant tourism sector; thriving retail precincts; and a small light industrial area.





# OUR COMMUNITY

## TOTAL POPULATION



(2021)  
**37,543**

52.3% females  
47.7% males

## 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 for those in the workforce, but the cohort with the greatest number is not in the labour force.

## MEDIAN AGE



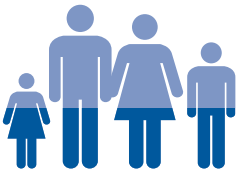
## MOST COMMON AGE GROUP



**60–69yrs**

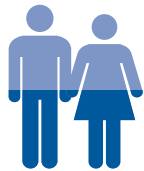
5,633 people (15%)  
Older population

## FAMILY COMPOSITION



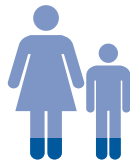
Couples with children

**37%**



Couples without children

**48%**



One parent families

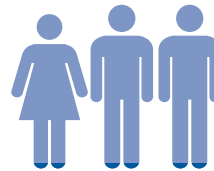
**13%**

## HOUSEHOLD TYPES



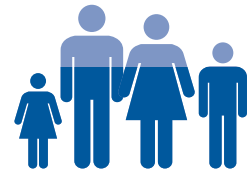
Lone person households

**35%**



Group households

**3%**



Family households

**62%**

Source: ABS 2021





# MESSAGE FROM THE CEO

As the impacts of the pandemic continued to be felt by all, here at Holdfast Bay, we turned our attention to what we could achieve within our own patch of the world.

We achieved a lot in the 2021–22 financial year with a focus on the environment one of the standouts. Actions were taken from goals listed in our Environment Strategy which included purchasing our first electric vehicle, to launching a multi-million dollar recycling plant that is the biggest and most high-tech material recycling facility in South Australia.

The November 2021 launch of the \$23 million Southern Material Recycling Facility (SMRF) was a game changer in the way councils deal with household waste.

The SMRF was a joint initiative of Southern Region Waste Recycling Authority (SRWRA)—a subsidiary of the City of Holdfast Bay, City of Marion and City of Onkaparinga—and Australian recycling and resource recovery specialist Re.Group.

The state-of-the-art facility sits in a 4,400m<sup>2</sup> purpose-built building and uses advanced screening and optical sorting technologies for cardboard, plastic and glass. It can process up to 60,000 tonnes of yellow-bin recyclables every year.

This facility is a great example of councils working together to show leadership and to deliver the best outcomes for our residents and for the greater environment.

Our focus on reducing the amount of waste sent to landfill extended further when we led a state-first change to weekly household bin collections with weekly green-lid FOGO (Food Organics Garden Organics) bin collections.

An initial year-long trial proved so successful with more than 1,000 households taking part. It was extended for an additional six months with an opt-out model also introduced. This helped to inform the city-wide move to weekly FOGO bin collections, which was announced in June 2022 and implemented at the start of July.

Being the first SA council to announce this change thrust Holdfast Bay into the spotlight for good reason, and we have set the bar for other councils to follow.

The move to weekly FOGO bin collections resulted in 6,288 tonnes of waste being diverted from landfill and that figure is set to increase year on year.

Several other long-term projects also came to fruition in the past year, including the unveiling of Chapel Plaza as part of the first stage of the Jetty Road, Glenelg Masterplan.

The former roadway was transformed over six months into a spacious and inviting pedestrian plaza and community space, with a new central arbour and landscaping, creative lighting, seating and a 3m-tall thought-provoking sculpture.

Titled Sesquipedalian Sea Squirt, the sculpture was created by South Australian artist Michael Kutschbach, and took inspiration from the colours and shapes of local sea squirts found on Glenelg Beach.

Across the road, Hindmarsh Lane was also transformed as part of the precinct's \$3.6 million upgrade. The State Government part funded the project with a \$1.8 million grant through the Planning and Development Fund.

The space was upgraded with new paving, seating and increased public amenities, including a Changing Places toilet, which provides suitable facilities for people with complex disabilities who cannot use standard accessible toilets.

Glenelg is now one of only 16 places in South Australia with an accredited Changing Places toilet.

The installation of nine glass petals on the pergola create a colourful canopy in the space throughout the day and night.

The lane's name was also changed to Bouchée Walk, to honour Holdfast Bay's longest-serving female Elected Member, Councillor Mikki Bouchée, who passed away in July 2021.



Councillor Bouchée spent 25 years on Council, joining the then City of Glenelg in 1987. She was elected as an Alderman for four years, before the amalgamation of Brighton and Glenelg councils which created the City of Holdfast Bay. Councillor Bouchée was then elected a further seven times as a councillor for Holdfast Bay, serving for an amazing 18 years, including a period as Deputy Mayor.

A memorial to honour the service of animals in war times was installed on the western side of the Glenelg Town Hall which was an initiative proposed by Councillor Bouchée.

The spotlight on ensuring Holdfast Bay is accessible was showcased when we hosted our very first Accessible Beach Day in January this year. The event enabled people living with a disability to access the sand and water, with the equipment provided and operated by Push Mobility.

Following the outstanding success of the event, Council committed to building an accessible beach ramp at Glenelg along with purchasing a beach mat.

Pedestrian access was further improved across the city with 120 new kerb ramps built which meet the requirements of the *Disability Discrimination Act* (DDA).

Accessible changerooms were also included in the construction of multi-purpose changerooms at Glenelg Oval. The changerooms also give equal access to players of all genders and also meet modern standards for state level football and cricket set by the SANFL and Cricket Australia.

The City of Holdfast Bay contributed \$476,000 towards the project, in addition to funding grants from the State and Federal governments.

Driving visitation to the City to support traders and to drive economic recovery was a priority for Council, particularly once state borders reopened.

The City hosted more than 400 events, from small community gatherings to an outdoor opera spectacular on Glenelg Beach.

In another first, the 185th Proclamation Day event on 28 December 2021, was jointly hosted by the City of Holdfast Bay together with the Kaurna Nation.

Although the day commemorates the founding of South Australia, it also reflects our shared history and truth telling, which was an important cultural shift for the commemoration.

It further highlighted Council's strong and respectful relationship with Kaurna Nation which we will continue to foster into the future.

I'd also like to extend my thanks to our dedicated team of volunteers, who have contributed 46,800 hours of their time to the community, which is equal to \$2.1 million in economic value to the City.

A further 4,557 hours of social activities were delivered to engage older people in the community through programs offered through Alwyndor, which is our aged care provider based at Hove.

Due to the ongoing impact of the pandemic, we conducted 378 COVID-19 welfare checks for the most vulnerable older people in our community.

Council's commitment to enhancing our City's image and safety was demonstrated by our vigorous maintenance program, carried out daily by our Field Services team.

More than 2,000m<sup>2</sup> of footpaths were replaced with maintenance and repairs carried out on another 6,000 linear metres as part of our accelerated maintenance program.

We now have in place our new Strategic Plan, *Our Holdfast 2050+*, which has an increased focus on community—the people of Holdfast Bay as well as our infrastructure and assets. It will help guide our decisions into the future to ultimately benefit everyone who lives, works and plays in the City of Holdfast Bay.



**Roberto Bria**

Chief Executive Officer  
City of Holdfast Bay



# A DAY IN THE LIFE

Did you know that on a normal day in the City of Holdfast Bay:

Nearly

**1,500**

items are borrowed from our libraries at Glenelg and Brighton



More than **300**

people attend our four Community Centres



Maintenance and other works are carried out at Glenelg Oval by our Open Spaces team



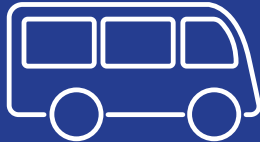
**747**

people visit the libraries



**7,200**

bins lifts for residential and business waste collection



**20** trips on the Community Wellbeing bus



**206sq metres** of roads resealed



**60**

separate cleaning services are conducted at council buildings



Each of our **31** public toilet facilities are serviced and cleaned

**2.3** linear metres of kerb replaced



Our two Jetty Roads at Glenelg and Brighton are serviced by street sweepers



**170** phone calls & **100** emails are responded to by our Customer Service team



**3,246**

page views on our website

**8sq metres** of footpath replaced

**26sq metres** of footpaths repaired



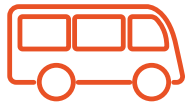
**4** Development Applications processed



**52** requests completed by our Field Services team

# 2021-22 HIGHLIGHTS

In 2021-22:



**6,152**

community transport trips helped residents get out and about



**5,609**

Holdfast Hounds were registered and 119 animals were reunited with their owners



**379**

people were supported to live safely and healthily at home with Alwyndor's home care packages



**2,363**

immunisations were administered at our local clinics



**522,970**

library items were lent to 13,420 members



**4,000**

people participated in Aboriginal heritage and culture events



**28**

Community Grants issued totalling \$41,828

**378**

COVID welfare checks



**295**

invaluable volunteers contributed 46,800 hours within council programs (\$2.1 million economic value)



**42,021**

phone enquiries resolved



**71**

businesses assisted through council's mentoring and support services



**>1,000**

local businesses can be found on the Holdfast Bay Business Directory and MyHoldfast App

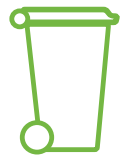
**584**

street trees were planted



**538**

events held at Partridge House



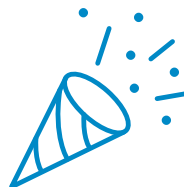
**6,288**

tonnes of waste was diverted from landfill



**400**

events hosted by council



**1,011,000**

people visited Holdfast Bay

**80**

beach safety signs upgraded



**383,000**

people attended Holdfast Bay hosted events



**51,700m<sup>2</sup>**

of road, 2,180 linear metres of kerb and 8,626m<sup>2</sup> of footpath were maintained or replaced



**1,005**

development applications were processed



**304**

new dwellings were approved (valued at \$159 million)

# QUALITY OF LIFE SURVEY RESULTS (2022)

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

## PLACEMAKING



**7.3**

Maintaining roads and kerbing



**7.2**

Maintaining cycle networks



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

## ENVIRONMENT



**8.0**

Maintaining beaches and coastal areas



**8.0**

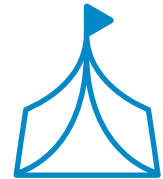
Providing adequate waste management services

## ECONOMY



**8.1**

Encouraging a diverse range of businesses and services in the area



**7.6**

Supporting and promoting tourism and events



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

## 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



**8.3**

Maintaining well laid out parks and reserves



**7.8**

Providing programs that foster social interaction and community wellbeing



**8.2**

Providing a sense of safety in neighbourhoods







# COMMUNITY

## A HEALTHY, CREATIVE, CONNECTED COMMUNITY

In 2021–22, Council delivered many projects and services that contributed to building a healthy, active and resilient community; celebrating culture and diversity; providing welcoming, accessible facilities; and fostering an engaged community.

### Community Sport and Recreation

#### Club development

Council provides assistance and support to local sporting clubs and recreation groups to develop positive and sustainable club management through workshops that support strategic planning, volunteer management, financial management and succession planning. Due to restrictions associated with COVID-19, club development seminars and workshops were not held in 2021–22.

#### Glenelg Oval Masterplan

Council completed stage two of the Glenelg Oval Masterplan in October 2021 with the completion of the new unisex changerooms for players and officials. This building comprises four unisex player changerooms and two unisex umpire changerooms, along with a new *Disability Discrimination Act* (DDA) compliant public toilet facility.

Stage three and four of the Masterplan commenced in December 2021 with the construction of indented parking along Williams Avenue and the demolition of the old changeroom building. Detailed designs continue for the remaining aspects of stages three and four and Council is working with all stakeholders to deliver this project in the coming year.

#### Playspace and reserve improvements

In 2021–22, Council upgraded the following playspaces and reserves.

- › John Miller Reserve with the redevelopment of the playspace, construction of a regulation size 3-on-3 basketball court and the installation of new outdoor fitness equipment.
- › Gregory Reserve received an upgrade to amenities including a new barbeque, shelter, seating and access paths.
- › Bowker Oval Reserve playspace was renewed and now includes a wider variety of play equipment and improved landscaping.

#### Former Buffalo site redevelopment

Following extensive public consultation, Council endorsed a preferred concept plan and agreed to proceed to detailed design for the former Buffalo site. The plans include a new kiosk / café, new seating areas and small event spaces, along with access to the water's edge via new stairs and ramps. Detailed design will commence later in 2022 once further site investigations are undertaken.







### **Sturt River Linear Path**

Council endorsed a preferred concept plan and agreed to proceed to detailed design for a new shared use path along the Sturt River between Pine Avenue and Tapleys Hill Road. The plans were developed following extensive public consultation, includes a sealed shared use linear path, new landscaping, upgrades to Fordham Reserve Playspace, new seating and shelters.

### **Glenelg Beach entry points upgrades**

Concept plans were developed for new beach entry points at Glenelg Beach between Glenelg Jetty and The Broadway. Seven existing locations will be upgraded with new infrastructure including steps, handrails, seating, shelter and a DDA compliant beach access ramp to the immediate north of Glenelg Jetty. A tender was awarded for the design and construction of this project which will commence later in 2022.

## **Community Wellbeing**

The Community Wellbeing program provided 4,810 bus trips for groups of people, whilst personal transport volunteers delivered 1,342 individual transport trips. These trips are for older people who rely on community transport to engage with their local community, attend medical appointments, shopping and personal business.

Due to the ongoing impact of the pandemic, we conducted 378 COVID-19 welfare checks for the most vulnerable older people in our community.

4,557 hours of social activities were delivered to engage older people in the community who hold a current My Aged Care referral for Social Support (Group).

### **Volunteers**

Across the City of Holdfast Bay, 295 volunteers contributed 46,800 hours of support, equating to \$2.1 million in economic value to the City.

New volunteer programs were introduced, including the development of a Centrelink Mutual Obligation volunteer pool to community centres. We also facilitated community capacity building through referral of 27 volunteers to local service organisations and special interest support groups.

We facilitated greater inclusion through tailoring volunteer roles to suit people with disability, resulting in new placements in community centres (2 people), community gardens (1 person) and across the City of Holdfast Bay programs in libraries (2 people), environment programs (2 people) and at the Bay Discovery Centre (2 people).

We were able to increase volunteering across the organisation with new placements in;

- › Youth programs – 7 people,
- › Environmental programs – 12 people,
- › the Bay Discovery Centre – 15 people,
- › Library programs – 3 people,
- › Alwyndor programs 2 people,
- › Community bus – 4 people,
- › Poo bag refill (PBR) – 1 person,
- › Justice of the Peace – 1 person,
- › Arts programs – 1 person,
- › the History Centre – 10 people, and
- › Social Support – 2 people.

### Community Centres

The City of Holdfast Bay offers four community centres:

- › Glenelg Community Centre.
- › Glenelg North Community Centre.
- › Brighton Community Centre.
- › Holdfast Bay Community Centre.

Council staff work closely with centre volunteers to attract more than 8,000 visitors each month and deliver over 80 low-cost programs that include health and fitness, education, arts and crafts, social and personal development as well as luncheons, charity events, Fringe and Festival shows.

The community centres support local charities by delivering social events that raise awareness of issues and by sharing information on services available within the community. The Glenelg Brass Band offers free community concerts at a range of community events while traditional social events like Easter, Christmas, seniors and seasonal luncheons attract up to 100 people each.

### Community gardens

There has been a significant growth in the interest in community gardens and sustainable environmental practices within both private and public spaces. Membership within the two Holdfast Bay Community Gardens has grown. Program offerings have diversified to include composting, recycling, food systems, arts and craft, indigenous plantings, seasonal produce, food swaps, garden planning workshops, bee keeping and chickens.

Although interest is high, the number of community garden spaces has not increased in the last year as alternative gardening sites (verge gardens) and increasing home garden knowledge has shown greater demand.

Glenelg North Community Garden (on the corner of Kibby Avenue and Alison Street) and North Brighton Community Garden on Bowker Road, continue to attract hundreds of community members each week.

Council also supports community gardens through funding and project development, governance direction and volunteer recruitment. The gardens deliver a large range of community-led programs including:

- › individual and community plots;
- › seasonal workshops and working bees;
- › diversity within the gardens to include children's and sensory gardens;
- › social programs including morning/afternoon teas, arts, craft and food classes.

The gardens are a vibrant and inclusive environment to share sustainable practices and learn about topics such as wicking beds, chickens, bees, tree pruning and the benefits of working in an environmentally friendly way.

### Community development projects

There were three UniSA student placements across Council and local community groups in 2021–22.

Over 40 people took part in our community shed consultation/initiative. They all had a shared interest and received information on anticipated roles to develop a community shed. Council is now working with an interested community group to facilitate funding, resources and people to develop the shed.







Council facilitated the development of the Keeping Bees @ Kibby Project, providing mentoring and support to Veterans with Post Traumatic Stress Disorder (PTSD). This enables skill development towards a self-employment pathway and non-clinical mental health support.

We partnered with seven metropolitan and regional councils, state government departments and community organisations to develop a Food Systems Mapping project. This project is working to ensure food resilience is embedded in local policy and strategic planning.

There are a number of community partnerships with local organisations which support programs to address disadvantage and loneliness. Others support lifelong learning, good neighbours, health and nutrition, sensory and invisible disabilities. Support for each service organisation varies dependent upon gaps and includes assistance in grant application and management, collection and collation of data, program planning, network and resource connections and subject matter expertise.

### Youth program

Council's programs for young people included:

- › The award winning The Local Battle of the Bands event partnering with Hold Up Youth Committee and City of Marion.
- › An active Hold Up Youth Committee regularly providing opportunities for consultation and collaboration regarding youth projects and events.
- › \$3,900 sponsorship funding delivered through the Youth Achievement Sponsorship grant program supporting 31 young people in recognition of their achievements in the community.
- › Expansive youth consultation seeking feedback regarding the Council's *Youth Action Plan (2018–2023)*. This involved local schools, community events and online survey distribution and promotion.
- › Partnership with local business offering a youth specific barista course to develop employability skills.

- › Four seasons of the Play at the Bay school holiday program connecting various internal departments promoting opportunities to the community for youth activities.
- › Collaboration with the Council Events team in the implementation of the Street Meets (1000 Play Street) initiative in partnership with Play Australia.
- › Participation in the Resilient South Joint Youth Committee collaborating with Green Adelaide, City of Marion and City of Onkaparinga providing future youth environmental project opportunities.
- › Active representation in various youth network committees including Local Government Youth Development Network (LGYDN) and Southern Youth Collective Network (SYNC).
- › An after-school youth program taster at Glenelg Community Centre with various activities including working with sponsors to Building Your Own Computer, arts and craft, IT, games and other projects of interest.

### Community Grants

Council supports a range of organisations with the provision of targeted grants. In 2021–22, 28 Community Grants totalling \$41,828 were made in the following categories:

- › Arts & Culture \$4,000.
- › Recreation & Wellbeing \$15,034.
- › Events & Festivals \$5,000.
- › Community Chest \$17,794.

### Key achievements

The Community Wellbeing team were recognised in 2021–22 with a nomination in the Local Government Excellence Awards for the South Australian Best Practice Guide for Grant Management in Local Government.





## Kurna Heritage and Culture

The City of Holdfast Bay continues to foster and strengthen relationships with the Kurna people to honour, promote and protect their culture, heritage and connection to the land. Some activities include:

- › Regular meetings were held with Kurna Elders to discuss Council projects and cultural initiatives and deliver outcomes that strengthen our communities' understanding of Kurna culture, connection to place and our shared history.
- › Council provided a variety of workshops and training including cultural awareness, cultural heritage sessions, language workshops and arts and cultural activities. These initiatives encouraged cultural learning and sharing and provided a greater understanding and respect for Aboriginal heritage and culture and the significant sites throughout the city.
- › Traditional Welcome to Country and smoking ceremonies were held by Kurna Elders and Senior Kurna Leaders at community events and civic ceremonies.
- › The 'On Kurna Land' window stickers were designed by Kurna Ngarrindjeri Yankunytjatjara artist, Allan Sumner and have been made available free to local residents, businesses and community organisations.
- › In celebration of National Reconciliation Week, History Month and NAIDOC Week cultural workshops and tours were facilitated by Kurna Elders and Aboriginal cultural leaders.
- › Kurna Nation had a significant involvement in the 185th Proclamation Day Commemorations at the Old Gum Tree on the 28 December 2021 with a focus on the Letters Patent and the coming together to acknowledge and reflect on the joint histories of the State.
- › We reviewed, identified and managed projects and cultural monitoring on areas of Kurna cultural and European historic heritage, as set out in The Heritage Research and Procedures Report.
- › Dual naming signage was applied on reserves and cultural sites throughout the City.
- › The Discover Our Place resource packages were distributed throughout kindergartens and schools supporting students to learn about the history, culture and the local natural landscapes.

## Art and Activations

### Creative Holdfast summer and winter programs and monthly newsletters

The summer and winter creative programs provided a range of arts, history and cultural events, workshops, talks, tours and exhibitions held in Holdfast Bay. The Creative Holdfast newsletter, continued to be shared monthly with its readers to promote and celebrate the creative activities and events in the community and promote upcoming art initiatives and opportunities.

### Public art installations

Six public art works were installed throughout the City including two new artworks in Chapel Plaza and Bouchée Walk (formally Hindmarsh Lane) Glenelg as part of Stage One of the Jetty Road Glenelg Masterplan redevelopment. Light Tapestry by Skunk Control in Bouchée Walk and Sesquipedalian Sea Squirt by Michael Kutschbach in Chapel Plaza have added some colour, life and intrigue to the space.

The Jimmy Melrose Memorial Artwork by sculptor Ken Martin was installed along Jimmy Melrose Reserve, Glenelg South. The bronze bust and granite plinth is a fitting tribute to the young aviator Charles James (Jimmy) Melrose (1913–1936).

The colourful mural by artist Fortrose made a splash of colour to the walls of the Event Cinema at Cowper Street, Glenelg. The artwork represents shapes and motifs mixed with a fresh colour palette, soft undertones and bold bright accents and works beautifully on the interesting architectural lines of the building.

A new War Service Animal Memorial has been installed on the western side of the Glenelg Town Hall to honour the deeds and sacrifice of war service animals. The public memorial aims to create a lasting reminder of the important, selfless and loyal contribution animals make during times of conflict.

Rugged Beauty, a sculptural sandstone bench, was installed in Dulcie Perry Reserve, North Brighton. The two sided sandstone work that has been beautifully carved by Rockstar was purchased by Council from the 2022 Brighton Jetty Sculptures event.

### Arts and Cultural Grants and Donations

In 2021–22 two public art murals were funded by our Public Art Donations Grants and five community music initiatives or cultural events received Community Chest funding.

### Arts and Culture Strategy

A significant number of actions have been delivered over the last 12 twelve months from the *Creative Holdfast Arts & Culture Strategy (2019–2024)*. This included encouraging and supporting local cultural activity, increasing participation, developing the potential of artists, nurturing local creative industry and supporting and promoting cultural development.

## Holdfast Bay History

### Bay Discovery Centre

In 2021–22, the Bay Discovery Centre delivered a comprehensive cultural program, presenting a broad range of projects and exhibitions. Volunteers dedicated over 950 hours to help deliver the Centre's extensive program.

This year's highlights include:

- › A total of 28,324 visitors, including school and community groups (an increase of 50 per cent from 2019–20).
- › History Festival exhibition, *The Finishing Touch* attracted 9,298 visitors, the Gallery's largest numbers since 2019.
- › School Holiday programs hosted with over 2,000 attendees to various workshops.
- › International award winner, Best in Heritage, for Kurna Nation co-curated exhibition *Tiati Wangkanthi Kumangka (Truth-Telling Together)*. Best in Heritage is a global award program run in partnership between International Council of Museums and Europa Nostra.
- › Hosted National Reconciliation Week and NAIDOC Week activities in partnership with the Kurna Nation.

## Holdfast Bay History Centre

The Holdfast Bay History Centre celebrates and shares Holdfast Bay's unique history. Each year the Centre works to preserve its nationally significant collection in order to make it accessible to our community and ensure its safe keeping. During the 2021–22 financial year volunteers dedicated over 1,356 hours to help deliver the Centre's extensive program.

This year's highlights include:

- › Answering over 330 community history enquiries, including the delivery of House History, War History and Family History programs.
- › Digitising over 440 collection items including photographs, objects and paintings.
- › Completing research and print of the *Historic Seacliff and Kingston Park Walking Brochure*.
- › Successfully attracting \$16,000 in grant funding via the History Trust of South Australia's Museums and Collections (MaC) Program for the conservation of a Victorian era, 1880s two piece women's dress.
- › Delivering the 2022 History Festival, including 10 events across the month of May attracting over 500 community and state attendees.
- › Providing research and content for exhibition within the Bay Discovery Centre museum and across online platforms.

## Cemeteries

The North Brighton and St Judes cemeteries are owned by Council with their daily operations managed by the Adelaide Cemetery Authority. Council continues to maintain the cemeteries, with ground improvements performed in the last 12 months, including new paths, repairs to collapsed gravesites and landscaping work to soften the environment. Grounds improvements will continue into the next financial year.

## Memorial programs

Council offers two popular programs to help members of the public commemorate their loved ones—the Seaside Stone Memorials (granite sculptures by the Glenelg and Brighton jetties, with names engraved) and the plaques affixed on public benches. 206 benches currently have a commemorative plaque, most of them located along the beachfront.

## Kauri Community and Sports Centre

The Kauri Community and Sports Centre is home to the Holdfast Music Centre, Seacliff Uniting Church Netball Club, Seacliff Tennis Club and Seacliff Hockey Club. During the previous 12 months, Belgravia Leisure operated the public spaces at the Centre on behalf of Council, with the objective to maximise the use of the Centre by the rest of the community and to offer a range of social, recreational, educational and personal development programs. Management of the Centre has since transitioned from Belgravia to the Clubs, with the next 12 months focussed on Council facilitating and consolidating the new self-managed approach from the Clubs. In 2021–22, the function room was booked for a total of 305 hours (in addition to existing clubs' use).

## Libraries

Our accessible, progressive library service encourages community wellbeing and creativity through reading, literacy development and supporting lifelong learning. Our libraries at Brighton and Glenelg are valued and rated highly by the community receiving 8.6 out of ten in the Annual Quality of Life survey. Although COVID-19 restrictions limited participation during the year, library customers are returning to regular patterns. A 'click and collect' service was introduced to increase community confidence when collecting their items.

To encourage family connection through play, a new toy collection was added and has been well used. Tech Time and Lego Challenges were popular along with digital hub sessions for robotics, coding, circuit designs and 3D printing. Larger spaces to deliver programs has encouraged use of other venues including the Brighton Sports and Social Club, Kauri Community Sport Centre and youth program at the Glenelg Community Centre.

An array of coloured dots was added to the Glenelg library façade to provide a welcoming street appeal.

10,056 people attended programs for children throughout the year including regular early literacy sessions, NAIDOC and Reconciliation Week activities and collaborations for Book Week with Charles Sturt, Marion and Port Adelaide Enfield Libraries. We also hosted two 'authors online' to school groups, adults attended learning sessions, community information workshops, author events and sharing memories with Kapara residents.

Digital training increased to 407 participants with funding from the Libraries Board to establish Being Digital programs and 1:1 digital support. Book discussion groups reconnected book lovers and a new writing program called Shut Up and Write was very popular.

This year's highlights include:

- › 522,970 items borrowed, a 16% increase
- › 77,700 digital loans of eBooks and eAudiobooks
- › 12,745 members, with 1,118 new borrowers
- › 164,875 physical visits to libraries
- › 12,554 total attendees to library sessions
- › 2,092 attended sessions for adults including author talks, book clubs, writing and poetry groups
- › 406 attended digital one-on-one learning sessions and digital hub STEM sessions
- › 5,449 attended Wriggle and Rhyme, Toddler Time, Story Time and Stay and Play sessions
- › 566 children enjoyed holiday programs, Little Bang science and summer reading programs
- › 1,300 online story times viewed through Facebook, and
- › Regular kindy visits seeing 570 children.

## Community Safety

The Community Safety team protects the health and safety of the local community and visitors. The team provides immunisation, environmental health, community safety and security services.

Some highlights of the year were:

- › Providing 2,363 immunisations
- › Registering 5,609 dogs
- › Reuniting 119 animals with their owners
- › 402 investigations for litter and local nuisance issues
- › Undertaking 276 food business inspections, and
- › Patrolling traffic safety at schools twice daily during school days.

### Beach patrols

Additional beach patrols have continued this year to enforce local laws, protect native wildlife (especially the hooded plovers), improve responsible dog ownership and maintain general compliance. As a result there was a significant improvement in compliance with local laws.

### Rough sleepers

The Community Safety Officers have been working closely with external agencies who have been able to provide support and housing for rough sleepers.

### Immunisation

The Health team have modernised their immunisation service by adding an online booking process to benefit the community. This has been well received and has seen a significant increase in the number of attendees at the clinics.

# ALWYNDOR AGED CARE

Alwyndor's aim is to support Adelaide's southern metropolitan community to live healthy, engaged and fulfilled lives through a range of personalised support services.

Alwyndor offers a continuum of care, including residential living, therapy and wellness services and support at home services—ranging from nursing care to home maintenance and gardening.

## Alwyndor's Strategic Plan 2020–23

Delivery of Alwyndor's Strategic Plan progressed on target this year. The plan is based on four themes:

- › Customer experience is at the centre of all that we do, aiming to ensure we understand and meet the needs of all clients at all stages of support and care with well trained and long-serving employees.
- › Connecting communities supports the role of Alwyndor in the wider community, promoting Alwyndor as a community hub and contributing to the social capital of the local area.
- › Growth enables a business development focus for our therapy and wellness and support at-home services as well as promoting our residential services to ensure we continue to be a care home of choice.
- › Sustainability ensures Alwyndor takes a multi-faceted sustainable approach to our business with financial, environmental, and social strategies as well as sound asset management and ensuring we continue to meet all quality standards.

Alwyndor's residential care includes 144 residential, respite, transitional care and care awaiting placement beds. In 2021–22, our residential care occupancy rate average was 96.9 per cent.

Our support-at-home service grew by nearly 40 per cent during the year to 379 home care packages and private clients. Home care packages include a full range of services from domestic matters to complex clinical and end-of-life care.

Therapy and wellness programs are offered as one-on-one and in-group settings at Alwyndor, as well as in clients' homes and online. Despite the ongoing impacts of the COVID-19 pandemic, we continue to maintain the current level of services offered throughout the year. Our services and classes include:

- › Podiatry
- › Physiotherapy
- › Occupational therapy
- › Speech therapy
- › Exercise physiology
- › Yoga
- › Fit ball drumming
- › Circuit
- › Weights
- › Tai chi.

## Day respite

Alwyndor's day respite program offers half and full-day respite for carers by providing care and activities. Indoor and outdoor activities are tailored to individual capability and need and are provided together with any required clinical care. This year the program expanded to five days a week with up to ten people per day.





### Catering review

Alwyndor is committed to providing excellence in its residential services and recognises the importance of food, nutrition and the dining experience as an integral part of this commitment. A review of our catering services resulted in the development of a new catering model which has now been implemented to ensure high quality meals which are well presented and nutritious and which offer our residents a more 'home like' meal experience. The new model has included an investment of \$300,000 in upgraded kitchenettes throughout Alwyndor as well as the main kitchen and an operational increase in daily food expenditure.

### Garden upgrade

Alwyndor's gardens are celebrated throughout the City of Holdfast Bay with their history dating back to the 1950's when they were designed and established by Stephen Cheater. In recent years features of the garden have been returned to their former glory. This year a project to reinstate the sunken garden water feature was completed. Taking inspiration from Japanese gardens, a gravel raking method was used and the garden replanted with a selection of traditional plants and includes a rock feature with flowing water.

### Outdoor gym

Alwyndor was successful in gaining a Federal Government grant for an outdoor gym to help promote the health and fitness of Alwyndor residents and clients. The 'five-station' gym can be used for balance, strength, and cardio exercises and will have a shade sail and soft fall flooring. Group wellness programs to use the new equipment have been developed, which are similar to our popular indoor circuit style classes.

### Palliative care

Our commitment to ensuring the best possible end-of-life care in both community and residential care was further enhanced this year through undertaking the Program of Experience in the Palliative Approach (PEPA), provided by Palliative Care SA. The aim of this work was to improve the knowledge, skills and confidence to offer quality palliative care for residents, clients, families and loved ones.

### Accreditation

Alwyndor has maintained full accreditation in all business areas.

### Customer Experience Plan

As a part of our commitment to the very best customer experience we report on a number of satisfaction measures which monitor the quality and consistency of care and service delivery in an environment of client choice and control. These include:

- › A net promoter score (NPS) which asks 'How likely are you to recommend Alwyndor to a friend?'. Data collection began in January 2021 with Alwyndor scoring a world class +81.9 whereas the benchmark for aged care is +44.
- › A customer effort score assesses the ease of client entry into our services—noting that entry into the aged care system can be confusing and lengthy. Alwyndor's average score was 4.8 out of a possible 5, demonstrating that we welcome new clients with a minimum of complexity.
- › Home care and community support services scored an average satisfaction rating of 95%. This rated performance in creating a welcoming environment with caring staff who provide responsive services that promote independence.





# ENVIRONMENT

## A COMMUNITY CONNECTED TO OUR NATURAL ENVIRONMENT

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### Southern Material Recycling Facility (SMRF)

The \$23 million Southern Material Recycling Facility (SMRF) was launched in November 2021. SMRF is a joint initiative of Southern Region Waste Recycling Authority (SRWRA)—a subsidiary of the City of Holdfast Bay, City of Marion and City of Onkaparinga—and Australian recycling and resource recovery specialist Re.Group.

Recyclables from Holdfast Bay residents' yellow-lid kerbside bins are now being processed through the biggest and most high-tech material recycling facility in South Australia. The state-of-the-art facility sits in a 4,400m<sup>2</sup> purpose-built building and has been designed to meet the highest standards of recycling purity to ensure that nothing goes to waste.

The facility boasts eight laser light optical sorting machines, which were imported from Canada earlier this year. They are programmed to identify different recyclable objects from glass bottles to tin cans.

The facility was made available thanks to \$3.1 million of funding, courtesy of the State and Federal Governments' Recycling Modernisation Fund. This was on top of a Federal Government Community Development Grant worth \$5.35 million. The funding has allowed the facility to greatly increase capacity and expand beyond processing the recyclables of the three partner councils to also service other regional councils and commercial businesses.

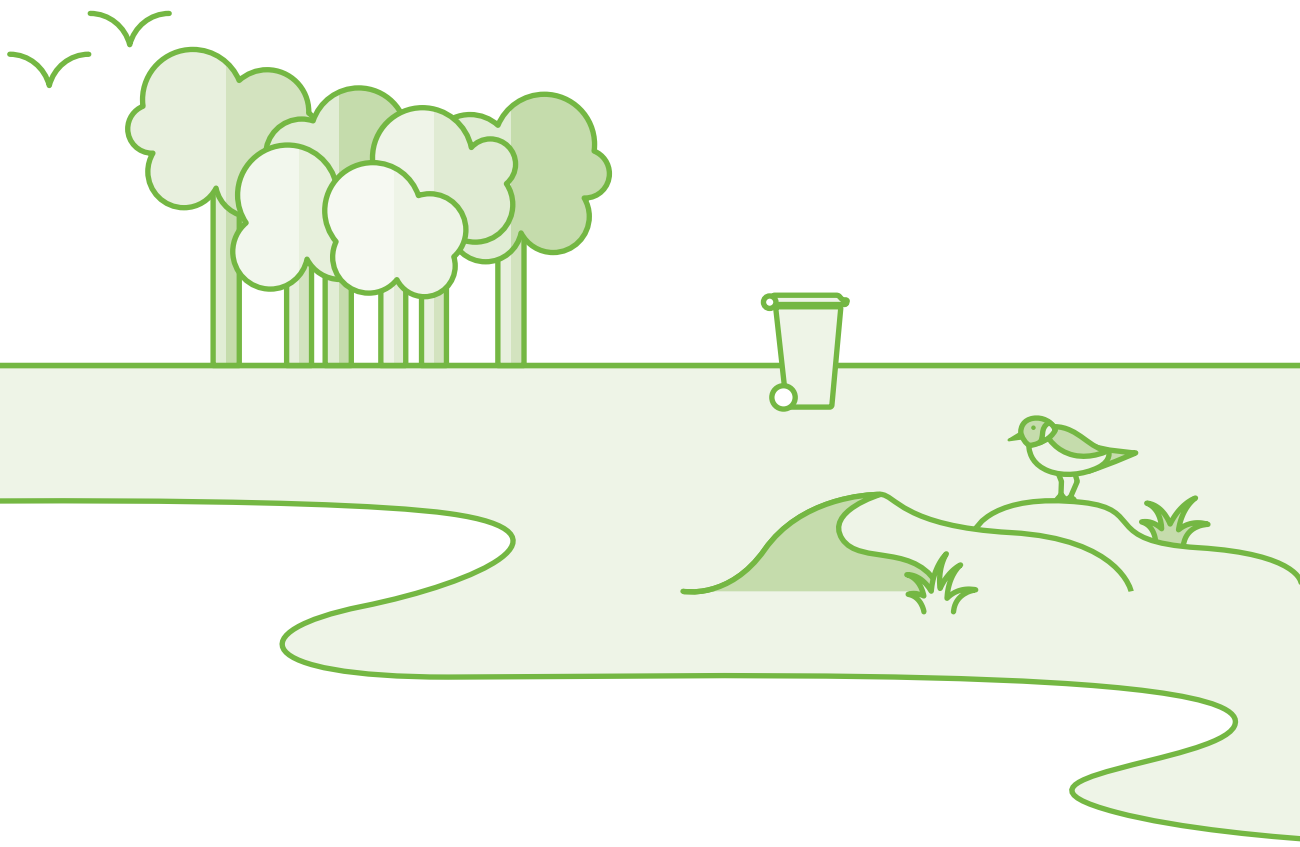
### Environment Strategy

#### Environment and Community: Thriving Together

This year, as a part of Council's Environment Strategy, staff undertook a range of actions to reduce our impact on climate change, improve and protect our nature, improve our coast, support our community to live sustainably and manage our resources sustainably. These included:

- › maintenance and rehabilitation of natural reserves and coastal areas.
- › protection and improvement of habitats for native flora and fauna including sand dunes.
- › providing support for volunteer groups taking care of our natural reserves and sand dunes.



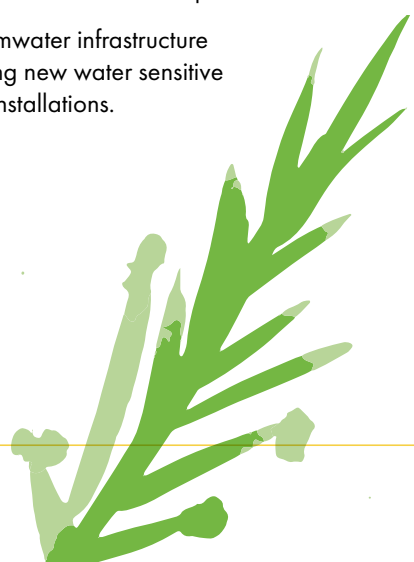


- › providing workshops and subsidies for sustainable living.
- › holding Clean Up Australia Day and National Tree Day community activities.
- › managing waste collection services.
- › delivering programs that improved the diversion rate of household waste from landfill.
- › awarding four Greening Our Community grants.
- › planting 584 street trees.
- › continuing our participation in the Resilient South Regional Climate Partnership.
- › improving stormwater infrastructure and constructing new water sensitive urban design installations.

### Our climate

Council has committed to becoming a carbon neutral organisation by 2030. To support this target, a Carbon Neutral Plan has been developed to provide a pathway to carbon neutrality. The Plan includes emissions profiles for Council and Alwyndor, as well as actions for both organisations between now and 2030.

This year we doubled the solar generation capacity on top of Brighton Civic Centre and Library, and installed new solar panels on Glenelg Library. We converted the internal lighting in the Brighton Civic Centre and Library to energy efficient LEDs and we purchased our first electric passenger car.



## Our coast

Our beaches have been managed with the Department of Environment and Water who undertake the annual sand pumping activity each winter. We have replaced a number of dune path fences to improve safety and to manage beach and dune access.

In order to reduce stormwater going out to Gulf St Vincent we installed 35 tree inlets, which redirect rainwater to our trees.

## Our nature

### Hooded Plovers

Holdfast Bay's hooded plover family once again returned to Seacliff this year and built three nests, each with three eggs. During their breeding season, seven chicks were seen but none survived to fledgling. Unfortunately the female of the pair was found dead in January.

### Holdfast Bay Urban Forest – Tree Audit (Year 1 of 2)

This year we conducted the first ever street tree audit. Every single one of our more than 18,100 street trees has had a series of data captured about it in a spatial data system. The audit also captured potential spaces for future planting. This data will feed into the development of a comprehensive tree management plan in order to help us achieve increased canopy coverage, beautiful streets and a cooler city. Retaining canopy on private land remains our biggest challenge in terms of overall canopy coverage.

### Natural areas rehabilitation and maintenance

Holdfast Bay's Environment team partners with community volunteers, community groups and Green Adelaide to maintain and improve our natural areas.

Three gullies, the dunes and the Kingston Cliff Face represent most of our natural areas. They are important refuges for native animals and plants, including some regionally rare species. This year weed control and revegetation took place with 5,481 new plantings at the following locations:

- › Barton Gully: 395 plants,
- › Pine Gully: 200 plants,
- › Gilbertson Gully: 260 plants,
- › Kingston Cliff Face: 165 plants,

- › Dunes and coast: 1,967 plants,
- › Minda Dunes: 1,040 plants,
- › Kingston House garden: 1,000 plants, and
- › Others: 454 plants.

For the first time this year we gave away a total of 990 native plants to our community.

Our two-year 'Reclaim the Dunes' project, in partnership with Trees For Life, won a Highly Commended Coastcare Award from the Landcare Association of South Australia.

This year we reintroduced three rare and endangered plant species to boost their populations.

We also eradicated Athel Pine, a major Weed of National Significance, on all Council land.

## Sustainable Resources

### Weekly Food Organics Garden Organics (FOGO) Trial Phase 2

This program won the 2022 South Australian LGA Professionals Award for Excellence in Environment and Sustainability. Starting in August 2021 we began an opt-out weekly green FOGO and fortnightly landfill bin collection trial across 315 households. The model provided an option for households to opt out to the old weekly landfill and fortnightly FOGO service. Larger landfill and recycling bin options were also available for households with five or more people, or with family members in nappies. Over 85 per cent of households stayed on the weekly FOGO service. The model achieved a nation leading 76 per cent landfill diversion rate.





## Working together

### Holdfast Habitat Heroes

We work closely with our nature volunteers who contributed more than 1,100 hours, over 43 volunteer sessions, looking after our natural areas.

Volunteer effort was also contributed by the Friends of Minda Dunes, the Friends of Pine Gully, and the Friends of Sturt River Landcare – all groups that are supported by and work in partnership with Council. This year we also worked with Seacliff SLSC, Brighton & Seacliff Yacht Club, McAuley Community School and Sacred Heart College.

### Greening Our Community Grants

We continue to support our community to take action and in 2021–22 we provided four local community organisations with a total of \$11,348.50 in grant funding. The recipients were:

- › Brighton Bowling Club – \$520 to improve waste management,
- › St Peters Woodlands School – \$5,000 for their Nature Play Guardians,

- › Brighton Lacrosse Club – \$828 to improve waste management, and
- › Brighton Secondary School – \$5,000 to build a new Plastic Recycling Workshop.

### Green Living

We held a range of Green Living workshops and events:

- › Three Green Living workshops with 60 participants (Nature Journaling, Green Cleaning, Natural Homes and Indoor Plants),
- › Six events held with 80 participants as part of the Nature Festival (Forest Bathing, Nest Box workshop, Native Bees, Minda wildflower walk and Ask an Arborist),
- › 30 volunteers at the Clean Up Australia Day event at Glenelg Beach, and
- › National Tree Day at the Seacliff dunes with about 50 volunteers.

We also provided Green Living subsidies to 81 residents.



# ECONOMY

## A DIVERSE AND RESILIENT LOCAL ECONOMY

Council assists the Holdfast Bay economy by supporting and growing local businesses; making it easier to do business; harnessing emerging technology and boosting the visitor economy.

### Economic Activation Plan

The *Economic Activation Plan 2018–23* (EAP) is in its fourth year, continuing to focus on five key strategic areas:

- › Business Capacity Building
- › Investment Growth and Attraction
- › Innovation and Digital Evolution
- › Regional Collaboration
- › Adelaide's Premier Seaside Destination.

The EAP fosters a whole of city approach to economic development, encompassing the broader alignment with regional and state objectives. The Plan supports prioritisation of projects and programs that enhance and cement our competitive advantage into the future.

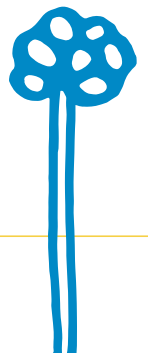
#### Achievements in 2021–22

In 2021–22 conditions for business continued to be challenging. In supporting businesses some of Council's achievements were:

- › the Holdfast Bay business directory hosts over 1,000 local businesses on the Council website and during peak months receives over 4,500 visitors to the site. In May 2022 an e-commerce (shopping cart) facility was added to the directory allowing existing businesses an additional avenue for point of sale.

Businesses without a shopping cart can apply for a grant to assist them with an affordable way to develop their own e-commerce platform.

- › the Shopfront Grants continue to assist commercial property owners and businesses across the city to enhance their exterior appearances and add to the character and charm of our premier seaside destination. In 2021–22 Council allocated over \$62,000 in grant support to businesses which facilitated other investment resulting in over \$203,000 of improvements to shopfronts across the city.
- › a Business Confidence Survey was conducted in quarter four of 2021. The survey occurs every two years to identify and understand future needs and aspirations of businesses located in the City and to assist Council to develop programs associated with growing our local economy. The findings reported considerable optimism in the business community with all levels of the economy (national, state and local) over the next 12 months. The primary concerns differ from previous surveys and now focus on workforce shortages, cost of overheads and the overall economic climate.







- › The Southern Business Mentoring program, in partnership with the cities of Marion, Onkaparinga and Yankalilla, continues to support Holdfast Bay businesses to grow and prosper. The program supported 71 businesses with individual mentoring and four business networking events were hosted throughout the southern region.
- › Introduced a 'Shop now' provision on the Holdfast Bay and Jetty Road business directories. This allows businesses, including homebased and creative industries businesses an additional avenue to sell their products. Businesses are able to access a small grant to assist in setting up their shopping cart through the services of Shop Local SA which also provides them with the opportunity to be displayed on this state based e-commerce website.

Business precinct activation continues to bring the community together with the success of the Brighton Jetty Road Street Party and Solstice Festival. Both events attracted over 1,500 local residents and visitors throughout the duration of these events. Data for the Brighton Jetty Road Street Party in April indicated a related spend of \$3.65m followed by a 5 per cent increase post event. Figures for the June 2022 Solstice Festival indicated a total spend in Brighton of \$3.57m which was 5 per cent more than the previous weekend and 2 per cent more for the same day post event.

## Tourism and Marketing

Council continued to develop 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:

- › supporting a wide range of events to increase visitation, expenditure and length of stay in the Holdfast area.
- › delivering quality tourism visitor services through the Glenelg Visitor Information Outlet.
- › supporting the operations of the Bay Discovery Centre as a major visitor attraction for Holdfast Bay.
- › providing targeted tourism and marketing services aligned with current strategies and plans.
- › providing business and product development advice to local tourism businesses.
- › working with the Western Adelaide Tourism Alliance to promote the Western Adelaide region and Adelaide beaches.

Prior to the onset of COVID-19, Holdfast Bay experienced unprecedented growth in tourism visitation and expenditure. COVID-19 has significantly reduced visitor numbers and visitor expenditure to Holdfast Bay, particularly in the last two financial years. After being closed on and off for 18 months, both interstate and international borders officially opened up late in 2021. This delivered a much needed boost to the tourism industry throughout the state. Holdfast Bay is now experiencing a return of interstate visitors (particularly from Victoria, New South Wales and Queensland) and the re-emergence of international visitors.

The latest tourism figures for Holdfast Bay during the calendar year ending December 2021 show;

Visitation;

- › International – 13,000
- › Domestic – 98,000
- › Day Trips – 900,000
- › **Total Visitors – 1,011,000**

Nights;

- › International – 132,000
- › Domestic – 418,000
- › **Total Nights – 550,000**

Visitor Expenditure;

- › International – \$14M
- › Domestic – \$78M
- › Day Trips – \$56M
- › **Total Visitor Expenditure – \$148M**

Council's *Tourism Recovery Plan 2023* aims to restimulate tourism in our region and help businesses and tourism operators recover from the impact of the COVID-19 pandemic. The Plan has one more year and aims to build and restore the overall tourism figures for Holdfast Bay to pre COVID-19 levels.

## Events

Community events are a key component of the Tourism Plan and the Events Strategy. This year, our City hosted more than 400 events, which increased visitation by almost half a million people. Council continued to support many of these events through specialist advice, event planning, sponsorship and in-kind support. These events included the well-established Channel 7 Brighton Jetty Classic Swim, Brighton Jetty Classic Sculptures, Bay Sports Festival, two major beach concerts (featuring the Teskey Brothers, Jimmy Barnes, Mondo Rock, Xavier Rudd, Kasey Chambers, Holy Holy and Tulliah), the Skyline Observation Wheel as well as the Glenelg and Brighton ANZAC Day dawn services. We welcomed back the October Street Party and the Moseley Beach Club.

### Christmas Street Meets

In partnership with Play Australia, five Christmas themed 'Street Meets' events were held over two weekends in December 2021. Street Meets focus on creating play spaces by temporarily closing streets to traffic so children and parents can play outside. The events were successful in creating opportunities for residents to create social connections with neighbours of all ages, and feel a stronger sense of safety in their communities, particularly during the isolating time of the pandemic.

### Brighton Street Party

The Brighton Street Party was held on Saturday 2 April from 10am to 10pm on Jetty Road and Twining Lane. The street came alive with a blend of local hospitality, retail and music programmed by local Porch Records, spilling onto the street to make a festive atmosphere for the day and evening for locals and visitors. A positive response was received from both local business and community, with a fireworks display off the jetty concluding the celebrations.

### *Brighton Winter Solstice*

The second Brighton Winter Solstice was held on Saturday 18 June from 10am to 9pm. Like the Brighton Street Party, Jetty Road and Twining Lane were closed for a winter style activation, featuring festoon lighting, fire pits and music programming by Porch Records. The event is becoming a staple in the Brighton event calendar, with local businesses on Jetty Road experiencing an approximate spend of \$376,000 over the course of the event.

### *Boheme on the Beach*

This event was staged on Glenelg Beach Saturday 26 March 2022 with over 6,000 people attending.

Set under the stars on Glenelg Beach, this one-night-only special event presented Puccini's iconic opera *La bohème* against the stunning natural backdrop of the beach at sunset.

Presented by State Opera South Australia and featuring top Australian operatic talent with the State Opera Chorus and the Adelaide Symphony Orchestra, this event was an unforgettable "you had to be there" cultural experience on the beach.

### *Glenelg Ice Cream Festival*

Glenelg Ice Cream Festival was a fun spring time activation with live music, fashion parades, food and wine. The event was held under a COVID Management Plan with 5,000 patrons attending the event at any given time, with a total of 20,000 across the festival.

### *Equinox Festival*

The Glenelg Equinox Festival adapts and extends the popular street party format. Jetty Road west of Partridge Street and selected side streets were closed from early afternoon Friday 18 March until late evening of Saturday 20 March. The event included live entertainment, fashion parades, kids' activities on the foreshore and food and wine experiences.





### Christmas at the Bay

Christmas at the Bay was a new event that replaced the traditional Glenelg Christmas Pageant. Council supported this event that included live entertainment on the foreshore, iconic Christmas floats from the Adelaide Christmas Pageant and Santa's Hut located in the Bay Discovery Centre.

### Proclamation Day

The 185th Proclamation Day Commemoration formalities were led by a Welcome to Country and smoking ceremony from Kurna Njarrindjeri Yankunytjara man Allan Sumner, followed by a speech on behalf of Traditional Owners the Kurna Nation. The Proclamation of South Australia was read by Her Excellency the Honourable Francis Adamson AC, Governor of South Australia. Proclamation Day addresses were then delivered by Amanda Wilson, Her Worship the Mayor of the City of Holdfast Bay and the Honourable Steven Marshall MP Premier of South Australia. Also in attendance were the Honourable Peter Malinauskas MP, the Leader of the Opposition, other MPs, Mayors and Councillors from across South Australia.

### Australia Day

Australia Day Celebrations were held at the Stamford Grand Adelaide due to the COVID-19 restrictions in place at the time. Council recognised and celebrated the outstanding achievements and contributions of members in our community and welcomed new residents as Australian citizens as part of the citizenship ceremony. The Australia Day Awards winners in 2022 were:

- › Citizen of the Year – Jacinta Day
- › Young Citizen of the Year – Jack Shepherd
- › Community Event of the Year – Brighton Oval Open Day: Andrea Matthews (Brighton Cricket and Football Club), Kevin Bailie (Rugby Club), Patricia Lawson and Howard Wood (Croquet Club) and Traci Mathwin (Lacrosse Club)
- › Award for Active Citizenship – The Seacliff Rail Care Group: Sue Wiseman, Kate Ellis and Kaleo Selah)

### Moseley Beach Club

The Moseley Beach Club returned to Glenelg in 2022. Offering sun lounges and beds with table service, it also featured a casual dining area and bar with live acoustic music. The Moseley Beach Club employed 45 new staff, sourced local produce, welcomed over 60,000 visitors, engaged local businesses, was well supported by the local community and increased patronage to the surrounding retail precinct.

### Brighton Beachfront Holiday Park

While it has been a challenging year with the continuation of the COVID-19 pandemic, it has also been a successful year for the Park achieving all of Council's objectives. The Park enjoyed 79.46 per cent occupancy of its cabins and 72.3 per cent on sites, outstripping both the national and state industry averages. With its absolute beachfront location and its stunning views over the Gulf St Vincent, the Park is a significant tourist asset for the City of Holdfast Bay. Despite difficult conditions the Park brought in nearly \$1.4 million income for 2021–22, with nearly 38,000 guest nights.

Council is continuing with the scoping of works and design for the second stage of redevelopment. A number of these initiatives have commenced and will be completed over the coming years.

### Partridge House

With its luscious gardens, elegant interiors and welcoming ambience, beautiful Partridge House remains a much valued community facility. It serves to celebrate all of life's special occasions, from weddings to private functions such as parties and corporate events, as well as funerals. It is also a hub for the community with a range of social and recreational programs running throughout the year, including eight regular groups offering weekly activities. Partridge House hosted a total of 538 events in 2021–22.







# PLACEMAKING

## AN ACCESSIBLE, VIBRANT AND SAFE COASTAL CITY THAT CELEBRATES OUR PAST TO BUILD FOR OUR FUTURE

A well-planned, accessible, and safe city provides various movement, transport, employment, recreation, and housing choices. A balance between the natural and built environment and well-connected public spaces helps to support community wellbeing.

### Kingston Park Kiosk

An architect and design team were appointed to undertake the detailed designs for the new Kingston Park Kiosk. These plans were nearing completion in June 2022 and will be issued for a construction tender later in 2022.

### Completion of Chapel Plaza / Bouchée Walk

Council officially opened the redevelopment of Chapel Plaza and Bouchée Walk (formerly Hindmarsh Lane) in October 2021. This project involved the permanent closure of part of Chapel Street, converting it to a pedestrian friendly plaza suitable for small outdoor events, activations and passive relaxation.

Bouchée Walk also received a significant upgrade, enhancing the amenity of the laneway with modern and accessible public toilets, a certified Changing Places ablution facility along with public art installations.

### Seacliff Plaza amenities block

Designs were approved by Council for the new Seacliff Beach amenities block, to replace the current ageing and non-compliant building. Extensive public consultation was undertaken to ensure the final designs were modern in design and in keeping with the locality, while being fit for purpose. Detailed designs will be undertaken later in 2022.

### Maintaining Our Built Heritage

#### Glenelg Town Hall conservation

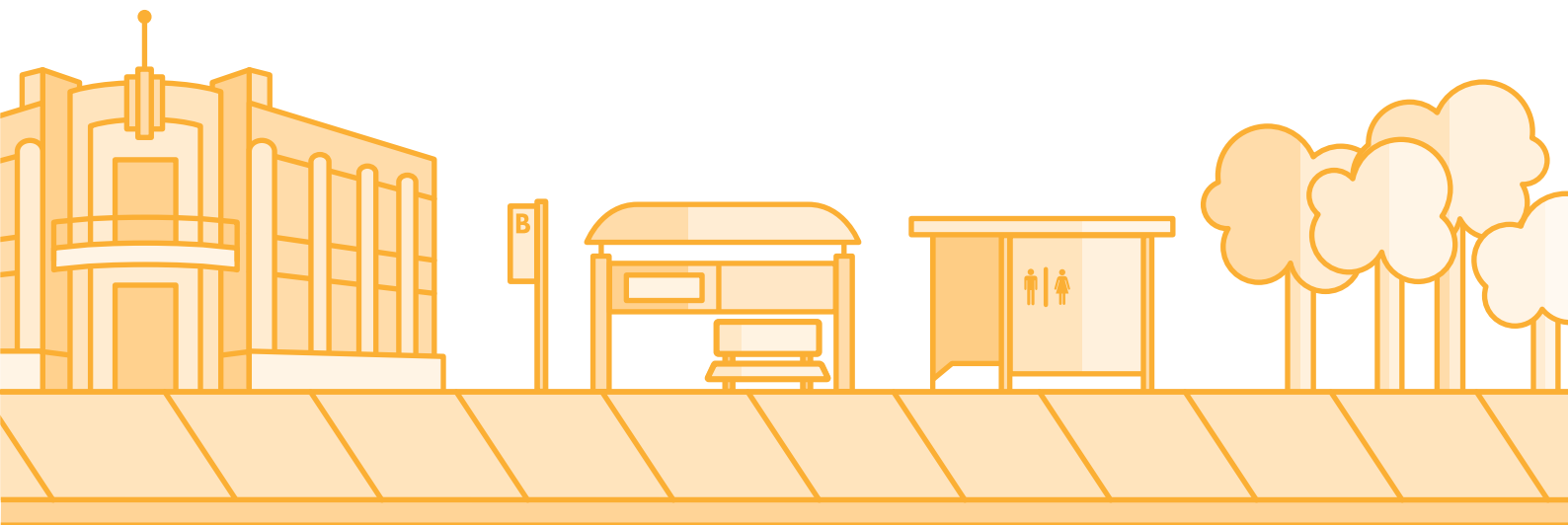
Originally known as the Glenelg Institute Building, Glenelg Town Hall was designed by Edmund Wright, architect, and former Mayor of Adelaide. The foundation stone was laid on 11 December 1875 by Sir Henry Ayers, and the Institute formally opened in 1877 with lecture rooms, a concert hall, and a library. The City of Glenelg acquired the hall in 1887. Today it hosts the Bay Discovery Centre, Glenelg Visitor Centre, and the Council Chambers. Restoration of this important historic building commenced in 2019.

Significant conservation works have been undertaken at a cost of \$3.5 million to date. Onsite works for stages two and three were completed by June 2022. These works included:

- › Continuation of paint removal process to rendered and timber surfaces.
- › Repairs and conservation works to external rendered surfaces.
- › Painting of all external surfaces.
- › Upgrades to stormwater systems on the western side of the building.







- › Increased load capacity to existing balcony to allow for future use.
- › Upgraded exterior light.
- › Installation of ceiling to existing western balcony.

## Development Services

Council's development assessment, development advice and building compliance services recognise opportunities while protecting the character and amenity of our suburbs. This year, we processed 1,005 development applications and approved 304 new dwellings with a construction value of \$159 million. In addition, Council has successfully transitioned to the new Planning and Design Code, which introduced major changes to the way that development applications are processed and assessed.

## Shopfront Character and Heritage Grants

During 2021–22 a grant scheme was continued 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 or retail precinct properties to invest in maintaining their buildings, the grants proved very popular and were instrumental in helping to fund many important projects that enhanced the City's streetscape appeal.

## Heritage Register

A Local Heritage Development Plan Amendment (DPA) to ensure that the City's built heritage was adequately recognised under the new Planning and Design Code was finalised. This supported the Minister for Planning acceding to Council's request to elevate 27 properties from Contributory Item status to Local Heritage Place status on 1 October 2021.

## City Assets

Council staff manage, maintain, and develop community assets and infrastructure in an environmentally and financially sustainable way. These assets include buildings, roads, coastal assets, stormwater facilities, open space and general plant and equipment.

Ongoing services include:

- › providing traffic management support, investigations, and installation of traffic calming devices;
- › maintaining buildings and facilities;
- › maintaining the Patawalonga River boat lock; and
- › inspecting and resolving damage caused by developers and utility companies.

## Transport

A focus area for traffic management is improvements of active transport networks such as walking and cycling. New sharrows (cycle pavement markings) have been installed in 110 locations within the Marino Rocks Greenway to indicate the preferred on-road low traffic cycle route.

## Asset Management

The City of Holdfast Bay is contributing to a multi-year collaborative project being undertaken by the four Resilient South councils (the Cities of Holdfast Bay, Marion, Mitcham and Onkaparinga). The Resilient Asset Management Project (RAMP) 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.

During 2021–22 City Asset staff:

- › resealed 51,700m<sup>2</sup> of road.
- › replaced 2,180 linear metres (lm) of kerb (plus an additional 887 lm through the depot's kerb maintenance program).
- › replaced 2,020m<sup>2</sup> of footpath and undertook significant footpath maintenance on 6,606 lm as part of the accelerated maintenance program.
- › improved pedestrian access through 120 new DDA kerb ramps installed including Brighton High School pedestrian activated crossing and new Paringa Park Primary School crossing.
- › upgraded 6 bus stops.



## Field Services

A vigorous maintenance program is part of our commitment to enhancing the City's image and safety. The Field Services team is comprised of Civil Construction, Open Space, City Clean and Rapid Response who are responsible for maintaining this City and its pristine coastline, shopping precincts and open spaces.

During 2021–22 our Field Services team:

- › continued to revise and develop our routine maintenance, open space and cleansing schedules to better meet community expectations.
- › maintained services and facilities along our premier coastline to improve amenity for residents and visitors.
- › continued to development defect inspection program for our assets.
- › upgraded ageing open space facilities, which included bins, benches, showers and drinking fountains throughout the City.
- › continued the accelerated footpath program to the value of \$300,000.
- › planted 584 new trees.
- › completed 3,204 customer requests.
- › completed 7,656 maintenance schedules.
- › completed 4,478 internal requests for work.
- › repaired 6,606m<sup>2</sup> of footpath.
- › repaired 887m of kerbing.
- › repaired 579m<sup>2</sup> of bitumen (pot holes).
- › swept all streets at a minimum of every four weeks.

## Buildings and Facilities

The Buildings and Facilities team provided maintenance and operational support for the City of Holdfast Bay's buildings assets. As part of the building portfolio we operate 31 public toilet facilities available 17 hours every day of the year, with each toilet serviced daily.

Buildings and Facilities developed and tendered a revised cleaning specification, some of the key deliverables under this revised specification will be:

- › over 21,400 annual cleaning services across a range of buildings and Council assets
- › greater transparency around contract accountability and delivery of services
- › more efficient response times and processing of reactive services requests
- › better management and alignment with service standards through training and auditing programs.

The Building and Facilities team also delivered 32 projects comprising renewal and new works on a range of assets within the Council's buildings, open space and coastal portfolio.

Some of these projects comprise:

- › solar system installations at Brighton and Glenelg Libraries, Brighton Tennis Club, William Kibby VC Men's Shed.
- › Somerton Park Yacht Club refurbishment.
- › Brighton Town Hall air conditioning renewal.
- › public lighting upgrades for Cygnet Court, Glenelg Foreshore, Nadilo Reserve.
- › Brighton Oval sports field netting installation.
- › Brighton Oval Rotary Club – building renewal.
- › Kingston House storage shed replacement.
- › Works Depot – fire system compliance upgrades.
- › renewal of beach access and safety signage.



# CULTURE

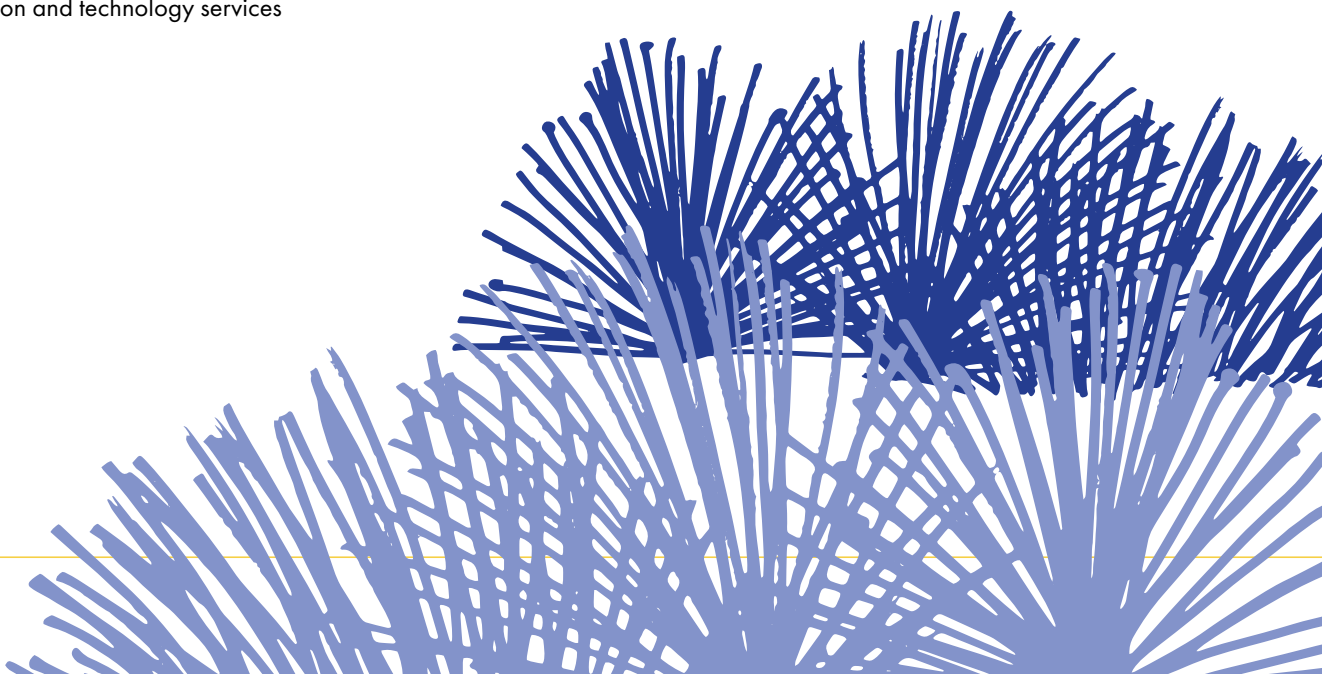
## AN EFFECTIVE, CUSTOMER-CENTRED ORGANISATION

At all times, the City of Holdfast Bay aims to provide customer-centred services; be financially accountable; enable high performance; and support excellent, efficient operations.

### Business Services

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

- › Business planning and improvement
- › Commercial and strategic services
- › Corporate communications and media management
- › Elected member and CEO support
- › Finance
- › Governance and policy
- › Information and technology services
- › People and culture
- › Procurement
- › Property management and leases
- › Rates
- › Records management
- › Risk management
- › Work health and safety.





## Strategy and Governance

In 2021–22 Council undertook a range of strategy and governance activities to support the efficient and effective delivery of its roles and functions.

Achievements include:

- › consulting on and finalised a new Strategic Plan that expands on Council’s commitments to sustainability, community wellbeing and prosperity, with an ambitious vision to 2050 and beyond.
- › completing a Representation Review to ensure the interests of the community continue to be represented effectively in decision-making for the city.
- › continuing development of the Integrated Transport and Movement Strategy, which will provide a strategic framework and high-level implementation plan for safe and efficient movement throughout the City, including a strong focus on healthy transport choices.
- › reviewing Council’s procurement policy to improve efficiency and respond to changing market conditions, and managing over 60 tenders and contracts over the course of the year.
- › developing concept designs for potential future redevelopment of the Civic Centre as a community hub.
- › commencing a trial of a car-sharing service in Glenelg in collaboration with the RAA and Flexicar to support the development of a greater range of transport options for residents and visitors.
- › undertaking a review of delegations and authorisations to ensure administrative efficiency and effective decision-making.
- › continuing to refresh policies, including the development of a new Risk Policy and Procedure.
- › assuring accountability by managing the Internal Audit program, which included six internal audits across the organisation.
- › establishing a Project Board and a Project Design Review Authority.

## Financial Services

The Financial Services team provides services including strategic long-term financial planning; annual budgeting compilation and monitoring; rates administration; year-end financial accounting and audit; financial systems and internal control; payroll; and accounts payable/receivable.

Achievements for 2021–22 include:

- › refining and using the *Municipal Long-Term Financial Plan* for developing the 2022–23 draft budget, including presentation of funding scenarios to a series of budget workshops.



- › budget revisions (2021–22) and budget adoption (2022–23).
- › rate modelling, notice generation and distribution.
- › annual financial statements, audit finalisation and adoption for 2020–21.
- › updated the *Long-term Financial Plan* with improved development including capital projects.
- › contribution to organisational management software testing and implementation.
- › contribution to internal audits in areas of budget management and internal financial controls.

## Innovation and Technology

Information technology supports the Council’s mission. Information technology investments improve service delivery to the community; help to monitor how work is performed; support our customers; improve decision making; adhere to various laws, regulations, and policies; and help the organisation manage its risks. The Council’s business transformation program continues to deliver business and customer benefits. The focus has been on improving core business systems and technology, ensuring service delivery, security and customer interaction can occur anywhere and anytime. The benefit of this capability has continued with the continuing COVID-19 pandemic. Continued enhancements will make Council information systems more secure and accessible for ratepayers and visitors.

Council is continuing to work with the state government and other councils on Smart Cities. This involves a range of initiatives that will, over time, provide improved information, safety and security. It will also allow Council to plan activities and change programs in line with customer needs.

## Customer Experience

Council operates a face-to-face customer enquiry service between 8.30 am and 5.00 pm Monday to Friday (excluding public holidays) and a 24-hour, seven-day phone service. Customer feedback regarding high demand requests was used to improve online forms and schedule emails or texts sent to residents which improved customer wait times.

In the 2021–22 year:

- › There was a 32 per cent reduction in average call wait time.
- › Staff answered 42,021 phone calls with an average of 2 minutes 21 seconds talk time.
- › Phone call responses received a 95.8 per cent positive rating.
- › 100 per cent of WebChat enquiries were rated as positive.
- › 24,000 mail@holdfast.sa.gov.au requests were received and allocated to resolve.

To continuously improve customer experience, we will:

- › design with our customers in mind.
- › reduce customer effort.
- › keep customers informed.
- › focus our investment on channels our customers prefer.
- › ensure accessibility and inclusion for all.

Work is underway to complete the Council’s customer request management system for roll out in 2023. The system will provide an improved customer experience to track requests across the organisation and greater integration of data across Council systems.

## Customer Experience Strategy

Council provides a wide range of services to many different types of customers, including residents, businesses, community and sporting groups, visitors and tourists.

To provide the foundation for a world-class, customer-centred service experience, we are developing a Customer Experience Strategy. Initial pillars of the draft strategy include:

- › focusing on creating experiences from the perspective of the community.
- › seeking ways to improve our service to customers.
- › ensuring the Council is easy to do business with.
- › two-way engagement through listening and informing.
- › creating positive experiences that the customers want to tell others about.

## People and Culture

The People and Culture team provide an advisory, support and education service to Council's departments to assist them to lead and manage their resources safely and effectively. Areas of support include:

- › workforce planning (including recruitment and selection)
- › workplace relations
- › organisational development
- › reward and recognition
- › work health and safety (WHS)
- › return to work/injury management.

Highlights include:

- › 100 per cent completion rate of the *WHS Risk Evaluation Action Plan*.
- › development and introduction of "Home Safe Every Time. What's Your Reason?" campaign and video to enhance WHS engagement and awareness.
- › development and implementation of an internal training calendar (both WHS and general topics available for staff).
- › Arising Stars Program completed and participation in the Local Government Management Challenge.
- › achievement of Child Safe Environment compliance for a further five years.
- › refresh the advertisements, recruitment drivers and careers website to attract quality candidates to vacancies.
- › completion of mentor program for Field Services Leadership Team to enhance leadership in the department.

## Communications

We are committed to communicating to and with our community in a clear and open way. This includes a range of traditional and social media.

### Social media and online

Social media and online platforms continue to be important tools to enable communication and engagement with our local community. The Council's websites are growing in their popularity and functionality.

The table below shows usage over the 2021–22 year.

Website	Users	Page views
City of Holdfast Bay	256,500	733,500
Jetty Road Glenelg	78,000	175,500
Alwyndor	22,300	92,400
Adelaide beaches (Western Alliance)	79,600	158,200
Partridge House (old site)	9,500	25,200

### Instagram

Instagram is a growing social media avenue for communication and engagement with our community. In the 2021–22 year we:

- › gained 543 more followers in the 12 month period
- › posted 148 times
- › published 307 Instagram stories
- › reached an average of 5,066 accounts a week
- › had our most successful post in January 2022 with photos from the Accessible Beach Day at Glenelg reaching more than 7,000 Instagram accounts.

### Facebook

Facebook is a staple social media platform used by a large proportion of the population. In 2021–22:

- › Council Facebook followers grew to 14,989 by the end of June 2022.
- › Council posted 357 times on Facebook.
- › 63 Facebook events were created, ranging from library events, community gatherings and large-scale events like Christmas at the Bay and Glenelg Ice Cream Festival.
- › our Facebook posts were shared 2,378 times by our followers.
- › an average 20,086 people were reached each week.
- › our most successful post was in August 2021 regarding the mask recycling boxes we put in place at the Glenelg Library and Brighton Civic Centre. The post reached 33,908 accounts and was shared 240 times.



# STRATEGIC MANAGEMENT

## HOW WE MEASURE OUR PERFORMANCE

Council assesses its financial performance against measures established in its Long Term Financial Plan. As required under the *Local Government Act 1999*, we prepare a range of reports each financial year, including monthly financial statements, budget updates, four comprehensive annual budget reviews and audited financial statements.

Strategic measures are used to track our progress towards achieving community objectives and improve our internal services. Information for these reports comes from a range of sources, including a comprehensive Quality of Life Survey and Business Confidence Survey.

The table below shows progress toward achieving measures from the City of Holdfast Bay strategic plan—*Our Place: 2030*. Data is shown against the five pillars of the Plan.

# Strategic Measures



## COMMUNITY

INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL 2021–22
<b>Increase resident wellbeing</b> Using PERMA model (Positive emotion, Engagement, Relationships, Meaning, Accomplishment/Achievement)	5 per cent increase (life of plan)	2018–19 represents baseline	Measure no longer available – program ceased by SAHMRI.
<b>Deliver wellbeing and resilience workshops</b> Number of workshops undertaken annually	≥2 workshops (p/a)	N/A	No wellbeing and resilience workshops delivered. Material is currently being reworked in partnership with Uni SA. New measures will be in place when material is ready to deliver.
<b>Achieve a high level of community satisfaction with playgrounds and open space</b> Quality of Life Survey Results	≥7 (each measure)	N/A	The average rating survey participants provided for this indicator in the 2021–22 Quality of Life Survey was 8.3 out of 10. Achieved for 2021–22
<b>Complete new sporting and community hubs</b> Completion of sporting and community hub projects Kauri Community and Sports Centre has been completed	2 (life of plan)	N/A	Stage 2 of the Glenelg Oval Masterplan completed with four uni-sex player change rooms, 2 unisex umpire change rooms, and a new DDA public toilet facility. Stages three and four of the Masterplan commenced with detailed design underway.
<b>Attract new community initiatives through our Community Donations Program</b> Number of new community initiatives	3 (p/a)	N/A	This year Council provided a total of \$45,258 in donations to 56 representatives, community groups and organisations for outstanding achievements and new community and wellbeing initiatives. Achieved for 2021–22
<b>Achieve a high level of community satisfaction with the range and quality of services and programs</b> Quality of Life Survey Results	≥7 (each measure)	N/A	The average rating survey participants provided for this indicator in the 2021–22 Quality of Life survey was 7.7 out of 10. Achieved for 2021–22

## Strategic Measures (continued)

INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL 2021–22
<p><b>Increase community engagement with culture and heritage and Aboriginal cultural programs through participation in events and activities</b></p> <p>Number of participants</p>	200 (p/a)	N/A	This year over 4,000 people participated in a range of Aboriginal heritage events and culture programs, including Kurna language, cultural awareness workshops. Council also rolled out the 'On Kurna Land' trader and resident stickers and continue to work with traditional owners on joint projects and cultural initiatives.
<p><b>Increase the number of people accessing our community centres and libraries</b></p> <p>Number of people accessing facilities</p>	5 per cent increase (p/a)	195,512	The community centres collect data regarding participation in classes, which equate to almost 81,100 visits per year. The libraries received 164,875 visits. Total of 245,975 visits. Achieved for 2021–22
<p><b>Achieve a high level of community satisfaction with community facilities including libraries, services and programs</b></p> <p>Quality of Life Survey Results</p>	≥7 (each measure)	N/A	The average rating survey participants provided for these indicators in the 2021–22 Quality of Life survey was 8.6 out of 10 for libraries and 7.8 for community centres. Achieved for 2021–22
<p><b>Increase the number of volunteering opportunities</b></p> <p>Number of volunteering opportunities</p>	5 per cent increase (p/a)	537	301 active volunteers fulfilled 380 active roles (many volunteers doing more than one role). This represents a reduction of 5.64 per cent in volunteering due to COVID-19 influence.
<p><b>Increase our "Your Holdfast" (online engagement site) subscription</b></p> <p>Number of people subscribed</p>	10 per cent sample of population (life of plan)	1,788 (4.9 per cent sample of population)	The number of YourHoldfast.com users was 8,165 which includes 8,009 active users. The total number of users represents 21.6 per cent of the population.
<p><b>Increase awareness of volunteering opportunities within our city</b></p>	Develop successful partnerships with a range of groups/industries (life of plan)		Working with 20 other organisations in Holdfast Bay who offer volunteering opportunities across the community. A Council run volunteer program operates at Glenelg Community Centre. Continue to work closely with Volunteer SA & NT. Progressing – trending on track.

## Strategic Measures (continued)



### ENVIRONMENT

INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL 2021–22
<p><b>Increase native flora (species and population) in natural areas</b></p> <p>Types of species (flora) and density score using 'Bush Rat' assessment tool</p>	10 per cent increase (life of plan)	12.8	<p>Baseline 2018 for this measure of 12.8 (overall biodiversity score). This score can be broken down into the following areas:</p> <ul style="list-style-type: none"> <li>› Coastal Biodiversity – Average 15.63</li> <li>› Nature Reserve Biodiversity – Good 23.39</li> <li>› Parks and Ovals Biodiversity – Poor 9.77</li> </ul>
<p><b>Increase native fauna habitats in natural areas</b></p> <p>Type of species (flora) an density score using 'Bush Rat' assessment tool</p>	10 per cent increase (life of plan)	12.8	An indicator of native fauna habitats is the measurement of native flora. The baseline of the native flora measure can also be used for this measure – baseline of 12.8.
<p><b>Increase tree canopy within our city</b></p> <p>Per cent of tree canopy cover increase</p>	10 per cent increase (life of plan)	15.28 per cent	Canopy analysis from the Urban Heat and Tree Canopy Mapping project is expected to be available at the end of 2022–23 financial year. This will provide a three year span from initial capture.
<p><b>Maintain our dune systems and increase recreational beach widths</b></p> <p>Recreational beach width (based on land survey and aerial photography)</p>	10 per cent increase (life of plan)	Not yet available	<p>Works undertaken to increase recreational beach width, including conservation works, sand bag groynes and sand replenishment program.</p> <p>Baseline not established.</p>
<p><b>Reduce heat island areas within our city</b></p> <p>Surface temperature (thermal imaging or equivalent) across the city</p>	10 per cent decrease (life of plan)	Not yet available	Heat mapping undertaken in 2018–19 for the first time to identify heat islands. Another heat map was done in 2022 – data not yet available.
<p><b>Reduce flash flooding within our city during rain events less than 20mm</b></p> <p>Registered events of flash floods</p>	0 flash floods in less than 20mm rain (life of plan)	Nil flooding	<p>Occurrences of brief flooding within roadways were resolved with no property damage.</p> <p>Nil flash flooding.</p> <p>Achieved for 2021–22</p>

## Strategic Measures (continued)

INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL 2021–22
<p><b>Decrease Council's greenhouse emissions</b></p> <p>Carbon footprint assessment (only fuel and electricity usage at this time)</p>	<p>12 per cent reduction (life of plan)</p>	<p>Fuel – 352 tonnes CO<sub>2</sub>.e Electricity – 1,902 tonnes CO<sub>2</sub>.e</p>	<p>Fuel – 376 tonnes CO<sub>2</sub>.e Electricity – 830 tonnes CO<sub>2</sub>.e</p>
<p><b>Increase waste diverted from landfill</b></p> <p>Tonnage diverted from landfill</p>	<p>10 per cent increase (life of plan)</p>	<p>8,274.6 tonnes</p>	<p>6,288.88 tonnes were diverted away from landfill in 2021–22. Domestic diversion rate was 52 per cent. Reduction of 95 tonnes of waste sent to landfill compared to 2020–21.</p>
<p><b>Reduce stormwater discharge</b></p> <p>Stormwater discharge to sea (ML)</p>	<p>30 per cent reduction (life of plan)</p>	<p>2,108 ML (p/a)</p>	<p>35 new tree inlets installed with permeable paving on Allan Terrace, Glenelg East and a permeable paved roundabout in the Brighton Cemetery which all reduce stormwater discharge to the marine environment.</p>
<p><b>Increase number of environmental volunteering opportunities</b></p> <p>Number of volunteers</p>	<p>50 per cent increase (life of plan)</p>	<p>0</p>	<p>47 events were held with 552 volunteers equalling 1,104 hours of work (each event runs for, on average, 2 hours). Note that for the first time this included volunteers from schools.</p>

## Strategic Measures (continued)



### ECONOMY

INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL 2021–22
<p><b>Increase business satisfaction in Council's support for business</b></p> <p>Business Confidence Survey Results</p>	≥7 (each measure)	N/A	In 2021 the Business Confidence Survey asked to rate their level of satisfaction with various Council business initiatives. The 10 areas were in the range of 4.7 to 5.2 (out of 10), were statistically significant and vastly improved on the 2019 survey.
<p><b>Increase business satisfaction in doing business with Council</b></p> <p>Business Confidence Survey Results</p>	≥7 (each measure)	N/A	11 types of experiences in doing business with Council were surveyed in 2021. Ratings ranged from 4.77 to 6.59 out of 10. Almost all ratings increased from the previous survey and those that did were statistically significant.
<p><b>Develop and commence implementation of a Digital Economy Strategy</b></p> <p>Endorsement of Strategy</p>	Endorsement (by 1 July 2017)	N/A	A Digital Economy Strategy has been incorporated into the Economic Activation Plan 2018–2023, and was endorsed in July 2018. Strategy three of the Economic Activation Plan 2018–23 sets eight strategic actions in relation to the digital economy. Completed
<p><b>Increase percentage of properties able to connect to high-speed internet</b></p>	100 per cent increase (life of plan)	0	The volume build of NBN in Holdfast Bay is now completed. Additionally Jetty Road, Glenelg and Somerton Park Industrial Precinct became an NBN Business Fibre Zone providing businesses with opportunity to link with NBN's premium direct fibre product – Enterprise Ethernet with speeds of up to 1 Gigabite per second. Completed
<p><b>Increase the number of visitors to Holdfast Bay</b></p> <p>Number of visitors</p>	15 per cent increase (by 2022)	1,295,000 visitors	Although tourist visitation numbers for Holdfast Bay increased significantly (by 22 per cent) from last year's figures to a new total of 1,011,000 visitors, this is still below pre-COVID levels. Not achieved for 2021–22



## Strategic Measures (continued)



### PLACEMAKING

INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL 2021–22
<p><b>Achieve a high level of community satisfaction with the quality and feel of our major main street precincts</b></p> <p>Quality of Life Survey Results</p>	≥7 (each measure)	N/A	<p>The average rating that residents provided for this indicator in the 2021–22 Quality of Life Survey was as follows:</p> <ul style="list-style-type: none"> <li>› Jetty Road, Glenelg: 7.1 out of 10.</li> <li>› Jetty Road, Brighton: 7.6 out of 10.</li> <li>› The Broadway, Glenelg: 7.8 out of 10.</li> </ul> <p>Achieved for all precincts in 2021–22</p>
<p><b>Achieve a high level of community satisfaction with walkability and access to local shops, services, public transport and open space</b></p> <p>Quality of Life Survey Results</p>	≥7 (each measure)	N/A	<p>The average rating that residents provided for this indicator in the 2021–22 Quality of Life Survey was 8.7 out of 10.</p> <p>Achieved for 2021–22</p>
<p><b>Increase the number of people travelling to local destinations via active travel options</b></p>	20 per cent increase (life of plan)		<p>Data not available at time of report. A baseline for this measure is yet to be established. Council is currently developing an Integrated Transport Strategy with active travel as a key objective.</p> <p>Measure not yet available.</p>
<p><b>Achieve a high level of community satisfaction with the design of new buildings and their contribution to local character</b></p> <p>Quality of Life Survey Results</p>	≥7 (each measure)	N/A	<p>The average rating that residents provided for this indicator in the 2021–22 Quality of Life survey was 6.1 out of 10.</p> <p>Not achieved for 2021–22</p>
<p><b>Increase the proportion of non-detached dwelling types (the ‘missing middle’) in our city</b></p>	10 per cent increase (life of plan)	43.3 per cent	<p>Results based on trend data, shows a negligible (0.33 per cent) increase to be steady at 46 per cent. Based on this trend data, we are on track to record a minimum 1 per cent increase to the proportion of our missing middle housing to 2030.</p> <p>Progressing – trend at risk.</p>

## Strategic Measures (continued)



### CULTURE

INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL 2021–22
<p><b>Achieve a high level of community satisfaction with Council’s services</b></p> <p>Quality of Life Survey Results</p>	≥7 (each measure)	N/A	The average rating that residents provided for this indicator in the 2021–22 Quality of Life survey was 6.9 out of 10. Not achieved for 2021–22
<p><b>Increase number of customer services available through a digital platform in addition to other service channels</b></p>	100 per cent of customer services (life of plan)	N/A	Council is undergoing improvements with customer forms online. Council had 62 customer forms in PDF on the Council website, that are being reviewed and converted to an e-form, to date 29 (47 per cent) forms were converted with 18 (29 per cent) more PDF forms identified as suitable to convert to online forms this coming financial year. This has and will continue to improve useability and accessibility and increase efficiency.
<p><b>Achieve delivery on Annual Business Plan</b></p> <p>Completion of projects and programs outlined in the Annual Business Plan</p>	100 per cent delivery (p/a)	N/A	92 per cent of projects in 2021–22 were completed or on track. 8 per cent were on watch, 1 per cent were off track and 1 per cent were ceased.
<p><b>Achieve a high level of satisfaction with our Culture Brand</b></p> <p>Organisational Culture Survey Results</p>	90 per cent (each measure)	N/A	Format of the survey was changed to allow us to be benchmarked with other councils within Australia and New Zealand. The Overall Staff Satisfaction rating measured in April 2022 indicated 4.23 (out of 5). This is an increase when compared with the 2020–21 survey which showed Overall Staff Satisfaction was 4.11. An additional measure for the Survey completed in April 2022 indicated the Overall Organisational Climate Rating was 3.78 (out of 5). This is an increase when compared with the 2021 survey which showed the Climate Rating as 3.61.
<p><b>Achieve a high score in our annual leadership survey</b></p> <p>Organisational Leadership Survey Results</p>	≥8 (each measure)	N/A	This indicator has changed and therefore no annual leadership survey was undertaken in the 2021–22 Financial Year.

## Strategic Measures (continued)

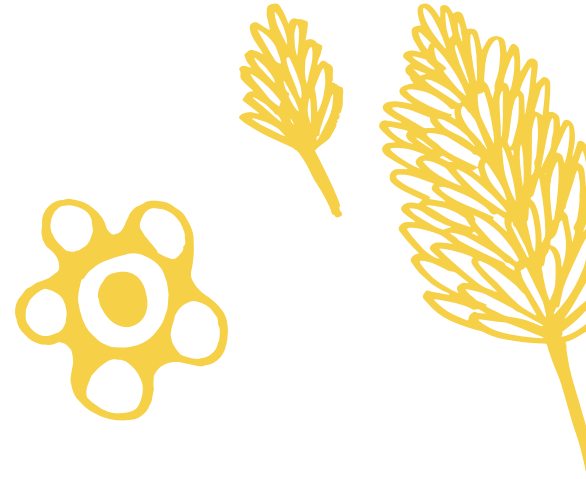
INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL 2021–22
<p><b>Achieve annual financial targets</b></p> <p>Performance of annual financial targets</p>	100 per cent achievement (p/a)	N/A	<p>Operating Result: \$2.88 million surplus (5 year rolling average is \$1.86m surplus)</p> <p>Operating Ratio: 5.7 per cent (5 year rolling average is 3.8 per cent)</p> <p>Net Financial Liabilities Ratio: 43 per cent</p> <p>Interest Cover Ratio: 1.2 per cent</p> <p>Asset Sustainability Ratio: 92 per cent</p> <p>Achieved for 2021–22</p> <p>These results and ratios are for Council’s Municipal operations.</p>
<p><b>Achieve high level of community satisfaction with Council’s provision of good financial management and value for the rate dollar</b></p> <p>Quality of Life Survey Results</p>	≥7 (each measure)	N/A	<p>The average rating that residents provided for this indicator in the 2021–22 Quality of Life survey was 6.8 out of 10.</p> <p>Not achieved for 2021–22</p>
<p><b>Reduce reliance on rate revenue</b></p> <p>Percentage of total revenue</p>	<70 per cent (life of plan)	2016–17 71 per cent (excluding separate rates)	<p>76%</p> <p>Not achieved for 2021–22</p>
<p><b>Achieve recognition in operating efficiency: target – benchmarked as top 5 metropolitan councils</b></p>	Benchmark as top 5 (life of plan)	Not yet available	Measure not yet available.
<p><b>Achieve high level of community satisfaction on Council’s performance</b></p> <p>Quality of Life Survey Results</p>	≥7 (each measure)	N/A	<p>The average rating provided for satisfaction with the performance and quality of Council services in 2022 was 6.9 out of 10.</p> <p>Not achieved for 2021–22</p>

INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL 2021–22
<p><b>Achieve recognition for work undertaken across our organisation</b></p> <p>Number of awards received</p>	3 awards of excellence (p/a)	N/A	<p>City of Holdfast Bay was recognised in Award programs with;</p> <ul style="list-style-type: none"> <li>› 4 Winners</li> <li>› 2 Highly Commended</li> <li>› 1 Commended</li> <li>› 2 Finalists</li> <li>› 1 Nominations</li> </ul> <p>These were for the following Awards:</p> <p>Local Government Professionals SA Awards:</p> <ul style="list-style-type: none"> <li>› <b>Excellence in Infrastructure Delivery (Finalist)</b> City of Holdfast Bay Public Realm &amp; Urban Design Team – Jetty Road Masterplan Stage 1: Chapel Plaza and Bouchée Walk (formerly Hindmarsh Lane) Redevelopment</li> <li>› <b>Excellence in Environmental Leadership and Sustainability (Winner)</b> City of Holdfast Bay Waste Management Team – Driving Landfill Reduction Through Weekly FOGO Collection Trial</li> <li>› <b>Excellence in Cross Council Collaboration (Highly Commended)</b> City of Holdfast Bay HoldUp Youth Committee and City of Marion Youth Collective Committee – Rocket League Tournament and The Local Battle of the Bands Youth Led Events</li> </ul> <p>Parks &amp; Leisure Australia (SA/NT):</p> <ul style="list-style-type: none"> <li>› <b>Major Event of the Year (Winner) &amp; (National Finalist)</b> The Local Battle of the Bands youth event, a joint collaboration with City of Marion</li> </ul> <p>IPWEA Australasia Excellence Awards 2022 (National):</p> <ul style="list-style-type: none"> <li>› <b>Young IPWEA Emerging Leader Award (Winner)</b> City of Holdfast Bay, James Mitchell</li> <li>› <b>Excellence in Environment &amp; Sustainability (Nomination)</b> City of Holdfast Bay, Use of Compostable Produce Bags in Supermarkets</li> </ul> <p>South Australian Landcare Awards 2021</p> <ul style="list-style-type: none"> <li>› <b>Coastcare Award (Highly Commended)</b> ‘Reclaim the Dunes Project’, Trees for Life and the City of Holdfast Habitat Heroes</li> </ul> <p>Mainstreet SA Awards:</p> <ul style="list-style-type: none"> <li>› <b>Commendation for the Best COVID-19 response initiative</b> Awarded to City of Holdfast Bay/Jetty Road Mainstreet Committee</li> </ul> <p>Best in Heritage in collaboration with ICOM Europa Nostra Award:</p> <ul style="list-style-type: none"> <li>› <b>For Project of Influence (Winner)</b> Awarded to Bay Discovery Centre, for Tiati Wangkanthi Kumangka (Truth Telling Together)</li> </ul>

# OUR HOLDFAST 2050+

In November 2021 Council adopted a new Strategic Plan titled *Our Holdfast 2050+*. This Plan came into effect on 1 January 2022. For continuity this Annual Report is described against the previous Strategic Plan *Our Place 2030*, as this was the basis of the *Annual Business Plan 2021–22 Our Plan for Our Place*.





Council is required by law to periodically review its strategic and future plans. In 2021 a strategic plan review was influenced by the COVID-19 pandemic which caused much disruption and uncertainty. The pandemic prompted everyone to re-examine priorities and contemplate what may be possible in the future.

In spite of COVID-19 restrictions, members of the public were given opportunities to be involved in the development and review of the strategic plan. Through July and early August 2021 views were sought via digital and analogue methods. Comments were received and incorporated, to help form *Our Holdfast 2050+*.

While change has occurred throughout human history, we are living in a world characterised by:

- › **V = Volatility:** the nature, speed and dynamics of change, forces and catalysts.
- › **U = Uncertainty:** the lack of predictability, prospects for surprise, and awareness and understanding of issues and events.
- › **C = Complexity:** the multiplex of forces, no cause-and-effect chain and confusion.
- › **A = Ambiguity:** the haziness of reality, the potential for misreads and mixed meanings of conditions.

These VUCA conditions are amplified by the convergence of technologies, changing needs, changing social values and changing expectations.

Along with considering the VUCA conditions, the strategic plan review was informed by legislative changes, strategic and organisational changes within Council and the advent of COVID-19. This meant that several changes were made from the previous *Our Place 2030* strategic plan. These changes included:

- › a new longer-term vision, that provides a clear ‘north star’ against which decisions can be evaluated;
- › a new focus from community and Council operations to community only;
- › a move from five discipline-based pillars to three inter-disciplinary focus areas;
- › the reduction in the number of objectives (from 20 to 15) and targets/measures (from 43 to 15); and
- › a new 2050 time horizon and the addition of aspirational ‘sign posts’ to guide decision making along the way.

In developing *Our Holdfast 2050+*, Council considered what long-term challenges might be predictably expected and how to best address them.

These include challenges such as climate change and infill development, which could have the potential to erode the quality of life in Holdfast Bay over the medium to long term.

*Our Holdfast 2050+* has an increased focus on community—the people of Holdfast Bay as well as important infrastructure and assets. This recognises the need for a long-term, ambitious vision while allowing sufficient flexibility to adapt as conditions change and as our knowledge improves. *Our Holdfast 2050+* captures the spirit of these aspirations for everyone who lives, works and plays in the City of Holdfast Bay.





The new vision for *Our Holdfast 2050+* is:

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

This is supported by 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.

The focus of *Our Holdfast 2050+* is on the City as a whole and the communities that work, live and play within it. To deliver this Plan the operations of the Council itself requires its own focus. To ensure that the strategic aspirations in *Our Holdfast 2050+* are embedded into the operations of Council, an integrated Corporate Plan will be developed in 2022–23.

As the 2021–22 *Annual Business Plan* was based on the *Our Place 2030* and *Our Holdfast 2050+* has only been in place for six months, a full report against the objectives of *Our Holdfast 2050+* is not available at this time. However, for transparency, the Objectives, measures and currently-known baselines follow:

## Wellbeing

Objectives 2020–2030	Measures	Baseline / Notes
Apply the principles of universal design and social inclusion to all Council activities.	All project plans and policies address universal design and social inclusion.	This matches the intent of the <i>Disability Action and Inclusion Plan 2020–2024</i> , which is reported to Council annually.
Assist the City’s mainstreet precincts in becoming dementia-friendly.	The number of businesses recognised as dementia-friendly increases year on year.	Joint Council–Alwyndor program to be developed.
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.	The number of participants in formal engagements increases year on year.	Seek to increase awareness from 2021–22 of 970 people formally involved in providing submissions, by ensuring meaningful engagement opportunities are further identified.
Support businesses to operate in mixed use neighbourhoods to improve local access to goods and services and reduce supply transport distances.	The proportion of mixed-use developments increases.	Seventeen (17) new businesses have been approved to operate in mixed use neighbourhoods in 2021–22, compared with nine (9) for the 2020–21 financial year.
Establish community hubs that integrate community support, recreational and commercial services in multi-purpose spaces that include frequently excluded demographics such as children and young people, people with disabilities, Aboriginal and Torres Strait Islander people and people from culturally and linguistically diverse backgrounds.	Utilisation of Council owned buildings increases.	A baseline for this measure will be gathered in 2022–23 year.



## Sustainability

Objectives 2020–2030	Measures	Baseline / Notes
Become a carbon-neutral Council by 2030.	Emissions from Council operations decrease each year or are offset.	A Carbon Neutral Plan was developed in 2021–22, and adopted by Council on 23 August 2022, which includes a plan for Council operations to be carbon neutral for Scope 1 (direct) and 2 (indirect from energy use) emissions 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.	Number of kilometres of street prioritised for active transport increases, measured every five years.	Work is continuing on the development of an Integrated Transport Strategy.
Support the creation of safer places by improving the public realm and collaborating with transport providers to increase transport options.	Programs supporting community safety are developed and implemented.	In 2021–22, Council was active in lobbying for increased police presence in the City, particularly in Glenelg.
Support mixed use neighbourhood development while honouring heritage values to encourage walking and cycling and support healthy ageing.	Walkability score increases in all Holdfast Bay suburbs, measured using a ‘citizen science’ approach every three years.	A citizen science program is being developed based on the Healthy Urban Neighbourhood Transition Tool.
Encourage more community gardening, including biodiversity sensitive urban design, in public spaces, applying the long-held knowledge of Kurna people as well as innovation.	Number of community gardening spaces increases each year.	There are two formal Community Gardens in the City; North Brighton and Glenelg North. Many ‘informal’ garden spaces such as verges are being taken up as community garden spaces. A baseline for this measure will be established in 2022–23.

## Innovation

Objectives 2020–2030	Measures	Baseline / Notes
Facilitate growth in the number of home-based businesses where practical to reduce transit distances	The number of home-based businesses increases as reported via Census data	According to Remplan data: As at 8 July 2022 there were 2,937 businesses in the combined neighbourhood zones (the best estimate of home based businesses), out of a total of 3,738 (78%).
Maximise the value of public buildings, including libraries, to support innovation by creating co-working spaces and technology/prototyping/maker spaces and hubs	Utilisation of Council buildings increases	In 2021–22 at least one council facility had been identified as having capacity to provide maker spaces for commercial activity. This opportunity will be further explored in 2022–23 to seek expressions of interest for the creative industries sector, retailers and hospitality to utilise the space.
Partner to establish an innovator/entrepreneur in-residence program that includes local schools and encourages life-long learning across the population	Program participation rates trend upwards	Program to be developed in collaboration with schools.
Partner to develop a centre of excellence in hospice care and dying well	Amount of support attracted is sufficient to establish a centre	Joint program with Council, Alwyndor and other partners to be developed.
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	Number of start-ups, creative and technology-related businesses in the city increases	100% of the NBN network has been rolled out across the City of Holdfast Bay including the introduction of a Business Fibre Zone in Glenelg and Somerton Park. This initiative gave businesses within the zone access to NBN's premium direct fibre product 'Enterprise Ethernet' at no capital cost with guaranteed speeds of up to 1 Gigabit per second.

# PLANS AND 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:

## Wellbeing:

- › Seacliff Amenities Building and Beach Access Redevelopment (\$1 million grant funding received).
- › Glenelg *Disability Discrimination Act 1992* (DDA) compliant beach access funded in 2021–22.
- › Glenelg Oval Masterplan Stages three and four – \$967,000 including grant funding (confirmed).

## Sustainability:

- › Brighton Beachfront Holiday Park Stage 2 – \$845,000.
- › Kingston Park Kiosk – funded in 2021–22.

## Innovation:

- › Jetty Road Masterplan.

Continuing projects and activities are wide ranging and the focus on funding and delivering projects which improve resilience to climate change, and form part of the five year *Environment Strategy* includes the following:

## Sustainability

- › planning and delivering water sensitive urban design projects.
- › remediating the three gullies.
- › maintaining the City’s prized beaches.
- › replacing Council fleet vehicles with non-fossil fuel vehicles—the first electric vehicle deployed.
- › rolling out significant changes to collection of food and organic waste.
- › spending \$1.2 million on stormwater infrastructure.
- › continuing to renew and upgrade roads and kerbs (\$3.63million) including DDA compliant footpath ramps.

## Innovation

- › focusing on attracting tourists and holiday makers to retail and entertainment precincts to create a lively and welcoming place.

**COUNCIL OF  
THE CITY OF  
HOLDFAST BAY**



## ELECTED MEMBERS



**Mayor**  
Amanda Wilson

### Brighton Ward

### Glenelg Ward

### Seacliff Ward

### Somerton Ward



Rosemary Clancy



Rebecca Abley



Annette Bradshaw



Janet Fletcher\*\*



Jane Fleming



Phillip Chabrel



Clare Lindop



William Miller



Robert Snewin



Bob Patton



Susan Lonie



John Smedley

## COMPOSITION OF COUNCIL

Our Council consists of the Principal Member (Mayor) and twelve Councillors. Our City is made up of four wards, each electing three Councillors, with the Mayor elected by the whole City. Elections are held every four years, with the next periodic election in November 2022.

- \* Councillor Bouchée passed away 30 July 2021.
- \*\* Councillor Fletcher was elected to Council via the Supplementary Election held 15 November 2021.



Mikki Bouchée\*

## ELECTED MEMBER ATTENDANCE AT COUNCIL MEETINGS

Number of General Council Meetings Held	22
Number of Special Meetings of Council	0
<b>TOTAL</b>	<b>22</b>

### Elected Members Number of Council meetings attended July 2021 – June 2022

#### Mayor

Amanda Wilson	20
---------------	----

#### Seacliff Ward

Annette Bradshaw	21
Clare Lindop	21
Susan Lonie	21

#### Brighton Ward

Rosemary Clancy	20
Jane Fleming	20
Robert Snewin	21

#### Somerton Ward

Janet Fletcher **	11
William Miller	22
John Smedley ***	<b>Deputy Mayor December 2021 – current</b> 18
Rosalina (Mikki) Bouchée*	1

#### Glenelg Ward

Rebecca Abley	<b>Deputy Mayor December 2020 – November 2021</b> 18
Philip Chabrel ****	10
Bob Patton	22

\* Councillor Bouchée passed away 30 July 2021.

\*\* Councillor Fletcher was elected to Council via the Supplementary Election held 15 November 2021.

\*\*\* Council approved Leave of Absence for Councillor Smedley for the period 27 April to 12 June 2022 inclusive.

\*\*\*\* Council approved Leave of Absence for Councillor Chabrel for the period 13 July 2021 until 29 October 2021.

## ALLOWANCES

Elected Member	Allowances 1 July 2021 – 30 June 2022	Allowance from Council Committees	IT Allowance	TOTAL	Notes
<b>Mayor</b>					
Amanda Wilson	\$95,133.57		\$1,181.22	<b>\$96,314.79</b>	
<b>Seacliff Ward</b>					
Annette Bradshaw	\$23,783.39		\$1,181.22	<b>\$24,964.61</b>	
Clare Lindop	\$23,783.39		\$1,181.22	<b>\$24,964.61</b>	
Susan Lonie	\$23,783.39		\$1,181.22	<b>\$24,964.61</b>	
<b>Brighton Ward</b>					
Rosemary Clancy	\$23,783.39		\$1,181.22	<b>\$24,964.61</b>	
Jane Fleming	\$23,783.39	\$4,884.00	\$1,181.22	<b>\$29,848.61</b>	CAP Member
Robert Snewin	\$23,783.39		\$1,181.22	<b>\$24,964.61</b>	
<b>Somerton Ward</b>					
Janet Fletcher	\$14,774.64		\$1,688.25*	<b>\$16,462.89</b>	Elected in Supplementary Election
William Miller	\$23,783.39	\$1,344.00	\$1,181.22	<b>\$26,308.61</b>	CAP Deputy Member
John Smedley	\$23,783.39	\$5,945.91	\$1,181.22	<b>\$30,910.52</b>	Audit Committee Chair Deputy Mayor from 1/12/21
<b>Glenelg Ward</b>					
Rebecca Abley	\$23,783.39	\$2,436.84	\$1,181.22	<b>\$27,401.45</b>	Deputy Mayor until 30/11/21
Philip Chabrel	\$17,957.73		\$1,181.22	<b>\$19,138.95</b>	Leave of absence
Bob Patton	\$23,783.39		\$1,181.22	<b>\$24,964.61</b>	
Mikki Bouchée	\$2,499.20			<b>\$2,499.20</b>	Deceased 30/07/21

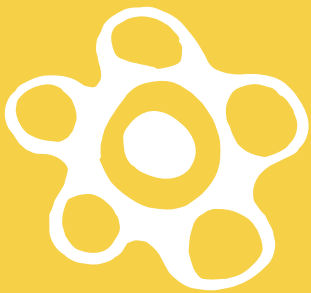
\* IT Allowance for first year of appointment is higher as per Elected Member Entitlement Policy.

## TRAINING AND DEVELOPMENT

	All Elected Members	Mayor Wilson	Deputy Mayor Abley	Councillor Fletcher	TOTAL
<b>All of Council</b>					
Workshop training only provided in house and provided by Leadership Team	Nil additional cost				
<b>Council Delegate Activities</b>					
Australian Local Government Association, National General Assembly		\$2,646.61	\$2,665.82		<b>\$5,312.43</b>
LGA AGM and Lunch only (28/29 October 2021) Registration		\$55.00			<b>\$55.00</b>
<b>Elected Member Training</b>					
Elected Member Forum #3 Leadership – Lessons for the Future					<b>\$385.00</b>
Post Supplementary Election Module 1–3 Mandatory EM Training (24 November)				\$2,062.50	<b>\$2,062.50</b>
Post Supplementary Election Module 4 Mandatory EM Training (26 November)				\$660.00	<b>\$660.00</b>
<b>Total training and development expenditure</b>					<b>\$8,474.93</b>



# DECISION-MAKING STRUCTURE



## PROVISIONS FOR MEETING PROCEDURES

The *Local Government Act 1999* is the primary legislation for the operation of Local Government in South Australia and its provisions are supported by *Local Government (General) Regulations 2013*.

All Council and Committee meetings are conducted in accordance with the *Local Government Act (Procedures at Meetings) Regulations 2013*. Meetings for the Council Assessment Panel are convened under the *Planning, Development and Infrastructure Act 2016*.

## COUNCIL

Throughout 2021–22, Council met twice per month (on the second and fourth Tuesday of the month).





## COUNCIL COMMITTEES

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

### 1. One management committee:

- › Alwyndor Management Committee.

### 2. Two statutory committees:

- › Audit Committee.
- › Strategic Planning and Development Policy Committee.

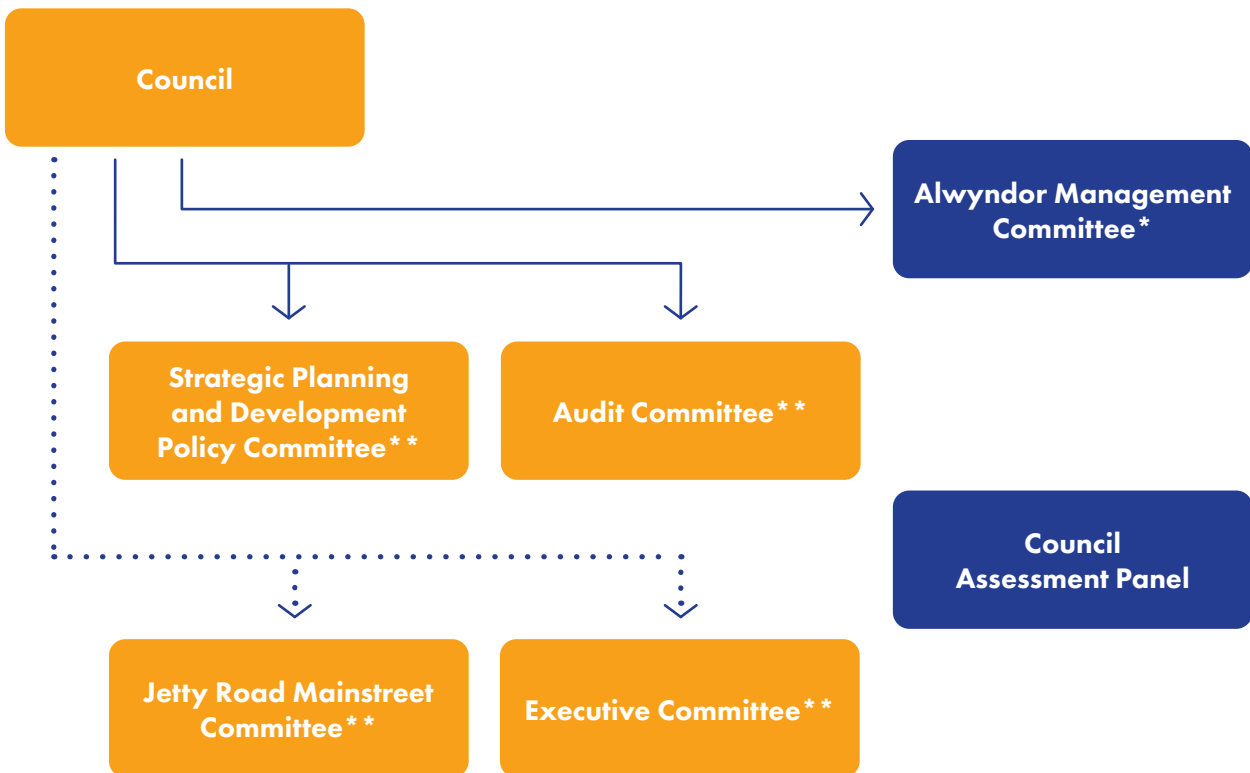
### 3. Two advisory committees:

- › Jetty Road Mainstreet Committee.
- › Executive Committee.

The Council Assessment Panel is established under Section 83 of the *Planning Development and Infrastructure Act 2016* (The PDI Act).

Committee meetings are open to the public unless confidential matters are considered. Notices of meetings, agendas, reports and minutes are available [www.holdfast.sa.gov.au/council/council-committees](http://www.holdfast.sa.gov.au/council/council-committees)

Council's current committee structure is shown below:



\* delegated authority from Council to make decisions within budget and terms of reference.

\*\* advisory only, with no delegations.

## DELEGATIONS

In accordance with Sections 44 and 101 of the *Local Government Act 1999*, Council delegates relevant powers and duties to the Chief Executive Officer, who may sub-delegate to individual officers or committees. Council also delegates powers to the Alwyndor Management Committee to make decisions within the Committee's terms of reference. Delegations and individual sub-delegations are reflected in the Delegations Schedule.

## AUDIT COMMITTEE

The Audit Committee operates under Section 126 of the *Local Government Act 1999* and oversees Council's risk management and internal control frameworks. The Committee reports to Council on a regular basis to confirm that these frameworks are in place and operating effectively. The Committee also reviews Council's annual financial statements, Annual Business Plan and Long-Term Financial Plan.

The Committee comprises two Elected Members including the Presiding Member. The independent members each received an allowance per meeting attended of \$437.00 per meeting (July 2021 – November 2021) and then \$448.00 per meeting (December 2021 – June 2022).

### **The Committee Members from July 2021 to June 2022 were:**

- › Councillor Smedley – Chair
- › Mr S Tu – Independent Member
- › Ms Paula Davies – Independent Member
- › Mr David Powell – Independent Member
- › Councillor Snewin

## STRATEGIC PLANNING AND DEVELOPMENT POLICY COMMITTEE

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

## JETTY ROAD MAINSTREET COMMITTEE

The Jetty Road Mainstreet Committee is funded through the collection of a separate rate to assist Council to enhance and promote Glenelg's Jetty Road as a vibrant shopping, leisure and recreational precinct.

The 2021–22 Committee comprised two Elected Members and nine independent members. The members represent traders and property owners in the precinct, with no allowances paid. The Committee Members are as follows:

- › Con Maios, Maios Investments – Chairperson (resigned April 2022)
- › Gilia Martin, Attitudes Boutique – Deputy Chairperson, Chairperson (from June 2022)
- › Gina Britton, Daisy & Hen – Deputy Chairperson (from June 2022)
- › Angus Warren, Beach Burrito
- › Tony Beatrice, Cibo Espresso
- › Adoni Fotopoulos, Ikos Holdings Trust
- › Tristan Chai, Good Physio (resigned March 2022)
- › Glenn Watson, The Royal Moody (resigned March 2022)
- › David Elmes, The Jetty Hotel (resigned March 2022)
- › Chris Morley, Echelon Studio – Architecture and Design (from May 2022)
- › Brock Meuris, Terra & Sol (from May 2022)
- › Jason Rayment, Smart Hearing Solutions (from May 2022)
- › Damien Murphy, Glenelg Finance (from May 2022)
- › Councillor William Miller
- › Councillor Rebecca Abley

## EXECUTIVE COMMITTEE

The Executive Committee is established under Section 41 of the *Local Government Act 1999*. The Committee meets as required to undertake the annual performance appraisal of the Chief Executive Officer.

The functions of the Executive Committee are:

- › To recommend to Council the form and process of the Chief Executive Officer's annual performance appraisal;
- › To undertake the annual performance appraisal; and
- › To provide a report and to make recommendations to Council on any matters arising from the annual performance appraisal.

The Committee Members are as follows:

- › Mayor Amanda Wilson – Chair
- › Deputy Mayor John Smedley (Somerton Ward representative until November 2021; Deputy Mayor from November 2021)
- › Councillor Susan Lonie – Seacliff Ward
- › Councillor Robert Snewin – Brighton Ward
- › Councillor Rebecca Abley – Glenelg Ward (Deputy Mayor until November 2021; Glenelg Ward representative from November 2021)
- › Councillor Robert Patton – Glenelg Ward (until November 2021)
- › Councillor William Miller – Somerton Ward (from March 2022)

## COUNCIL ASSESSMENT PANEL

The Council Assessment Panel (CAP) is an autonomous authority that considers development applications and makes development decisions. It was established in accordance with the *Planning, Development and Infrastructure Act 2016* and has delegated powers that are administered in accordance with the Act's statutory requirements. It consists of one Elected Member who is appointed by the Council and four independent members. The Council Assessment Panel met on the fourth Wednesday of the month as required. During 2021–22, the Panel meets each month. The Presiding Member received \$568 per meeting (July – October 2021) and then \$582 per meeting (November 2021 – June 2022). Independent Panel members received \$437 per meeting (July – October 2021) and then \$448 per meeting (November 2021 – June 2022).

In 2021–22, the Panel comprised:

- › Mr David Bailey – Presiding Member;
- › Mr Jim Gronthos – Independent Member
- › Ms Sarah Reachill – Independent Member
- › Ms Yvonne Svensson – Independent Member
- › Councillor Jane Fleming
- › Councillor William Miller (Deputy Elected Member)

## ALWYNDOR MANAGEMENT COMMITTEE

The Alwyndor Management Committee oversees the governance of Alwyndor. The 2021–22 Committee consisted of two Elected Members and seven independent members. Independent members received \$437 per meeting from July – October 2021 and then \$448 per meeting from November 2021 – June 2022. The Chair received \$531 per meeting from July – October 2021 and then \$560 per meeting from November 2021 – June 2022.

NAME	ROLE
Mr Kim Cheater	Chair
Ms Julie Bonnici	Deputy Chair
Councillor Susan Lonie	
Councillor Mikki Bouchée	July 21 – Sept 21
Councillor Robert Snewin	from Oct 21
Ms Trudy Sutton	Independent Member
Prof Judy Searle	Independent Member
Prof Lorraine Sheppard	Independent Member
Mr Kevin Whitford	Independent Member
Ms Joanne Cottle	Independent Member (from March 2022)

### Footnotes for page 71

1. James Mitchell commenced as Manager Engineering on 13 September 2021
2. Regan Forest commenced as Manager City Activation on 26 July 2021
3. Leisa Humphry Manager Finance on leave from 20 September 2021; Damian Capurro – (ACTING) Manager Finance commenced 22 July 2021
4. Lisa Hall – Manager People & Culture commenced 01 November 2021

# ORGANISATIONAL STRUCTURE



**Roberto Bria**  
CEO

## Assets and Delivery



**Michael de Heus**  
GENERAL MANAGER  
ASSETS & DELIVERY



**James Mitchell**  
MANAGER  
ENGINEERING<sup>1</sup>



**Bill Blyth**  
MANAGER FIELD  
SERVICES



**Mathew Walsh**  
BUILDING & FACILITIES  
MANAGER

## Community and Business



**Marnie Lock**  
GENERAL  
MANAGER  
COMMUNITY  
& BUSINESS



**Regan Forrest**  
MANAGER  
CITY  
ACTIVATION<sup>2</sup>



**Monica DuPlessis**  
MANAGER  
COMMUNITY  
WELLBEING



**Tania Paull**  
MANAGER  
CUSTOMER  
EXPERIENCE &  
LIBRARY SERVICES



**Adrian Hill**  
MANAGER  
COMMUNITY  
SAFETY



**Michelle Logie**  
MANAGER  
COMMUNICATIONS &  
ENGAGEMENT

## Strategy and Corporate



**Pamela Jackson**  
GENERAL  
MANAGER  
STRATEGY &  
CORPORATE



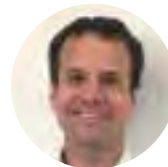
**John Newton**  
MANAGER  
FINANCIAL  
SERVICES



**Sharon Somerville**  
MANAGER  
PEOPLE &  
CULTURE



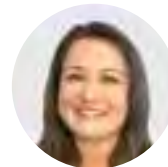
**Robert Zanin**  
MANAGER  
INNOVATION &  
TECHNOLOGY



**Matthew Rechner**  
MANAGER  
PUBLIC REALM &  
URBAN DESIGN



**Anthony Marroncelli**  
MANAGER  
DEVELOPMENT  
SERVICES



**Ania Karzek**  
MANAGER  
STRATEGY &  
GOVERNANCE

## Alwyndor



**Beth Davidson-Park**  
GENERAL MANAGER  
ALWYNDOR



**Damian Capurro**  
(ACTING)  
MANAGER  
FINANCE<sup>3</sup>



**Natasha Stone**  
RESIDENTIAL  
SERVICES  
MANAGER



**Molly Salt**  
MANAGER  
COMMUNITY  
CONNECTIONS



**Lisa Hall**  
MANAGER  
PEOPLE &  
CULTURE<sup>4</sup>

**CORPORATION  
OF THE CITY OF  
HOLDFAST BAY**



## OUR VALUES

Our ARISE values are the way we achieve our vision.

### Achievement

Deliver agreed outcomes for our community.

### Respect

Act with honesty and integrity.

### Innovation

Seek better ways.

### Simplicity

Easy to do business with.

### Engagement

Provide opportunities for all to participate.

## SENIOR LEADERSHIP TEAM

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

- › Chief Executive Officer, Roberto Bria
- › General Manager Alwyndor Aged Care, Beth Davidson Park
- › General Manager Assets and Delivery, Michael de Heus
- › General Manager Community and Business, Marnie Lock
- › General Manager Strategy and Corporate, Pamela Jackson

Senior executive salary packages include the following benefits:

- › a competitive salary;
- › the option of a fully maintained vehicle or novated vehicle lease; and
- › employer-sponsored superannuation contributions.





## REMUNERATION PROFILE

Total remuneration as at 30.06.2022 (excluding superannuation)	COUNCIL		ALWYNDOR		TOTAL	
	Male	Female	Male	Female	Male	Female
< \$25,000	2	16	25	98	27	114
\$25,000 – \$35,000	0	2	5	29	5	31
\$35,001 – \$45,000	1	1	8	28	9	29
\$45,001 – \$55,000	2	11	12	30	14	41
\$55,001 – \$65,000	4	10	6	35	10	45
\$65,001 – \$75,000	39	16	4	17	43	33
\$75,001 – \$85,000	10	11	2	17	12	28
\$85,001 – \$95,000	15	17	1	9	16	26
\$95,001 – \$105,000	8	11	0	3	8	14
\$105,001 – \$115,000	6	3	1	1	7	4
\$115,001 – \$125,000	2	1	1	0	3	1
\$125,001 – \$150,000	6	5	1	2	7	7
>\$150,000	2	2	0	1	2	3
<b>Total</b>	<b>97</b>	<b>106</b>	<b>66</b>	<b>270</b>	<b>163</b>	<b>376</b>



## WORK HEALTH AND SAFETY

In 2021–22 the following key measures were realised in regards to work, health and safety:

- › Total Hazards: 57
- › Total Incidents: 140
- › Total Injuries: 82

Note: This includes totals for Alwyndor.

The Local Government Association Workers Compensation Scheme (LGAWCS) provides the City of Holdfast Bay with a fully integrated Claims, Return to Work and Work Health Safety service. Claims are determined and coordinated by LGAWCS as our Insurer.

## WORKFORCE PLANNING

Work continues on building skills and capability across our workforce to provide excellent customer experience and provide flexibility in times of changing service demands and technology. Recruitment focuses on required experience and skills, and on behaviours in line with our organisational values and customer experience requirements. Staff benefits, including flexible working arrangements, continue to be developed to ensure the attraction of high quality candidates and retention of staff.

Voluntary employee turnover for Council was 14 per cent. Alwyndor Aged Care's turnover was 37.14 per cent.

## TRAINING AND DEVELOPMENT

Approximately \$187,829 was spent on developing workforce skills to meet current and future needs. This included mandatory training to meet legislative requirements such as work, health and safety as well as governance obligations. A review of Council's training needs analysis was also undertaken to ensure Council's legislative obligations were being met. This will result in a program of training events to be implemented over the next five years.



# TRANSPARENCY



## COMMUNITY ENGAGEMENT

We value the involvement of our community and we are committed to ensuring the views of the community help to inform the Council's decision making.

Community engagement is an integral part of the planning of our projects and new initiatives, and plays a vital role in enabling us to achieve our vision for the City of Holdfast Bay.

There were 16 targeted community engagements held throughout the year, where we invited people to share their views through a variety of methods, including online hubs, drop-in sessions, workshops, focus groups and surveys.

To find out more visit [www.yourholdfast.com](http://www.yourholdfast.com).

## COMMUNICATIONS

As a part of our commitment to communicating with our community in a clear and open way, we provide many ways for the community to interact with us. As described previously in this Annual Report, this includes a myriad of online and social media channels. It also includes direct contact with Council staff via the telephone or in person at the Brighton Civic Centre or in our libraries. We can also be contacted by telephone, mail, email, via our website and social media. Council information is provided on our website – [holdfast.sa.gov.au](http://holdfast.sa.gov.au) – as well as our community engagement site – [yourholdfast.com](http://yourholdfast.com) – and through a range of Council publications and social media.

More than 5,000 people have subscribed to receive our regular e-newsletters such as the fortnightly *Holdfast News* which features the latest Council news, project updates and forthcoming events. There are also newsletters for our libraries, *Alwyndor* and *Creative Holdfast* that focuses on arts, culture and history information.

A quarterly Council magazine, *Our Place*, is distributed to all ratepayers in Holdfast Bay.

## COMMUNITY LAND MANAGEMENT PLANS

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

The terms and conditions for several leases were resolved by Council in 2021–22, including the extension of existing leases with the Brighton Over 50's Social Club Incorporated in respect of the Brighton Community Centre, Young Men's Christian Association Incorporated in respect of the Holdfast Bay Community Centre, Glenelg Brass Band Incorporated in respect of the Glenelg North Community Centre, and the Tramside Kiosk at Wigley Reserve. The terms and conditions for new leases were also established, including those for a Telecommunications Tower at Glenelg Oval, the Kauri Community and Sports Centre at Seacliff, and a new sublease between The Holdfast Bay Bowls and Croquet Club Incorporated and Bowls SA Incorporated.

## REGISTERS AND CODES

The following documents are available to the public:

### Registers

- › Register of Interests (Elected Members)
- › Register of Gifts and Benefits (Elected Members)
- › Register of Allowances and Benefits (Elected Members)
- › Register of Conflicts of Interest (Elected Members)
- › Register of Remuneration, Salaries and Benefits (Employees)
- › Register of Interests (Employees)
- › Register of Gifts and Benefits (Employees)
- › Register of Community Land
- › Register of Community Leases
- › Register of Public Roads
- › Register of By-Laws and certified copies
- › Register of Fees and Charges
- › Register of Building Upgrade Agreements
- › Register of Facilities
- › Record of Delegation

### Codes

- › Code of Conduct (Council Members)
- › Code of Practice – Meeting Procedures
- › Code of Practice – Access to Meetings and Documents
- › Code of Conduct (Employees)

## LEGAL FEES

In the 2021–22 financial year Council incurred legal costs totalling \$150,286. This was made up of:

- › Appeals \$41,204.
- › Enforcement \$7,454.
- › Advice \$101,628.

In the same period, legal fees for Alwyndor were \$21,548.

## CREDIT CARD USE

In the 2021–22 financial year the total expenditure via credit cards was \$157,310.70. This expenditure is tightly controlled and in accordance with relevant legislation and regulation along with Council policies and procedures.

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

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

We received one request in 2021–22 to review Council decisions in accordance with the provisions of Section 270 of the *Local Government Act 1999 – Internal Review of Council Decisions*.

Year	Number of reviews
2021–22	1
2020–21	1
2019–20	3
2018–19	4
2017–18	5
2016–17	1
2015–16	3
2014–15	3

The details for the 2021–22 review are:

- › **Description of matter**  
Internal review request received regarding a Representation Review.
- › **Date received**  
8 January 2021.
- › **Outcome of review**  
Review completed and decision was upheld.

## FREEDOM OF INFORMATION APPLICATIONS

During 2021–22, Council processed 13 Freedom of Information (FOI) requests, one request for internal review of an FOI determination and provided its Annual Return to State Records.

Information on the FOI process, application forms, fees and access to documents is available from Council’s accredited FOI officers. If required, these officers will assist anyone seeking to amend Council records containing their personal affairs. More information on, and application forms for, the FOI process are available from Council, on our website and on the State Records website.

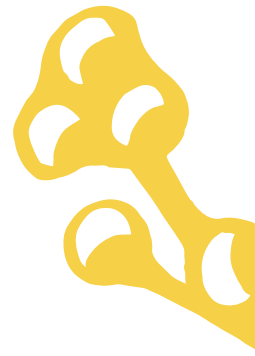
A member of the public wishing to amend the Council’s records concerning their personal affairs may email [governance@holdfast.sa.gov.au](mailto:governance@holdfast.sa.gov.au) or phone (08) 8229 9999 and speak with an accredited FOI officer.

In accordance with Section 9 of the *Freedom of Information Act 1991*, Council must make available for public inspection an annual ‘Information Statement’ that provides an overview of its structure, functions and documents. This information is detailed in other sections of this annual report and can be viewed on Council’s website.

## INDEPENDENT AUDITORS

The *Local Government Act 1999* provides that Auditors be appointed on the recommendation of the Audit Committee for a term no longer than five years. As of 1 July 2020, Dean Newbery were appointed as Council’s external auditors for a period of five years. For the 2021–22 external auditing services for both Municipal and Alwyndor operations, Dean Newbery were paid \$30,500 (excluding GST) for the annual audit of Council’s financial statements, and \$200 (excluding GST) for additional grant acquittals audits.





## LOCAL NUISANCE AND LITTER CONTROL

In 2021–22 in accordance with the *Local Nuisance and Litter Control Act 2017*, 402 complaints were registered, six abatement notices were provided and nine expiation notices were issued.

	Dust	Noise	Smoke	Odour	Animals	Litter (Asbestos)	Litter (Insanitary Conditions)	Unightly Conditions	Bill Posting	Total	
<b>Complaints</b>	15	39	8	2	24	250	1	12	51	0	<b>402</b>
<b>Abatement Notices</b>					1	1		2	2		<b>6</b>
<b>Expiations</b>						9					<b>9</b>

## NATIONAL COMPETITION POLICY

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

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

In 2021–22 Council continued to maintain the following significant business activities:

- › Category One
  - » Alwyndor Aged Care Facility
- › Category Two
  - » Brighton Caravan Park
  - » Partridge House
  - » Kauri Community and Sports Centre
  - » Glenelg Visitor Information Centre
  - » Partridge Street Car Parks.

## COMPETITIVE TENDERING

Tenders are called for contracts in excess of \$100,000, provided Council is of the reasonable opinion that a competitive process is practicable and will deliver greater benefit than through other methods. Likewise tenders are used for contracts of a lesser amount where the process is considered to be most appropriate. All tendering is managed within the following procurement principles:

- › Value for money.
- › Transparent, accountable, fair and ethical.
- › Social responsibility.
- › Environmental sustainability.
- › Buy local.
- › Work health and safety.





## REPRESENTATION QUOTA

Our Council is divided into four Wards, with three Councillors representing each Ward, plus a Mayor. The details for the City of Holdfast Bay elector representation ratios are below and comparative data for similar councils. \*

Council	No of Elected Members (Excluding elected Mayors)	Electors	Representation Quota
Norwood Payneham St Peters (15.1km <sup>2</sup> )	13	26,451	1:2,035
Unley (14.29km <sup>2</sup> )	12	28,141	1:2,345
Holdfast Bay (13.72km <sup>2</sup> )	12	29,037	1:2,420
Burnside (27.53km <sup>2</sup> )	12	32,585	1:2,715
West Torrens (37.07km <sup>2</sup> )	14	43,332	1:3,095
Campbelltown (24.35km <sup>2</sup> )	10	37,119	1:3,712
Mitcham (75.55km <sup>2</sup> )	13	49,633	1:3,818
<b>Average</b>			<b>1 per 2,877</b>

Council is required to conduct a review of representation at least once in every eight years or within a period specified by the Electoral Commissioner.

As required under the *Local Government Act 1999*, Section 12(4), a review of the Council's composition and structure was considered in 2012–13 and came into effect at the periodic Local Government elections in November 2014. Council was required by the Minister for Local Government to undertake a recent Representation Review in October 2020 and October 2021, which has been undertaken. The review process involved two stages of public consultation as prescribed by the Local Government Act allowing opportunity for public submissions to be provided to the Council during the review process.

\*Source: Electoral Commission South Australia Council enrolment data as at 25 February 2022.



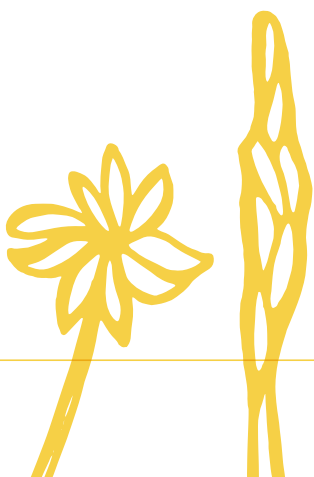
## NUMBER OF ITEMS DISCUSSED IN CONFIDENCE

The *Local Government Act 1999* determines that Council meetings be held in a public place. On occasions the need to keep information or discussion confidential outweighs the need for public meetings for reasons predetermined in the *Local Government Act 1999*.

From 1 July 2021 to 30 June 2022, the City of Holdfast Bay was satisfied of the necessity to consider items in confidence on 60 occasions under Section 90(2) of the *Local Government Act 1999*.

The grounds for these matters to be heard in confidence are detailed in the accompanying table. There can be multiple grounds for each confidential order.

Grounds of Confidential Orders	Grounds for Confidential Orders
A Personal Affairs	4
B Commercial Advantage	33
C Trade Secret	0
D Commercial Information not a trade secret	27
E Security/safety	2
F Maintenance of Law	0
G Breach of Law	1
H Legal Advice	6
I Litigation	9
J Minister of the Crown	2
K Tenders for the supply of goods	0
M Amendment to the Development Plan	0
N Freedom of Information Act 1982	0
O Proposed Award Recipient before the presentation of the award	0
<b>Total</b>	<b>84</b>





## CONFIDENTIAL ORDERS FROM PREVIOUS YEARS RELEASED – 2021–22

The grounds of each confidential order released during 2021–22 for items held in confidence from previous years are reflected in the table below. This table does not include items discussed in confidence in 2021–22 and released from confidence in the same year.

Confidential Order Categories	Number of Grounds under each Confidential order
A Personal Affairs	2
B Commercial Advantage	13
C Trade Secret	0
D Commercial Information not a trade secret	14
E Security/Safety	0
F Maintenance of Law	0
G Breach of Law	1
H Legal Advice	7
I Litigation	0
J Minister of the Crown	0
K Tenders for the supply of goods	2
M Amendment to the <i>Development Plan</i>	0
N <i>Freedom of Information Act 1982</i>	0
O Proposed Award Recipient before the presentation of the award	0
<b>Total</b>	<b>39</b>

## ITEMS RETAINED IN CONFIDENCE

Following the release of items held in confidence as listed above, the table below reflects those items from previous years that still remain in confidence. The total for 2021–22 provided here is not the same as that provided in the previous table as some items can be held in confidence and released in the same financial year.

	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Number of Items	1	1	0	0	8	3	0	0	1	2	0	1	3	11	25	15	18	32	57

The background is a solid blue color with white, hand-drawn contour lines. These lines form irregular, organic shapes that resemble topographical map lines or perhaps the texture of wood grain. The lines are more densely packed in some areas and more sparse in others, creating a sense of depth and movement. The overall effect is modern and artistic.

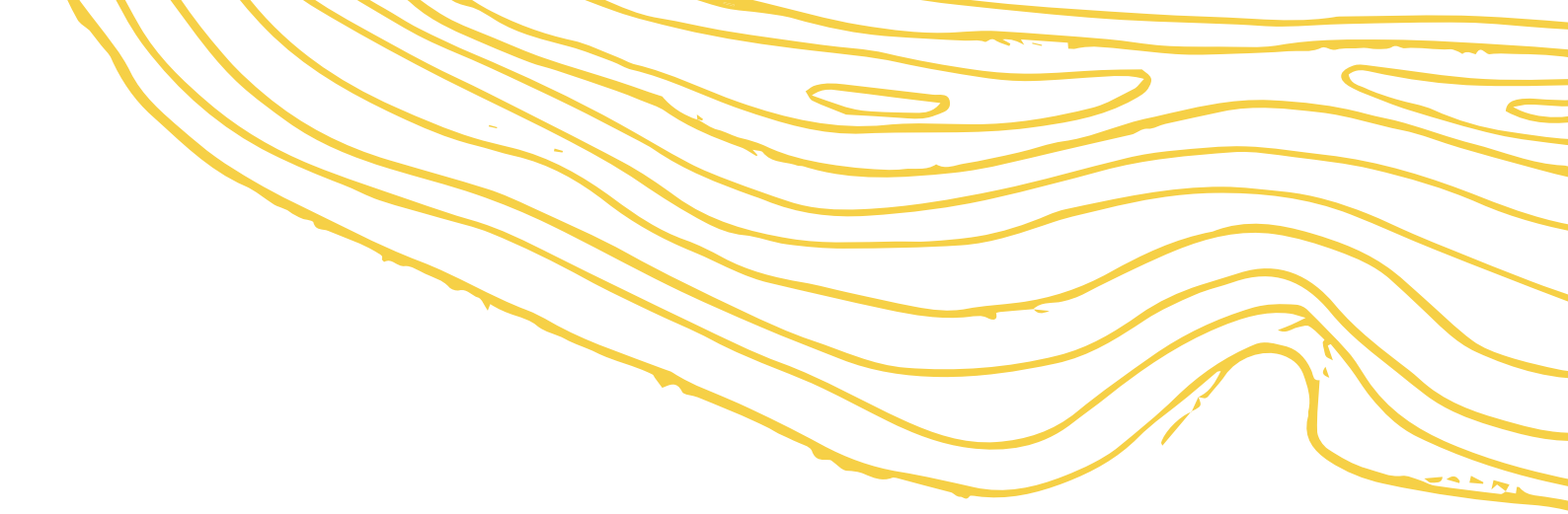
**AUDITED  
FINANCIAL  
STATEMENTS**

Audited 2021/22 financial statements  
to be inserted here

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.

**SOUTHERN REGION  
WASTE RESOURCE  
AUTHORITY  
ANNUAL REPORT**

SRWRA 2021/22 annual report  
to be inserted here





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

Item No: 15.5

Subject: **LOCAL GOVERNMENT ASSOCIATION OF SOUTH AUSTRALIA ANNUAL GENERAL MEETING**

Date: 25 October 2022

Written By: Manager, Strategy and Governance

General Manager: Strategy and Corporate, Ms P Jackson

---

### **SUMMARY**

Each year, the Local Government Association of South Australia (LGA) holds an Annual General Meeting (AGM) where councils from around South Australia can discuss sector business, as well as current and emerging challenges and opportunities. The next AGM will be held on Friday 28 October 2022 at the Adelaide Oval.

Council's voting delegate to the LGA Meetings has historically been the Mayor (which has been maintained with Mayor Wilson registered as the voting delegate). The Local Government Finance Authority (LGFA) of South Australia host their AGM on the same day and per Council Report No: 300/22 considered on 26 July 2022, Mayor Wilson is Council's approved delegate to that meeting (C260722/2684).

There are 13 matters which are administrative or operational in nature, plus seven substantive Recommendation Reports for consideration.

---

### **RECOMMENDATION**

**That for the LGA Annual General Meeting, to be held on Friday 28 October 2022, Council:**

- 1. notes the Agenda papers;**
  - 2. approves the Mayor's attendance as the voting Delegate on Council's behalf; and**
  - 3. endorses the voting positions for the Recommendation Reports.**
- 

### **STRATEGIC PLAN**

The proposed voting positions align with the strategic plan.



**COUNCIL POLICY**

Not applicable

**STATUTORY PROVISIONS**

Not applicable

**BACKGROUND**

Each year, the Local Government Association of South Australia (LGA) holds an Annual General Meeting (AGM) where councils from around South Australia can discuss sector business, as well as current and emerging challenges and opportunities. The next AGM will be held on Friday 28 October 2022 at the Adelaide Oval.

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**REPORT**

The papers for the AGM are provided and contain 13 matters which are administrative or operational in nature, plus seven substantive Recommendation Reports for consideration.

*Refer Attachment 1 – Electronic Version*

Voting positions for each of the Recommendation Reports are provided for Members information. All motions are supported. Rationale has been noted for each position.

*Refer Attachment 2*

**BUDGET**

Attendance at the LGA AGM will be funded from the operational budget. Any cost implications arising from proposed actions will be dealt with via regular budgetary and decision-making processes.

**LIFE CYCLE COSTS**

There are no full life cycle costs that can be itemised or evaluated at this time. Any cost implications arising from proposed actions will be dealt with via regular budgetary and decision-making processes.

# Attachment 1



# Notice of Meeting

**Notice is hereby given that the LGA Annual General Meeting will be held on**

**Friday 28 October 2022 at 2pm**

**In the William Magarey Room, Adelaide Oval  
War Memorial Drive, North Adelaide**



Clinton Jury  
**Chief Executive Officer**

28 September 2022

# Agenda

Item	Page
<b>1. Open &amp; Welcome</b>	
<b>2. Apologies</b>	
<b>3. Notice &amp; Arrangements</b>	
<b>4. President's Address</b>	
<b>5. Minutes of Previous Meeting</b>	
5.1 Minutes of the meeting held on 8 April 2022	4
5.2 Resolutions and Actions from the OGM of 8 April 2022	16
<b>6. LGA Business</b>	
6.1 LGA Annual Report 2021/22	25
6.2 LGA Financial Statements 2021/22	26
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6.4 LGASA Mutual Annual Report 2021/22	127
6.5 LGA Procurement Annual Report 2021/22	129
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6.8 LGA Advocacy Update	156
6.9 LGA Member Services Update	197
6.10 Local Government Financial Indicators 2022	200
6.11 SAROC and GAROC Terms of Reference	210
<b>7. Recommendation Reports from the SAROC Committee</b>	
7.1 Landscapes Board Levy (City of Victor Harbor)	237
7.2 EPA Solid Waste Levy (City of Mount Gambier)	241
7.3 Energy Positive and Carbon Neutral Development (City of Victor Harbor)	246
<b>8. Recommendation Reports from the GAROC Committee</b>	
8.1 Mental Health and Wellbeing (Town of Gawler)	250
8.2 Responding to the Climate Emergency (Town of Gawler)	260



**9. Recommendation Reports from the LGA Board of Directors**

9.1 LGA Policy Manual on Climate Change Endorsement (LGA Secretariat) 269

9.2 Housing Supply, Affordability and Homelessness (LGA Secretariat) 289

**10. Next Meeting**

The LGA Ordinary General Meeting will be held on a date yet to be confirmed.

**12. Close**

## 5.1 Minutes of the Ordinary General Meeting held on 8 April 2022

### Minutes of Previous Meeting

From: Kianna Al Jaberi, Executive Assistant  
Meeting: Annual General Meeting 28 October 2022  
ECM: 782438 Attachment: 774352

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### Recommendation

**That the Annual General Meeting confirms the minutes of the Ordinary General Meeting held on 8 April 2022 as a true and accurate record of the proceedings held.**

### Discussion

The Ordinary General Meeting of the membership was held on 8 April 2022. The draft minutes are attached for confirmation as to their accuracy.

Draft

## Draft Minutes of the LGA Ordinary General Meeting held on Friday 8 April 2022 at 11:00am at the Adelaide Entertainment Centre, 98 Port Road, Hindmarsh SA.

### 1. Open & Welcome

The President opened the meeting at 11am and welcomed members and staff.

#### Present:

President	Mayor Angela Evans
Chief Executive Officer	Clinton Jury
Executive Director Corporate Governance	Andrew Johnson
Executive Director Public Affairs	Lea Bacon
Executive Director Member Services	Nathan Petrus
Executive Assistant to the CEO & President (minutes)	Ashlea Lyall
Executive Assistant (E-voting)	Kianna Al Jaberi
Executive Assistant and Administration Coordinator (E-voting)	Sarah Ryan

#### *Member Councils (voting delegates):*

City of Adelaide	District Council of Cleve
Adelaide Hills Council	Coorong District Council
Adelaide Plains Council	Copper Coast Council
Alexandrina Council	District Council of Elliston
The Barossa Council	Regional Council of Goyder
Berri Barmera Council	District Council of Grant
City of Burnside	City of Holdfast Bay
Campbelltown City Council	District Council of Karoonda East Murray
District Council of Ceduna	District Council of Kimba
City of Charles Sturt	Kingston District Council
District Council of Franklin Harbour	Light Regional Council
Town of Gawler	District Council of Lower Eyre Peninsula
Clare & Gilbert Valleys Council	

Draft

District Council of Loxton Waikerie  
 City of Marion  
 Mid Murray Council  
 City of Mitcham  
 Mount Barker District Council  
 City of Playford  
 City of Mount Gambier  
 Rural City of Murray Bridge  
 Naracoorte Lucindale Council  
 City of Norwood Payneham & St Peters  
 City of Onkaparinga  
 District Council of Orroroo Carrieton  
 City of Port Lincoln  
 Port Pirie Regional Council  
 City of Prospect  
 Renmark Paringa Council

District Council of Robe  
 City of Salisbury  
 Southern Mallee District Council  
 District Council of Streaky Bay  
 City of Tea Tree Gully  
 District Council of Tumby Bay  
 City of Unley  
 City of Victor Harbor  
 Wakefield Regional Council  
 Town of Walkerville  
 Wattle Range Council  
 City of West Torrens  
 City of Whyalla  
 Wudinna District Council  
 Yorke Peninsula Council

## 2. Apologies

Barunga West Council	District Council of Peterborough
District Council of Ceduna	City of Port Adelaide Enfield
District Council of Coober Pedy	Port Augusta City Council
The Flinders Ranges Council	Municipal Council of Roxby Downs
Kangaroo Island Council	Tatiara District Council
District Council of Mount Remarkable	District Council of Yankalilla
Northern Areas Council	

## 3. Notices & Arrangements

The Chief Executive Officer outlined the notices and arrangements for the meeting.



# Draft

## 4. President's Address

The President provided a verbal report. A copy of the report is attached to these minutes.

## 5. Minutes of Previous Meeting

### 5.1 Minutes of the Annual General Meeting held 29 October 2021

Moved Berri Barmera Seconded Naracoorte Lucindale that the Ordinary General Meeting confirms the minutes of the Annual General meeting held on 29 October 2021 as a true and accurate record of the proceedings held.

**Carried**

### 5.2 Resolutions and Actions from Previous Meetings

Moved Kimba Seconded Wakefield Regional that the Ordinary General Meeting notes progress with resolutions resulting from the Annual General Meeting of 29 October 2021 and outstanding resolutions from earlier general meetings.

**Carried**

## 6. LGA Business

### 6.1 LGA Member Services Update

Moved Mid Murray Seconded Mount Barker that the Ordinary General Meeting notes the report.

**Carried**

### 6.2 LGA Advocacy Update

Moved Tumby Bay Seconded Berri Barmera that the Ordinary General Meeting notes the report.

**Carried**

### 6.3 Local Government Reform Update

Moved Wattle Range Seconded Burnside that the Ordinary General Meeting notes the report.

**Carried**

# Draft

## 6.4 LGA Mutual Services Update

Moved Mid Murray Seconded Wudinna that the Ordinary General Meeting notes the report.

**Carried**

## 6.5 LGA Procurement Update

Moved Light Regional Seconded Adelaide Plains that the Ordinary General Meeting notes the report.

**Carried**

## 6.6 LGA Climate Commitment Action Plan Update

Moved Mount Barker Seconded Holdfast Bay that the Ordinary General meeting notes the report.

**Carried**

## 7. Recommendation Reports from the SAROC Committee

### 7.1 Implementation of an electronic portal for issuing of permits pursuant to the Fire and Emergency Services Act 2005 (Loxton Waikerie)

Moved Loxton Waikerie Seconded Renmark Paringa that the Ordinary General Meeting requests that the Minister for Police, Emergency Services and Correctional Services instructs and funds the SA Country Fire Service to implement an online portal for application, approval and issuing of permits pursuant to the Fire and Emergency Services Act 2005, prior to the commencement of the 2022-23 fire season.

**Carried**

### 7.2 Electric Vehicles Taxes (Victor Harbor)

Moved Victor Harbor Seconded Mitcham that the Ordinary General Meeting requests the LGA to advocate for the Federal Government to remove the Luxury Car Tax on Electric Vehicles and 'fuel efficient' vehicles.

**Carried**

Draft

### 7.3 **Research into the Population Status and Decline of Little Penguins in South Australia (Victor Harbor)**

Moved Victor Harbor Seconded Salisbury that the Ordinary General Meeting requests the LGA to lobby the State Government to revisit the strategies and management plans around increasing the little penguin population within all Coastal Councils, to save them from extinction.

**Carried**

### 7.4 **Stamp Duty on Residential Property in South Australia (Barunga West)**

Moved Whyalla Seconded Wattle Range that the Ordinary General Meeting requests the LGA to call on the South Australian Government to investigate options to exempt or reduce stamp duty taxes on regional residential property purchases to incentivise regional migration and increase regional residential demand, including from first home buyers.

**Carried**

## 8. **Recommendation Reports from the GAROC Committee**

### 8.1 **Review of the Planning Development and Infrastructure Act (Norwood, Payneham & St Peters) and Lack of local representation in the new Planning System, under the Planning, Development and Infrastructure Act 2016 (PDI Act) (Town of Gawler)**

Moved Norwood Payneham & St Peters Seconded Gawler that the Ordinary General Meeting:

1. note that the new planning system has resulted in a loss of community voices and local knowledge in its decision-making process;
2. request the LGA to call on the State Government for an independent and comprehensive review of the Planning Development and Infrastructure Act and associated documents with respect to maintaining an effective and defensible democratic process in respect to:
  - a) local participation in planning;
  - b) local government representation in planning;
  - c) the protection of local heritage places and historic areas;
  - d) the preservation of neighbourhood character through consideration of appropriate design principles; and including
  - e) undertaking an independent review of the Community Engagement Charter; and

Draft

3. request the LGA to write to other relevant parties to express concern about the current state of planning in South Australia.

**Carried**

## **8.2 Rough Sleeper/Homelessness Initiative (Town of Gawler)**

Moved Gawler Seconded Salisbury that the Ordinary General Meeting requests the LGA to:

1. support and actively advocate for the provision of lockers in appropriate locations across all South Australian Local Government areas. Lockers to be made available via participating charity services, issued to people living rough or experiencing homelessness to store their belongings in a safe and dignified way;
2. ensure support for people in these situations is collectively encouraged across the entire local government sector in South Australia on an ongoing basis, and request the LGA be represented within the current governance structure of the SA Alliance to End Homelessness; and
3. support the formation and work of the SA Alliance to End Homelessness, including by committing to the principles contained in the Memorandum of Understanding by signing the MOU between the Institute of Global Homelessness and South Australian stakeholders (including the State Government).

**Carried**

## **8.3 Inclusion of Email Addresses in the Voters Roll (Adelaide)**

Moved City of Adelaide Seconded Prospect that the Ordinary General Meeting requests the LGA to lobby the Minister for Local Government to propose an amendment to the Local Government Elections Act 1999 to make it a requirement that, when a person, body corporate or group is submitting an application for enrolment in respect of an area or ward in accordance with the Act, an email address must also be provided for inclusion on the voters roll.

**Lost**

Draft

## 9. Recommendation Reports from the LGA Board of Directors

### 9.1 Review of Local Government Disaster Recovery Assistance Arrangements (LGA Secretariat)

Moved Naracoorte Lucindale Seconded Kimba that the Ordinary General Meeting requests that the LGA advocates that the State Government undertakes an urgent review of the Local Government Disaster Recovery Assistance Arrangements (LGDRRA) with a focus on:

1. Making the LGDRRA simpler and more definitive in terms of the support that will be provided to councils in the event of a natural disaster;
2. Significantly reducing the current thresholds for cost reimbursement to levels consistent with other State jurisdictions;
3. Ensuring that the significant internal costs borne by councils during and after a natural disaster are acknowledged and can be recovered in the funding frameworks;
4. Providing clarity on the eligibility of both the short-term and long-term costs relating to the clean-up of damaged verge trees and road clearance; and
5. Further clarity on the ability to recover direct counter disaster operations costs from Control Agencies and the merits of removing this ability so that the LGDRRA can be an all-encompassing funding framework.

**Carried**

## 10. Next Meeting

An Annual General meeting will be held on 28 October 2022 at Adelaide Oval.

## 11. Close

The meeting was declared closed at 12.03pm.

### Minutes confirmed

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Chairperson

Date .....

## 2022 LGA President's Ordinary General Meeting Report

I'm pleased to present the President's Report to the 2022 LGA Ordinary General Meeting.

We've had a very busy past six months, with no signs of activity slowing down any time soon.

When we last came together at our 2021 Annual General Meeting, we had a new CEO who had been in the role for a whole three weeks, and whose energy and enthusiasm were very evident.

Clinton has now well and truly settled into the role and developed an understanding of the work of councils and the many challenges and opportunities they are dealing with. We're in a strong position to continue providing valuable leadership to the sector.

The Board recently commented on the seamless operation of the Secretariat throughout this period of change, so thank you to the LGA staff for your ongoing commitment to providing a high-quality service to our members.

Supporting this service, the LGA finalised a new partnership with LG Professionals SA and we welcomed the LG Professionals staff to Local Government House just prior to Christmas.

I understand the new partnership is working well and has already achieved some great outcomes and efficiencies for the sector. One of those has been the fantastic Showcase event that took place yesterday.

Looking beyond the day-to-day work of the LGA and councils, our community continues to work through the impacts of the COVID-19 pandemic. Specifically, we are now experiencing the effects of opening up our State to the rest of the country, and the reality of living with COVID.

Since the start of the pandemic over two years ago, we have been proud of the role our sector has played in supporting communities through the uncertainty, and this work has continued this year.

Most recently, we have seen many councils working closely with the LGA and SA Health to deliver Rapid Antigen Test collection points right across our state - which also transitioned into postal voting collection points in the lead up to 19 March.

And then, if we didn't have quite enough on our plate, in February we experienced a damaging weather event. Ex-tropical cyclone Tiffany wreaked havoc in many communities, with widespread severe weather and flooding across the north and west of our state.

Many councils were affected by this extreme weather event, and we know many staff members worked around the clock as part of response and recovery efforts. Councils sought to locate vulnerable and isolated residents and worked to make roads and other public places safe for their communities.

The LGA also worked closely with councils through the Local Government Functional Support Group to coordinate the sector's response, gather evidence of damage and cost impacts and apply for disaster recovery funding. We were thrilled that our advocacy to the State Government for extraordinary assistance was successful and pleased to learn that up to \$19 million in funding will be made available to the most affected councils.

Another key focus area for the LGA early this year was our advocacy campaign leading up to the state election, under the banner of our platform *Local Voices for a Resilient South Australia*.

Throughout this campaign, we drew attention to the sector's priorities through engagement with stakeholders, regional visits, and reporting through media and social media channels. A highlight was our state election forums held with the major parties in the week leading up to polling day.

We gained interest and momentum in our calls for action in a number of key areas, including addressing shortages in housing and regional health services, and the need for increased funding for libraries and digital literacy programs, as well as jetties and coastal infrastructure.

We are excited about the opportunities that a new State Government presents for councils and communities, and we look forward to strengthening our relationships with the state's new leaders based on the solid foundation of our existing advocacy work.

We are particularly pleased to know we will have a regular seat at the cabinet table going forward and we will be keen to finalise and share the details of these arrangements in the coming weeks.

Equally, we are keen to see country cabinet sessions commence – bringing cabinet to the regions and facilitating a closer connection to our communities.

Looking toward the federal election, we've promptly moved to support ALGA's advocacy activities. As we've heard from ALGA President Linda Scott, their campaign is centred around four key themes, and we have provided case studies to highlight the importance of these for South Australia.

Our state has an especially strong story to tell around our proactive transition to a circular economy and tangible and practical benefits of transport and community infrastructure funding - and we have taken every opportunity to promote and leverage this work.

We have continued working with the Electoral Commission of South Australia in preparation for this years' council elections and we are committed to building on our previous successful awareness campaigns.

This years' campaign will have a strong focus on encouraging participation by under-represented groups including women, young people, people with disability, First Nations and culturally diverse communities, and I hope you are all busy encouraging leaders in your communities to throw their hats in the ring and run for council.



Another key priority for the LGA and the sector is the continuing implementation of local government reforms.

We saw several reforms come into effect toward the end of 2021, including important changes to the *Local Government (Elections) Act 1999*, such as new requirements for candidates in council elections to declare where they live and whether they are a member of a political party, and a welcome change banning the use of corflute election signs on public roads.

We are now preparing for further rounds of amendments to commence later this month and later this year, including changes to reporting processes for councils' Annual Business Plans and Budgets, and the establishment of a new rates oversight scheme by the Essential Services Commission of South Australia.

It is important to remember these reforms were finalised against the background of a rate-capping agenda. Last year, our sector's advocacy resulted in amendments that provide additional oversight of councils' financial plans, while maintaining their ability to make rating decisions free from interference.

While this was a brilliant achievement, Parliament has signaled its desire to see all councils present rating information consistently and enable meaningful comparisons to be drawn. It is now incumbent upon us to make sure this new process delivers the intended outcome. A considered approach now may save us the pain of further rate-capping debates into the future.

Another key change is the commencement of the new Behavioural Management Framework. The Framework consists of new state-wide Behavioural Standards, supporting policies to be adopted by each council, and a new Behavioural Standards Panel to hear and resolve complaints.

The Panel is made up of three appointments, one nominated by the LGA, one nominated by the Minister for Local Government and a Presiding Member who is a joint nominee. Early this year the LGA carried out an extensive selection process to identify its nominees, and we were thrilled when all appointments were made from the LGA recommended nominees.

The appointment of Thilan Legierse, Adam Crichton and Rosie Jervis as the inaugural panel members will result in a fully independent, as well as highly skilled and experienced panel. The new panel will commence its formal functions after council elections in November, and these developments represent an excellent outcome for our sector.

The other significant reform process that councils have been involved in is the implementation of the *Planning, Development and Infrastructure Act 2016*, and the new e-planning system.

It has now been 12 months since the Planning and Design Code came into effect right across the state and the LGA has worked closely with councils to monitor the effectiveness of the new system and keep track of issues and potential improvements.



We understand the State Government is open to undertaking a review of the system, and we will be advocating for the review to consider issues such as enabling councils to include more localised policy, further consideration of the impacts of infill development, an increased focus on the differing needs of regional South Australia, and additional measures to improve urban green cover.

The State Planning Commission will also undertake a review of the 30 Year Plan for Greater Adelaide this year and the LGA will be coordinating input from councils. The review will present a vital opportunity for the local government sector to have a say on future planning policies for the metropolitan area, so we encourage as many councils as possible to participate in this process.

I know there are many important strategic issues to consider during the meeting today, so thank you for your ongoing support for the LGA and for your representation and advocacy on behalf of your councils and communities.

I look forward to the discussions today. Thank you.

## 5.2 Resolutions and Actions from Previous Meetings

### Minutes of Previous Meeting

Meeting	Annual General Meeting	28 October 2022
ECM:	782390	

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### Recommendation

**That the Annual General Meeting notes progress with resolutions resulting from the Ordinary General Meeting of 8 April 2022 and outstanding resolutions from earlier general meetings.**

### Discussion


The attached report outlines progress of resolutions from previous general meetings of the LGA.

Proposing items of business for an LGA Ordinary or Annual General Meeting is one of the important ways that LGA member councils participate in policy development and influence the advocacy agenda for local government. The LGA uses best endeavours to achieve the outcomes sought by member councils.


Following each General Meeting the LGA Secretariat provides a report to the LGA Board of Directors outlining a proposed course of action to progress each resolution. The actions endorsed by the LGA Board of Directors are then be incorporated into the LGA's work plan and communicated to the Mayor and Chief Executive Officer of the council that submitted the original item of business.

In addition to any engagement with the submitting council administration in order to adequately progress the issue, the LGA also writes to this council to provide a progress update prior to each General Meeting until the matter is closed.


All member councils continue to receive updates at General Meetings via this *Resolutions and Actions from Previous Meetings* report.

 = Completed/No further action required

Resolutions from the Ordinary General Meeting – 7 April 2022	Action Taken / Progress
<p><b>8.2 Rough Sleeper/Homelessness Initiative (Town of Gawler)</b> (TC 773173)</p> <p>That the Ordinary General Meeting requests the LGA to:</p> <ol style="list-style-type: none"> <li>1. support and actively advocate for the provision of lockers in appropriate locations across all South Australian Local Government areas. Lockers to be made available via participating charity services, issued to people living rough or experiencing homelessness to store their belongings in a safe and dignified way;</li> <li>2. ensure support for people in these situations is collectively encouraged across the entire local government sector in South Australia on an ongoing basis, and request the LGA be represented within the current governance structure of the SA Alliance to End Homelessness; and</li> <li>3. support the formation and work of the SA Alliance to End Homelessness, including by committing to the principles contained in the Memorandum of Understanding by signing the MOU between the Institute of Global Homelessness and South Australian stakeholders (including the State Government).</li> </ol>	<p>LGA Secretariat staff have highlighted the Town of Gawler's locker provision idea at forums featuring council staff and elected members, such as those mentioned above.</p> <p>The LGA will also liaise with the Town of Gawler to monitor the local development of this model and look for opportunities to showcase the project's success and/or learnings at a future LGA event.</p> <p>The South Australian Alliance to End Homelessness (SAAEH) is currently developing a governance framework. As part of this development, the LGA has participated in two preliminary workshop meetings (held on 12 April and 4 August 2022) which were partly focused on developing the SAAEH's governance framework. Each included approximately 20-25 participants from the South Australian Housing Authority's (SAHA) homelessness service provider alliance structure, as well as other interested stakeholders from the charitable sector. At these sessions, the LGA emphasised the following points:</p> <ul style="list-style-type: none"> <li>• As the closest level of government to South Australian communities, councils are aware of the growing incidence of rough sleeping homelessness.</li> <li>• South Australian councils want to participate in lessening the incidence of rough sleeping homelessness through collaborative actions involving the State Government and service providers in the charitable sector.</li> <li>• However, South Australian councils cannot provide services they are not resourced to maintain.</li> <li>• In this context, a collaborative working group needs to be established which includes representatives from all relevant stakeholders, to discuss viable actions and the resources required for their fulfilment.</li> </ul>

 = Completed/No further action required

	<ul style="list-style-type: none"> <li>The local government sector's role in this space is likely to be that of a facilitator – connecting service providers/charities and recording/reporting local data.</li> </ul> <p>In this context, the governance framework of the SAAEH is likely to provide an effective vehicle for the local government sector to:</p> <ul style="list-style-type: none"> <li>Share local intelligence regarding the occurrence and service demands of rough sleepers.</li> <li>Detail actions taken by councils to alleviate affordable housing shortages.</li> <li>Advocate for State Government policy/regulatory change and/or increased funding supports.</li> </ul> <p>The LGA is also working closely with the SAAEH to arrange an opportunity for the LGA President to sign an updated MOU between the Institute of Global Homelessness and South Australian stakeholders, including the newly elected Malinauskas Government.</p>
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 = Completed/No further action required

**8.1 Review of the Planning Development and Infrastructure Act (Norwood, Payneham & St Peters) and Lack of local representation in the new Planning System, under the Planning, Development and Infrastructure Act 2016 (PDI Act) (Town of Gawler) (SPS 773046)**

That the Ordinary General Meeting:


1. note that the new planning system has resulted in a loss of community voices and local knowledge in its decision-making process;
2. request the LGA to call on the State Government for an independent and comprehensive review of the Planning Development and Infrastructure Act and associated documents with respect to maintaining an effective and defensible democratic process in respect to:
  - a) local participation in planning;
  - b) local government representation in planning;
  - c) the protection of local heritage places and historic areas;
  - d) the preservation of neighbourhood character through consideration of appropriate design principles; and including
  - e) undertaking an independent review of the Community Engagement Charter; and
3. request the LGA to write to other relevant parties to express concern about the current state of planning in South Australia.

The LGA had advocated during the State election for an Independent Review of the planning system and the new State Government included the review as an election commitment.


The State Government has appointed a four-person industry panel to review South Australia's planning legislation, parts of the Planning and Design Code and the e-planning system.

The panel, to be led by planning consultant John Stimson, will investigate the relatively recently implemented Planning, Development and Infrastructure Act and Planning and Design Code. Mr Stimson will be joined by Cate Hart, the President of the Planning Institute of Australia (SA) and a senior public servant in the Department of Environment and Water, Andrew McKeegan, the executive director of transport property in the Victorian Department of Transport and a former senior South Australian planning bureaucrat, and Lisa Teburea, former Executive Director, Public Affairs with the LGA and recently appointed Executive Group Manager Planning and Urban Policy with the ACT Government.


The LGA Secretariat is developing a submission which will identify suggested changes to the PDI Act and associated regulations and will be provided to the Expert Panel as outlines in the Item of Business.

 = Completed/No further action required

<p><b>7.4 Stamp Duty on Residential Property in South Australia (Barunga West) (TC 773183)</b></p> <p>That the Ordinary General Meeting requests the LGA to call on the South Australian Government to investigate options to exempt or reduce stamp duty taxes on regional residential property purchases to incentivise regional migration and increase regional residential demand, including from first home buyers.</p>	<p>The Chair of SAROC, Mayor Erika Vickery OAM, has written to the Treasurer, Hon Stephen Mullighan MP, requesting that he investigate options to exempt or reduce stamp duty taxes on regional residential property purchases to incentivise regional migration and increase regional residential demand, including from first home buyers.</p>
<p><b>7.3 Research into the Population Status and Decline of Little Penguins in South Australia (Victor Harbor) (TC 773176)</b></p> <p>That the Ordinary General Meeting requests the LGA to lobby the State Government to revisit the strategies and management plans around increasing the little penguin population within all Coastal Councils, to save them from extinction.</p>	<p>The LGA President has written to the Minister for Climate, Environment and Water, Hon Susan Close MP, requesting that she review the strategies and management plans applicable to increasing the little penguin population within all coastal councils, to save them from extinction.</p>
<p><b>7.2 Electric Vehicles Taxes (Victor Harbor) (KR 773175)</b></p> <p>That the Ordinary General Meeting requests the LGA to advocate for the Federal Government to remove the Luxury Car Tax on Electric Vehicles and 'fuel efficient' vehicles.</p>	<p>The LGA Secretariat has liaised with ALGA to inform its strategies for continuing to progress electric vehicles as an advocacy issue with the Federal Government. The LGA President has written to the Federal Government to advocate that they remove the Luxury Car Tax on Electric Vehicles and other 'fuel efficient' vehicles. The Federal Minister for Climate Change and Energy has responded to say that his government is developing a National Electric Vehicle Strategy which will consider measures to increase sales and they have already introduced an Electric Car Discount to exempt many EVs from import tariffs and fringe benefits tax. The LGA will seek to have input into development of this national strategy.</p>


 = Completed/No further action required

<p><b>7.1 Implementation of an electronic portal for issuing of permits pursuant to the Fire and Emergency Services Act 2005 (Loxton Waikerie) (KR 773174)</b></p> <p>That the Ordinary General Meeting requests that the Minister for Police, Emergency Services and Correctional Services instructs and funds the SA Country Fire Service to implement an online portal for application, approval and issuing of permits pursuant to the Fire and Emergency Services Act 2005, prior to the commencement of the 2022-23 fire season.</p>	<p>The LGA President has written to the Minister for Emergency Services, Hon Joe Szakacs MP, to advocate that he instruct and fund the SA Country Fire Service to implement an online portal for application, approval and issuing of permits pursuant to the <i>Fire and Emergency Services Act 2005</i>, prior to the commencement of the 2022-23 fire season. The Minister has responded to say he has asked the CFS to investigate sustainable options to improve this system and the LGA will continue to raise this issue as opportunities arise.</p>
Resolutions from the Ordinary General Meeting – 30 April 2021	Action Taken / Progress
<p><b>8.4 Seeking a comprehensive State Government review of mandatory statutory rebates and exemptions from payment of local government rates (Adelaide) (LB 734189)</b></p> <p>That the Ordinary General Meeting:</p> <ol style="list-style-type: none"> <li>calls for the State Government to undertake a comprehensive review of statutory rate rebates and exemptions;</li> <li>requests that the LGA urgently progresses the key action in the LGA Advocacy Plan for 2019-2023 (Financial Sustainability theme) that the LGA work with interested councils to undertake analysis and prepare an issues paper to inform and advocate for a review of the mandatory rate rebates that councils are compelled to provide; and</li> <li>requests that following preparation of the issues paper and consultation with interested councils, the LGA seeks to engage an appropriate economic advisory consultant to prepare a report for government advocating for changes to statutory rate rebates and exemptions in SA.</li> </ol>	<p>This issue has not previously progressed due to competing advocacy priorities. Both GAROC and SAROC have included advocacy seeking a review of mandatory statutory rebates and discounts in their Annual Business Plans.</p> <p>GAROC has allocated \$35,000 in its budget to support the development of an issues paper and economic analysis report that investigates the financial and economic impact of mandatory rate rebates and recommends appropriate legislative changes that promote a more equitable approach for all ratepayers.</p> <p>Accordingly, this activity will be undertaken in 2022-23.</p>


 = Completed/No further action required

Resolutions from the Annual General Meeting – 31 October 2019	Action Taken / Progress
<p><b>8.4 Fairer Allocation of Open Space Funding (Campbelltown) (SS 688279)</b></p> <p>that the Annual General Meeting requests the LGA advocate to the Minister for Planning requesting that the Minister, in conjunction with local government, undertake a review of the Planning and Development Fund to investigate a financial model that is more equitable and appropriate for councils that are experiencing higher volumes of infill development, including multi storey development especially in relation to the subdivision of land under 20 allotments.</p>	<p>Following investigations undertaken by GAROC the LGA Board of Directors has adopted the following positions in relation to the Planning and Development Fund:</p> <ul style="list-style-type: none"> <li>a. Local government supports the Planning and Development Fund being used for the purpose it was established for: <ul style="list-style-type: none"> <li>i. To improve access to public open spaces and places, and</li> <li>ii. To enable the planning, design and delivery of quality public space that is essential to healthy, liveable communities.</li> </ul> </li> <li>b. That the State government engages with local government on the strategic direction of the Planning and Development Fund to support local government in delivering a broad range of open space needs identified in Councils' Open Space Strategies.</li> <li>c. The Planning and Development Fund should not be used for administrative purposes including the ongoing management of the online planning system, or public works or public policy that is not consistent with the aims and intent of the Planning and Development Fund, to improve access to public open space, and to enable the planning, design and delivery of quality public space that is essential to healthy, liveable communities.</li> <li>d. That the annual reporting process on the Planning and Development Fund be reinstated and expanded to include both financial inputs and outputs and to display this for each local government area</li> <li>e. Based on needs identified through open space strategic analysis, the funding process should explore: <ul style="list-style-type: none"> <li>i. Funding that is uncoupled from the need for council contribution for strategically important open space projects based on solid analysis and evidence;</li> </ul> </li> </ul>



 = Completed/No further action required

	<p>ii. The ability for local government to lodge applications for funding all year round; and</p> <p>iii. State government agencies incorporated into this process where they are required to follow the same application process as local government.</p>
Resolutions from the Ordinary General Meeting – 12 April 2019	Action Taken / Progress
<p><b>7.3 Jetties (Tumby Bay) (KR 670924)</b></p> <p>that the Ordinary General Meeting requests that the LGA immediately begin negotiations with the current State Government to draft a lease or other agreement with local government collectively (for those councils that currently hold an existing lease agreement) to safeguard the future of jetties in South Australia without creating a financial burden on ratepayers, especially in rural and regional areas.</p>	<p>Negotiation with the State Government is ongoing.</p> <p>The LGA included this issue in its 2022 Local Voices for a Resilient South Australia election campaign. There was media interest in this issue throughout the election.</p> <p>The LGA President wrote to the Treasurer, Hon Stephen Mullighan MP, to highlight the need for funding for jetties as an immediate and practical issue whereby an injection of State funding would make a significant impact on the prosperity of local communities. The LGA's post-budget media release also expressed disappointment that the \$10 million for priority jetty maintenance work was not included in the Budget. The LGA President has subsequently written to the Minister for Infrastructure and Transport, Hon Tom Koutsantonis MP, urging that the Jetties Strategic Plan be finalised and released to identify a sustainable approach to the future management and prioritisation of investment for SA jetties.</p>

 = Completed/No further action required

Resolutions from the Annual General Meeting -- 16 November 2017	Action Taken / Progress
<p><b>8.1 Community Land Management Plans (Charles Sturt) (KR 655308)</b></p> <p>That the Annual General Meeting requests the LGA to undertake a comprehensive review of their Community Land – Classification and Management Plans Guidelines to ensure that these guidelines take into consideration the decision handed down by Justice Malcolm Blue in the Supreme Court.</p>	<p>The LGA has been working with Local Government Risk Services on two projects to respond to the Coast Park decision: a revised Public Consultation Policy - Model Policy document and revised Community Land Management Plan (CLMP) guidelines. The draft consultation policy is currently being consulted upon.</p>

## 6.1 LGA Annual Report 2021-22

### LGA Updates

From:	Karen Teaha, Director Media and Communications	
Strategy:	4 - Achieve	
Outcome:	4.1 We lead by example in the governance and operations of the LGA	
Meeting:	Annual General Meeting	28 October 2022
ECM:	782374	

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### Recommendation

**That the Annual General Meeting receives and adopts the Local Government Association of South Australia's Annual Report for the year 2021-22.**

### Discussion

The LGA's 2021-2022 Annual Report, including abridged financial statements, was approved by the LGA Board of Directors on 15 September 2022 and is presented to the Annual General Meeting for adoption by member councils.

The Annual Report is published online via the [LGA website](#) and is available as a printed copy for each member council at the Annual General Meeting.

The consolidated audited financial statements of the LGA and controlled entities for the year ending 30 June 2022 are presented as a separate report to the Annual General Meeting.

### *Financial and Resource Implications*

This activity has been anticipated in the LGA's work program and resources are available to progress this work.

## 6.2 Financial Statements 2021/2022

### LGA Updates

From:	Andrew Wroniak, Director Corporate Services	
Strategy:	4 - Achieve	
Outcome:	4.1 We lead by example in the governance and operations of the LGA	
Meeting:	Annual General Meeting	28 October 2022
ECM:	782572	Attachment: 781628

### Recommendation

**That the Annual General Meeting receives and adopts the LGA of SA and controlled entities Financial Statements for the year 2021/22.**

### Discussion

The LGA Group operations were favourable to budget in the 2021/22 financial year. The LGA Group continues to maintain a strong asset base with both short and long term investments.

The LGA continues to meet its 10-year long-term financial plan forecasts posting a net surplus of \$4.262 million for the LGA Group for the year ended 2021/22.

The underlying surplus for the Group is \$1.776 million after excluding income gains from the book revaluation of LG House and minor asset sales of \$3.086 million and \$600,975 of risk incentive grant payments made from the Workers Compensation Scheme and Mutual Liability Scheme.

The attached consolidated financial statements for 2021/22 include the financial results for the following entities:

- LGA Parent Entity - Operations and Project activity - \$884,256 surplus before the gain from the revaluation of LG House
- LGA Procurement - \$121,168 surplus
- LGASA Mutual - \$19,073 surplus
- LGA Workers Compensation Scheme - \$874,730 surplus after risk incentive payments.
- LGA Mutual Liability Scheme - \$712,979 deficit after risk incentive payments to members

Transactions between individual entities are eliminated in the consolidated accounts.

**LGA Parent Entity Operations and Projects - \$884,256 surplus (\$3.960 million surplus after asset revaluation)**

*LGA Parent - Operations (excluding change in the investment property and project activity).*

LGA Parent Operations recorded an operating surplus of \$1.164 million.

The surplus is a positive financial result for the year due to staffing changes that resulted in savings from vacancies, increased returns from tenants at LG House and other operational savings. The LGA focused its efforts on the LG Reform changes and preparing for the

forthcoming local government elections. The LGA also assisted Councils through the relaxing of COVID-19 restrictions and stimulus packages that flowed from the State Government.

#### *LGA Parent - Project Activity*

The deficit in project activity is due to expenditure of previously received reserve funds for the Council Ready project which was completed during the year, as well as activity from the Research and Development Scheme. The LGA also provided grants of \$3.146 million from the Community Wastewater Management Scheme which is the LGA's largest grant program.

#### *LGA Parent Overall*

The net surplus of \$3.960 million is due to the operating result described above and the gain in the revaluation of the commercially leased floors at LG House of \$3.060 million, which is a non-cash adjustment. The increase in the valuation is due to the strong commercial market but also the investments the LGA has made in facilities for tenants and the installation of solar power.

#### **LGA Procurement - \$121,168 surplus**

LGA Procurement is reporting a surplus of \$121,168 with revenue of \$1.558 million and expenses of \$1.387 million. In 2021/22, LGA Procurement experienced growth in Council purchasing via aggregated supply contracts and project consultancies.

Majority of growth occurred in the contracts for Bitumen, Open Spaces and Earthmoving suppliers and there continues to be a strong demand by regional councils for LGA Procurement's project consultancy services.

Over \$150 million of purchases were made through LGA Procurement's managed contracts and consultancy services, saving councils approximately \$15 million.

#### **LGASA Mutual - \$19,073 surplus**

LGASA Mutual is the governing entity of the two Schemes with operating expenditure of \$687,662 in 2021/22.

Overall, LGASA Mutual is reporting an operating surplus of \$19,073 in 2021/22 compared with a deficit of \$8,628 in 2020/21.

LGASA Mutual had a closing cash balance of \$379,607 on 30 June 2022 compared with \$325,728 at 30 June 2020.

#### **LGA Workers Compensation Scheme - surplus \$874,730**

The operating result for the LGAWCS in 2021/22 was a surplus of \$874,730 after the payment of \$344,940 from the risk incentive grant program.

In conjunction with the Scheme's actuary, the Board determines the target range of accumulated services that the LGAWCS should hold. As closing balance of funds held were above the target range, LGASA Mutual board has agreed to provide a special distribution of \$1 million to members in the 2022/23 financial year.

At the end of the year, the LGAWCS held an accumulated surplus of \$18.450 million.

#### **LGA Mutual Liability Scheme - deficit \$712,979**

The operating result for the LGAMLS in 2020/21 was a deficit of \$712,979 after the payment of \$256,035 from the risk incentive grant program.

At the end of the year, the LGAMLS held an accumulated surplus of \$16.884 million which is within the target range for the scheme.

## **Conclusion**

The Financial Statements for 2021/22 have been reviewed by the LGA's auditor PwC and have been certified by the LGA Board. The report presents fairly the LGA's performance and cash flows for the financial year and complies with Australian Accounting Standards and relevant legislative requirements.

## ***Financial and Resource Implications***

This activity has been anticipated in the LGA's work program and resources are available to progress this work.

# **Local Government Association of South Australia**

## **Consolidated Financial Report**

**For the Year Ended 30 June 2022**

## Local Government Association of South Australia

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For the Year Ended 30 June 2022

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## Local Government Association of South Australia

### Board Members' Report

30 June 2022

The Board members present the financial report of the Local Government Association of South Australia and its controlled entities ("the Group") for the financial year ended 30 June 2022 and the auditor's report thereon.

#### Board members

The names of the Directors currently in office are:

Mayor Gillian Aldridge  
Mayor Claire Boan  
Mayor Angela Evans  
Mayor Heather Holmes-Ross (appointed 2 May 2022)  
Mayor Dean Johnson (appointed 2 March 2022)  
Mayor Peter Matthey  
Mayor Clare McLaughlin  
Mayor David O'Loughlin  
Mayor Keith Parkes  
Mayor Erika Vickery

The following were Directors in Office from the beginning of the financial year, unless otherwise stated and resigned during the year:

Mayor Sam Telfer (resigned 31 December 2021)  
Mayor Erin Thompson (resigned 19 March 2022)  
Lord Mayor Sandy Verschoor (appointed 28 February, resigned 29 March 2022)

Board members have been in office since the start of the financial year to the date of this report unless otherwise stated.

#### Principal activities

The Group consists of the following entities, Local Government Association of South Australia (LGA), LGASA Mutual Pty Ltd (LGASA Mutual), Local Government Mutual Liability Scheme (LGAMLS), Local Government Workers Compensation Scheme (LGAWCS) and LGCS Pty Ltd as trustee for LGCS Trust No.1 (LGA Procurement). The principal activities of the Group during the financial year were as follows:

##### *LGA*

The LGA is a membership based peak body that provides leadership, advocacy and services to and on behalf of the member councils of South Australia.

##### *LGASA Mutual*

LGASA Mutual is wholly owned by the LGA, formed to provide independent strategic oversight of the LGAMLS and LGAWCS and to oversee the day to day service delivery contract held by Marsh Pty Ltd.

##### *LGAMLS*

The Scheme is a mutual risk product that offers discretionary indemnity and claims management service to its members in respect of their potential and actual civil liabilities. These services are provided to Local Government in South Australia and include the provision of risk management services to minimise the occurrence of civil liabilities and the provision of claims management services.

##### *LGAWCS*

The Scheme is a mutual risk product that offers discretionary indemnity and injury management services to its members in respect of their potential and actual liabilities that arise under the provisions contained in the Return to Work Act 2014 (RTW Act). These services are provided to Local Government in South Australia, and include the provision of claims management, worker rehabilitation and occupational health and safety management services, to minimise the occurrence of workers compensation liabilities.

## Local Government Association of South Australia

### Board Members' Report

30 June 2022

#### Principal activities

##### LGA Procurement

LGA Procurement provides procurement services to all South Australian councils and related entities. These services include training, templates and a large range of contracts providing benefits from aggregating procurement and specialty skills.

#### Results and review of operations for the year

The overall surplus for the Group for the financial year before special distributions and other items was \$4,261,928 (2021FY deficit: \$1,405,081). After the special distributions to scheme members and a gain from the revaluation of the investment in Local Government House the total comprehensive surplus was \$6,948,413 (2021FY: \$525,312). The results for each of the entities before inter-entity eliminations are as follows:

##### LGA

The LGA is reporting an operating surplus of the \$884,256 in the 2022FY (2021FY \$494,703). This comprises of an operating surplus from ordinary operations of \$1,164,074 (2021FY \$135,234) and a surplus in project activity of \$(279,818) (2021FY \$359,469). After the gain on investment property of \$3,060,388 (2021FY \$1,629,223) and net gain on disposal of assets of \$15,287 (2021FY net loss \$17,067) the Net Surplus is \$3,959,931 (2021FY \$2,106,859).

##### LGASA Mutual

In the 2022FY, LGASA Mutual is reporting an operating surplus of \$19,072 compared with a \$8,627 deficit in the 2021FY.

##### LGAMLS

The operating deficit for the 2022FY amounted to \$712,979 (2021FY: deficit of \$585,263) inclusive of payments to the risk incentive program of \$256,035 (2021FY: \$575,402). There were no special distribution to members in 2022FY or 2021FY.

##### LGAWCS

The operating surplus for the 2022FY amounted to \$874,730 (2021FY: deficit of \$183,768) inclusive of payments to the risk incentive program of \$344,940 (2021FY: \$856,301) and before the special distribution to members of \$Nil (2021FY: \$1,500,000). The net surplus for the year was \$874,730 (2021FY: deficit of \$1,683,768).

##### LGA Procurement

The operating surplus for the 2022FY was \$121,168 compared to a surplus of \$93,875 in the 2021FY.

#### Significant changes in the state of affairs

In the opinion of the Board members, there have been no other significant changes in the state of affairs of the entities in the Group during the year.

#### Likely developments

Information about the likely developments in the operations of the Group and the expected results of those operations in future financial years has not been included in this report.

#### Environmental issues

The Group's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a State or Territory of Australia. However, the Board believes that the Group has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Group.

**Local Government Association of South Australia**

**Board Members' Report**  
**30 June 2022**

**Impact of COVID19**

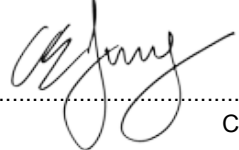
COVID19 has not had a material financial impact on the Group nor a significant impact on its operations.

**Indemnification and insurance of officers and auditors**

The Board members have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the members of the Board and officers' liability and legal expenses insurance contracts as such disclosure is prohibited under the terms of the contract.

Signed in accordance with a resolution of the Members of the Board:

  
President: .....  
Mayor Angela Evans

  
Chief Executive Officer:.....  
Clinton Jury

Dated this .....23rd..... day of .....September..... 2022

## Local Government Association of South Australia

## Statement of Surplus/(Deficit) and Other Comprehensive Income

### For the Year Ended 30 June 2022

	Note	Consolidated		Parent	
		2022	2021	2022	2021
Revenue and income from continuing operations		\$	\$	\$	\$
Member contributions	7	35,092,159	33,627,722	-	-
Grant revenue		2,087,458	3,462,157	2,172,458	3,864,162
Subscriptions		2,429,685	2,370,421	2,429,685	2,370,421
Other revenue	7	8,472,702	5,737,304	8,071,060	5,711,355
Finance income		944,649	1,252,146	575,021	666,216
<b>Total revenue from continuing operations</b>		<b>49,026,653</b>	<b>46,449,750</b>	<b>13,248,224</b>	<b>12,612,154</b>
<b>Expenses</b>					
Employee benefits expense		(6,808,266)	(7,144,024)	(5,396,801)	(5,906,142)
Risk management, levies and other scheme expenses		(12,398,653)	(12,641,626)	-	-
Depreciation and amortisation		(730,475)	(728,403)	(711,418)	(707,991)
Grant expenditure	8	(529,109)	(583,360)	(547,614)	(583,360)
Net claims expense	9	(10,206,031)	(10,152,662)	-	-
Catastrophe insurance expense		(9,225,644)	(8,480,127)	-	-
Other expenses from ordinary activities		(6,863,479)	(5,769,308)	(5,149,768)	(4,283,837)
Finance expenses		(1,089,606)	(1,157,315)	(558,367)	(636,121)
<b>Total Expenses</b>		<b>(47,851,263)</b>	<b>(46,656,825)</b>	<b>(12,363,968)</b>	<b>(12,117,451)</b>
<b>Operating surplus/(deficit)</b>		<b>1,175,390</b>	<b>(207,075)</b>	<b>884,256</b>	<b>494,703</b>
Net gain/(loss) on sale of assets		26,150	(17,067)	15,287	(17,067)
Gain revaluation of investment property		3,060,388	1,629,223	3,060,388	1,629,223
<b>NET SURPLUS/(DEFICIT)</b>		<b>4,261,928</b>	<b>1,405,081</b>	<b>3,959,931</b>	<b>2,106,859</b>
<b>Other Comprehensive Income</b>					
Special distribution to members		-	(1,500,000)	-	-
Revaluation of operating land and buildings		2,686,485	620,231	2,686,485	620,231
<b>Total comprehensive surplus/(deficit) for the year</b>		<b>6,948,413</b>	<b>525,312</b>	<b>6,646,416</b>	<b>2,727,090</b>

The accompanying notes form part of these financial statements.

## Local Government Association of South Australia

## Statement of Financial Position

As at 30 June 2022

	Note	Consolidated		Parent	
		2022	2021	2022	2021
		\$	\$	\$	\$
<b>ASSETS</b>					
CURRENT ASSETS					
Cash and cash equivalents	10	49,472,139	44,494,919	7,902,679	7,060,981
Trade and other receivables	11	17,615,990	16,824,187	4,328,998	3,851,043
Financial assets	12	17,761,396	23,924,270	-	-
Prepayments		544,286	420,179	411,390	415,179
Reinsurance and other recoveries receivables	13	6,243,218	4,138,510	-	-
<b>TOTAL CURRENT ASSETS</b>		<b>91,637,029</b>	<b>89,802,065</b>	<b>12,643,067</b>	<b>11,327,203</b>
NON-CURRENT ASSETS					
Trade and other receivables	11	13,056,655	15,412,329	13,056,655	15,412,329
Financial assets	12	2	2	3	2
Property, plant and equipment	14	15,602,484	13,356,425	15,523,575	13,272,891
Investment properties	15	16,927,500	13,539,545	16,927,500	13,539,545
Intangible assets	16	637,165	777,642	637,165	777,642
Reinsurance and other recoveries receivables	13	12,402,393	12,489,334	-	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>58,626,199</b>	<b>55,575,277</b>	<b>46,144,898</b>	<b>43,002,409</b>
<b>TOTAL ASSETS</b>		<b>150,263,228</b>	<b>145,377,342</b>	<b>58,787,965</b>	<b>54,329,612</b>
<b>LIABILITIES</b>					
CURRENT LIABILITIES					
Trade and other payables	17	11,903,481	11,179,900	9,987,712	9,832,150
Borrowings	19	2,355,674	2,277,018	2,355,674	2,277,018
Employee benefits	18	835,968	902,239	621,759	689,282
Unearned member contributions	20	10,854,199	10,324,828	-	-
Outstanding claims liability	21	12,684,227	13,340,144	-	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>38,633,549</b>	<b>38,024,129</b>	<b>12,965,145</b>	<b>12,798,450</b>
NON-CURRENT LIABILITIES					
Borrowings	19	13,056,655	15,412,329	13,056,655	15,412,329
Catastrophe margin		85,000	85,000	-	-
Employee benefits	18	225,345	201,136	184,693	183,777
Outstanding claims liability	21	26,574,138	26,914,618	-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>39,941,138</b>	<b>42,613,083</b>	<b>13,241,348</b>	<b>15,596,106</b>
<b>TOTAL LIABILITIES</b>		<b>78,574,687</b>	<b>80,637,212</b>	<b>26,206,493</b>	<b>28,394,556</b>
<b>NET ASSETS</b>		<b>71,688,541</b>	<b>64,740,130</b>	<b>32,581,472</b>	<b>25,935,056</b>
<b>EQUITY</b>					
Reserves	22	27,275,355	22,699,833	23,863,239	20,321,054
Retained earnings		44,413,186	42,040,297	8,718,233	5,614,002
<b>TOTAL EQUITY</b>		<b>71,688,541</b>	<b>64,740,130</b>	<b>32,581,472</b>	<b>25,935,056</b>

The accompanying notes form part of these financial statements.

## Local Government Association of South Australia

## Statement of Changes in Equity

For the Year Ended 30 June 2022

## 2021 Consolidated

	Consolidated					Total Equity \$
	Retained Earnings	Asset Revaluation Reserve	Project Reserve	Risk Incentive Reserve	Total Reserves	
	\$	\$	\$	\$	\$	
Balance at 1 July 2020	43,610,568	9,629,913	7,163,854	3,810,483	20,604,250	64,214,818
Surplus/deficit for the year from ordinary activities	1,405,081	-	-	-	-	1,405,081
Special distribution to members	(1,500,000)	-	-	-	-	(1,500,000)
Revaluation increment (decrement)	-	620,231	-	-	620,231	620,231
<b>Total comprehensive surplus/(deficit) for the year</b>	<b>(94,919)</b>	<b>620,231</b>	<b>-</b>	<b>-</b>	<b>620,231</b>	<b>525,312</b>
Transfer (to)/from project reserve	(2,907,055)	-	2,907,055	-	2,907,055	-
Transfer (to)/from risk incentive reserve	1,431,703	-	-	(1,431,703)	(1,431,703)	-
<b>Balance at 30 June 2021</b>	<b>42,040,297</b>	<b>10,250,144</b>	<b>10,070,909</b>	<b>2,378,780</b>	<b>22,699,833</b>	<b>64,740,130</b>

## 2022 Consolidated

	Consolidated					Total Equity \$
	Retained Earnings	Asset Revaluation Reserve	Project Reserve	Risk Incentive Reserve	Total Reserves	
	\$	\$	\$	\$	\$	
Balance at 1 July 2021	42,040,297	10,250,144	10,070,909	2,378,780	22,699,833	64,740,130
Surplus/deficit for the year from ordinary activities	4,261,928	-	-	-	-	4,261,928
Revaluation of operating land and buildings increment (decrement)	-	2,686,485	-	-	2,686,485	2,686,485
<b>Total comprehensive surplus / (deficit) for the year</b>	<b>4,261,928</b>	<b>2,686,485</b>	<b>-</b>	<b>-</b>	<b>2,686,485</b>	<b>6,948,413</b>
Transfer (to)/from project reserve	(855,700)	-	855,700	-	855,700	-
Transfer (to)/from risk incentive reserve	(1,033,337)	-	-	1,033,337	1,033,337	-
<b>Balance at 30 June 2022</b>	<b>44,413,188</b>	<b>12,936,629</b>	<b>10,926,609</b>	<b>3,412,117</b>	<b>27,275,355</b>	<b>71,688,541</b>

The accompanying notes form part of these financial statements.

## Local Government Association of South Australia

## Statement of Changes in Equity

For the Year Ended 30 June 2022

## 2021 Parent

	Parent					Total Equity \$
	Retained Earnings	Asset Revaluation Reserve	Project Reserve	Risk Incentive Reserve	Total Reserves	
	\$	\$	\$	\$	\$	
Balance at 1 July 2020	6,414,199	9,629,913	7,163,854	-	16,793,767	23,207,966
Total profit/(loss) for the year	2,106,859	-	-	-	-	2,106,859
Revaluation increment (decrement)	-	620,231	-	-	620,231	620,231
<b>Comprehensive surplus/(deficit) from ordinary activities</b>	<b>2,106,859</b>	<b>620,231</b>	<b>-</b>	<b>-</b>	<b>620,231</b>	<b>2,727,090</b>
Transfer (to)/from project reserve	(2,907,056)	-	2,907,056	-	2,907,056	-
<b>Balance at 30 June 2021</b>	<b>5,614,002</b>	<b>10,250,144</b>	<b>10,070,910</b>	<b>-</b>	<b>20,321,054</b>	<b>25,935,056</b>

## 2022 Parent

	Parent					Total Equity \$
	Retained Earnings	Asset Revaluation Reserve	Project Reserve	Risk Incentive Reserve	Total Reserves	
	\$	\$	\$	\$	\$	
Balance at 1 July 2021	5,614,002	10,250,144	10,070,910	-	20,321,054	25,935,056
Total profit/(loss) for the year	3,959,931	-	-	-	-	3,959,931
Revaluation increment (decrement)	-	2,686,485	-	-	2,686,485	2,686,485
<b>Comprehensive surplus/(deficit) from ordinary activities</b>	<b>3,959,931</b>	<b>2,686,485</b>	<b>-</b>	<b>-</b>	<b>2,686,485</b>	<b>6,646,416</b>
Transfer (to)/from project reserve	(855,700)	-	855,700	-	855,700	-
<b>Balance at 30 June 2022</b>	<b>8,718,233</b>	<b>12,936,629</b>	<b>10,926,610</b>	<b>-</b>	<b>23,863,239</b>	<b>32,581,472</b>

The accompanying notes form part of these financial statements.

## Local Government Association of South Australia

## Statement of Cash Flows

### For the Year Ended 30 June 2022

Note	Consolidated		Parent	
	2022	2021	2022	2021
	\$	\$	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers/members (inclusive of GST)	<b>50,838,586</b>	49,500,677	<b>13,400,082</b>	10,875,322
Receipts from grants	<b>6,676,066</b>	8,701,405	<b>6,676,066</b>	9,103,410
Interest received	<b>944,649</b>	1,266,978	<b>575,021</b>	681,049
Payments to suppliers and employees (inclusive of GST)	<b>(40,679,692)</b>	(38,366,822)	<b>(12,562,941)</b>	(10,936,136)
Claims paid	<b>(11,202,428)</b>	(12,500,017)	-	-
Borrowing costs	<b>(1,089,606)</b>	(1,157,315)	<b>(558,367)</b>	(636,121)
Distribution back to members	-	(1,500,000)	-	-
Grant payments	<b>(3,945,220)</b>	(2,148,816)	<b>(3,963,725)</b>	(2,148,816)
Net cash provided by/(used in) operating activities	<b>1,542,355</b>	3,796,090	<b>3,566,136</b>	6,938,708
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Purchase of property, plant and equipment	<b>(450,990)</b>	(2,349,383)	<b>(447,420)</b>	(2,349,383)
Cash realised from term deposits	<b>6,162,874</b>	13,485,215	-	-
Net cash provided by/(used in) investing activities	<b>5,711,884</b>	11,135,832	<b>(447,420)</b>	(2,349,383)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
Repayment of borrowings	<b>(2,277,018)</b>	(2,200,989)	<b>(2,277,018)</b>	(2,200,989)
Net cash provided by/(used in) financing activities	<b>(2,277,018)</b>	(2,200,989)	<b>(2,277,018)</b>	(2,200,989)
Net increase/(decrease) in cash and cash equivalents held	<b>4,977,221</b>	12,730,933	<b>841,698</b>	2,388,336
Cash and cash equivalents at beginning of year	<b>44,494,918</b>	31,763,986	<b>7,060,981</b>	4,672,645
Cash and cash equivalents at end of financial year	<b>49,472,139</b>	44,494,919	<b>7,902,679</b>	7,060,981

The accompanying notes form part of these financial statements.



## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 1. Parent reporting

The following information has been extracted from the books and records of the parent, Local Government Association of South Australia and has been prepared in accordance with Accounting Standards.

The parent information has been disaggregated into Secretariat activity and Project activity. Secretariat activity details the annual day to day operations of the LGA and Project activity includes activity funded from External Grants and Contributions to manage committed projects with specified outcomes.

#### Statement of Surplus/(Deficit) and Other Comprehensive Income

##### 1.a. Detailed Table

	Secretariat	Secretariat	Project	Project	Total	Total
	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$
<b>Revenue from continuing operations</b>						
Subscriptions	2,429,685	2,370,421	-	-	2,429,685	2,370,421
Grant revenue	167,537	60,961	2,004,922	3,803,201	2,172,459	3,864,162
Other revenue	7,607,510	5,454,968	463,550	256,387	8,071,060	5,711,355
Finance income	574,725	663,569	295	2,647	575,020	666,216
<b>Total revenue from continuing operations</b>	<b>10,779,457</b>	<b>8,549,919</b>	<b>2,468,767</b>	<b>4,062,235</b>	<b>13,248,224</b>	<b>12,612,154</b>
<b>Expenses</b>						
Employee benefits - operating	(4,315,364)	(4,375,229)	(1,081,437)	(1,530,913)	(5,396,801)	(5,906,142)
Grant expenditure	-	-	(547,614)	(583,360)	(547,614)	(583,360)
Depreciation	(700,562)	(679,038)	(10,856)	(28,953)	(711,418)	(707,991)
Other expenses	(4,042,022)	(2,725,719)	(1,107,746)	(1,558,118)	(5,149,768)	(4,283,837)
Impairment loss on office furniture	-	-	-	-	-	-
Finance expenses	(557,435)	(634,699)	(932)	(1,422)	(558,367)	(636,121)
<b>Total Expenses before sale/impairment of assets</b>	<b>(9,615,383)</b>	<b>(8,414,685)</b>	<b>(2,748,585)</b>	<b>(3,702,766)</b>	<b>(12,363,968)</b>	<b>(12,117,451)</b>
<b>Operating Surplus/(Deficit)</b>	<b>1,164,074</b>	<b>135,234</b>	<b>(279,818)</b>	<b>359,469</b>	<b>884,256</b>	<b>494,703</b>

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 1. Parent reporting

##### 1.b. Parent entity grant payments

The following table shows the grant payments made by the LGASA Parent, included in cashflows, that have resulted from the change in accounting policies of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income for Not-For-Profit Entities

	2022	2021
	\$	\$
Community wastewater management scheme	3,146,154	1,074,828
Early childhood community innovation	158,700	-
LG research and development scheme	448,021	488,360
Local govt youth led COVID19 recovery	53,211	445,681
Other grants	157,639	139,947
	<b>3,963,725</b>	<b>2,148,816</b>

##### Contingent liabilities

The parent entity did not have any contingent liabilities as at 30 June 2022 or 30 June 2021.

#### 2. Summary of Significant Accounting Policies

##### 2.a. Basis of preparation

These non-statutory general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and relevant South Australian Legislation.

The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

##### Accounting policies

The financial statements include the consolidation of LGA and its' controlled entities ('the Group'). LGA is a body corporate established under the Local Government Act 1999 and is a not-for-profit entity.

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial statements. The accounting policies have been consistently applied unless otherwise stated.

Outlined below are significant accounting policies related to the overall Group. Policies related specifically to the LGAWCS and LGAMLS ('the Schemes') have been separately disclosed in Note 2(h) - (n).

##### Historical cost convention

The consolidated financial statements have been prepared on the historical cost basis except for selected non-current assets, and financial assets and financial liabilities for which fair value basis of accounting has been applied.

##### Consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost. The Group controls an entity when the Group is exposed to, or has the rights to, variable returns from its involvements with the entity and an ability to affect those

## Local Government Association of South Australia

# Notes to the Financial Statements

For the Year Ended 30 June 2022

## 2. Summary of Significant Accounting Policies

### 2.a. Basis of preparation

returns through its power to direct the activities of the entity.

Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements.

Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. All controlled entities have a June financial year end.

When controlled entities have entered or left the consolidated entity during the year, their operating results have been included/ excluded from the date control was obtained or until the date of control ceased.

A list of controlled entities is contained in Note 25 to the financial statements.

### 2.b. New Accounting Standards and Interpretations

New Australian accounting standards applicable for the first time during the period did not have a material impact on the group's results or financial statements.

Australian accounting standards not yet effective have not been early adopted by the group. Of these standards the following may have a material impact on future periods when adopted:

Australian Accounting Standards Board (AASB) 17 Insurance Contracts

AASB 17 Insurance Contracts was issued in May 2017 and will replace AASB 4 Insurance Contracts, which currently permits a wide variety of practices. AASB 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features.

The standard is not expected to be effective until the 30 June 2024 financial year for the group. At this point the group has not evaluated the impact of the standard.

### 2.c. Income Tax

The Group, and its related entities, is exempt from income tax under the Income Tax Assessment Act.

### 2.d. Financial instruments

Recognition and derecognition

Purchases and sales transactions of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

Classification

The Group classifies its financial assets in the following measurement categories:

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 2. Summary of Significant Accounting Policies

##### 2.d. Financial instruments

- those to be measured subsequently at fair value (either through Other Comprehensive Income (OCI) or through the statement of surplus/(deficit)),
- those to be measured at amortised cost

The classification depends on the Group's business model for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of Surplus/(Deficit) or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). The group reclassifies debt investments when and only when its business model for managing those assets changes.

##### Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through Statement of Surplus/(Deficit) (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in the Statement of Surplus/(Deficit). Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its financial assets:

- Amortised cost: assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling financial assets, where the assets' cash flows represent solely payment of principal and interest are measured at FVOCI.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in the Statement of Surplus/(Deficit) and presented net within other gains/(losses) in the period in which it arises.

##### Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 2. Summary of Significant Accounting Policies

##### 2.e. Impairment of non-financial assets

At the end of each reporting period the Group determines whether there is evidence of an impairment indicator for non-financial assets. At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Surplus/(Deficit).

Where it is not possible to estimate the recoverable amount of an individual asset, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

##### 2.f. Capital Management Policy

The Group's objective when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide services to members.

In order to maintain or adjust the capital structure, LGA may adjust the amount of contribution received from its members, adjust the excess surplus to its members via special distributions or enter into debt agreements.

LGA monitors capital on the basis of the total accumulated surplus. A special distribution may be made to its members where the total accumulated surplus exceeds the LGASA Mutual's targeted surplus.

##### 2.g. Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office.

Receivables and payable in the statement of financial position are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

##### 2.h. Classification of Mutual Risk Products

The Schemes are Mutual Risk Products as defined by the Australian Securities and Investment Commission and are neither authorised under, nor subject to, the provisions of the Insurance Act. The Schemes are not a product regulated by the Australian Prudential Regulation Authority.

The Schemes are self-insured products where Members agree to Scheme Rules and whereby the Schemes agree to accept significant risk from the Members by making discretionary decisions on whether to compensate the Members for future claims.

Relevant reinsurance is purchased by the Schemes as a mechanism to protect the Scheme and Members. In respect to the LGAMLS, it is further protected through the backing of the Treasurers Indemnity.

## Local Government Association of South Australia

### Notes to the Financial Statements

#### For the Year Ended 30 June 2022

## 2. Summary of Significant Accounting Policies

### 2.i. Unexpired Risk Liability

At each reporting date the Schemes assess whether the unearned members' contribution liability is sufficient to cover all expected future cash flows relating to future claims against current contracts. This assessment is referred to as the liability adequacy test and is performed separately for each group of contracts subject to broadly similar risks and managed together as a single portfolio.

Provision is made for unexpired risks arising from general business where the expected value of claims and expenses attributed to the unexpired periods of policies in force at the balance date exceeds the unearned members' contribution liability in relation to such policies.

If the present value of the expected future cash flows relating to future claims plus the additional risk margin to reflect the inherent uncertainty in the central estimate exceeds the unearned members' contribution liability then the unearned contribution liability is deemed to be deficient.

The entire deficiency, gross and net of reinsurance, is recognised immediately in the Statement of Surplus/(Deficit) or loss and other comprehensive income. As the Schemes do not have any intangible assets or deferred acquisition costs, the deficiency would be recorded in the statement of financial position as an unexpired risk liability.

### 2.j. Outwards Reinsurance

Premiums credited to reinsurers are recognised as outwards reinsurance premium expenses in accordance with the pattern of reinsurance service received over the membership or indemnity periods based on time.

### 2.k. Claims

The liability for outstanding claims is measured as the central estimate of the present value of the expected future payments for claims incurred at the reporting date, with an additional risk margin to allow for the inherent uncertainty in the central estimate.

Claims expense and a liability for outstanding claims are recognised as losses occur. The liability for outstanding claims includes claims reported but not yet paid, claims incurred by not yet reported (IBNR) and the anticipated direct and indirect cost settling those claims. Claims outstanding are assessed by reviewing individual claim files and estimating settlement costs of not reporting claims using statistics based on past experience and trends.

Excess amounts recoverable from a Scheme member are payable and are treated as a contribution towards the settlement of a claim.

The expected future payments are estimated on the basis of the ultimate cost of settling claims, which is affected by factors arising during the period to settlement, such as normal inflation. The expected future payments are discounted to present value at balance date using a risk-free rate.

Outstanding claim provisions were determined taking into account an actuarial review of the Schemes which occurred in August 2022, by Cumpston Sarjeant Pty Ltd. This review was based on initial claims data to 31 March 2022 and claims data to 30 June 2022 and included in their report received in August 2022.

The liability for outstanding claims is measured as the present value of the expected future payments, reflecting the fact that all claims do not have to be paid out in the immediate future. The expected future payments are estimated on the basis of the ultimate cost of settling claims, which is affected by factors arising during the period to settlement such as normal inflation. The expected future payments are discounted to present value at balance date using a risk free rate.

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 2. Summary of Significant Accounting Policies

##### 2.1. Catastrophe Margin

The Workers Compensation Scheme has recognised the likelihood of future claims in relation to asbestos related illnesses. The provision is reviewed annually and the Scheme takes guidance from the Actuary in setting the amount provided.

##### 2.m. Special Distribution to Members

The Mutual Liability Scheme and Workers Compensation Scheme set maximum levels of accumulated funds that should be held each year. When funds exceed the maximum level, a distribution of funds is provided to member councils.

##### 2.n. Assets Backing General Insurance Liabilities

LGASA Mutual's investment strategies manage the funds invested with the Local Government Finance Authority of South Australia.

LGASA Mutual has determined that all assets are held to back its insurance liabilities and their accounting treatment is described below. As these assets are managed on a fair value basis, they have been valued at fair value through the Statement of Surplus/(Deficit).

The accounting policies applying to assets held to back LGASA Mutual's activities are:

##### Financial Assets

LGASA Mutual's value financial assets and any assets backing risk activities at fair value through the Statement of Surplus/(Deficit). Details of fair value for the different types of financial assets are summarised below:

- Cash assets and bank overdrafts are carried at face value of the amounts deposited or drawn. The carrying amounts of cash assets and bank overdrafts approximate to their fair value. For the purposes of the statement of cash flows, cash includes cash on hand, call deposits and deposits where maturity is less than 3 months, net of bank overdrafts.
- Fixed interest securities are recorded at amounts based on valuation using rates of interest equivalent to the yields obtainable on comparable investments at balance date.

##### Receivables

Contributions due from members and amounts due from reinsurers under the reinsurance program are initially recognised at face value, being the amounts due. They are subsequently measured at fair value that is approximated by taking the initially recognised amount and reducing it for impairment as appropriate.

A provision for impairment of receivables is established when there is objective evidence that the Scheme will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows. The discount is calculated using the original effective interest rate. Where there is impairment a charge is recognised in the Statement of Surplus/(Deficit) and other comprehensive income.

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 2. Summary of Significant Accounting Policies

##### 2.o. Right of Use Assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to the Statement of Surplus/(Deficit) as incurred.

##### 2.p. Lease Liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to the Statement of Surplus/(Deficit) if the carrying amount of the right-of-use asset is fully written down.

##### 2.q. Revenue

Revenue arises mainly from member contributions for mutual risk products, grant revenue and for subscriptions received from member councils

To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised either at a point in time or over time, when (or as) the Consolidated Entity satisfies performance obligations by transferring the promised goods or services to its members.



## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 2. Summary of Significant Accounting Policies

##### 2.q. Revenue

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as grants received in advance in the Statement of Financial Position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or accrued income in its Statement of Financial Position, depending on whether something other than the passage of time is required before the consideration is due.

##### Grants

Grants and project funding that were received on the condition that they be expended in a particular manner were recognised as income when the Group gained control of the grant or the right to receive the grant. Grant monies outstanding at year end were placed in a reserve for allocation to expenditure in future years.

#### 3. Critical Accounting Estimates and Judgments

The Board members make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

##### Valuation of land and buildings

Land and buildings are recognised at fair value based on periodic, but at least triennial valuations by external independent valuers, less subsequent depreciation for buildings. A revaluation surplus is credited to reserves in equity. Detailed information about this estimate and judgement is included in the Note 6.

##### Investment Property

Investment properties are initially recognised at cost and are subsequently measured at fair value with any changes therein recognised in statement of surplus/(deficit). For policy on transfers between Property, plant and equipment and investment property to note 14 (a). For recognition and measurement policy refer to Note 15 (b).

At each balance date directors update their assessment of the fair value, taking into account external independent valuations. These valuations include a number of estimates and judgements as detailed in note 15.

##### Actuarial Assumptions and Methods - LGAMLS and LGAWCS

##### Actuarial Assumptions

The following assumptions have been made in determining the outstanding claims liabilities.

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 3. Critical Accounting Estimates and Judgments

##### Key Actuarial Assumptions

	LGAMLS		LGAWCS	
	2022	2021	2022	2021
Case estimate development	(25.00)%	(25.00)%	-	-
Wage inflation	4.00%	3.00%	4.00%	3.00%
Superimposed inflation	2.00%	2.00%	2.00%	2.00%
Discount rate	3.50%	0.10%	3.00%	0.10%

The process used to determine actuarial assumptions

A description of the processes used to determine the above key actuarial assumptions is provided below.

In the independent actuary review for 30 June for the LGMLS and LGWCS was completed on 11th August 2022, the actuary was provided with claims data on claims incurred net of excesses and anticipated recoveries to reduce the liability of members. The actuary allow for:

- Developments in case estimates on reported claims based on an explicit case development parameter or Project Case Estimates method;
- Claims incurred but not reported and potential recoveries were all estimated by an inflation adjusted Payment per Claim Incurred method based on ultimate non-zero claim numbers projected by a Chain Ladder method and 5-year averages of late reported claims;
- Cost of claims likely to be reopened were estimated by an inflation adjusted Payment per Claim Incurred method based on ultimate non-zero claim numbers projected by a Chain Ladder method and 5 year average of reported claims;
- Expected investment earnings by applying a fitted payment pattern to the undiscounted sum of the above components and then discounts at the assumed discount rate;
- There were no recoveries either due or expected from reinsurance contracts.

##### Case estimate development

Development in net case estimates applied to open claims was -25.00% (2021 -25.00% ) for all accident years.

##### Wage inflation

The independent actuary assumed wage inflation, per annum, based on recent inflation levels in South Australia as follows

	2022	2021
LGAMLS	4.00%	3.00%
LGAWCS	4.00%	3.00%

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 3. Critical Accounting Estimates and Judgments

##### Claim administration expense

The independent actuary has not made an allowance for claim administration expenses on open claims as the amount of fees already represent approximately 4.5% of payments. A fixed fee of \$180,000 is charged by the Scheme Manager for this expense. The amounts allowed are comparable to those normally made by the public liability and professional indemnity insurers.

##### Superimposed inflation

The independent actuary assumed future superimposed inflation, the rate at which claims increase in excess of wage inflation, per annum as follows

	2022	2021
LGAMLS	2.00%	2.00%
LGAWCS	2.00%	2.00%

Superimposed inflation occurs due to non-economic effects such as court settlements increasing at a faster rate than wages or CPI inflation. Though there is no discernible trend of superimposed inflation in inflated claims insured, the independent actuary determined it is appropriate to included a nominal allowance for such inflation in future claims.

##### Discount rate

The estimates of the outstanding claims liabilities were discounted to allow for future investment income gains attributable to the liabilities. The estimates of reinsurance recovery assets were discounted to allow for future income losses attributable to the assets. The independent actuary assumed a discount rate of 3.50% per annum (2021 0.10%) for LGAMLS and 3.00% per annum (2021 0.10%) for LGAWCS based on current medium-term bond yields.

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 3. Critical Accounting Estimates and Judgments

##### Sensitivity Analysis

The outstanding claims liability included in the reported results is calculated based on the key actuarial assumptions as disclosed above. The movement in any of the above key actuarial assumptions will impact the performance and total accumulated funds of the Schemes.

The table below describes how a change in each of the assumptions will affect the outstanding claims liabilities

Wage inflation	Expected future payments are inflated to take into account inflationary increases. An increase or decrease in the assumed level of economic inflation would have a corresponding impact on claims expenses, with particular reference to longer tail claims.
Superimposed inflation	In addition to the general economic inflation rate an amount is superimposed to take account of non-economic inflationary factors, such as increases in court awards. Such rates of superimposed inflation are specific to the model adopted. An increase or decrease in the assumed levels of superimposed inflation would have a corresponding impact on claims expense, with particular reference to longer tail claims.
Discount Rate	The outstanding claims liability is calculated by reference to expected future payments. These payments are discounted to adjust for the time value of money. An increase or decrease in the assumed discount rate will have an opposing impact on total claims expense.
Case Estimate Development	Case estimates are initially established in accordance with established guidelines and by reference to the known facts. Where new information becomes available the initial case estimates will change. This development movement applied to open claims and will have a corresponding impact on claims expense.

#### (i) LGAMLS

Variable	Profit/(loss)		Total Accumulated Funds	
	Movement in variable	Movement by applying variable gross of reinsurance	Net of reinsurance	Total Accumulated Funds
Wage inflation	3%	1,445,000	110,000	(110,000)
	(3%)	(1,259,000)	(94,000)	94,000
Superimposed inflation	3%	1,484,000	112,000	(113,000)
	(3%)	(1,278,000)	(96,000)	96,000
Discount rate	3%	(1,445,000)	(107,000)	106,000
	(3%)	1,777,000	132,000	(133,000)
Case - estimate development	5%	216,000	3,000	(3,000)
	(5%)	(209,000)	(3,000)	3,000

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 3. Critical Accounting Estimates and Judgments

##### (ii) LGAWCS

Variable	Profit/(loss)		Total Accumulated Funds	
	Movement in variable	Gross of reinsurance	Net of reinsurance	Total Accumulated Funds
Wage inflation	3%	540,000	-	(539,000)
	(3%)	(453,000)	-	453,000
Superimposed inflation	3%	553,000	-	(553,000)
	(3%)	(438,000)	-	439,000
Discount rate	3%	(1,134,000)	-	1,135,000
	(3%)	1,381,000	-	(1,381,000)

#### 4. Mutual Risk Products - Risk Management (LGAMLS and LGAWCS)

Risk management objectives and policies for mitigating risk

LGAMLS and LGAWCS are established by legislation contained in the Local Government Act 1999. Membership is available to local government councils and prescribed bodies. LGAMLS and LGAWCS operate in South Australia to provide a claims management service to members in respect of their potential and actual liabilities. A member may seek indemnity from the Schemes in respect of a claim.

Under the rules, the LGA may, in its sole and absolute discretion, determine whether indemnity will be granted in respect of a claim. Should indemnity be granted, the LGAMLS and LGAWCS offers unlimited cover.

Actuarial models, using information from management information systems are used to confirm contributions and monitor claim patterns. Past experience and statistical methods are used as part of the process.

In respect to both Workers Compensation and Civil Liability risk events, they are by nature, random, and the actual number and quantum cost of the event during any one-year may vary from those using estimated statistical techniques.

*Objectives in managing risk arising from mutual risk products and policies for mitigating those risks*

The Schemes have an objective to control risk thus reducing the volatility of its operating surplus. In addition to the inherent uncertainty of workers compensation and civil liability risks, which can lead to variability in the loss experience, operating surpluses can also be affected by external factors such as competition and movements in asset values.

LGAMLS and LGAWCS rely on a strong relationship with its members and actively encourages them to adopt practices of risk management that reduce the incidence of claims to the Schemes.

Reinsurance strategy

LGAMLS and LGAWCS adopt a conservative approach towards the management of risk and did this by utilising various risk transfer options. The Board of the Schemes determine the level of risk, which is appropriate for the LGAMLS and LGAWCS having regards to ordinary concepts of prudence and regulatory constraints. The risk transfer arrangements adopted by the Schemes include the utilisation of commercial reinsurance arrangements and the negotiation of an indemnity agreement with the South Australian State Government Treasurer. These risk transfer arrangements assist the Schemes to limit its

## Local Government Association of South Australia

### Notes to the Financial Statements

#### For the Year Ended 30 June 2022

#### 4. Mutual Risk Products - Risk Management (LGAMLS and LGAWCS)

liability on single large claims and catastrophic events. These programs are regularly reviewed each year to ensure that they continue to meet the risk needs of LGAMLS and LGAWCS.

In the past ten years, LGAMLS and LGAWCS have managed their reinsurance program and risk transfer arrangements so that the exposure to each claim has been markedly reduced. LGASA Mutual has maintained its Treasurer's Indemnity on a long-term basis which is due to expire in September 2022.

##### Terms and conditions of membership

Membership to LGAMLS and LGAWCS is offered to eligible bodies and renewed annually on 30 June. Payment of the annual contribution confirms continuation of membership. Termination of membership is subject to at least 90 days written notice of intention as laid out by the rules. Once a claim is accepted and indemnity granted each claim is handled individually on the circumstances peculiar to the claim.

##### Product features (Mutual Liability Scheme)

The Scheme operates in South Australia. Should a claim be accepted the scheme provides indemnity to the member in respect of their civil liabilities for an unlimited amount, subject to any excess for any claim incurred anywhere throughout the world.

Operating surpluses arise from the total contributions charged to members less the amounts paid to cover claims and the expenses incurred by the Scheme.

##### Product features (Workers Compensation Scheme)

LGAWCS operates in South Australia, whereby the LGA is a group self-insurer which enables the scheme to operate under a delegated authority as described in the Return to Work Act 2014 (RTW Act). Should a claim be accepted, the scheme provides indemnity to the member in respect of their workers' compensation liabilities for amounts and benefits detailed in the RTW Act.

Operating surpluses arise from the total contributions charged to members less the amounts paid to cover claims and the expenses incurred by the Scheme.

##### Management of risks

The key risks that affect LGAMLS and LGAWCS are contribution risk, and claims experience risk.

Contribution risk is the risk that the Schemes do not charge contributions appropriate for the indemnity cover they provide. LGAMLS and LGAWCS partially manage contribution risk through their proactive approach to risk management that addresses all material risks both financial and non-financial. There are no specific terms and conditions that are expected to have a material impact on the financial statements.

Claims experience risk is managed through the non-financial risk assessment and risk management and reinsurance management process. Claims experience is monitored on an ongoing basis to ensure that any adverse trending is addressed. LGAMLS and LGAWCS are able to reduce the claims experience risk of severe losses through the reinsurance program, and by managing the concentration of risks.

##### Concentration of risks

Risk are managed by taking a long term approach to setting the annual contribution rates that eliminates price fluctuations, appropriate investment strategy, reinsurance and by maintaining an active state-wide risk management profile. It is vital that the LGAMLS and LGAWCS keep abreast of changes in the general economic, legal and commercial environment in which it operates.

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 4. Mutual Risk Products - Risk Management (LGAMLS and LGAWCS)

Interest rate risk

The reinsurance indemnity contracts contain no clauses that expose LGAMLS and LGAWCS directly to interest rate risk. The reinsurance contracts are long term arrangements, reviewed and payable annually.

Credit risk

LGAMLS and LGAWCS are exposed to credit risk on contracts as a result of exposure to reinsurers. The credit risk to reinsurers is managed through the Schemes regularly monitoring the financial rating of the reinsurers both prior to and during the reinsurance program.

In relation to the reinsurance and other receivables disclosed in note 3 in relation to the LGAMLS, the credit risk exposure is equal to the undiscounted aggregate value of claims. As at 30 June 2022 this amounted to \$21.78 million (2021: \$19.63 million).

#### 5. Financial Risk Management

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk.

##### *Financial instruments used*

The principal categories of financial instrument used by the Group consists mainly of deposits with banks, local money market instruments, short-term investments, trade receivables, trade payables, loans to and from related parties, bills and leases.

	Consolidated		Parent	
	2022	2021	2022	2021
	\$	\$	\$	\$
<b>Financial assets</b>				
Cash and cash equivalents	49,472,139	44,494,919	7,902,679	7,060,981
Trade and other receivables	30,672,645	32,236,516	17,385,653	15,412,329
Term deposits	17,761,396	23,924,270	-	-
<b>Total financial assets</b>	<b>97,906,180</b>	<b>100,655,705</b>	<b>25,288,332</b>	<b>22,473,310</b>
<b>Financial liabilities</b>				
Trade and other payables	11,903,481	11,179,900	9,987,712	9,832,150
Borrowings	15,412,329	17,689,347	15,412,329	17,689,347
<b>Total financial liabilities</b>	<b>27,315,810</b>	<b>28,869,247</b>	<b>25,400,041</b>	<b>27,521,497</b>

The main purpose for non-derivative financial instruments is to raise finance for group operations.

The Group does not have any derivative financial instruments as at 30 June 2022 (2021: nil).

##### **Liquidity risk**

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 5. Financial Risk Management

##### Liquidity risk

The table below reflects the undiscounted contractual maturity analysis for financial liabilities.

##### *Financial liability maturity analysis*

Consolidated	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial liabilities</b>								
Trade and other payables	(8,256,991)	(10,516,656)	-	-	-	-	(8,256,991)	(10,516,656)
Borrowings	(2,355,674)	(2,277,018)	(11,454,188)	(9,922,273)	(24,106)	(5,490,056)	(13,833,968)	(17,689,347)
<b>Total financial liabilities</b>	<b>(10,612,665)</b>	<b>(12,793,674)</b>	<b>(11,454,188)</b>	<b>(9,922,273)</b>	<b>(24,106)</b>	<b>(5,490,056)</b>	<b>(22,090,959)</b>	<b>(28,206,003)</b>

Parent	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial liabilities</b>								
Trade and other payables	(8,256,991)	(7,593,686)	-	-	-	-	(8,256,991)	(7,593,686)
Borrowings	(2,355,674)	(2,277,018)	(10,265,021)	(9,922,273)	(2,791,634)	(5,490,056)	(15,412,329)	(17,689,347)
<b>Total financial liabilities</b>	<b>(10,612,665)</b>	<b>(9,870,704)</b>	<b>(10,265,021)</b>	<b>(9,922,273)</b>	<b>(2,791,634)</b>	<b>(5,490,056)</b>	<b>(23,669,320)</b>	<b>(25,283,033)</b>

The timing of expected outflows is not expected to be materially different from contracted cashflows.

##### Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The Group does not have any material credit risk exposure to any single receivable or group receivables under financial instruments entered into by the Group.

The average credit rating of the Scheme's reinsurance companies is 'A'. However, the Schemes do recognise that there may be the likelihood of a reinsurance company failing to meet its obligations. A reinsurer default provision has been raised to cover this.

##### Market risk

The Group's main interest rate risk arises from financial assets at fair value through the Statement of Surplus/(Deficit) and short term deposits with banks. Investments at variable rates expose the Scheme to cash flow interest rate risk. Investments at fixed rates expose the Scheme to fair value interest rate risk. All investments are held with Local Government Finance Authority. The Scheme has no formal policy in respect of the percentage of investments at fixed rates. Investments at fixed rates are made as and when opportunities arise.



## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 5. Financial Risk Management

The following table illustrates sensitivities to the Group's exposure to changes in interest rates. The table indicates the impact on how profit and equity values reporting at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

Consolidated	2022		2021	
	+1.00%	-1.00%	+1.00%	-1.00%
	\$	\$	\$	\$
Cash and cash equivalents	494,721	(494,721)	317,640	(317,640)
Short term deposits	177,614	(177,614)	239,271	(239,271)

#### 6. Fair value hierarchy

##### *Fair value hierarchy*

This section explains the judgements and estimates made in determining the fair values of the assets that are recognised and measured in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its assets into three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The table below shows the assigned level for each asset and liability held at fair value by the Group:

Consolidated	Level 2	Level 3
30 June 2022	\$	\$
Financial Assets	17,761,396	-
Land and freehold buildings	-	13,572,500
Investment property	-	16,927,500

Consolidated	Level 2	Level 3
30 June 2021	\$	\$
Financial Assets	23,924,272	-
Land and freehold buildings	-	10,860,495
Investment property	-	13,539,545

Parent	Level 2	Level 3
30 June 2022	\$	\$
Financial assets	2	-
Land and freehold buildings	-	13,572,500
Investment property	-	16,927,500

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 6. Fair value hierarchy

Parent	Level 2	Level 3
30 June 2021	\$	\$
Financial assets	2	-
Land and freehold buildings	-	10,860,495
Investment property	-	13,539,545

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year.

**Level 1:** The fair value of assets is measured using reference to an active market where trades are freely made at arms length between willing and suitably invested partners.

**Level 2:** The fair value of assets that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an asset are observable, the asset is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the asset is included in level 3.

#### *Valuation techniques used to determine fair value*

Specific valuation techniques used to value financial instruments include:

Term deposits - The fair value of term deposits is calculated as the present value of the estimated future cash flows based on observable government bond rate.

Land, Freehold Buildings and Investment Property - The Group's land and buildings were revalued at 30 June 2022 by independent valuers Knight Frank Valuation & Advisory South Australia. Valuations were made on the basis of open market value. Movement during the year relates to depreciation on the building.

Unlisted shares - The value of unlisted shares have been recorded at the initial value at recognition.

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 7. Revenue

	Consolidated		Parent	
	2022	2021	2022	2021
	\$	\$	\$	\$
Member contributions				
- Gross earned contributions	55,048,529	52,078,167	-	-
- Rebate to members	(19,956,370)	(18,450,445)	-	-
<b>Total member contributions</b>	<b>35,092,159</b>	<b>33,627,722</b>	<b>-</b>	<b>-</b>
Other revenue				
- Administrative charges	1,196,365	1,113,543	2,339,873	2,240,155
- Other Revenue	3,913,237	2,278,473	3,549,179	1,855,813
- Rent	912,192	771,199	1,263,926	1,095,635
- Outgoings	889,554	429,436	889,554	503,642
- Member Service Rebates	1,561,354	1,144,653	28,528	16,110
<b>Total other revenue</b>	<b>8,472,702</b>	<b>5,737,304</b>	<b>8,071,060</b>	<b>5,711,355</b>

Revenue is measured either at a point in time, or over time, depending on the recognition criteria of AASB 15 Revenue of Contracts with Customers. All revenue is stated net of the amount of goods and services tax (GST).

#### *Member contributions*

Member contributions comprise amounts charged to members of the schemes for liability protection, net of amounts returned to members as bonuses. Member contribution revenue is recognised in the Statement of Surplus/(Deficit) and other comprehensive income which has been earned. The proportion of members' contributions received or receivable not earned is recognised in the statement of financial position as an unearned member contribution liability.

Member contributions are treated as earned from the date of attachment of risk. The pattern of recognition over the period of cover is based on time, which is considered to closely approximate the pattern of risks underwritten.

#### Grants

Grants that were received on the condition that they be expended in a particular manner have been recognised as income when the Group gains control of the grant or the right to receive the grant. Grant monies outstanding at year end are detailed in the Project Reserve in the Statement of Changes in Equity.

#### *Subscriptions*

Revenue from the provision of council subscriptions is recognised on a straight line basis over the financial year.

#### *Other revenue*

Other revenue comprises fees and charges received from Councils for services undertaken, rental and outgoings from the rental of space at LG House and rebate income from panel supplier contracts. Revenue is recognised in the accounting period in which the services are rendered. For fixed price contracts, revenue is recognised based on the actual services provided to the end of the reporting period as a proportion of the total value of services to be provided.

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 7. Revenue

##### Finance income

Interest is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Finance income is taken into account on an accrual basis and includes any changes in the net market value of investments during the financial year.

#### 8. Grant expenditure

Outlined below are the projects where expenditure was incurred during the reporting period:

	Consolidated		Parent	
	2022	2021	2022	2021
	\$	\$	\$	\$
LG Research and Development Scheme	448,021	488,360	448,021	488,360
Other grants	81,088	95,000	99,593	95,000
	<b>529,109</b>	<b>583,360</b>	<b>547,614</b>	<b>583,360</b>

Grant expenditure includes project expenditure paid to Councils or other recipients to deliver programs or activities for the benefit of the South Australian local government sector. Expenses are recognised when all obligations and conditions of the grant or subsidy agreement have been met.

#### 9. Net claims expense

The result for the year includes the following specific expenses:

##### Direct Business

Current period claims relate to risk borne in the current financial year. Prior period amounts relate to a reassessment of the risk borne in all previous financial years

Consolidated	2022		
	Current year	Prior years	Net
	\$	\$	\$
<b>Claims expense</b>			
Claims and related expenses - undiscounted	14,376,865	4,304,962	18,681,827
Claims and related expenses - discounted	(698,006)	(2,492,515)	(3,190,521)
Claims and related expenses - net	<b>13,678,859</b>	<b>1,812,447</b>	<b>15,491,306</b>
<b>Reinsurance and other recoveries revenue</b>			
Reinsurance and other recoveries revenue - undiscounted	(2,878,443)	(4,437,592)	(7,316,035)
Reinsurance and other recoveries revenue - discounted	302,665	1,728,095	2,030,760
Reinsurance and other recoveries - net	<b>(2,575,778)</b>	<b>(2,709,497)</b>	<b>(5,285,275)</b>
<b>Claims incurred net of recoveries</b>	<b>11,103,081</b>	<b>(897,050)</b>	<b>10,206,031</b>

## Local Government Association of South Australia

## Notes to the Financial Statements

For the Year Ended 30 June 2022

## 9. Net claims expense

Consolidated	2021		
	Current year	Prior years	Net
	\$	\$	\$
<b>Claims expense</b>			
Claims and related expenses - undiscounted	14,672,050	(4,861,353)	9,810,697
Claims and related expenses - discounted	(38,122)	494,697	456,575
Claims and related expenses - net	14,633,928	(4,366,656)	10,267,272
<b>Reinsurance and other recoveries revenue</b>			
Reinsurance and other recoveries revenue - undiscounted	(2,667,605)	3,049,967	382,362
Reinsurance and other recoveries revenue - discounted	(19,841)	(477,131)	(496,972)
Reinsurance and other recoveries - net	(2,687,446)	2,572,836	(114,610)
<b>Claims incurred net of recoveries</b>	11,946,482	(1,793,820)	10,152,662

*Reinsurance and other recoveries revenue*

Reinsurance and other recoveries paid on claims, reported claims not yet paid and IBNR (claims incurred but not yet reported) are recognised as revenue.

Reinsurance recoveries receivable on outstanding claims liabilities are measured as the present value of the expected future receipts calculated on a similar basis as the liability for outstanding claims.

Other recoveries receivable are recognised when certainty exists as to recovery from a third party and are measured at the present value of the expected future receipts calculated on the same basis as the liability for outstanding claims.

A provision for reinsurer default has been raised. The credit rating of the major current and historical reinsurance companies has been assessed. The actuary has assessed the appropriate provision based on the Australian and New Zealand cumulative default rates.

*Workers compensation claims*

Claims incurred expense and liability for outstanding claims are recognised in respect of direct claims by workers. The liability covers claims incurred but not yet paid, incurred but not yet reported claims and the anticipated costs of settling those claims. Claims outstanding are assessed by reviewing individual claim files and estimating unmodified claims and settlement costs using statistical and actuarial techniques. The liability for outstanding claims is measured as the present value of the expected future payments reflecting the fact that all the claims do not have to be paid out in the immediate future. The expected future payments are estimated on the basis of the ultimate cost of settling claims, which is affected by factors arising during the period to settlement such as normal inflation and 'superimposed inflation'.

Super imposed inflation refers to factors such as trends in court awards, for example, increases in the level and period of compensation for injury. The expected future payments are then discounted to a present value at the report date using discount rates based on investment opportunities available to the organisation on the amounts of funds sufficient to meet claims as they became payable.

The following average inflation (normal and superimposed) rates and discount rates were used in measuring the liability for outstanding claims.

Actuarial advice indicates these rates to be	2022	2021
Wage inflation rate	4.00 %	3.00 %
Superimposed inflation	2.00 %	2.00 %
Discount rate	3.00 %	0.10 %

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 10. Cash and Cash Equivalents

	Consolidated		Parent	
	2022	2021	2022	2021
	\$	\$	\$	\$
Cash at bank and in hand	9,865,986	11,852,935	7,902,679	7,060,981
Short Term Deposits	39,606,153	32,641,984	-	-
	<b>49,472,139</b>	<b>44,494,919</b>	<b>7,902,679</b>	<b>7,060,981</b>

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

#### Reconciliation of result for the year to cashflows from operating activities

	Consolidated		Parent	
	2022	2021	2022	2021
	\$	\$	\$	\$
Net Surplus	4,261,928	1,405,081	3,959,931	2,106,859
Cash flows excluded from profit attributable to operating activities				
adjustments for:				
- depreciation	730,475	728,403	711,418	707,991
- net gain on disposal of property, plant and equipment	(26,150)	17,067	(15,287)	17,067
- net (gain)/loss on disposal of investments	(3,060,388)	(1,629,222)	(3,060,388)	(1,629,222)
- special distributions to members	-	(1,500,000)	-	-
Changes in assets and liabilities:				
- (increase)/decrease in trade and other receivables	(453,896)	4,090,589	1,877,719	1,967,482
- (increase)/decrease in prepayments	(124,107)	(170,051)	3,789	(165,936)
- increase/(decrease) in trade and other payables	723,581	3,676,785	155,561	3,795,344
- increase/(decrease) in outstanding claims and unearned contributions	(467,026)	(2,973,797)	-	-
- increase/(decrease) in employee benefits	(42,062)	151,237	(66,607)	139,123
Cashflows from operations	<b>1,542,355</b>	<b>3,796,092</b>	<b>3,566,136</b>	<b>6,938,708</b>

#### 11. Trade and other receivables

	Consolidated		Parent	
	2022	2021	2022	2021
	\$	\$	\$	\$
<b>CURRENT</b>				
Trade receivables	1,168,535	1,298,236	451,234	329,437
Accrued Income	2,062,854	1,706,000	1,522,090	1,244,588
State Local Govt Infra Partnership Receivable	2,355,674	2,277,018	2,355,674	2,277,018
Member contribution receivable	12,028,927	11,542,933	-	-
	<b>17,615,990</b>	<b>16,824,187</b>	<b>4,328,998</b>	<b>3,851,043</b>

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 11. Trade and other receivables

	Consolidated		Parent	
	2022	2021	2022	2021
	\$	\$	\$	\$
<b>NON-CURRENT</b>				
State Local Govt Infra Partnership Receivable	<b>13,056,655</b>	15,412,329	<b>13,056,655</b>	15,412,329
	<b>13,056,655</b>	15,412,329	<b>13,056,655</b>	15,412,329

#### *Trade and other receivables*

Trade receivables are amounts due from members for services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, then they are recognised at fair value.

The Group holds the trade receivables with the objective to collect the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest method.

All outstanding receivables are paid within the Group's normal trading terms.

#### Accrued income

Accrued income includes revenue earned for services undertaken but have not been invoiced. Accrued income also includes grants and contribution revenue not invoiced but is due to be paid to the Group in accordance with a pre-existing agreement or government legislation.

#### Impairment

The Group applies a simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and all days past due. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the other receivables.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 30 June 2021 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group expected net loss is nil (2021: nil).

#### Loss allowance

Trade and other receivables are written off when there is no reasonable expectation of recovery.

Impairment losses on trade and other receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

#### *State Local Government Infrastructure Partnership (SLGIP) receivable*

State Government grant payments being made to the Group to reimburse costs attributable to the administration of the SGLIP program. The receivable is in accordance with the future receipts being received from the State Government as per

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 11. Trade and other receivables

the funding deed.

##### *Member contribution receivable*

Amounts due the LGAMLS and LGAWCS but not yet received from members for contributions for liability protection. Member contribution receivable is recognised at fair value.

#### 12. Financial Assets

	Consolidated		Parent	
	2022	2021	2022	2021
	\$	\$	\$	\$
<b>CURRENT</b>				
Term deposits	17,761,396	23,924,270	-	-
	<b>17,761,396</b>	<b>23,924,270</b>	<b>-</b>	<b>-</b>
	Consolidated		Parent	
	2022	2021	2022	2021
	\$	\$	\$	\$
<b>NON-CURRENT</b>				
Shares in controlled entities (at amortised cost)	2	2	3	2
	<b>2</b>	<b>2</b>	<b>3</b>	<b>2</b>

Term deposits are cash investments held with Local Government Financing Authority (LGFA) with maturity of more than three months. Investments are initially brought into account at cost and subsequently remeasured to fair value to market rates through the statement of surplus/(deficit).

#### 13. Reinsurance and other recoveries receivables

	Consolidated		Parent	
	2022	2021	2022	2021
	\$	\$	\$	\$
<b>CURRENT</b>				
Reinsurance recoveries on paid claims	2,910,977	300,355	-	-
Reinsurance recoveries receivable	3,755,057	3,830,988	-	-
Discount to present value	(401,690)	31,501	-	-
Reinsurer default provision	(21,126)	(24,334)	-	-
	<b>6,243,218</b>	<b>4,138,510</b>	<b>-</b>	<b>-</b>



## Local Government Association of South Australia

## Notes to the Financial Statements

For the Year Ended 30 June 2022

## 13. Reinsurance and other recoveries receivables

	Consolidated		Parent	
	2022	2021	2022	2021
<b>NON CURRENT</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Reinsurance recoveries on paid claims	13,976,090	12,466,013	-	-
Discount to present value	(1,495,067)	102,503	-	-
Reinsurer default provision	(78,360)	(79,182)	-	-
	<b>12,402,663</b>	<b>12,489,334</b>	<b>-</b>	<b>-</b>

Assets arising from reinsurance contracts were estimated for each accident year, from the payments to date and estimated outstanding claims history at 30 June 2022, taking into account the reinsurance terms applying to that accident year. In calculating the present value of reinsurance recoveries on the outstanding claims liability, allowance was made for an average recovery delay of three months, as assumed by the independent actuary. Although all relevant insurers are solvent, a provision for the failure of an insurer to pay has been raised. The reinsurer default provision is \$99,756 (2021 \$103,516) calculated at a rate of 0.63% (2021 0.63%) on the discounted value of the total reinsurance recoveries.

## 14. Property, plant and equipment

	Freehold land & buildings	Furniture, Fixtures and Fittings	Motor Vehicles	Right of Use Vehicles	Other works in progress	Total
<b>Parent</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Year ended 30 June 2022</b>						
Opening net carrying amount	10,860,445	1,964,242	177,826	70,972	199,406	13,272,891
Transfer to investment property	-	(327,566)	-	-	-	(327,566)
Additions	-	559,344	52,403	-	-	611,747
Transfers/Disposals	262,643	(178,119)	(34,158)	-	(199,406)	(149,040)
Depreciation expense	(237,073)	(258,499)	(45,885)	(29,485)	-	(570,942)
Revaluation	2,686,485	-	-	-	-	2,686,485
<b>Closing net carrying amount</b>	<b>13,572,500</b>	<b>1,759,402</b>	<b>150,186</b>	<b>41,487</b>	<b>-</b>	<b>15,523,575</b>

	Freehold land & buildings	Furniture, Fixtures and Fittings	Motor Vehicles	Right of Use Vehicles	Other works in progress	Total
<b>Parent</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Year ended 30 June 2021</b>						
Opening net carrying amount	21,650,000	937,382	118,074	39,809	52,917	22,798,182
Transfer to Investment Property	(11,910,322)	-	-	-	-	(11,910,322)
Additions	-	2,048,584	100,104	70,569	199,405	2,418,662
Transfers	-	(18,431)	(15,000)	-	(52,916)	(86,347)
Depreciation expense	(297,992)	(204,765)	(25,352)	(39,406)	-	(567,515)
Revaluation	1,418,759	(798,528)	-	-	-	620,231
<b>Closing net carrying amount</b>	<b>10,860,445</b>	<b>1,964,242</b>	<b>177,826</b>	<b>70,972</b>	<b>199,406</b>	<b>13,272,891</b>

## Local Government Association of South Australia

## Notes to the Financial Statements

## For the Year Ended 30 June 2022

## 14. Property, plant and equipment

	Freehold land & buildings	Furniture, Fixtures and Fittings	Motor Vehicles	Right of Use Vehicles	Other works in progress	Total
Consolidated	\$	\$	\$	\$	\$	\$-
<b>Year ended 30 June 2022</b>						
Opening net carrying amount	10,860,445	1,967,024	258,578	70,972	199,406	13,356,425
Transfer to investment property	-	(327,566)	-	-	-	(327,566)
Additions	-	559,344	99,974	-	-	659,318
Transfers/Disposals	262,643	(178,119)	(67,295)	-	(199,406)	(182,177)
Depreciation expense	(237,073)	(260,646)	(62,797)	(29,485)	-	(590,001)
Revaluation	2,686,485	-	-	-	-	2,686,485
<b>Closing net carrying amount</b>	<b>13,572,500</b>	<b>1,760,037</b>	<b>228,460</b>	<b>41,487</b>	<b>-</b>	<b>15,602,484</b>

	Freehold land & buildings	Furniture, Fixtures and Fittings	Motor Vehicles	Right of Use Vehicles	Other works in progress	Total
Consolidated	\$	\$	\$	\$	\$	\$
<b>Year ended 30 June 2021</b>						
Opening net carrying amount	21,650,000	943,338	216,062	39,809	52,917	22,902,126
Transfer to investment property	(11,910,322)	-	-	-	-	(11,910,322)
Additions	-	2,048,584	100,104	70,569	199,405	2,418,662
Transfers/Disposals	-	(18,431)	(15,000)	-	(52,916)	(86,347)
Depreciation expense	(297,992)	(207,939)	(42,588)	(39,406)	-	(587,925)
Revaluation/(Impairment)	1,418,759	(798,528)	-	-	-	620,231
<b>Closing net carrying amount</b>	<b>10,860,445</b>	<b>1,967,024</b>	<b>258,578</b>	<b>70,972</b>	<b>199,406</b>	<b>13,356,425</b>

Land and buildings are recognised at fair value based on periodic, but at least triennial valuations by external independent valuers, less subsequent depreciation for buildings. A revaluation surplus is credited to reserves in equity.

The LGA identified that \$590,209 of Furniture Fixtures and Fitting were non-seperable from the Freehold Land and Building valuation as at 30 June 2021. The Furniture Fixtures and Fittings value was reduced accordingly with transfers to Freehold land and buildings of \$262,643 and Investment Properties of \$327,566.

On 1 December 2020, when LG House become fully tenanted, \$11,910,322 of land and buildings were transferred from Property Plant and Equipment to Investment Properties. Refer to note 15 for further details.

To the extent that an increase reverses a decrease previously recognised in the Statement of Surplus/(Deficit), the increase is first recognised in the Statement of Surplus/(Deficit). Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset, all other decreases are charged to the Statement of Surplus/(Deficit).

Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to Statement of Surplus/(Deficit) and the depreciation based on the asset's original cost, is reclassified from the property, plant and equipment revaluation surplus to retained earnings.

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 14. Property, plant and equipment

All other property, plant and equipment is recognised at historical cost less depreciation.

Depreciation is calculated using a straight-line method to allocate cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Buildings	<b>2.50 %</b>
Building improvements	<b>10.00 %</b>
Furniture, fixtures and fittings	<b>7.50 - 33.00 %</b>
Motor vehicles	<b>25.00 %</b>
Right-of-use assets	<b>Over the lease term</b>

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Surplus/(Deficit) and other comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

The Group is of the opinion that the current situation regarding COVID19 has not significantly impacted the fair value of property, plant and equipment and that a material impairment of asset values has not occurred.

##### (a) Transfer to/from investment property

When the use of land or buildings changes from operational to investment property, the property is remeasured to fair value and reclassified as an investment property. Any gain arising on remeasurement is recognised directly in the asset revaluation reserve.

When the use of investment property changes to owner-occupied or operational purposes, the property is measured at fair value as per directors' valuation and reclassified as prepaid operating lease.

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 15. Investment Properties

	Consolidated		Parent	
	2022	2021	2022	2021
	\$	\$	\$	\$
<b>Opening Balances</b>	<b>13,539,545</b>	-	<b>13,539,545</b>	-
Additions or/(transfers)	<b>327,566</b>	11,910,322	<b>327,566</b>	11,910,322
Gain / (loss) on revaluation of investment property	<b>3,060,388</b>	1,629,223	<b>3,060,388</b>	1,629,223
<b>Balance at end of year</b>	<b>16,927,499</b>	13,539,545	<b>16,927,499</b>	13,539,545

##### (a) Nature

Investment property is comprised of land and buildings intended to be leased to third parties and are not occupied by the Group. Land or buildings reclassified from Plant, Property and Equipment to Investment Property; or Land and buildings reclassified from Investment Property to Property, Plant and Equipment is described in note 14(a)

##### (b) Recognition and measurement

Investment properties are initially recognised at cost and are subsequently measured at fair value with any changes therein recognised in the Statement of Surplus/(Deficit).

At each balance date, an external independent Full Scope valuation of the building is undertaken to determine the fair value of the Investment Property. The Full Scope valuation process incorporates a site inspection with building price indices, inflation, interest rates and other factors which may impact market values. The independent valuation was conducted by Knight Frank in June 2022 for the 30 June 2022.

In undertaking the valuation Knight Frank has undertaken the Capitalisation of Net Income and Discounted Cash Flow (DCF) approach with adoption of the Net Lettable Area and rental calculation in accordance with the lease.

The fair value hierarchy used in calculating fair value has been classified as level 3 on the basis that there are significant inputs that are not observable market data. Unobservable inputs include Capitalisation rate, Discount rate and annual net property income per square metre.

##### COVID-19 considerations

The Groups overall investment property portfolio value has remained stable despite COVID-19. The investment properties exclude owner-occupied or operations purposes. The valuation includes commercial properties which are supported by high quality tenants with long leases.

The external valuer has carried out the valuations by applying assumptions regarding the reasonably possible impacts of COVID-19 based on information available as at balance date.

##### (c) Leasing arrangements

The investment properties are leased to tenants under long term leases with rental payments monthly.

## Local Government Association of South Australia

## Notes to the Financial Statements

## For the Year Ended 30 June 2022

## 16. Intangible Assets

	Computer software \$	Total \$
<b>Parent</b>		
<b>Year ended 30 June 2022</b>		
Balance at the beginning of the year	777,642	777,642
Amortisation	(140,477)	(140,477)
<b>Closing value at 30 June 2022</b>	<u>637,165</u>	<u>637,165</u>
	Computer software \$	Total \$
<b>Parent</b>		
<b>Year ended 30 June 2021</b>		
Balance at the beginning of the year	918,119	918,119
Amortisation	(140,477)	(140,477)
<b>Closing value at 30 June 2021</b>	<u>777,642</u>	<u>777,642</u>
	Computer software \$	Total \$
<b>Consolidated</b>		
<b>Year ended 30 June 2022</b>		
Amortisation	777,642	777,642
	(140,477)	(140,477)
<b>Closing value at 30 June 2022</b>	<u>637,165</u>	<u>637,165</u>
	Computer software \$	Total \$
<b>Consolidated</b>		
<b>Year ended 30 June 2021</b>		
Amortisation	918,119	918,119
	(140,477)	(140,477)
<b>Closing value at 30 June 2021</b>	<u>777,642</u>	<u>777,642</u>

The group amortises intangible assets with a limited useful life using the straight-line method over the following periods

IT development and software                      8 years

Costs associated with maintaining software programmes are recognised as an expense as incurred. Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

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

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 16. Intangible Assets

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

#### 17. Trade and other payables

	Consolidated		Parent	
	2022	2021	2022	2021
	\$	\$	\$	\$
<b>CURRENT</b>				
GST payable	1,062,175	1,041,612	-	-
Motor vehicles lease liability	41,976	71,518	41,976	71,518
Accrued expenses and other payables	2,542,339	2,473,084	1,688,745	2,166,946
Revenue and grants received in advance	8,256,991	7,593,686	8,256,991	7,593,686
	<b>11,903,481</b>	<b>11,179,900</b>	<b>9,987,712</b>	<b>9,832,150</b>

All amounts, apart from grants received in advance, represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. These amounts are unsecured non-interest bearing and are usually paid within 30 days of recognition.

Grants received in advance represent amounts received before the year end that are contractually due for payment to the grantee in subsequent financial years.

The carrying amount of trade and other payables are considered to be the same as their fair values, due to their short term nature.

#### 18. Employee benefits

	Consolidated		Parent	
	2022	2021	2022	2021
	\$	\$	\$	\$
<b>CURRENT</b>				
Long service leave	385,786	421,483	277,699	298,724
Annual leave	450,182	480,756	344,060	390,558
	<b>835,968</b>	<b>902,239</b>	<b>621,759</b>	<b>689,282</b>

	Consolidated		Parent	
	2022	2021	2022	2021
	\$	\$	\$	\$
<b>NON-CURRENT</b>				
Long service leave	225,345	201,136	184,693	183,777
	<b>225,345</b>	<b>201,136</b>	<b>184,693</b>	<b>183,777</b>

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 18. Employee benefits

##### *Short term obligations*

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled plus related on costs. No liability for sick leave is recognised. The liabilities are presented as current employee benefit obligations in the balance sheet.

Based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months for the Group \$409,445 (2021: \$429,067) and the parent, LGA \$307,114 (2021: \$325,651).

##### *Long term obligations*

A liability for employee long service leave is recognised and is measured as the present value of expected future payments to be made in respect of services provided by employees to the reporting date. Consideration is given to expected future wage and salary levels and period of service. Expected future payments are discounted using interest rates on national government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows. The obligations are presented as current liabilities in the balance sheet if the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

#### 19. Borrowings

	Consolidated		Parent	
	2022	2021	2022	2021
	\$	\$	\$	\$
<b>CURRENT</b>				
Other loans	2,355,674	2,277,018	2,355,674	2,277,018
	<b>2,355,674</b>	<b>2,277,018</b>	<b>2,355,674</b>	<b>2,277,018</b>
<b>NON-CURRENT</b>				
Other loans	13,056,655	15,412,329	13,056,655	15,412,329
	<b>13,056,655</b>	<b>15,412,329</b>	<b>13,056,655</b>	<b>15,412,329</b>

Borrowings are recognised at fair value. Borrowings are reduced in the balance sheet when the obligation specified in the loan agreement is discharged. The loan is a fixed interest loan and is due to be repaid in January 2028.

#### 20. Unearned Member Contribution

Member contribution receivables is recognised as earned from the date of attachment of risk. The pattern recognised over the period of a year is based on time, which is considered to closely approximate the pattern of risks underwritten.

A liability of \$10,854,199 (2020: \$10,324,828) for contributions billed in advance has been recognised. These amounts offset equivalent amounts in contributions owing.

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 21. Outstanding Claims Liability

	Consolidated		Parent	
	2022	2021	2022	2021
	\$	\$	\$	\$
Central Estimate	38,836,606	36,252,350	-	-
Discount to present value	(3,292,906)	(102,384)	-	-
	<b>35,543,700</b>	36,149,966	-	-
	<b>35,543,700</b>	36,149,966	-	-
Risk margin	<b>3,714,665</b>	4,104,796	-	-
<b>Gross outstanding claims liability</b>	<b>39,258,365</b>	40,254,762	-	-
Gross claims incurred	42,551,271	40,357,146	-	-
Current	12,684,227	13,340,144	-	-
Non-Current	26,574,138	26,914,618	-	-
	<b>39,258,365</b>	40,254,762	-	-

#### Outstanding claims

A provision of \$39,258,365 (2021: \$40,254,762) has been made for the estimated cost of claims notified but not settled at year end and for the cost of claims incurred by year end but not reported until after that date. This amount has been based on a methodology by consulting actuaries which incorporates the claims history of the scheme's prior year of operation.

#### Risk Margin

The risk margin is an additional allowance for uncertainty in the ultimate cost of claims. The Board determines the overall margin adopted after considering the uncertainty in the portfolio, industry trends and the Scheme's risk appreciation.

To determine the margin adopted, the Actuary concluded that a risk margin of 25% of net outstanding claims as outlined below would be reasonable if the Scheme was to have approximately 75% probability of its claim provisions proving reliable.

The risk margin is added to the central estimate of net outstanding claims liability reduced by the appropriate reinsurance recoveries provided.

#### Risk margin applied

The risk margins applied for 75% level adequacy are as follows

	2022	2021
	\$	\$
LGAMLS	25.00 %	25.00 %
LGAWCS	20.00 %	20.00 %



## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 21. Outstanding Claims Liability

Reconciliation of movement in discounted outstanding claims liability

	Gross		Recoveries		Net	
	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$
Balance at 1 July	40,254,762	42,522,089	(16,627,845)	(18,055,729)	23,626,917	24,466,360
Current year claims incurred	13,678,859	14,633,929	(2,575,778)	(2,687,446)	11,103,081	11,946,483
Previous years claims incurred	1,812,446	(3,470,357)	(2,709,496)	1,717,587	(897,050)	(1,752,770)
<b>Incurred claims in income statement</b>	<b>15,491,305</b>	<b>11,163,572</b>	<b>(5,285,274)</b>	<b>(969,859)</b>	<b>10,206,031</b>	<b>10,193,713</b>
All claims paid during the year	(16,487,702)	(13,430,899)	3,267,509	2,397,743	(13,220,193)	(11,033,156)
	<b>39,258,365</b>	<b>40,254,762</b>	<b>(18,645,610)</b>	<b>(16,627,845)</b>	<b>20,612,755</b>	<b>23,626,917</b>

#### 22. Reserves

##### Asset revaluation reserve

The asset revaluation reserve records fair value movements on property, plant and equipment held under the revaluation model.

##### Project reserves

The project reserve records funds received by the Local Government Association of South Australia from external providers. These funds are then distributed as per the relevant funding agreements. Also included within the reserve are LGA funded projects with carry forward balances.

##### Risk incentive reserve

The risk incentive reserve comprises accumulated retained earnings from the schemes which are set aside to support councils' risk mitigation projects.

#### 23. Liability Adequacy Test

The liability adequacy tests conducted by the independent actuary has identified a surplus.

##### LGAMLS

The liability adequacy test identified the central estimate of the present value of future cash flows for future claims to be \$4,486,000 (2021: \$4,749,000) with an additional component of present value of expected future cash flows in relation to risk margin, net of reinsurance, to be \$30,000 (2021: \$30,000).

In performing this test a risk margin of 25% (2021 25%) was used to secure a 75% (2021 75%) probability of adequacy.

The probability of adequacy for the outstanding claims liability is set at a level that is appropriate and sustainable to cover the Scheme's claims obligations after having regard to the prevailing market environment and prudent industry practice.

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 23. Liability Adequacy Test

LGAWCS

The liability adequacy test identified the central estimate of the present value of future cash flows for future claims to be \$11,710,000 (2021: \$12,872,000) with an additional component of present value of expected future cash flows in relation to risk margin to be \$1,952,000 (2021: \$2,145,000).

In performing this test a risk margin of 20% (2021 20%) was used to secure a 75% (2021 75%) probability of adequacy.

The probability of adequacy for the outstanding claims liability is set at a level that is appropriate and sustainable to cover the Scheme's claims obligations after having regard to the prevailing market environment and prudent industry practice.

#### 24. Contingencies

In the opinion of Board, the Association did not have any contingencies at 30 June 2022 (30 June 2021:None).

#### 25. Interests in Subsidiaries

	Principal place of business / Country of Incorporation	Percentage Controlled (%)* 2022	Percentage Controlled (%)* 2021
<b>Subsidiaries:</b>			
Local Government Mutual Liability Scheme (1)	Australia	-	-
Local Government Workers Compensation Scheme (1)	Australia	-	-
LGCS Pty Ltd (Trustee for LGCS Trust No.1) trading as LGA Procurement	Australia	100	100
LGASA Mutual Pty Ltd	Australia	100	100

\*The percentage of ownership interest held is equivalent to the percentage voting rights for all subsidiaries.

(1) The Local Government Association of South Australia has the capacity to control the Mutual Liability Scheme and Workers Compensation Scheme pursuant to the Local Government Act 1999 and they have been consolidated on that basis.

#### 26. Key Management Personnel Remuneration

Key management personnel who have responsibility for the strategic direction and management of the Group include members of the Board and Chief Executive Officers. Total remuneration included within employee expenses for the year is shown below:

	2022	2021
	\$	\$
Short-term employee benefits	876,682	891,293
Long-term benefits	14,935	129,460
Post-employment benefits	111,956	278,801
	<b>1,003,573</b>	<b>1,299,554</b>

Remuneration includes LGA, LGASA Mutual Pty Ltd and LGA Procurement.

## Local Government Association of South Australia

### Notes to the Financial Statements

For the Year Ended 30 June 2022

#### 26. Key Management Personnel Remuneration

*Transactions with key management personnel and other related parties*

Related parties of Group include all key management personnel and their close family members and any entity that is controlled by those persons. Close family members are defined in *AASB 124 Related party disclosures* to include children, spouse or partner, children of the spouse or partner and dependents of the key management personnel and their spouse or partner.

There are no transactions to disclose for key management personnel and related parties.

The Group transact with Councils and State Government Agencies of which Board members may be key management personnel on terms which are consistent with the Group's normal commercial arrangements as disclosed in Note 27.

#### 27. Related Parties

Key management personnel - refer to Note 26.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

The following entities are considered related parties:

- Local Government Finance Authority
- SA Government Financing Authority

Loans to/from related parties

Unsecured loans are made to/from related parties on an arm's length basis. Repayment and interest terms are set for each loan and the loans are unsecured and repayable in cash.

	Opening balance \$	Closing balance \$	Interest income/ (expense) \$	Interest receivable/ (payable) \$
<b>Loans from related parties</b>				
2022	(17,689,257)	(15,412,329)	(550,551)	(46,952)
2021	(19,890,336)	(17,689,257)	(627,637)	(37,430)
<b>Loans to related parties</b>				
2022	59,864,983	63,159,263	576,135	160,036
2021	65,075,521	59,864,983	770,544	241,843

## **Local Government Association of South Australia**

### **Notes to the Financial Statements**

**For the Year Ended 30 June 2022**

#### **28. Events after the end of the Reporting Period**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

#### **29. Statutory Information**

The registered office and principal place of business of the association is:

Local Government Association of South Australia  
Local Government House  
148 Frome Street  
ADELAIDE SA 5000

**Local Government Association of South Australia**

**Statement by Members of the Board**

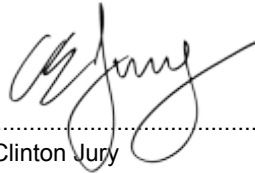
In the opinion of the Board the financial report as set out on pages 6 to 46:

- 1. Present fairly the results of the operations of Local Government Association of South Australia as at 30 June 2022 and its state of affairs for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
- 2. At the date of this statement, there are reasonable grounds to believe that Local Government Association of South Australia will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:



President .....  
Mayor Angela Evans



Chief Executive Officer.....  
Clinton Jury

Dated this .....23rd..... day of .....September.....2022



## Independent auditor's report

To the members of Local Government Association of South Australia

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### Our opinion

In our opinion the accompanying financial report gives a true and fair view of the financial position of Local Government Association of South Australia (the Parent) and its controlled entities (together the Group) as at 30 June 2022 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and relevant South Australian Legislation.

### *What we have audited*

The Parent and Group financial report comprises:

- the Parent and Consolidated statement of Surplus/(Deficit) and other comprehensive income for the year ended 30 June 2022
- the Parent and Consolidated statement of financial position for the year then ended
- the Parent and Consolidated statement of changes in equity for the year then ended
- the Parent and Consolidated statement of cash flows for the year then ended
- the notes to the financial statements, which include significant accounting policies and other explanatory information
- the Statement by Members of the Board

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### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

We are independent of the Group in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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### Emphasis of matter - basis of accounting and restriction on use

We draw attention to Note 1 in the financial report, which describes the basis of accounting. The financial report has been prepared for internal purposes to assist Local Government Association of South Australia and its members. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for Local Government Association of South Australia and its members and should not be used by parties other than Local Government Association of South Australia and its members. Our opinion is not modified in respect of this matter.



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### Other information

The members of the Board are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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### Responsibilities of the members of the Board for the financial report

The members of the Board of the Parent are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, and for such internal control as the members of the Board determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the members of the Board are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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### Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf). This description forms part of our auditor's report.

A handwritten signature in blue ink that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in blue ink that reads 'M. T. Lojszczyk'.

M. T. Lojszczyk  
Partner

Adelaide  
23 September 2022

## 6.3 Annual Reports for the LGA Committees

### LGA Updates

From:	Lea Bacon, Acting Executive Director Public Affairs		
Strategy:	4 - Achieve		
Outcome:	4.1 We lead by example in the governance and operations of the LGA		
Meeting:	Annual General Meeting	28 October 2022	
ECM:	782367	Attachments: 777950, 778786, 779106, 782368	

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### Recommendation

**That the Annual General Meeting notes the Annual Reports for the year 2021-22 of the following Committees established under the LGA Constitution:**

- a) **Greater Adelaide Regional Organisation of Councils (GAROC)**
- b) **South Australian Regional Organisation of Councils (SAROC)**
- c) **CEO Advisory Group**
- d) **Audit and Risk Committee**

### Discussion

Two Regional Organisations of Councils are established under Clause 19 of the LGA Constitution, being SAROC and GAROC. The role of SAROC and GAROC is regional advocacy, policy initiation and review, leadership, engagement and capacity building in the regions. Under their Terms of Reference SAROC and GAROC are required to adopt a four-year Strategic Plan, Annual Business Plan and Budget, and prepare an Annual Report each year outlining the activities undertaken in the previous financial year.

The 2021-22 Annual Reports of SAROC and GAROC have been received and approved by the LGA Board of Directors and are provided as an attachment to this report for noting by LGA member councils.

The Chairs of GAROC and SAROC will present their Annual Reports during the Annual General Meeting.

The LGA Board of Directors has an Audit and Risk Committee and a CEO Advisory Group in accordance with the requirements of the LGA Constitution. A summary report on the activities of each of these committees in 2021-22 is attached to this report.

### *Financial and Resource Implications*

The LGA Secretariat provides executive and administrative support to the Committees established under the LGA Constitution. This activity has been anticipated in the LGA's work program and resources are available to progress this work.





# 2021-22 GAROC Annual Report

June 2022



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## From the Chair

I am delighted to present the *2021-22 GAROC Annual Report*.

2021-22 marks the second year of the current GAROC term. I would like to thank all members, both current and former, for their dedication to the committee and to local government in South Australia.

As a strong, united voice for metropolitan councils, GAROC has continued to be a strong advocate on issues of strategic importance that are common across the metropolitan region. Our efforts have covered a broad range of issues including economic development and addressing climate change.

A priority this year has been our collective advocacy to the State Government to ensure that South Australia's planning system reflects leading practice, facilitates better design outcomes and supports local decision making.

On two occasions, GAROC was pleased to host the new Chair of the State Planning Commission, Craig Holden, and senior staff from the Attorney-General's Department. Following the 2022 State Election, the Committee also engaged early with the new Minister for Planning, Hon Nick Champion, in a wide-ranging discussion on planning issues important to our communities and how councils can engage in the update of the 30-Year Plan for Greater Adelaide to ensure community voices are reflected in future reforms and policy.

A key role for GAROC is to consider proposed Items of Business for LGA General Meetings. On behalf of the Committee, I would like to thank all those councils who brought forward suggested motions for policy development. This had led to increased local government advocacy on issues important to the metropolitan community, including renewable energy, homelessness, boundary reform, illegal dumping.

In consultation with member councils, GAROC's next Annual Business Plan has prioritised advocacy activities in economic development, planning and stormwater.

We will continue to progress all these issues in the coming year and build on our work together with metropolitan councils to advance economic vitality, environmental health and social wellbeing in our communities.



**Mayor David O'Loughlin Chair**

**GAROC committee**

## 1. Introduction

The Greater Adelaide Regional Organisation of Councils (GAROC) is a committee of the Local Government Association of South Australia (LGA).

The role of GAROC is to provide regional advocacy, policy initiation and review, leadership, engagement and capacity building in the GAROC Region. It supports the LGA to advance the interest of local government, by:

- supporting the activities of the LGA at a regional level;
- promoting communication between Members and between Members and the LGA;
- advocating in respect of matters which affect the GAROC Regional Grouping;
- encouraging engagement of Members within the GAROC Regional Grouping with GAROC and the LGA; and
- participating in policy development and implementation.

This Annual Report provides a summary of GAROC's activities from 1 July 2021 to 30 June 2022.



## 2. Delivering GAROC's 2021-22 Annual Business Plan

### *Theme 1: Economic Development*

*Objective: Enable advocacy and partnership opportunities that recognise the specific needs and opportunities in metropolitan Adelaide and assist councils to contribute to creating conditions for productivity that supports sustainable job growth and pathways to employment.*

*Objective: Support member councils to play their important role in stimulating the economic and social recovery of their communities in post COVID-19 recovery.*

GAROC's work in 2021-22 had a strong focus on economic development priorities. GAROC has continued to support the LGA's advocacy to the Federal Government and State Government for funding, initiatives and legislative/regulatory reforms that assist councils to support businesses and communities to respond and recover from the COVID19 pandemic.

### **Productivity Commission's Inquiry into reform of South Australia's regulatory framework**

In response to feedback from GAROC and metropolitan councils, the LGA's submission to the SA Productivity Commission's Inquiry into reform of South Australia's regulatory framework included advocacy for:

- The re-establishment of the State-Local Government Red Tape Taskforce – incorporated into a wider framework of state-wide regulatory stewardship – to investigate and consider regulatory reform options implemented by and/or enforced by the local government sector.
- Greater transparency and structured stakeholder consultation be made part of the South Australian Government's Regulatory Impact Assessment processes and practice.
- A stocktake be conducted of South Australian business regulations.
- The South Australian Government establish a state-wide business regulatory concierge service to assist small and start-up businesses navigate their regulatory compliance responsibilities.

Final reports for both the [Inquiry into reform of South Australia's regulatory framework](#) and [tourism regulation review](#) are now available on the Commission's website and the State Government has also separately published its [official responses](#) to their recommendations.

[LGA analysis](#) of the Commission's findings, recommendations and the State Government's responses were also prepared for South Australian councils.

### **Shovel Ready**

In 2021-22, GAROC supported the LGA's Shovel Ready program, which provided information, advice and support to metropolitan councils to leverage and create State and Federal grant funding opportunities.



Shovel Ready assisted the project application and delivery planning phases of 18 metropolitan councils through the Local Government Infrastructure Partnership Program, supporting a total of \$45,737,000 in project grant funding.

## **Economic development data tools and framework**

GAROC is pleased to help support the Metropolitan Economic Development Practitioner Network to share best practice support for business and local economic development amongst the membership.

In 2021-22, through consultation with the network an opportunity emerged to help councils make the best use of the wide variety of on-line data tools they use to gain a better understanding of how their local economies are performing and to guide council decision-making and investment.

GAROC has commissioned a project to determine best practice use and cost-effective procurement of these data tools for councils' economic development purposes.

GAROC has also commissioned the development of a principles-based Economic Development Framework to assist metropolitan councils to develop and refine their own economic development plans and strategies. The framework will capture important considerations such as the economic value of vibrant, sustainable and connected communities.

Consultation with member councils is well underway and we look forward to delivering further advice on the data tools and economic development framework to councils in 2022.

## ***Theme 2: Design, Planning and Placemaking***

*Objective: Advocate to the State Government and Parliament to ensure that South Australia's planning system reflects leading practice, facilitates better design outcomes and supports local decision making.*

*Objective: Provide assistance and resources to metropolitan councils that support their important role as local place makers and custodians of public spaces.*

During 2021-22, GAROC has continued to prioritise advocacy on planning issues on behalf of metropolitan councils.

GAROC engaged early and met with the new Chair of the State Planning Commission, Craig Holden, and the new Minister for Planning, Hon Nick Champion, to highlight local government and community concerns with the planning system, the current 30-Year Plan for Greater Adelaide and a range of other planning matters.

GAROC has advocated that the State Government, the State Planning Commission and the local government sector work even closer together through collaboration to progress the issues outlined below to make the planning system work for all South Australians and improve the liveability of South Australia through co-designed policy development.

The Chair of GAROC, Mayor David O'Loughlin, also represents the LGA on the Ministers Liaison Group (MLG). The MLG comprises members of the key industry groups involved in planning and building and provides high level strategic advice on industry and sector-specific aspects of the implementation of the PDI Act.

## Review of the planning system

In 2021-22, GAROC continued to support the LGA to work with all member councils to identify where improvements and enhancements to the new planning system could occur. GAROC has regularly provided this advice to the Minister, State Planning Commission and the Attorney-General's Department.

GAROC supported the LGA's advocacy that the State Government undertake an independent review of the *Planning Development and Infrastructure Act* (PDI Act) and regulations and associated documents (Practice Directions) following twelve months of operation.

Further to advocacy from the local government sector, the Labor government has committed to:

- review the planning code, in order to encourage “planning decisions that encourage a more liveable, competitive and sustainable long-term growth strategy”;
- protect the character and heritage of local communities;
- ensure greater tree canopy coverage and green open space;
- provide certainty to business, industry and communities by implementing appropriate design standards;
- improve the e-planning system;
- ensure a focus on balancing growth and protection for our streets and suburbs, to ensure Adelaide remains one of the world's most livable cities;
- address urban infill and the impact this has on open space and the amenity of our suburbs, together with heritage, including Aboriginal heritage; and
- ensure 10% of developer contributions that are paid to the Planning and Development will fund councils buying land to create pocket parks and to add to the existing open space network.

## Review of 30-Year Plan for Greater Adelaide

GAROC consulted with member councils to inform an Issues Paper that was provided to the Planning Commissioner as a basis for further discussion as the State Government commenced review of the 30-Year Plan for Greater Adelaide.

GAROC successfully advocated that the review takes a holistic approach, addressing opportunities for growth only if considered in the context of addressing liveability and sustainability pressures arising from development such as tree loss, additional hard surface runoff and stormwater loads, traffic and parking issues, dilution of historic character and provision of adequate employment lands proximal to additional living outcomes.

The GAROC Chair signed a joint letter from the LGA President and the Chair of SAROC to the Minister and Opposition Spokesperson outlining the importance of the 30-Year Plan for Greater Adelaide in supporting the future direction, liveability and economic growth for both metropolitan Adelaide and the State, and the need for the plan to include evidenced based investigations and suitable level of collaboration and engagement with local government and their communities.

## Environment and Food Production Areas review

Environment and Food Production Areas (EFPAs) were introduced to protect vital agricultural lands surrounding metropolitan Adelaide from urban encroachment.

In 2021-22, along with a number of metropolitan councils, GAROC made a submission to the State Planning Commission's review of EFPAs and associated bulk and infill land supply reports, highlighting that the reviews and reports do not appear to be considering:

- impacts on local road and stormwater networks;
- the need for additional open space and recreation facilities;
- the reduction in average private open space associated with infill development; and
- the associated loss of trees and landscaping.

The Commission and staff from the Attorney-General's Department subsequently met with GAROC to discuss these issues. The Commission's [EFGPA Review Outcomes Report](#) is available on the PlanSA portal.

## Open space funding review

GAROC continued to engage with the State Planning Commission on open space and the urban tree canopy cover and sought a review of the Planning and Development Fund to ensure financial models that are more equitable and appropriate for councils experiencing higher volumes of infill development.

To support the provision and development of open space, the State Government delivers the Open Space Grant Program through the Planning and Development Fund which provides the means for open space and public realm investment across South Australia.

The fund is derived from payments in lieu of open space for development involving the division of land into less than 20 allotments and for strata and community titles. Metropolitan councils are experiencing an increase of infill developments under 20 allotments which is increasing the demand for open space. Accordingly, it is imperative to ensure that the Planning and Development Fund is operating optimally to ensure the efficient and appropriate funding and delivery of open space to South Australian communities.

In 2021-22, GAROC commissioned evidenced based research to identify how the equitable distribution of the Planning and Development Fund can be undertaken in a transparent and repeatable manner. To be delivered in the second half of 2022, the project will identify:

- models to provide funding to areas experiencing significant development pressure, including directing funds from subdivisions back to the councils where they were generated without restriction;
- opportunities for a pre-approval process for land purchases by councils, so that opportunities to buy key properties are not lost due to the timing of annual grant applications;



- possible changes to funding decisions and allocation approaches; and
- the advantages and disadvantages of the identified options.

This project is anticipated to be completed in the second half of 2022.

### **Private Certification System and Proposal for Audit**

In November 2021, following an item of business from the City of Prospect, the GAROC Chair wrote to the Minister for Planning to request an urgent audit be undertaken of registered private certifiers (non-Government Accredited Professionals) to identify and address the numerous shortfalls that the local government sector identified with the private certification system.

The Chair of GAROC and the Planning Reform Partner subsequently met with representatives of the Accreditation Authority.

The Accreditation Authority has subsequently commenced a review of the Accreditation program which is anticipated to be undertaken during 2022.

### **Certificate of Occupancy**

The Local Government Association of South Australia (LGA) was made aware that a request was made to the Minister to defer the reintroduction of Certificate of Occupancies (CoO) for Class 1a buildings for a further 18 months until 1 January 2024.

The request was made by the building industry as they considered that the July 2022 reintroduction of the CoO may result in delays in occupation of homes and payment of final progress payments to builders, with these delays being compounded by the increase in home approvals owing to the HomeBuilder stimulus package.

Following consultation with councils the LGA advised the Minister that delay of 18 months would appear both excessive and unnecessary and there should be consideration to implement CoO's to bring South Australia into line with other states. The LGA also suggested that should a further delay is to be considered, the LGA would suggest a delay only until 31 December 2022.

This matter was discussed at the recent Ministers Liaison Group meeting on 11 May attended by Mayor O'Loughlin and the LGA Policy Advisor. The Minister advised that he was supportive of a delay until January 2024, he also indicated that there would be no extensions beyond this time.

The LGA Secretariat will engage with the sector in relation to the development of housing occupancy requirements as they may differ between metropolitan and regional areas.

### **Arborist Qualifications, Standards and Methodologies**

The City of Unley requested GAROC to consider an Item of Business relating to Arborist Qualifications, Standards and Methodologies under the PDI Act. Following consideration of this Item of Business the GAROC Chair wrote to the State Planning Commission requesting that this matter be considered as part of the Commissions review of regulated and significant trees. The following response was received from the Commission Chair:

*As you have noted, the Commission is currently undertaking the Open Space and Trees Project (the Project) which will include both:*

- An immediate assessment of tree species subject to regulated and significant tree protections, with a view to recommending to the Minister for Planning any immediate changes which can be made (Part 1).*
- A more comprehensive and long-term review of the Planning, Development and Infrastructure (General) Regulations 2017 as they relate to regulated and significant trees (Part 2).*

*Through its work on Part 1 of the Project, the Commission has become aware of a number of matters which will likely warrant further consideration within Part 2. This will include matters such as the proper identification of tree species, as well as the qualifications, skills and experience of arborists working in the planning system, and the practices and procedures adopted by those professionals.*

*The Commission has requested Planning and Land Use Services to record your feedback within the register of matters to be further considered within Part 2 of the Project, which will be utilised in development of the detailed project scope.*

*I note it is the Commission's intention to also engage with the Local Government Association (and through them, GAROC) with respect to any proposed regulatory changes arising from Part 1 as well as Part 2 of the Project.*

*GAROC will continue to engage with the Commission and State Government on the matter of regulated and significant trees during 2022-23.*

### **Theme 3: Environmental Reform**

*Objective: Support LGA advocacy to State and Federal Government and assists member councils to ensure that all levels of government undertake mitigation and adaptation actions that reduce climate risks and build community resilience.*

*Objective: Support councils to improve waste and recycling practices and deliver viable and innovative waste services that meet the needs of the community and grow the Circular Economy and advocate for State and Federal Government legislation, policies, funding and programs that will enable and support these outcomes.*

### **Coastal management**

Collaborative arrangements between metropolitan councils in coastal management has occurred via the Metropolitan Seaside Councils Committee (MSCC), which has been operational for more than 50 years.

In that time, it has been responsible for driving important strategic outcomes for metropolitan councils including the formation of the *Coast Protection Act (SA) 1972*, the formation of the Coast Protection Board (CPB), convening and sponsoring conferences and workshops, and supporting the initiation of the South Australian Coastal Councils Alliance (SACCA).

In partnership with metropolitan coastal councils and the Green Adelaide Board, GAROC provided \$7000 funding to support an independent review of the MSCC.

Recognising the growing scale and complexity of coastal protection, conservation and adaptation in the metropolitan area, the review recommended a stronger role for the LGA in coordinating the interests of metropolitan Adelaide councils. In response, GAROC agreed to co-fund coastal councils a one-year transitional arrangement for the executive coordination of the committee to come within the LGA Secretariat.

## **Climate change**

In 2020-21, GAROC contributed \$10,000 towards the implementation of the Central Coordination for the Regional Climate Partnerships. This supported the LGA to enter into a grant agreement with Green Adelaide and the Department for Environment and Water, whereby the LGA hosts the coordination function of the Regional Climate Partnerships across both metropolitan and regional state government regions.

Leveraging these partnerships, in May 2022, GAROC hosted a workshop to bring metropolitan mayors together with the Regional Climate Partnership staff and the State Government to showcase local initiatives and inform future advocacy and projects. The Minister for Climate, Environment and Water, Hon Susan Close MP, attended the forum and spoke about the importance of the partnership between State and local government.

GAROC's Climate Change Action Forum built on a series of workshops held with subject matter experts in metropolitan councils. The forum identified further projects that can be developed in partnership with State and Federal Governments to progress tangible initiatives in priority areas such as climate risk management, hazard data, emissions reduction and urban development.

## **Food for the Earth – program outcome**

In 2021-22 GAROC budgeted \$50,000 for a project proposal for metropolitan councils to partner with Woolworths to support community uptake of food waste recycling.

Following its own limited trial of compostable produce bags, Woolworths confirmed it would proceed with a full statewide rollout replacing polyethylene bags with fully compostable bags in their fresh produce areas over coming weeks. This is a huge win and an excellent step forward towards a circular economy, supporting council efforts to divert food from the solid waste bins and, in time, saving councils from buying and distributing these bags to local residents.

Woolworths' in-store and on-bag signage information will encourage customers to use the bags to capture food scraps and recycle them via green bins.

In 2022, Woolworths also made the decision not to progress with the Food for the Earth Project. It was understood that with the onset of the COVID-19 pandemic and disruptions in supply chains and logistics Woolworths needs to refocus its efforts back to its core business of putting food on shelves.

## **Theme 4: Reform and Innovation**

*Objective: Assist councils to enhance local government through innovations in benchmarking, systems thinking, data management and engagement processes.*

### **Local government reform**

During 2021-22 GAROC has received updates and provided advice to support the LGA in its role in the implementation of Local Government Reform, ensuring engagement on elements such as election reforms, member behaviour standards, and strategic management plans (annual business plans and budget and long-term financial plans) and changed annual reporting requirements.

GAROC continued to support the LGA's advocacy for a review of the mandatory rate rebates that councils are compelled to provide. It made a budget commitment of \$35,000 to support the development of an issues paper and economic analysis report that investigates the financial and economic impact of mandatory rate rebates and recommends appropriate legislative changes that promote a more equitable approach for all ratepayers.

### **Mandatory rate rebates**

In 2021-22, the LGA Secretariat commenced preparation of the issues paper to inform consultation with member councils, which will be undertaken prior to commissioning a report from an economic advisory consultant in 2022-23.

### **Boundary Reform**

Responding to a proposed Item of Business for a LGA General Meeting from the Adelaide Hills Council, GAROC invited Mr Bruce Green, Commissioner, and the Boundaries Commission team to its meeting to discuss the process for assessing requests for boundary changes.

Responding to varied reports about how the process is working, GAROC recognised that the new boundary reform process is still in its infancy, however its efficacy should be reviewed at some point. GAROC also agreed that the process would benefit from some rigour around timeframes.

GAROC recommended an Item of Business to the LGA Annual General Meeting for the sector to ask the SA Local Government Boundaries Commission to review its guideline to require a timeframe for proposals as it moves through preparation and lodgement stages, and that the LGA advocate for a review of boundary reform legislation in consultation with local government once a proposal for boundary reform has progressed through all stages of the statutory process (or within 5 years of the commencement of the legislation).

While the motion was lost at the AGM, GAROC's advocacy influenced the Commission to subsequently amended its Guidelines to enable the Commission to set timeframes for the referral of a Stage 2 proposal to the Commission, and for other elements of the Commission's processes.

### 3. Items of Business referred to the LGA Board of Directors or an LGA General Meeting

#### LGA 2021 Annual General Meeting – 29 October 2021

Proposed items of business recommended by GAROC and subsequently 'Carried' at the AGM.

- Cost and Timeframes for Adjustment to Telecommunication Pits of Road Reserves (Gawler)
- Clear and Consistent Rules for Purchased Renewable Electricity (Gawler)
- Homelessness (Port Adelaide Enfield)
- Illegal Dumping (Port Adelaide Enfield)

Proposed items of business recommended by GAROC and subsequently 'Lost' at the AGM.

- Boundary Reform Legislation Change (Adelaide Hills)

Proposed items of business referred by GAROC to the LGA Board of Directors for consideration and action.

- Fossil Fuel Divestment (Marion)

Proposed items of business progressed by GAROC without referral to the AGM.

- Request for a Review of the 30-Year Plan for Greater Adelaide (Onkaparinga)
- Amending Minimum Garage Sizes (Campbelltown)
- Electronic Vehicles (Port Adelaide Enfield)
- Private Certification Audit (City of Prospect)

Proposed items of business not recommended by GAROC.

- Regular Print Media (Marion)
- Electronic Petitions (Port Adelaide Enfield)

#### LGA 2021 Ordinary General Meeting – 8 April 2022

Proposed items of business recommended by GAROC and subsequently 'Carried' at the AGM.

- Review of the *Planning Development and Infrastructure Act* (Norwood, Payneham & St Peters)
- Lack of local representation in the new Planning System, under the *Planning, Development and Infrastructure Act 2016* (PDI Act) (Town of Gawler)
- Rough Sleeper/Homelessness Initiative (Town of Gawler)

Proposed items of business progressed by GAROC without referral to the AGM.

- Tree advocacy: Arborist Qualifications/standards and methodologies (City of Unley)

Proposed items of business recommended by GAROC and subsequently 'Lost' at the AGM.

- Inclusion of Email Addresses in the Voters Roll (Adelaide)

## 4. Details of meetings

During 2021-22, GAROC meetings were held on the following dates:

• 5 July 2021	• 28 February 2022
• 6 September 2021	• 21 March 2022
• 1 November 2021	• 2 May 2022

### Attendance

GAROC Committee member attendance at meetings (not including workshops) during the year was:

Member	Number of meeting eligible to attend	Number of meetings attended
Mayor David O'Loughlin	6	6
Mayor Gillian Aldridge	6	5
Mayor Claire Boan	6	6
Mayor Angela Evans	6	6
Mayor Dr Heather Holmes-Ross	4	4
Mayor Karen Redman	6	4
Mayor Erin Thompson	3	3
Lord Mayor Sandy Verschoor	6	5
Mayor Jan-Claire Wisdom	6	5
Cr Geoff Eaton*	2	2
Cr Lindy Taeuber*	2	2
Acting Mayor Simon McMahon**	1	1

### \*GAROC Leave of Absences

Leave of absences arose at the 28 February 2022 and 21 March 2022 meetings due to Mayor Erin Thompson and Mayor Dr Heather Holmes-Ross contesting seats in the 2022 South Australian State Election.

A nomination process and majority resolution from the Members comprising the South Regional Grouping (being the Cities of Marion, Mitcham and Onkaparinga) confirmed Cr Geoff Eaton (Onkaparinga) and Cr Lindy Taeuber (Mitcham) as Replacement Members until the election was declared.

GAROC appointed Lord Mayor Verschoor as acting Director on the LGA Board of Directors for the duration of Mayor Erin Thompson's corresponding leave of absence from the LGA Board.

In the 2022 South Australian State Election, former Mayor of Onkaparinga and GAROC committee member Ms Erin Thompson was declared as the elected candidate for Davenport on 29 March 2022.

This consequently caused a Casual Vacancy on the GAROC committee.

A nomination process and majority resolution from the Members comprising the South Regional Grouping (being the Cities of Marion, Mitcham and Onkaparinga) confirmed Acting Mayor Simon McMahon (City of Onkaparinga) was elected as a member of the GAROC Committee by the Southern Regional Grouping.

Acting Mayor McMahon fills the casual vacancy for the balance of the GAROC term ending after the LGA Annual General Meeting to be held on 28 October 2022.

Ms Thomson's election as the Member for Davenport also caused a Casual Vacancy on the LGA Board of Directors.

GAROC appointed Mayor Heather Holmes-Ross as Director on the LGA Board of Directors for the balance of the current term ending after the 2022 LGA Annual General Meeting.

<b>Guest Speakers</b>	
<b>6 September 2021</b>	<ul style="list-style-type: none"> <li>Bruce Green (Chair), Peter Ilee and Tom Rossini, Boundaries Commission</li> </ul>
<b>1 November 2021</b>	<ul style="list-style-type: none"> <li>Craig Holden (Chair), Sally Smith (Executive Director Planning and Land Use Services) &amp; Anita Allen (Director Planning &amp; Development) – State Planning Commission</li> </ul>
<b>21 March 2022</b>	<ul style="list-style-type: none"> <li>Craig Holden (Chair) &amp; Sally Smith (Executive Director) State Planning Commission</li> </ul>
<b>2 May 2022</b>	<ul style="list-style-type: none"> <li>Minister for Planning Hon Nick Champion</li> </ul>



## 5. Communications and member engagement

GAROC's Communications Plan 2020-23 recognises that effective ongoing engagement and communication with member councils and stakeholders is essential to GAROC its business.

The Plan identifies the following communication goals:

Keep members informed	Strengthen relationships	Increase awareness	Build an identity
Proactively deliver clear, accessible, timely, relevant and targeted information in ways that best meet the interests and needs of member councils.	Strengthen relationships within our members and with stakeholders through communications activities, to increase confidence and foster trust.	Increase member and stakeholder awareness and understanding of GAROC's role, activities, projects and decision-making processes.	Build a positive reputation that reflects the GAROC Guiding Principles.

This Annual Report has identified the workshops and forums, networking events, and stakeholder meetings that GAROC has undertaken in line with its Communications Plan. Those activities were shared on the LGA's established social media channels to build awareness of the actions and outcomes.

Additionally, in 2021-22, GAROC continued to provide a regular e-news/email communication from the GAROC Chair to update metropolitan mayors and councillors on meeting outcomes, projects and opportunities for councils to participate in GAROC activities.





**Local Government Association  
of South Australia**

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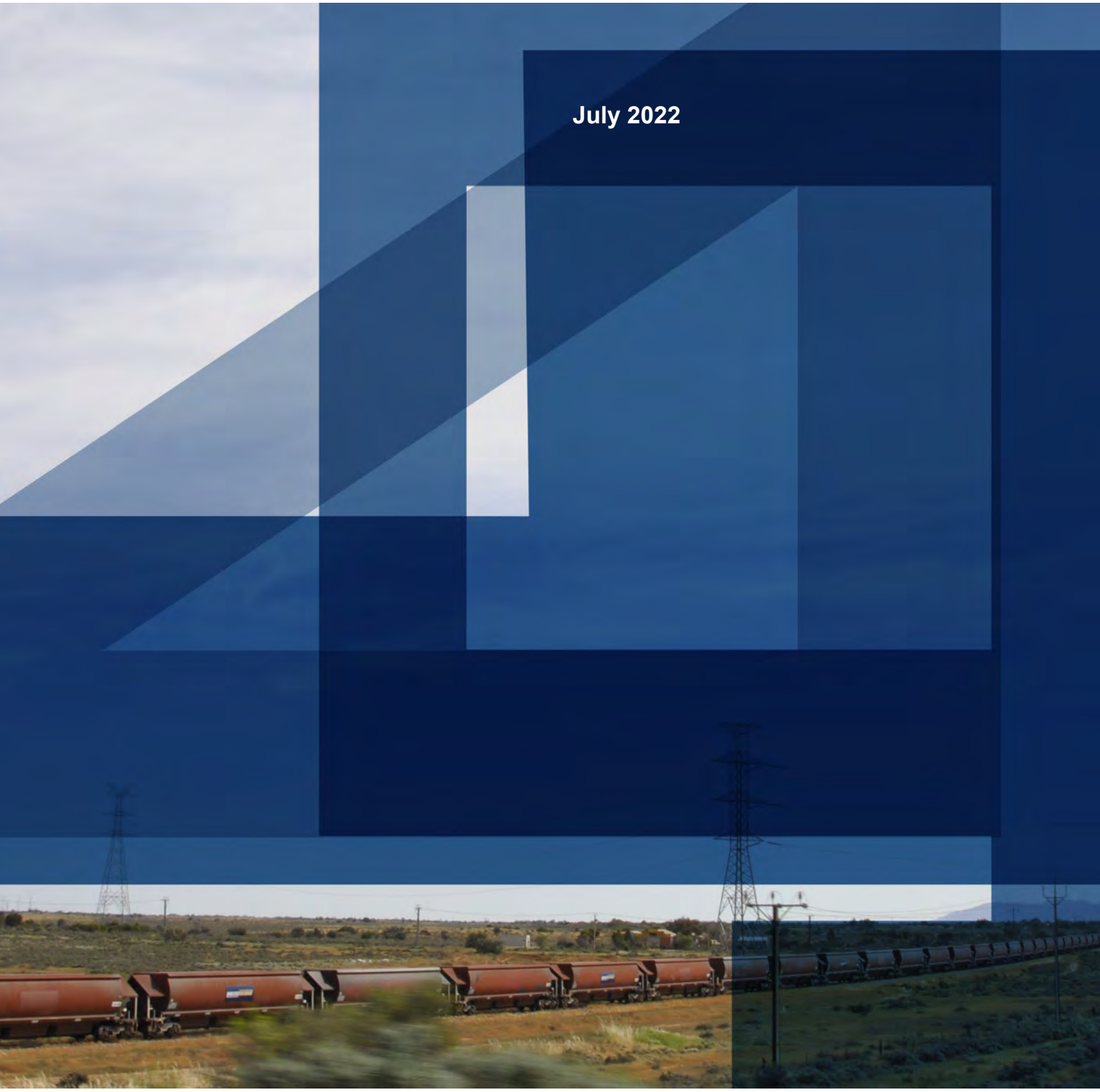
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# 2021-22 SAROC Annual Report

July 2022





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## From the Chair

I am honoured to present the *2021-22 SAROC Annual Report*.

The 2021/22 year has been an extremely busy time for SAROC with some significant work being undertaken in the areas of regional health and regional housing.

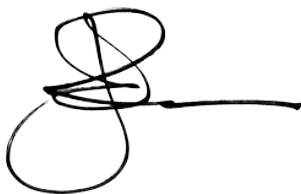
SAROC recognises that both issues need to be addressed with SAROC working in partnership with both the state and federal government to support the economic sustainability of the regions. These issues will remain a priority for SAROC in 2022/23. SAROC advocacy on matters including jetties and regional waste will also continue.

This year we have seen the commencement of the regional planning process. Although no Joint Regional Planning Boards were established, SAROC is looking forward to working with the State Planning Commission in 2022/23 to develop these plans across the regions to support the regional economic sustainability and liveability.

During the year SAROC invited a number of key speakers to present on matters of importance to regional councils, these presentations helped inform SAROCs decision making and we are grateful to these speakers for taking the time to attend our meetings.

I wish to thank the LGA Secretariat and the regional LGAs for their help during the year

I would also like to thank the members of SAROC for their participation and counsel and in particular I would like to acknowledge Mayors Burgess, Telfer and Barber for their contribution to SAROC.



**Mayor Erika Vickery OAM Chair**

**SAROC committee**

## 1. Introduction

The South Australian Regional Organisation of Councils (SAROC) is a committee of the Local Government Association of South Australia (LGA).

The SAROC committee supports the LGA to 'advocate, assist, and advance' the interests of local government by:

1. Supporting the activities of the LGA at a regional level.
2. Promoting communication between members, and between members and the LGA.
3. Advocating in respect of matters which affect the SAROC Regional Group.
4. Encouraging engagement of members within the SAROC Regional Group with SAROC and the LGA.
5. Participating in policy development and implementation.

Clause 9.10.3 of the SAROC Terms of Reference requires that:

*'SAROC will provide an annual report to the Board of Directors by September each year summarising:*

*(a) the discharge of SAROC's responsibilities and functions under these Terms of Reference and against the strategic plan and annual business plan;*

*(b) the activities of SAROC during the financial year;*

*(c) items of business referred to the Board of Directors or a General Meeting during the financial year; and*

*(d) items being considered by SAROC which have not been reported to the Board of Directors and the intended actions in respect of those matters.'*

This Annual Report provides a summary of SAROC's activities from 1 July 2021 to 30 June 2022.





## 2. Delivering SAROC's 2021-22 Annual Business Plan

### *Theme 1: Economic Development*

*Objective: Enable advocacy and partnership opportunities that recognise the specific needs of the regions and support councils to drive sustainable economic development.*

#### **2021-22 activities**

##### **Report to Inform the Development of a Regional Housing Policy Toolkit**

The SAROC Committee commissioned Leonie Boothby & Associates to develop a Regional Housing Policy Toolkit, designed to:

- consolidate advice on innovative policy options already available to regional councils seeking to facilitate residential development; and
- provide a policy reform advocacy agenda for the SAROC Committee to take to other levels of government.

In developing the toolkit, Leonie Boothby & Associates consulted with, local councils, South Australian Government agencies, Regional Development South Australia (RDSA), and other stakeholders involved in residential development.

In May 2022, SAROC received the 'Report to Inform the Development of a Regional Housing Policy Toolkit'. The report is structured into three key sections: 'Situational Analysis'; 'Local Government Regional Housing Support Framework'; and 'Local Government Sector Advocacy'.

It provides the evidence-base needed to produce the Regional Housing Policy Toolkit's two outputs:

1. An online Local Government Regional Housing Support Framework, which outlines a range of roles and actions that individual councils can take to assist in addressing identified regional housing supply challenges and barriers. This will be housed on the LGA's website and has been designed to evolve over time, as examples, tools and initiatives are identified, developed and shared by councils.
2. A Regional Housing Advocacy Agenda for the LGA and SAROC, outlining the current and forecast housing supply challenges and barriers in regional South Australia, and a series of recommendations for advocacy to other levels of government and stakeholders for further investigation, discussion, collaborative action, and policy reform.

A copy of the Leonie Boothby & Associates report is available as an attachment to the 26 May 2022 SAROC Committee [agenda](#).

##### **Regional Housing Roundtable**

In June SAROC held a Regional Housing Roundtable, with State Government representatives and representative Mayors from each of the Regional Local Government Associations.

The purpose of the roundtable was to enable regional Mayors to speak about the impacts that housing affordability and availability is having on their communities from both a social and economic perspective, to outline some of the causes and importantly the steps they have taken to address the issue.

It also enabled the State Government agency representatives to provide advice as to how the State Government is currently responding to the regional housing crisis and provide their thoughts on other actions that could be undertaken.

Housing supply and availability will remain a key priority for SAROC in 2022/23. SAROC will continue to support the LGA's advocacy for State and Federal Government policies that develop a roadmap for increasing regional housing supply that includes better incentives for private development in regional areas and alternative funding models for affordable housing projects and associated infrastructure, including a process to secure government funds.

## **RDSA Collaboration**

During 2021-22, the LGA Secretariat has commenced regular contributions at monthly RDSA CEO meetings, providing an additional avenue for collaborative information sharing and policy dialogue, needed for effective advocacy on behalf of the economic development functions of both regional councils and RDAs.

### *Theme 2: Community Development*

*Objective: Support strong, vibrant and cohesive regional communities through advocacy and partnerships that unlock local government's potential to deliver quality community services and meaningful outcomes in public health and wellbeing.*

## **Public Health and Community Wellbeing**

SAROC has sought to assist councils and regional LGAs to build capacity and best practice in their development, review and renewal of regional public health plans and to assist regional councils and communities to respond and recover from the COVID-19 public health emergency.

It has also assisted regional councils to come together to identify common priorities among their updated Regional Public Health plans and to advocate for State Government funding to assist with implementation of key actions where necessary.

SAROC has sought to promote and share the learnings from the Community Wellbeing Alliance trials with all regional LGAs, and further promote the work of the Community Wellbeing Indicators research project commissioned by the Southern and Hills LGA.

A Community Wellbeing Alliance pilot program has been supporting some councils in the Murraylands and Riverlands LGA and Southern and Hills LGA to address specific health and wellbeing needs in the regions arising from regional public health plans and planning processes and identify opportunities to improve local government's role in supporting community wellbeing in regional communities.

The Community Wellbeing Indicators were successfully launched in April 2022 by the Chief Public Health Officer Professor Nicola Spurrier at an event held in LG House.

## **Regional Health Workforce Project**

SAROC has continued to advocate to the Federal and State Governments for the provision of improved health services.

SAROC also supported the progression of a key action from the Rural Medical Workforce Plan 2019-2024 by working with the Rural Support Service to investigate how to maximise the personal and family supports provided to rural doctors by assisting efforts in housing, transport costs and childcare, and support for partners and families, including social and community supports.

During 2021/22 SAROC considered a comprehensive Regional Health Workforce Literature Review, prepared by the LGA, that outlines the unique challenges to accessing adequate health care and endorsed the use of a Regional Health Workforce Consultancy Brief to obtain quotes for a consultant to produce a toolkit for regional and remote councils dealing with health workforce shortages and/or challenges in attracting and retaining health professionals to live and work in their community.

SAROC will continue to support the LGA's advocacy to establish a formal role for the local government sector to shape state-wide and community-based initiatives to better address medical workforce shortages in regional areas.

### *Theme 3: Natural and Built Environment*

*Objective: Influence, inform and advocate for the State Government to address policy and legislative barriers that hinder councils from undertaking their roles in maintaining and enhancing the natural and built environment in regional South Australia.*

#### **Overabundant Species- Little Corellas**

SAROC has continued to advocate for State Government commitment to fund implementation of a statewide Little Corella strategy that includes financial assistance to local governments for the development of integrated local management plans and the implementation of medium and long-term management options at a local scale.

SAROC established the 'Little Corellas habitat interventions' program following the EOI process and brought councils together to consider the outcomes and share learnings to inform future council activities. Through this program Little Corellas habitat intervention projects are taking place in Roxby Downs Council and the Rural City of Murray Bridge.

The SAROC Chair wrote to the former Minister for Environment and Water and Landscapes SA to provide details of the two projects being supported by the SAROC Little Corellas habitat interventions initiative and highlighting the benefits for a coordinated statewide little corellas management strategy

#### **Regional Plans and the Review of the 30 Year Plan for Greater Adelaide**

SAROC endorsed the Chair of SAROC, in a joint letter from the LGA President and the Chair of GAROC, writing to the Minister for Local Government and Planning and Opposition Spokesperson on Housing and Urban Development, outlining:

- i. the importance of the Thirty Year Plan for Greater Adelaide and all other regional plans in supporting the future direction, liveability and economic growth for both metropolitan Adelaide and the State; and
- ii. the need for the State Government to provide the budget necessary for these plans to be prepared by the State Planning Commission, including enabling evidenced based investigations and collaboration and engagement with local government and their communities.



SAROC will continue to engage with the State Planning Commission during the preparation and consultation of the regional plans to facilitate the collaboration between the State Planning Commission and councils. SAROC will also continue to engage with and provide support to councils during the review of and consultation on the Regional Plans

### **Water Policy**

SAROC continues to facilitate local government discussion relating to water policy including advocating for a national water policy. The local government sector in South Australia performs an important role in water management and conservation. Given this, and the significant investment local government makes across various activities associated with water, SAROC has maintained an interest facilitating local government discussions relating to water policy and advocating for a national water policy.

SAROC approved a process for consultation with member councils to develop a policy position to support future advocacy regarding a national water policy.

### **Circular Economy and Regional Waste Management**

SAROC, in conjunction with Green Industries SA and the Legatus group, held a SA Regional Waste Pathways Forum to explore the challenges and opportunities in regional waste, recycling and resource recovery and how local government, through the development of Regional Waste Management Plans can improve services offered to their communities and increase involvement in the circular economy.

This event brought together councils, regional LGAs, regional waste subsidiaries, state government and other stakeholders to hear from industry leaders about opportunities the transition towards a circular economy present to regional councils.

It was clear from all presentations, panel sessions and discussions with audience members that collaboration is key for regional councils to improve the waste and recycling services offered to the community, as well as to increase participation in the circular economy.

This includes collaboration with other councils, State Government agencies, universities and key industry players.

The LGA, through its SAROC Committee, has continued to support collaboration through advocacy and assisting its members through further developing its 'suite of resources' to support regional councils in waste management.

### **Regional visitor waste disposal – public awareness campaign**

SAROC endorsed the development of a process for an illegal dumping/anti-litter holiday public awareness campaign, noting that the production and marketing of the campaign will be reliant on sufficient resourcing and stakeholder support.

This project responds to both an endorsed item of business from the [LGA 2021 AGM](#), calling for a campaign on illegal dumping, as well as the increased incidence of inappropriate visitor waste disposal practices in regional and remote South Australian tourist destinations.

The LGA Secretariat is actively consulting with councils and other interested stakeholders on the development of this public awareness campaign.

## Coastal Management

SAROC has supported and informed LGA sector-wide advocacy for increased State and Federal funding for councils in coastal management, conclusion of the SA jetties funding and lease negotiations, response to the Parliamentary review of the Coast Protection Board, and finalisation and implementation of the forthcoming SA Government Coastal Strategy.

SAROC has continued to support the collaborative arrangements in the sector such as the SA Coastal Councils Alliance.

### *Theme 4: Financial Sustainability and Governance*

*Objective: Advocate to maximise contributions and investment from other tiers of government to contribute toward local government financial sustainability, and to assist councils to identify opportunities to support and strengthen governance arrangements.*

#### **Jetties-asset management**

SAROC has supported the LGA's advocacy for future funding of jetties and provide policy support to a research project to further understand the economic, social and historic value of jetties in South Australia.

This research will build the evidence-base and document the economic value that jetties contribute to communities through tourism and recreation activities.

#### **Fair Rating of Electricity Generators**

SAROC has supported the LGA's advocacy that the State Government remove or recompense councils for state-government mandated discounts on rates for Community housing / Electricity providers / Religious services / Public cemeteries / Educational purposes.

SAROC reaffirmed its opposition to provisions in the Electricity Corporations (Restructuring and Disposal) Act 1999, which prevent councils levying fair rates on land used for electricity generation.

To support the ongoing advocacy being progressed by the LGA, SAROC, and Legatus member councils, SAROC has requested that the LGA Secretariat, Regional LGA's support the preparation of an issues paper to inform and advocate for a review of the mandatory rate rebates that councils are compelled to provide.

#### **Borrow Pits**

SAROC has continued to advocate for appropriate consideration of council borrow pit activities within the Mining Act and relevant regulations and has continued to pursue a commitment from the State Government to work with local government on a Code of Practice the rehabilitation of future borrow pits

SAROC recognised the significant financial and resourcing risk to regional councils from SafeWork SA's reinterpretation of the Work Health and Safety Regulations 2012, to include borrow pits as a mining activity. Through the LGA Secretariat and Local Government Risk Services (LGRS) discussions with SafeWork SA were held regarding council borrow pit activities. These meetings and subsequent correspondence have confirmed that SafeWork SA now consider the Act and regulations to apply to council activities in rubble raising in regional areas for roads maintenance programs, as follows:

1. Council as the Mine operator would be required to make its own determination that an individual mine manager is competent against the criteria of 615 A (9) (a) based on facts and circumstances of the work undertaken. The required level of competency the Council requires of the 'mine manger' would need to align with the complexity of the mining operation.
2. The requirement for a mine manager to be appointed to a particular mine would only be active as and when there were operational mining or processing activities taking place at the site. This would allow for a competent works operative to be designated as the mine manager for the site they are going to work on at that point in time, alleviating the need for them to be considered as a manager of multiple sites and the council and regulator having to go through this gazettal process every time a pit is opened or closed. Practically, a mine manager that was part of a crew or otherwise could move from site to site to undertake work which we understand is the practice of Council.
3. The requirements for a safety management system (Regulation 622) and the principal mining hazard management plan (Regulation 627) are able to satisfy as you have described, ie 'be captured and addressed through Councils overarching safety management systems, and in particular the hazard management processes including hazard identification and control, rather than through separate systems and documents.' What is important is the quality, relevance and application of those systems and processes

This interpretation clarifies that the requirement for a mine manager would only be active as and when there were operational mining or processing activities taking place at the site. This would allow for a competent works operative to be designated as the mine manager for the site they are going to work on at that point in time, alleviating the need for them to be considered as a manager of multiple sites and the council and regulator having to go through this gazettal process every time a pit is opened or closed.

LGRS are preparing an education program to be rolled out as councils are informed about this outcome.

### **Regional Local Roads- Mapping and Priorities**

SAROC facilitated coordination between regional LGAs to prepare a SA Regional Local Road Priorities report that will enable a cross regional approach to support funding applications to State and Federal Government based on an agreed priority list.

SAROC received and approved the release of the HDS Australia/Legatus Group's draft SA Regional Road Priority Project report. A working group will be established comprising representatives from the LGA Secretariat, the Department for Industry and Transport, the Local Government Transport Advisory Panel, and Regional LGA EOs to assist with reviewing the recommendations.

## 3. Items of Business Referred to the LGA Board of Directors or an LGA General Meeting

### LGA 2021 Annual General Meeting

SAROC agreed to recommend items of business on the following issues for the LGA Annual General Meeting on 29 October 2021.

*Proposed items of business recommended by SAROC and subsequently 'Carried' at the AGM.*

- Increasing South Australia's Influence at the National General Assembly (Wakefield)
- Regional Homelessness (and Housing Affordability) (Mount Gambier)

*Proposed items of business not recommended by SAROC for consideration at the AGM.*

- Equitable Distribution of Federal Roads Funding to Rural Councils within South Australia (Wakefield)
- Northern Adelaide Irrigation Scheme (NAIS) Water Pricing and Connection Costs (Adelaide Plains Council)

*Proposed items of business progressed by SAROC without referral to the AGM.*

- Social and Community Housing in the Murraylands (Murraylands & Riverland)

### LGA 2022 Ordinary General Meeting

SAROC agreed to recommend items of business on the following issues for consideration at LGA Ordinary General Meeting to be held on 8 April 2022.

- Implementation of an electronic portal for issuing of permits pursuant to the Fire and Emergency Services Act 2005 (Loxton Waikerie)
- Electric Vehicles Taxes (Victor Harbor)
- Research into the Population Status and Decline of Little Penguins in South Australia (Victor Harbor)
- Stamp Duty on Residential Property in South Australia (Barunga West)

### Other items of business

- Hoarding and Squalor in Regional SA (Southern & Hills LGA)

Southern & Hills LGA wrote to the SAROC Chair in October 2021 to seek support for LGA advocacy to the State Government for improved leadership, coordination, and resources for evidence-based and effective responses to hoarding and squalor in regional South Australia.

This motion was taken to the November 2021 meeting of SAROC. SAROC agreed to ask the LGA President to write to the Minister for Health and Wellbeing, seeking urgent

action regarding the resourcing and coordination of services to appropriately respond to this issue.

SAROC noted the opportunity for the LGA to coordinate activities through the SAROC and GAROC committees to work in consultation with member councils to investigate how local government actions on hoarding and squalor in South Australia can be most effectively and sustainably coordinated.

SAROC will include 'Hoarding and Squalor' as an issue in the draft 2022-23 SAROC Annual Business Plan for future consultation with member councils and Regional LGAs.

Consequently, a letter was sent to the Minister for Health and Wellbeing and copied to the Minister for Planning and Local Government, the Shadow Minister for Health and Wellbeing and the Shadow Minister for Local Government. A response was later received from the Minister for Health and Wellbeing.

The LGA secretariat have progressed this motion with the motion now included in both SAROC and GAROCs Annual Business Plans 2022-2023, along with a budget allocation of \$30,000.

Furthermore, a Project Reference Group is being established and a Project Plan developed to progress this work.

- Managing offensive and unacceptable posts on social media platforms (Whyalla)

SAROC resolved not to refer an item of business on this issue to the LGA OGM. However, SAROC welcomed this issue being brought forward by the City of Whyalla and recognised the importance of this issue.

SAROC noted that:

- advocacy for policy and/or legislative changes to manage offensive and unacceptable posts on social media platforms is not the most efficient and effective solution available to the local government sector;
- the LGA has produced a 'Social Media Guide for Elected Members' that provides comprehensive support for elected members in their engagement on social media platforms;
- the LGA offers a range of training modules for elected members and council employees, including 'Responsible Social Media Use and Defamation Law'; and
- many councils already provide staff and elected members with access to a counselling service, should they suffer harm, or risk to their wellbeing, from social media activity.

Based on the SAROC discussion, the LGA will consider the information packs provided to candidates for local government elections and use these to provide further information about dealing with social media. The LGA Secretariat will also revisit the 'Social Media Guide for Elected Members' to provide advice to EMs on how to respond to social media 'trolls'.

- Community Wastewater Management Systems (Legatus)

SAROC noted an item of business received from the Legatus Group, asking SAROC to request the LGA to:

- a) continue to resource assistance to member councils operating Community Wastewater Management Schemes (CWMS) to maintain or improve infrastructure and to improve operations via collaborative approaches to training, procurement, risk management, research and other activities; and
- b) canvas its members councils operating CWMS to gain advice if they require assistance with decisions on remaining and or divesting from both the operations and assets of CWMS;

SAROC recognised that there may be opportunities for the LGA to support its members to maintain or improve existing infrastructure via collaborative approaches.

SAROC referred this issue to the to the LGA Board's CWMS Management Committee for advice and recommendations that may inform future consultation with LGA member councils on the type of support that may add value beyond the existing LGA programs and member services.

- ABC Southeast – weekly local news bulletins (Mount Gambier)

The City of Mount Gambier raised with SAROC its concerns regarding the loss of weekly local news bulletins on ABC Southeast.

Recognising that this issue has relevance to all regional councils and communities, SAROC endorsed that its Chair will write to the ABC to encourage them to maintain the provision of locally relevant broadcast news content in regional South Australia.

- Vocational Training and TAFE Capability in Regional Centres

SAROC considered an item of business raised by the Limestone Coast LGA (LCLGA) and agreed to include 'Vocational Training and TAFE Capability in Regional Centres' as an advocacy issue in the draft 2022-23 SAROC Annual Business Plan for future consultation with member councils and Regional LGAs.

## 4. Details of Meetings

During 2021-22, SAROC meeting were held on the following dates:

- 29 July 2021
- 23 September 2021
- 17 November 2021
- 2 March 2022
- 17 March 2022
- 5 May 2022
- 19 May 2022
- 26 May 2022

### *Attendance*

SAROC Committee member attendance at meetings (not including workshops) during the year was:

Member	Number of meeting eligible to attend	Number of meetings attended
Mayor Erika Vickery OAM	8	8
Mayor Dave Burgess	1	1
Mayor Peter Hunt	8	8
Mayor Moira Jenkins	8	8
Mayor Peter Matthey OAM	8	8
Mayor Clare McLaughlin	8	4
Mayor Bill O'Brien	8	7
Mayor Keith Parkes	8	8
Mayor Richard Sage	8	7
Mayor Sam Telfer	3	3
Mayor Travis Barber	7	4
Mayor Brett Benbow	8	5
Mayor Dean Johnson	5	5
Mayor Caroline Phillips	7	4

Following the resignation from SAROC of Mayor David Burgess (Mid Murray Council), Mayor Caroline Phillips (District Council of Karoonda East Murray) was appointed to SAROC.



Following the resignation from the LGA Board of Directors of Mayor Sam Telfer (District Council of Tumby Bay), SAROC appointed Mayor Dean Johnson (District Council of Kimba) to the office of Immediate Past President on the LGA Board of Directors for the remainder of the term of the current Board.

In May SAROC noted the resignation of Mayor Travis Barber (District Council of Streaky Bay) from the SAROC Committee and the casual vacancy that it has created. The Eyre Peninsula LGA subsequently appointed Mayor Jo-Anne Quigley (DC Lower Eyre Peninsula) to SAROC, whose first SAROC meeting will be 21 July 2022.

### *Guest Speakers*

29 July 2021

- Regional Development South Australia Chair, Hon Rob Kerin  
Provided the committee with an update on the recent work of Regional RDA's, including updates on their priorities and primary focus on bolstering regional workforces

23 September 2021

- South Australia Housing Authority, Michael Guy and Eric Wisgard  
Provided a presentation on the agency's draft Local Affordable Housing Plan Toolkit, developed as part of the government's 10-year Our Housing Future 2020-2030 strategy. When published, the SAHA toolkit will complement the SAROC Regional Housing Policy Toolkit commissioned at its last meeting.

17 November 2021

- State Planning Commission, Chair Craig Holden, Executive Director Planning & Land Use Services Sally Smith, Director Planning Development Anita Allen  
Commenced the discussion on the regional planning program.

5 May 2022

- Leonie Boothby & Associates Pty Ltd, Leonie Boothby  
Presented the 'Report to Inform the Development of a Regional Housing Policy Toolkit'.



## 5. Communications and Member Engagement

SAROC's 'Communications Plan 2020-23' recognises that effective ongoing engagement and communication with member councils and stakeholders is essential to SAROC its business.

The Plan identifies the following communication goals:

- Keep members informed - Proactively deliver clear, accessible, timely, relevant and targeted information in ways that best meet the interests and needs of member councils.
- Strengthen relationships - Strengthen relationships within our members and with stakeholders through communications activities, to increase confidence and foster trust.
- Increase awareness – Increase member and stakeholder awareness and understanding of SAROC's role, activities, projects and decision-making processes.
- Build an identity – Build a positive reputation that reflects the SAROC Guiding Principles.

This Annual Report has identified the workshops and forums, networking events, and stakeholder meetings that SAROC has undertaken in line with its Communications Plan. Those activities were shared on the LGA's established social media channels to build awareness of the actions and outcomes.

In 2020-21, SAROC introduced a standing item on its agenda for each of the Regional LGAs to provide a short summary of to inform the Committee recent projects and issues.

SAROC also introduced a regular e-news/email communication from the SAROC Chair to update regional mayors and councillors on meeting outcomes, projects and opportunities for councils to participate in SAROC activities.

The background of the lower half of the page is a collage of images. On the left, there is a photograph of several wind turbines in a green field under a blue sky. This image is partially obscured by several overlapping, semi-transparent blue geometric shapes, including rectangles and triangles, which create a modern, layered effect.

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# 2021-2022 CEO Advisory Group Annual Report

August 2022



# 2021-2022



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## From the Chair

It has been another challenging but always interesting year for the sector, and the LGA CEO Advisory Group has considered and provided advice on a range of matters of importance.

The key themes of this year have been the implementation of the local government reforms, the ever emerging and increasing risks of cyber security, performance monitoring and reporting and other strategic initiatives.

It is the goal of the Group to assist the LGA by providing advice from an executive perspective that considers both metropolitan and regional views.

It has been an honour to have been appointed as Chair for the 2020-2022 term and I thank my fellow members for their contributions and also for acting as a liaison point for other CEO's in their regions, this has assisted the LGA Board of Directors with the design and delivery of LGA services, programs and activities.

I am pleased to present this 2021-2022 CEO Advisory Group Annual Report to the LGA Board of Directors.



**Paul Sutton**

**Chair**

## Introduction

The CEO Advisory Group is a committee of the LGA established under its Constitution.

As outlined in the Terms of Reference, the CEO Advisory Group will provide advice to the LGA Board on the design and delivery of policy and services to its members and will consider:

- the value and validity of services offered by the LGA to members;
- proposals for the further development of existing or new services by the LGA; and
- the effectiveness of operational policies adopted by the LGA in connection with member services.

Clause 7.8 of the Terms of Reference determines that:

*The CEO Advisory group will provide a written report to the Board of Directors after each CEO Advisory Group meeting providing an update on any matters being considered by the group.*

*The CEO Advisory Group will provide an annual report to the Board of Directors by September each year summarising:*

- a) the discharge of the CEO Advisory Group's responsibilities and function under these Terms of Reference;*
- b) the activities of the CEO Advisory Group during the previous financial year;*
- c) the issues referred to the Board of Directors during the previous financial year and whether or not each issue was resolved or addressed; and*
- d) issues being considered by the CEO Advisory Group which have not been reported to the Board of Directors and the intended actions in respect of those matters.*

## Members of the CEO Advisory Group

- Ben Gower, Wattle Range Council (November 2020 – present)
- Tony Harrison, City of Marion (August 2021 – present)
- David Stevenson, Regional Council of Goyder (November 2018 – present)
- Deb Larwood, District Council of Kimba (November 2018 – present)
- John Moyle, City of Tea Tree Gully (November 2020 – present)
- Mario Barone, City of Norwood Payneham & St Peters (November 2019 – present)
- Michael Sedgman, Rural City of Murray Bridge (November 2018 – present)
- Paul Sutton, City of Charles Sturt (Chair, November 2020 - present)



# CEO Advisory Group 2021-2022 activities

## Local Government Reform

The *Statutes Amendment (Local Government Review) Act 2021 (the Amendment Act)* was assented to the Governor on 17 June 2021. Throughout 2021-2022, the CEO Advisory Group continued to provide advice on the implementation of the reforms and the training programs that support them. This included advice on the rollout of LG Equip, CEO Remuneration Reviews and phases of consultation.

The feedback from the Group informed the means of continued engagement with the sector and where there was room for improvement. The Group also provided insight into council networks that could be utilised to enhance the sector's awareness of the reform implementation program.

## Performance Monitoring and Reporting Framework

There have been many iterations of performance reporting and benchmarking considered by the Group since its creation in 2018. This is in response to initiatives brought forward by the then State government following; the rate capping campaign, the review of the Productivity Commission, and our own sectors quest to fund meaningful ways that we measure and improve.

The State Government's Councils in Focus website was launched in 2021 and the Group provided their feedback on the website and potential strategies for councils in managing the perceptions of the data.

In May 2022 the Group received a presentation on a platform that assists in analysing internal and external feedback data. The Group also provided feedback on the potential sector interest of a pilot program.

## Cyber Security

In August 2021 and May 2022, the Group considered reports on the Local Government Cyber Security Strategy and framework that has been led by the LGITSA Network.

The Group provided feedback on the strategy and reinforced its importance for the sector and the level of engagement needed in progressing the important project.

Members of the Group also joined the pilot group for executive leadership training on cyber security preparedness conducted by KPMG.

## State Elections

In August 2021, the Group considered the LGA's State Election Strategy and provided feedback on the advocacy approach. The Group helped reinforce the LGA's thinking around key priority issues for the sector and areas that needed further attention.

The feedback reinforced areas of importance and included suggested additions to the program.

## Emergency Management

In November 2021 the Group provided advice on the strategic direction of the LGA's emergency management activities. The Group was able to provide insights from both a metro and regional lens and provide feedback from the community services.

In 2022 the LGA began its review of the LGFSG plan that has been consulted on with the sector.

## Special Local Roads Program (SLRP)

The Group provided advice on the strategic direction on the governance review of the program and feedback informed a report to the LGA Board of Directors.

## 2022 Council Elections

The Group considered a report in November 2021 on an 'effective leadership proposal' pertaining to the 2022 council elections.

The group also shared with ECSA via the LGA its thoughts on the proposed scope and direction of marketing and promoting the upcoming elections. This included insights on the best way for the LGA to engage with and activate member councils to support and deliver the campaign.

## Potential LGA Services

The Group provided feedback on potential LGA services from time to time to inform the LGA on the sector appetite for differing services.

The advice given helped lead the LGA's thinking on priorities for the sector and the best models for these potential programs.

## Strategic Issues

The Group provided advice on an ad-hoc basis on emerging issues of strategic importance that required a fast response.

## Details of meetings

During the 2021-2022 financial year, a total of 4 regular meetings were held on the following dates:

- 5 August 2021
- 4 November 2021
- 3 February 2022
- 5 May 2022

The Group also held a joint workshop with the LGA Board of Directors on 17 March 2022.

The Secretariat sought out of session advice from the CEO Advisory Group on matters relevant to the Group's Terms of Reference from time to time throughout the year.


CEO Advisory Group member attendance at regular meetings during the year:

Member	Number of meetings eligible to attend	Number of meetings attended
Mario Barone	4	4
Tony Harrison	4	2
Ben Gower	4	4
Deb Larwood	4	4
John Moyle	4	3





Michael Sedgman	4	4
David Stevenson	4	3
Paul Sutton	4	4

A background image showing a group of people in a meeting room. A man in a blue patterned shirt and glasses is seated at a table on the left, looking towards the right. Other people are partially visible in the background, some looking towards the camera and others looking away. The room has large windows with white curtains and a potted plant on the left.

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# **2021-2022 LGA Audit and Risk Committee Annual Report**

**September 2022**

## Introduction

Each year the Audit and Risk Committee provides a report to the LGA Board of Directors summarising its activities during the previous year. The Committee's annual report is a requirement of the Committee's Terms of Reference.

The main functions of the Committee are set out in part 8 of the Terms of Reference. The Committee has discharged its responsibilities and functions under the Terms of Reference.

Although External Audit is not specifically dealt with below, the Committee is tasked with various activities relating to the appointment of and liaison with the external auditor. The current external auditor appointment is for a three year period until the completion of the 2021/22 financial statements. The external auditors are invited to attend and do attend meetings of the Committee. The Committee met with the external auditor in the absence of management this year at the time of review of the financial statements for 2021 and will do so again when reviewing the 2022 statements. The Committee is extremely happy with the level of service provided to date by the current external auditor.

This report highlights the key topics of focus in the 2021/22 financial year and summarises focus areas for the next 12 months.

The report is intended to provide information to the Board to assist the Board in discharging its governance responsibilities.

## Communication

Two-way communication between the Board and the Audit and Risk Committee is vital in ensuring the Committee provides value to the Board and that the advice being provided is relevant to the LGA.

The Board Member Representative attending the Committee remains essential in maintaining this communication. The Committee thanks Mayor Parkes for his contribution to the meetings and also wishes to record its thanks to Mayor Telfer who completed his term in December 2021.

Following each Committee meeting, I prepare a report to the Board summarising the key topics that I believe are the most relevant issues discussed during the meeting. This report is included with the Committee minutes.

The Committee also welcomes Board members to attend Audit Committee meetings or the Board referring issues to the Committee for review and feedback.

## Summary of areas of focus during the year

### Internal Audit Program

KPMG, LGA's internal auditors, undertook three scheduled reviews in 2021/22 covering Grant Management, Governance, and a review of the LGA's Expenditure and Liability Cycle. The Secretariat accepted the findings from these reviews and provided regular reports to the Committee on the actions being undertaken to address any findings.

The Committee also received updates from the Secretariat on actions from all audits since 2020. The Secretariat has continued to improve its Work Health and Safety program and Cyber security and has advised the Committee that all high risk areas have now been addressed.

In June, the Committee received a report on the LGA's Cyber Security, comparing its current processes with the new Local Government Sector ICT Security Framework. The Committee noted that work by the Secretariat would continue into 2022/23 for it to achieve a "Tier 1" Maturity level, the requirements of which are detailed in the Security Framework. The Committee will receive reports on progress.

### **Specials Audits - Grant Programs**

There was an emphasis on audits and reviews of grant projects in 2021/22 that included the Community Wastewater Management Scheme, Special Local Road Grant Program, Regional Capacity Building Program and the Research and Development Scheme.

In July 2021, the LGA received a report from the Audit General's Department on the CWMS program highlighting several actions for the LGA to address. A number of the actions are expected to be resolved as part of the mid-term contract review which is currently occurring in collaboration with the State Government. The work addressing the Auditor General's findings is being reported to each meeting of the Committee.

The Committee has encouraged the Secretariat to ensure that not only are identified issues corrected/actioned but that the learnings from these reviews are taken into account in future activities.

The Secretariat has incorporated feedback from the reviews into its project management framework and grant management framework.

### **Business Changes**

The Committee also provided feedback on some business changes during the year.

The LGA entered into an agreement with LG Professionals Group, resulting in the outsourcing of the LGA's event and training activity. Unfortunately, the agreement was entered into prior to reference to the Committee. However, the Committee provided feedback on the strategy, contracts, and other supporting information. The Committee also noted that should revenue recognition be impacted by the agreement it will need resolved when the financial statements are prepared and audited. The Committee understands that each year an annual business plan will be developed, setting budgets, service levels and KPIs, it will be necessary for these to be monitored by the Secretariat.

The Committee receives regular updates from LGA SA Mutual on the LG Safe project that is looking to reform the "One-System" WHS review system. This was highlighted by the LGASA Mutual Board as being a high risk project due to the risk of potential injury, to reputation and to service delivery. This project is continuing into 2022/23.

Updates were also received on the Local Government Reform Implementation project which was flagged as a high risk for the LGA. The State Government timeframes for implementing the program have taken longer than expected, reducing some of the risk for the LGA. Some key reforms will continue to be rolled out in 2022/23, including ESCOSA's oversight of council's long-term financial plans and the Behaviour Panel for elected members.

## Policies, Frameworks and Reviews

The Committee continues to receive regular updates on team risk management action plans and quarterly updates on various grant projects. It also provided feedback on the Annual Business Plan and Budget for 2022/23 and the Long-Term Financial Plan.

The Committee also met with the CEO and Chair of LGASA Mutual and CEO of LGA Procurement during the year.

The policies reviewed during the year included:

- Grant Revenue Recognition Policy
- Sponsorship Policy
- Treasury Management Policy
- Records Management Destruction Policy
- Policy Framework
- Training Privacy Policy
- LGA Training Registration, Cancellation and Refund Policy
- Delegations and Matters Reserved for the Board Policy
- Appointments and Nominations to Outside Bodies Policy
- Review of Board and Committee Performance Policy
- Gifts and Benefits Policy
- LGAWCS Sector Peak WHS and RTW Policy
- LGAWCS Member Peak WHS and RTW Policy

## Details of meetings

During the 2021/22 financial year a total of seven (7) Committee meetings were held on the following dates:

- 28 July 2021
- 6 September 2021
- 23 November 2021
- 16 December 2021 (*special*)
- 16 February 2022
- 13 April 2022
- 1 June 2022

Audit and Risk Committee member attendance at meetings during the year was:

<b>Member</b>	<b>Number of meetings eligible to attend</b>	<b>Number of meetings attended</b>
Ms Patricia Christie (Independent Member / Chair)	7	7
Mr David Powell (Independent Member)	7	7
Ms Lisa Bishop (Independent Member)	7	7
Mayor Sam Telfer (LGA Board Member Rep until December 2021)	4	4
Major Keith Parkes (LGA Board Member Rep from January 2022)	3	3

## Future work program

The focus of the Committee during 2022/23 will include:

- Oversight of the LGASA Mutual's LG Safe project which will result in changes to the Work Health and Safety compliance and assessments across the sector.
- Cyber Security and compliance with the new ICT Local Government Cyber Security Management Framework.
- Oversight of a Work Health and Safety audit and Revenue and Asset Cycle Audit.
- Continued oversight of the LGA's risk management, including resolution of action plans, identification of risks in business units and continuous improvement to the LGA's risk culture.
- Continuing to review and provide feedback on the work being undertaken by the Secretariat to address external and internal audit findings, internal control gaps and improvements to processes.
- Policy reviews
- Reviewing and providing feedback on the Annual Business Plan and Budget.
- Oversight of the LG Professionals agreement to deliver Event and Training services to the LGA
- Progressing any items referred to the Committee by the LGA Board of Directors.

**Patricia Christie**

**Chair, LGA Audit and Risk Committee**



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## 6.4 LGASA Mutual Annual Report 2021-2022

### LGA Business

From:	Dr Andrew Johnson, Chief Executive Officer - LGASA Mutual	
Strategy:	4 - Achieve	
Outcome:	4.1 We lead by example in the governance and operations of the LGA	
Meeting:	Annual General Meeting	28 October 2022
ECM:	782157	

---

### Recommendation

**That the Annual General Meeting receives and notes the LGASA Mutual Annual Report for the year 2021-2022.**

### Discussion

David Holston, Independent Chair of LGASA Mutual Pty Ltd will present the annual report on the activities of LGASA Mutual, incorporating the LGA Mutual Liability Scheme and LGA Workers Compensation Scheme.

During the year LGASA Mutual welcomed two new Directors – Joanne Denley and Clinton Jury – who have both strengthened our Board. Joanne comes to the Board as an experience Board Director with a wealth of knowledge of RTWSA and self-insurance, while Clinton replaced Matt Pinnegar as the LGA Director on the Mutual Board.

Both Schemes continues to perform very well during the year, in some turbulent times which includes a difficult global insurance market, significant reduction in investment earnings, an ever-changing regulatory environment, and some recent adverse court cases which will have flow on effects for our Schemes.

Within this environment the LGA Workers Compensation Scheme had an outstanding year. It achieved its lowest claim numbers in the Scheme's history recording 419 claims, which is an 11% reduction from the previous year. In addition, lost time injuries were down 30%. The net impact of this being a reduction in scheme claims costs by over \$1.4 million.

This exceptional result is a credit to our members and the LGRS team. The focus on improving WHS practices and getting workers back to work as soon as practically possible has meant that the Board was delighted in approving a \$1 million special distribution back to our members at its September 2022 meeting. This further highlights the benefit of our Mutual model where we can return the saving that we collectively make. LGASA Mutual's strong financial result also allowed the Board to provide some 40,000 rapid antigen tests, worth some \$195,000, free of charge to councils, at a time when they were difficult to source.

Despite this exceptional result, we still believe that every worker should return home each day uninjured. To assist in achieving this objective the Board has committed significant funds to improve the WHS framework and systems used by councils. The LG Safe project has made its objective to provide a compliant WHS framework that is user friendly. A large amount of work has

been undertaken to consult the sector to determine their needs ahead of rolling out a simplified framework, more user-friendly documents and a greatly enhanced electronic system.

The importance of this work is further highlighted when we see in the broader WHS environment some of the recent changes to legislation; more companies and individuals being prosecuted for safety breaches; proposed industrial manslaughter legislation potentially being introduced; and we are seeing the reverse burden of proof being introduced.

During our discussions with our global reinsurers, LGASA Mutual continues to emphasise to them the great benefits of our mutual model, the consistent risk management across the sector, the value and consistency delivered through 100% council membership and the value of our long-term relationship. This has greatly assisted us to minimise the increases in our reinsurance costs, enabling us to continue to provide stable contributions to our members during challenging times. As a result, the local government Schemes priority to continue to provide Members with financial security, predictability and certainty in an uncertain risk environment has never been more relevant in today's world.

The LGA Mutual Liability Scheme has continued to provide excellent value to members during the year. The LGAMLS has assisted councils with the implementation of the Planning, Development and Infrastructure Act and Local Government reform; it continued to expand the capacity of councils through the Local Government Functional Support Group and funding of the national award-winning Council Ready program; as well as provided input into the new Behaviour Management Standards. The LGA Mutual Liability Scheme has continued to support councils with identifying and managing their strategic and operational risks as well as providing staff and elected member training.

LGASA Mutual is excited about the year ahead with the Board looking at implementing several new risk management programs. These range from a psychological health trial, a grievance mitigation model and to conduct a waste management risk assessment trial.

LGASA Mutual Board would like to extend its thanks for the hard work and dedication of the LGRS team who continue to deliver all the Scheme services and were pivotal in the delivery of another outstanding year for both Schemes.

The LGASA Mutual Board looks forward to continuing work with its members to add value to their business by providing unique cover and risk services to meet their needs.

The [LGASA Mutual Pty Ltd's 2021-2022 Annual Report](#) (including the Schemes abridged financial statements) will be available on the LGA's website prior to the meeting, and printed copies will be available at the meeting.

## 6.5 LGA Procurement Annual Report 2021/2022

### LGA Business

From:	Robyn Cusick, Acting Chief Executive Officer - LGA Procurement	
Strategy:	4 - Achieve	
Outcome:	4.2 The LGA's financial sustainability is supported by a growth in revenue from value-adding member services and LGA Procurement	
Meeting:	Annual General Meeting	28 October 2022
ECM:	782575	

---

### Recommendation

**That the Annual General Meeting receives and notes the LGA Procurement Annual Report for the year 2021-2022.**

### Discussion

LGA Procurement achieved its financial organisational plan for the 2022 financial year, returning a slightly better than budget outcome for the year.

LGA Procurement remained customer focused, delivering information and assistance to buyers and suppliers via webinars and in-person sessions.

Procurement capability for the sector was improved through targeted training and investing back into the sector through advocacy, procurement solutions and education.

Mayor David O'Loughlin, Chair of LGA Procurement will present his annual Chair's report on the activities of LGA Procurement.

A link to the LGA Procurement Annual Report 2021/2022 can be found [here](#).

### *Financial and Resource Implications*

This activity has been anticipated in the LGA Procurement's work program and resources are available to progress this work.

## 6.6 Local Government Research and Development Scheme

### LGA Business

From:	Mathilde Thorsen, Project and Grants Coordinator	
Strategy:	2 - Assist	
Outcome:	2.4 We leverage grant funding for the benefit of councils, and their communities	
Meeting:	Annual General Meeting	28 October 2022
ECM:	782376	Attachment: 781905

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### Recommendation

**That the Annual General Meeting notes the report.**

### Discussion

Pursuant to the MOU<sup>1</sup> between the LGA and the Treasurer, the LGA is required to provide an annual report on the activities and finances of the Local Government Research and Development Scheme to the LGA Annual General Meeting. A copy of this report is then provided to the Treasurer.

The attached 2021-22 Annual Report for the Local Government Research and Development Scheme was endorsed by the LGA Board of Directors on 15 September 2022 and includes:

- An overview of the Scheme, its operations and outcomes in 2021-22;
- Financial allocations for year ending 30 June 2022, and budget for 2022-23
- Details of projects approved 2021-22;
- Details of projects completed 2021-22;
- Details of current projects<sup>2</sup>;
- A list of projects proposed for 2022-23
- An overview of the Schemes priorities for 2022-23.

### *Financial and Resource Implications*

All current projects have been anticipated in the Local Government Research and Development Scheme work program, and resources are available to progress these projects.

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<sup>1</sup> The MOU was last updated in February 2020 and is available through the LGA website <https://www.lga.sa.gov.au/member-services/financial-sustainability/grants/research-and-publications/about-the-lg-research-and-development-scheme>

<sup>2</sup> Current projects as per 30 June 2022

# Local Government Research & Development Scheme

**Annual Report 2021-22**

*Adopted by the LGA Board of  
Directors on 15 September 2022*



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## Background

The purpose of the Local Government Research and Development Scheme (established under section 31A of the *Local Government Finance Authority Act 1983*) is to fund projects that are of strategic benefit to local government.

Pursuant to the MOU between the LGA and the Treasurer,<sup>1</sup> the LGA is required to provide a report to the LGA Annual General Meeting that includes:

- a financial analysis and budget
- details of projects approved in the previous financial year
- details of projects completed in the previous financial year
- details of current projects
- a list of projects proposed for the current financial year.

This report addresses these points and provides an overview of the Scheme, its operation and outcomes in 2021-22 and how the LGA is meeting its responsibilities under the MOU. The appendices contain:

1. Financial allocations for year ending 30 June 2022, and budget for 2022-23
2. Approved projects<sup>2</sup> for 2021-22
3. Completed projects during 2021-22 (internal and external funding rounds)
4. Spotlight projects 2021-22
5. Current projects as of 30 June 2022
6. Proposed projects in 2022-23 (external funding round)

### *LGR&DS Advisory Committee*

As outlined in the MOU, the LGR&DS Advisory Committee's purpose is to assist the LGA with the management of the Scheme. The Advisory Committee provides independent and objective advice to the LGA Board regarding the governance and operations of the Scheme, including providing oversight of projects funded by the scheme, and making recommendations to the LGA Board regarding applications for funding.

Three scheduled Advisory Committee meetings were conducted in 2021-22 (August, December, and April) as well as two out of session meetings (September, May). As of 30 June 2022, membership of the Advisory Committee comprised:

- Mayor Erika Vickery, Chair, Naracoorte Lucindale Council (LGA Board)
- Mayor Claire Boan, City of Port Adelaide Enfield (LGA Board)
- Mayor Heather Holmes-Ross, City of Mitcham (LGA Board)
- Anne Champness, Tatiara District Council (Country/Regional CEO)
- Henry Inat, Town of Gawler (Metropolitan CEO)
- Alex Hart, Manager Office of Local Government (Minister nominee)
- Professor Chris Leishman, University of South Australia (South Australian Universities)

<sup>1</sup> The MOU was last updated in February 2020 and is available through LGA website, <https://www.lga.sa.gov.au/member-services/financial-sustainability/grants/research-and-publications/about-the-lg-research-and-development-scheme>

<sup>2</sup> Approved projects contain all projects approved for funding during 2021-22.

- Abbie Spencer, ASU (Local Government Trade Unions)
- Clinton Jury (LGA CEO)

During the 2021-22, former Mayor Erin Thompson (City of Onkaparinga) and former LGA CEO Matt Pinnegar concluded their terms on the Committee and are thanked for their service.

## Overview of Scheme Activities

In 2021-22, the Scheme allocated over \$1.9 million of funding for projects of strategic benefit to local government via two competitive grant rounds, regional capacity building allocations provided to Regional LGAs, allocations to SAROC and GAROC, and strategic initiatives initiated by the LGA CEO and Board of Directors. All allocations were approved by the LGA Board of Directors and informed by advice from the Scheme's Advisory Committee.

Funding was allocated based on the principles and purposes of the scheme<sup>3</sup> and on the priorities identified in the 2021-22 Annual Business Plan for the Scheme. The 2021-22 Annual Business Plan was approved by the LGA Board of Directors in February 2021.

The priorities include:

1. Local Government Reform
2. Financial sustainability and cost pressures
3. Infrastructure Management
4. Community Awareness and Participation
5. Community Safety Wellbeing and Resilience
6. Local Government response and recovery to COVID-19
7. Climate, disasters and environment

As detailed in *Appendix 2*, seven projects were approved in 2021-22, with a total of \$799,400<sup>4</sup> funding allocated through two grant rounds.

There were 18 project completions in 2021-22. Further details regarding these completions are available in *Appendix 3* with an overview of project highlights available in *Appendix 4*.

The Scheme also successfully implemented a range of grant management improvements in 2021-22 including:

- The development and implementation of the of a range of policies and procedures including:
  - Eligibility Policy and Procedure
  - Delivery Policy and Procedure; and
  - Finance Procedure
- The continued development and review of the guidelines, application, and project reporting templates.
- The LGR&DS Advisory Committee also initiated an independent review of the Regional Capacity Building Allocations Program. This was followed up by an action plan which will be fully implemented by 2022-23.<sup>5</sup>

<sup>3</sup> <https://www.lga.sa.gov.au/member-services/financial-sustainability/grants/research-and-publications/about-the-lg-research-and-development-scheme>

<sup>4</sup> This included \$390,000 for the LG Equip Program to support councils with the implementation of the LG reform.

<sup>5</sup> LGA Board of Directors 18 November 2021, p.230 [https://www.lga.sa.gov.au/data/assets/pdf\\_file/0024/1062609/LGA-Board-of-Directors-Board-agenda-18-November-2021.pdf](https://www.lga.sa.gov.au/data/assets/pdf_file/0024/1062609/LGA-Board-of-Directors-Board-agenda-18-November-2021.pdf)



## Budget overview

The financial report in *Appendix 1* outlines the financial position of the Scheme as at 30 June 2022. The report also includes the budget for 2022-23 financial year, which was approved by the LGA Board in May 2022.

*Table 1* provides a summary of the Scheme's allocations for 2021-22. The total expenditure for 2021-22 was \$1,998,939.

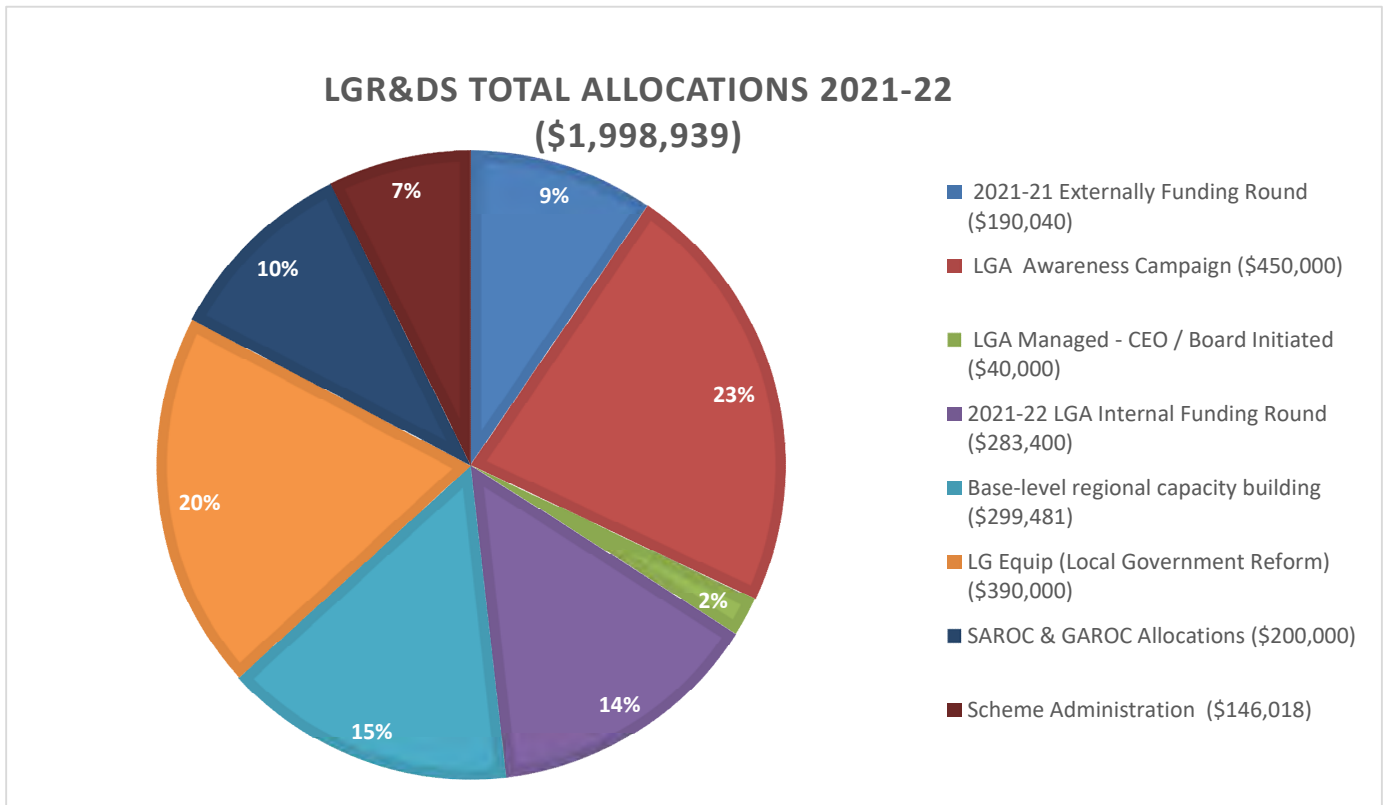
- 23% of the funding was allocated to the Local Government Awareness Campaign. This was due to a one-off additional allocation of \$250,000. The allocation was proposed by the LGR&DS Advisory Committee who recommended to strategically use some of the reserve balance to benefit the sector by increasing awareness of the value of councils in the lead up to the local government elections.<sup>6</sup>
- 20% of the funding was allocated to the LG Equip program which role is to support councils with the implementation of local government reform.<sup>7</sup>
- 14% of funding was allocated to three LGA managed projects through the internal funding round.
- 9% was allocated to three externally led projects through the external funding round and through milestone payments on previously funded external projects.
- 15% of the funding was distributed to regional LGAs and GAROC through the regional capacity building allocations.

The closing unallocated reserve balance at 30 June 2022 was \$182,278 which differs from the original budget forecast of \$618,814. This was due to reduction in the anticipated TER (Total Expense Ratio) funding and a strategic decision allocate some of the carry over funding to projects providing value to the local government sector.

<sup>6</sup> Approved by the LGA Board of Directors in January 2022, [https://www.lga.sa.gov.au/\\_data/assets/pdf\\_file/0037/1089865/LGA-Board-of-Directors-Public-Agenda-20-January-2022.pdf](https://www.lga.sa.gov.au/_data/assets/pdf_file/0037/1089865/LGA-Board-of-Directors-Public-Agenda-20-January-2022.pdf)

<sup>7</sup> This funding was allocated prior to the internal and external funding round allocations, but the project proposal was assessed as part of the internal funding round.

Table 1 - LGR&DS allocations in 2021-22



## New projects approved in 2021-22

The 2021-22 funding had less available funding than previous years due to a reduction in the TER funding and pre-allocation to the LG Equip program. Seven projects were approved for 2021-22 with a total of \$799,400 in funding allocated (\$283,400 for internal grant round and \$190,040 for the external grant and \$390,000 for LG Equip). A detailed overview of the projects is available in *Appendix 2*.

A total of 22 applications were assessed by the Scheme’s Advisory Committee against the principles and purposes of the Scheme and the Scheme’s Annual Business Plan, and recommendations were forwarded to the LGA Board of Directors for approval.

The projects included a wide range of topics such as:

- Local government reform implementation
- Community Wellbeing
- Preparation for the 2022 council elections
- Asset Management Plans
- Professional Framework Review
- Planning and design code implementation

## LGA Research Library

Information regarding all projects funded by the Local Government Research and Development Scheme is available through the LGA Research Library<sup>8</sup>

## Ongoing Allocations

In 2021-22 ongoing allocations accounted for 57% of Scheme expenditure. All ongoing allocations must address the principles and purposes of the Scheme, and outcomes are reported at least annually to the LGA Board.

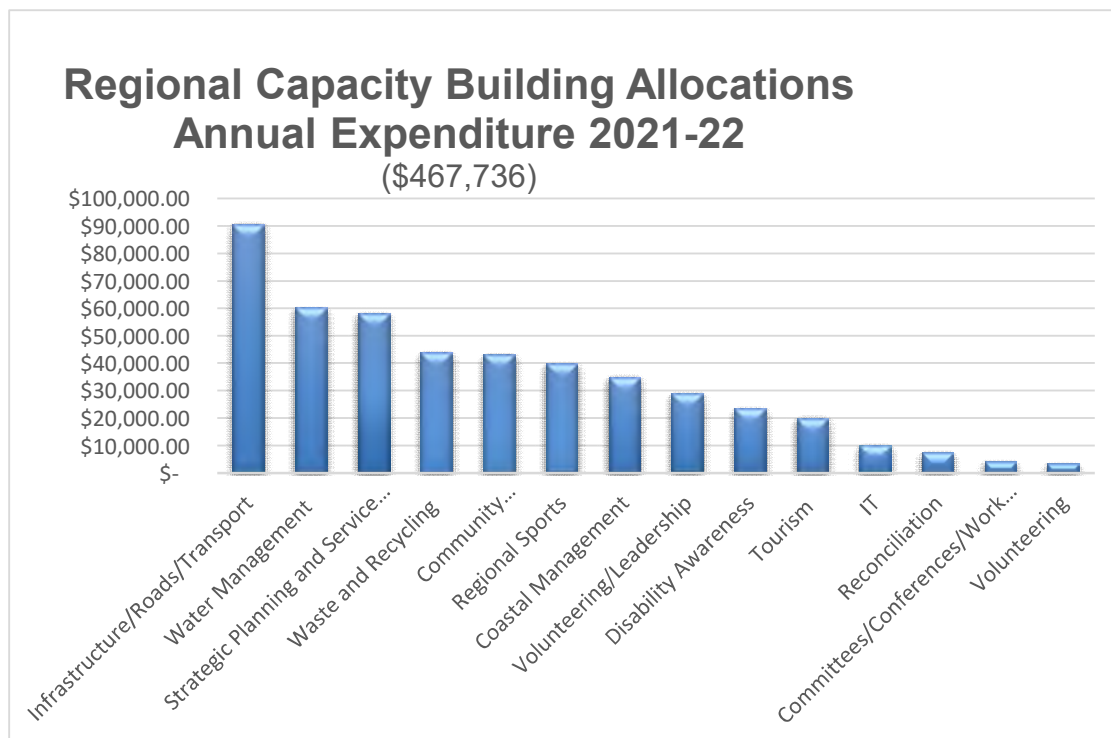
### Regional Capacity Building Activities 2021-22

In 2021-22, Regional LGAs spent a total of \$467,736 on a range of regional capacity building projects, activities and initiatives.

Table 2 provides an overview of how the funding was spent, demonstrating that Infrastructure, Roads and Transport (\$90,536) and Water Management (\$60,084) and Strategic Planning. (\$57,918) were associated with the most spending. The chart also shows that the Regional LGAs have taken on the feedback from the LGR&DS Advisory Committee and ensured that the spending was in line with the regional capacity building guidelines and not spent on administration, membership fees or participation in conference etc.

The annual reports including the project outcomes have been published through the LGA Research Library, as well as by the Regional LGAs themselves.

*Table 2 – Regional Capacity Building Expenditure 2021-22*



<sup>8</sup> <https://www.lga.sa.gov.au/member-services/financial-sustainability/grants/research-and-publications/research-library> (Please search for the project number to access any of the projects.)

## SAROC and GAROC activities

GAROC and SAROC spent their funding on a range of projects and activities supporting and advocating on behalf of local government in South Australia including:

- Response into the productivity commission inquiry into the SA regulatory framework
- Shovel Ready – Support for council to leverage and create state and federal grant opportunities.
- Economic development tools and framework
- Planning – review of the planning system and advocating on behalf of local government to ensure that the planning system reflects leading practice and supports local decision making.
- Environmental reform
- Review of the 30-Year Plan for Greater Adelaide
- Public Health and Wellbeing
- Regional Health Workforce Project
- Overabundant Species – Little Corellas
- Coastal Management and advocacy for coastal councils
- Regional Climate Partnerships
- Waste and Recycling – public awareness campaign in regional SA
- Regional Road Mapping

Further detail of GAROC and SAROC's outcomes are outlined in their annual reports.

## Local Government Awareness Campaign

The awareness campaign has been run by the LGA Secretariat through the *Part of Your Everyday* campaign to promote the role, purpose and function of South Australian councils. The campaign has run in key phases over each month to highlight the diversity of council activities that benefit the community, particularly discretionary services.

The campaign's lead up in the three years to the council election year has aimed at building greater community understanding of the value of council services and laying the groundwork for the council elections campaign.

The campaign strategy has been delivered across a range of advertising and communication channels, including digital display, social media, newsletters, collateral and key influencers.

In 2021-22, a further extension to the campaign was received to develop and implement complementary communication and media activities alongside website and digital content over two financial years. Dedicated resources to support this work was secured in 2021-22 for engaging content and ensure strong alignment to the council election Enrol, Nominate and Vote campaign

## Scheme Administration

These funds are used by the LGA for the administration of the Scheme, including to cover the salary costs of the Scheme's Executive Officer and costs associated with the Smarty Grants grant administration system.

## Priorities for 2021 to 2023

### 2021-22

The LGA-led projects commenced implementation on 1 July 2021, and the externally led projects are commenced 1 November 2021.

The LGA Board of Directors<sup>9</sup> approved funding for four LGA-led projects totaling \$295,000 in funding. The funding was provided to three new projects and additional funding for stage two of the LG Election project.

### 2022-23

The 2022-23 external funding included 32 applications requesting over \$2,8 million worth of funding. Initially there was only \$220,752 available for the external grant round. However, the LGA received favourable variations to the Scheme's revenue from increased profits from the LGFA.

Consequently, the Advisory Committee recommended that additional funding be directed to worthwhile strategic initiatives for the sector and six externally led projects totalling \$394,945 were approved by the LGA Board of Directors.<sup>10</sup>

All funded projects are provided in *Appendix 6*.

The LGR&DS Scheme is continuing to strengthen compliance. Over the next 12 months the scheme will:

- Continue to improve its grant management processes by ensuring the new policy framework is fully implemented.
- Fully implement the recommendations of the 2022 review of the regional capacity building allocation program.<sup>11</sup>
- Conduct a review into the impact and effectiveness of the scheme.
- Review the principles and purposes of the scheme<sup>12</sup>.

<sup>9</sup> Approved by the LGA Board of Directors on 19 May 2022, [https://www.lga.sa.gov.au/\\_data/assets/pdf\\_file/0021/1147008/Public-LGA-Board-of-Directors-Agenda-19-May-2022.pdf](https://www.lga.sa.gov.au/_data/assets/pdf_file/0021/1147008/Public-LGA-Board-of-Directors-Agenda-19-May-2022.pdf)

<sup>10</sup> Approved by the LGA Board of Directors on 15 September 2022

<sup>11</sup> The action plan was adopted by the LGA Board on 18 November 2022 [https://www.lga.sa.gov.au/\\_data/assets/pdf\\_file/0024/1062609/LGA-Board-of-Directors-Board-agenda-18-November-2021.pdf](https://www.lga.sa.gov.au/_data/assets/pdf_file/0024/1062609/LGA-Board-of-Directors-Board-agenda-18-November-2021.pdf)

<sup>12</sup> As per the LGR&DS Advisory Committee Terms of Reference, [https://www.lga.sa.gov.au/\\_data/assets/pdf\\_file/0027/1038663/ECM\\_764549\\_v8\\_25-01-01-LGR-and-DS-Advisory-Committee-Terms-of-Reference-Adopted-by-LGA-Board-of-Directors-23-Septemb.pdf](https://www.lga.sa.gov.au/_data/assets/pdf_file/0027/1038663/ECM_764549_v8_25-01-01-LGR-and-DS-Advisory-Committee-Terms-of-Reference-Adopted-by-LGA-Board-of-Directors-23-Septemb.pdf)

## Appendix 1 - Financial allocations for year ending 30 June 2022 & budget for 2022-23

Local Government Association of SA						
Local Government Research and Development Scheme						
Allocations Report for Year to Date - 30 June 2022						
	2022/23			2021/22		
	Budget Full Year	Forecast Full year	Comment	Actual Full Year	Budget Full Year	
				\$	\$	
<b>Income</b>						
LGFA TER Project funding	1,370,250	1,853,000	LGFA Forecasted increase to funding	1,281,349	1,377,500	
R&D Funds Returned - LGA internal	-			104,829	-	
R&D Funds Returned - External	-			29,050	-	
<b>Total Income</b>	<b>1,370,250</b>	<b>1,853,000</b>		<b>1,415,227</b>	<b>1,377,500</b>	
<b>Project allocations</b>						
Administration Fees	149,917	149,917		146,018	146,260	
LG Equip (Reform)	0	0		390,000	390,000	
LGA Managed - SAROC & GAROC	240,000	240,000		200,000	200,000	
LGA Managed - Base-level regional capacity building	240,000	240,000		299,481	299,486	
LGA Managed - Secretariat / Internal Projects	331,135	331,135		283,400	200,000	
LGA Managed - CEO / Board Initiated	40,000	40,000		40,000	40,000	
LGA Managed - Awareness Campaign	200,000	200,000		450,000	200,000	
Externally Managed Projects	220,757	394,945		190,040	133,333	
<b>Total allocations LGR&amp;D SCHEME</b>	<b>1,421,809</b>	<b>1,595,997</b>		<b>1,998,939</b>	<b>1,609,079</b>	
<b>Net Surplus/(Deficit) LGR&amp;D SCHEME</b>	<b>(51,559)</b>	<b>257,003</b>		<b>(583,711)</b>	<b>(231,579)</b>	
<b>Statement of R&amp;D Reserves</b>						
<b>Opening Reserve Balance</b>	<b>182,278</b>	<b>182,278</b>		<b>811,989</b>	<b>849,822</b>	
Plus Inflows	1,370,250	1,853,000		1,415,227	1,377,500	
Less Outflows	(1,421,809)	(1,595,997)		(1,998,939)	(1,609,079)	
Future Project Allocations (22/23 onwards)				(46,000)	-	
<b>Closing Reserve Balance</b>	<b>130,719</b>	<b>439,281</b>		<b>182,278</b>	<b>618,242</b>	

## Appendix 2 - Approved Projects 2021-22

ID	Project Title	Organisation Name	Funds Granted
2021.01	Supporting councils in the implementation of the Planning and Design Code and PDI Act	Local Government Association of SA	\$50,000.00
2021.02	Local Government Reform Implementation (branded "LG Equip")	Local Government Association of SA	\$390,000.00
2021.03	2022 Council Elections Project - Phase One	Local Government Association of SA	\$150,000.00
2021.04	Support for councils in community wellbeing	Local Government Association of SA	\$83,400.00
2021.50	Local Government Authorised Persons Professional Framework Review	Local Government Authorised Persons Association	\$20,000.00
2021.66	Asset Management Plan Summary template	Institute of Public Works Engineering Australasia (IPWEA)	\$7,000.00
2021.70	Local Government Cyber Security Toolkit	Local Government Information Technology SA Incorporated (LGITSA)	\$99,000.00

## Appendix 3 - Completed Projects 2021- 22

ID	Project Title	Organisation Name	Project Highlights	Funds Granted	Completion date
2021.70	Local Government Cyber Security Toolkit	Local Government Information Technology Incorporated SA	This project has successfully developed a Cyber Security Framework and Toolkit for the use of Local Government. The toolkit includes a framework and a suite of supporting policies and tools which caters for the different risk profiles of Local Councils.	\$99,000	30/04/2022
2021.04	Review of the Regional Capacity Building Program	Local Government Association of SA	This project hired independent consultants URPS to review the Regional Capacity Building Allocation Program (RCBAP).  The review recommended range of operational improvements to improve the outcomes of the grant and the LGA Secretariat action plan will be fully implemented in 2022-23.	\$20,000	30/09/2021
2020.67	Best Practice Guide for Grants Management for Local Government in South Australia	City of Holdfast Bay	This project has developed a Best Practice Guide for grant attraction and administration in SA councils. The guide offers comprehensive advice regarding all aspects of grant administration and attraction in SA councils. It includes guidelines, templates, and further references for exploration of grants.	\$32,000	31/12/2021
2020.66	Environmental Health Officers' response to COVID-19: A public health workforce needs assessment to ensure sustainability and future preparedness	Flinders University	This project identified the roles and responsibilities of local government Environmental Health Officers (EHOs) in response to the COVID-19 pandemic. It found that the SA environmental health workforce was used to varying degrees by local government, although notably, half the workforce believe they could have been better utilised.	\$38,200	31/12/2021
2020.65	Script development for Training Course re Community Wastewater Management Schemes	Legatus (Central Region LGA)	This project has developed the script required for the production and hosting of an on-line training course. This course is specifically designed for South Australian council owned and operated Community Waste Management Schemes(CWMS).	\$16,000	28/01/2022



ID	Project Title	Organisation Name	Project Highlights	Funds Granted	Completion date
2020.62	External and internal challenges facing regional population growth strategies: learning from the case of the Limestone Coast	Flinders University	<p>This project examined the successes and opportunities for sustained population growth in the Limestone Coast. Coronavirus has increased the net-migration in the region. However, it has also exposed the fact that immigration may no longer offer a strategic solution to regional population and workforce concerns.</p> <p>The project highlighted the availability and affordability of housing in the regions and the understanding and management of workforce vacancies as focus areas for the Limestone Coast.</p>	\$35,089	31/02/2022
2020.59	Modelling business clusters' readiness and resilience in managing and responding to COVID-19	The University of Adelaide	This research examines the characteristics that allowed businesses to survive better, re-adapt and overcome the COVID-19 crisis. Those characteristics provide valuable information for facilitating businesses recovery.	\$30,000	31/08/2021
2020.58	Strategies to increase turnout at council elections using evidence from randomised field trials	Electoral Commission SA	<p>This project aimed to identify communication strategies turnout to increase at council elections. The project undertook controlled trials at four supplementary council elections testing the efficiencies of different voter mobilisation messages.</p> <p>The results of the experiment provide a number of valuable lessons about what works and what does not work in terms of stimulating South Australian electors to vote at council elections.</p>	\$32,870	30/11/2021
2020.57	RPSA Voters Roll Practice Manual - 2022 Elections	Revenue Professionals SA	<p>This project updated the Voters Roll Practice Manual for the 2022 elections.</p> <p>The updated manual will provide advice on the statutory requirements of councils under the Local Government (Elections) Act 1999 and supporting regulations. The 2021 Voters Roll Practice Manual encompasses all updates to legislation since the 2018 elections.</p>	\$5,000	09/12/2021
2020.14	Public Lighting Support for SA Councils	Local Government Association of SA	This project has enabled the LGA to provide member councils with expert advice and guidance on public lighting and support the transition to LED lighting and a new regulatory framework.	\$30,000	27/07/2021
2020.02	Support Councils in the implementation of the PDI Act and Planning and Design Code	Local Government Association of SA	This project has provided advocacy, support and advice to councils in the implementation of the Planning Reforms. This included information sessions, training, legal advice and ongoing advocacy to support amendments of benefit to the sector.	\$100,000	30/06/2021
2019.68	Community Wellbeing Indicators for South Australian Local Government	Southern & Hills LGA	This project has developed a cost effective and practical tool to support small to medium sized and regional councils to monitor community wellbeing.	\$50,000	30/10/2021

ID	Project Title	Organisation Name	Project Highlights	Funds Granted	Completion date
2019.65	DPTI ePlanning integration	Local Government Information Technology South Australia Inc	This project supported councils with the development and implementation of the software and procedures required from the ePlanning Portal.	\$48,000	14/02/2022
2019.64	Regional youth volunteering trial	Legatus (Central Region LGA)	This project has created a range of videos which has assisted with increasing awareness and promoting volunteering among young South Australians as a pathway to employment wellbeing and development. The project supported number of regional communities in the Barossa and Mid North better understand the value they can provide through their volunteer programs. It has also enabled some youth in the region to be better equipped in handling issues amongst their peers with regards to wellbeing and issues around suicide.	\$10,000	06/12/2021
2019.51	Funding the Future – A New Approach for Coastal Management in SA	Limestone Coast Local Government Association	The project has generated a contemporary Needs Analysis and Literature Review of the funding landscape for coastal management in SA as well as a discussion paper proposing a number of recommendations for SACCA and its partners to pursue.	\$46,073	26/10/2021
2017.60	Community Wellbeing Alliance -two regional trials	Local Government Association of SA	The aim of this project was to enhance the health and wellbeing of regional communities, through the recruitment of Community Wellbeing Officers, working in co-operation with regional councils. Two trials were hosted by Southern and Hills LGA and Murraylands and Riverland LGA and the report are available through the schemes library.	\$150,000	02/12/2021
2016.53	Removal of organic chemicals from water by aquifer filtration in managed aquifer recharge schemes	Flinders University	The primary achievement of this project was to identify the emerging contaminants in managed aquifer recharge and how to remove these. The outcome of this project has led to multiple research articles and the results are being shared through the local government MAR User Group.	\$25,000	31/07/2021
2016.42	Valuing Social Outcomes	Local Government Professionals Australia, SA Community Managers Network	This project has finalised the development of a Valuing Social Outcomes (VSO) Tool and supporting documentation to support councils in measuring the social value of community development/community services programs they deliver in their communities.	\$50,000	31/09/2021

## Appendix 4 - Spotlight projects 2021-22

Please note that further information regarding any of these projects is available through the [LGA Research Library](#)<sup>13</sup>

### 2020.67 Best Practice Grant Guide for Local Government in South Australia

**Grant recipient:** City of Holdfast Bay, LG SA Grant Network

**Funding granted:** \$32,000



The Best Practice Guide has been completed with the support to the LG SA Grant Network. The guide offers comprehensive advice regarding all aspects of grant administration and attraction in SA councils. It includes guidelines, templates, and further references for exploration of grants.

The guide has been developed through wide consultation across the sector and have been widely distributed across Local Government. The SA LG Network will ensure the guide remains relevant by continuing to review and update the guide on a regular basis.

The SA LG Grants Networks and the guide was a shortlisted for LG Professional award as a finalist for excellence in cross council collaboration.

### 2020.62 External and internal challenges facing regional population growth strategies: learning from the case of the Limestone Coast

**Grant recipient:** Flinders University

**Funding granted:** \$35,089

This project examined the successes and opportunities for sustained population growth in the Limestone Coast.

The project report noted that the coronavirus has increased the net-migration in the region. However, it has also exposed the fact that immigration may no longer offer a strategic solution to regional population and workforce concerns.

The report highlights the availability and affordability of housing in the regions and the understanding and management of workforce vacancies as focus areas for the Limestone Coast.

<sup>13</sup> <https://www.lga.sa.gov.au/member-services/financial-sustainability/grants/research-and-publications/research-library> Please use the project number to search for the project

## 2020.14 - Public Lighting Support for SA Councils

**Grant recipient:** Local Government Association of SA

**Funding granted:** \$30,000



This project has assisted councils to successfully transition to a new regulatory framework for public lighting. The project has also identified and progressed other key issues of strategic importance for public lighting customers.

Through this project the LGA commissioned a consultant to provide a report which included information for councils regarding the new tariff agreement for public lighting.

The consultant has also held a number of meetings and briefings to provide councils with the necessary information to understand the new arrangements and execute new agreements with SAPN. A number of key priority issues for public lighting has been identified through this project. Subcommittees have since been developed to tackle these

priorities.

## 2019.68 - Community Wellbeing Indicators for South Australian Local Government

**Grant recipient:** Southern & Hills LGA

**Funding granted:** \$50,000



This project has developed a set of Indicators of Community Wellbeing for Local Government with the aim to track issues that are important to our communities, for public health, strategic planning and service provision.

This project responded directly to challenges faced by Community Wellbeing Council in finding data and feeling confident using it. The Indicators of Community Wellbeing report has been created as a updatable e-book containing 20 indicators of community wellbeing, a road map of ideas for data development for data gaps, and case studies and links to more detailed data to provide more context.

This project will be further promoted to the Local Government sector in 2022 with a launch event and seminar. These will be focused on evidence-based policy and decision-making.

## 2016.42 - Valuing Social Outcomes

**Grant recipient:** Local Professionals Australia (SA Community Managers Network)

**Funding granted:** \$50,000



This project has led to the development of the Valuing Social Outcomes (VSO) tool and supporting documentation. The VSO tool is available through the LGA research library and can be used to support councils in measuring the social value of programs they deliver in their communities.

The VSO Tool will enable councils to quantify the social value of delivering a community program to an individual or group of individuals over a period of time. To use the tool the councils must align the aims of the program with one or more of the 39 outcomes available in the VSO Tool.



## Appendix 5 - Current project 30 June 2022

ID	Project Title	Brief Project Description	Organisation Name	Funds Granted	Start Date	Completion date	% Completed (as per last report)
2022.12	Coastal management- council coordination	This project presents the future intent for collaborative action within the local government sector to support long-term social, environmental, and economic resilience for effective coastal management and risk mitigation in South Australia. The project will work to implement a Coastal Coordinator role within the LGA to work with member councils to strengthen collaboration and increase capacity to deliver effective coastal management across SAs 34 coastal councils.	Local Government Association of SA	\$60,000	01/07/2022	30/06/2023	N/A
2022.04	Jetties Research Project: the economic, social and historic value of jetties in South Australia	This project will examine the social, economic value of jetties and complete a cost benefit analysis of the value to a town's economic value through people visiting the region, walking, fishing and swimming would support advocacy.	Local Government Association of SA	\$50,000	01/07/2022	16/12/2022	N/A
2022.02	Cost Impacts and Benefits of the PDI Act 2016	Assessment of the impact of the implementation new planning system (i.e the implementation of the PDI Act and P and D Code)	Local Government Association of SA	\$35,000	01/09/2022	28/04/2023	N/A
2021.66	Asset Management Plan Summary template	The Asset Management Plan Summary template is aimed to complement and align to (by summarising) the content of the 'Infrastructure and Asset Management Plan' required under the Local Government Act 1999.	Institute of Public Works Engineering Australasia(IPWEA)	\$7,000	01/11/2021	15/11/2022	80%
2021.50	Local Government Authorised Persons Professional Framework Review	The aim of the Local Government Authorised Persons Professional Framework is to assist Councils to attract, appoint and develop appropriate staff to fully meet the needs of the role of an authorised person, reflecting the significant changes in responsibility that have occurred through legislative review over the last 15 years.	Local Government Authorised Persons Association	\$20,000	01/09/2021	15/08/2022	5%
2021.04	Support for councils in community wellbeing	This project supports the LGA's funding partnership with Wellbeing SA. A dedicated officer within the LGA will lead and coordinate a range of initiatives supporting and building the capacity of councils to invest in and strengthen community wellbeing planning and implementation.	Local Government Association	\$83,400	06/12/2021	22/12/2023	12%

ID	Project Title	Brief Project Description	Organisation Name	Funds Granted	Start Date	Completion date	% Completed (as per last report)
2021.03	2022 Council Elections Project - Phase One	The primary purpose for this project is ensuring that councils are provided with the support and resources they need to prepare for the 2022 council elections (enabling local campaigns to be integrated with the state-wide campaign).	Local Government Association of SA	\$300,000	01/07/2021	31/12/2022	50%
2021.02	Local Government Reform Implementation (branded "LG Equip")	LG Equip is a comprehensive and cost-effective program that will provide LGA members with all the information, resources and support they will need to successfully implement around 150 new outcomes under the proposed local government reforms. The R&D funding will be used to develop policies, guidelines and templates to enable councils to meet the requirements of the reforms. The LGA's legislation team will work closely with its legal advisors to develop these resources.	Local Government Association of SA	\$390,000	01/07/2021	31/12/2021	75%
2021.01	Supporting councils in the implementation of the Planning and Design Code & PDI Act	To support councils with the implementation of the Planning and Design Code.	Local Government Association of SA	\$50,000	01/07/2021	30/06/2022	80%
2020.61	Resilient South Pilot – Incorporating Climate Risk into Asset Management	This Resilient South project (Cities of Holdfast Bay, Marion, Mitcham, Onkaparinga) provides the information required for councils and asset managers to confidently commit funds and resources towards climate risk management obligations. It is delivered in four phases over four years. The timing allows project outcomes to feed into the next round of legislated Asset Management Plans and LongTerm Financial Plans.	City of Marion	\$99,000.	01/11/2020	25/04/2025	17%
2020.54	Local government: Enabling resilient food systems in South Australia	The project has engaged local governments, communities and stakeholders to build the resilience of local food systems in the face of climate change risks. A local food system is a collaborative network that integrates sustainable food production, processing, distribution, consumption and waste management in order to enhance the environmental, economic and social health of an area.	The City of Holdfast Bay	\$40,000	01/10/2020	30/06/2022	<b>90%</b>
2020.10				\$90,000	03/08/2020	13/01/2023	20%

ID	Project Title	Brief Project Description	Organisation Name	Funds Granted	Start Date	Completion date	% Completed (as per last report)
	'Improving educational content in preparation for 2022 Elections'	Review of the 2018 Election highlighted the opportunity for continuous improvement of the educational content for supporting staff, candidates and Elected Members in preparation for the next cycle of Council elections including: 1) Supporting responsible staff in managing council elections 2) building candidate awareness of the expectations of the leadership role 3) building ownership of the role, responsibilities and leadership effectiveness of Elected Members	Local Government Association of SA				
2020.07	Strategic Management Plan Templates	(implementation of Productivity Commission recommendations) The project will include the development of a set of model Long Term Financial Plan, Annual Business Plan and Annual Report templates.	Local Government Association of SA	\$150,000	01/07/2020	26/08/2022	80%
2019.16	Asset Management Integration	A project, to be managed by the LGA Secretariat, to produce: - a sector-wide asset management and financial planning 'Maturity Assessment Report'; and - a Model Infrastructure and Asset Management Plan with model template	Local Government Association of SA	\$100,000	19/09/2019	30/04/2023	30%
2018.09	Financial Sustainability Updates	Checking, revising and updating each one of the LGA'S 21 existing Financial Sustainability Information Papers to reflect recent changes in legislation, good practice and relevant standards.	Local Government Association of SA	\$15,000	17/05/2018	30/10/2023	30%
2018.01	Updated Procurement Resources	to assist councils to modernise their procurement practices, to provide better value for money and to reduce risk	LGA Procurement	\$40,000	17/05/2018	30/06/2022	95%
2015.52	GST Review of Local Government Fees and Charges	to collate a state-wide fees and charges list and obtain a GST Class Ruling from the ATO for the application of all collated fees and charges	SA Local Government Financial Management Group Inc	\$50,000	17/09/2015	31/12/2022	90%



## Appendix 6 – Proposed Projects 2022-23

The following LGA Managed projects were approved by the LGA Board on 19 May 2022

ID	Project Title	Brief Project Description	Funds Granted	Start date	Completion date
2022.02	Cost Impacts of the PDI Act 2016	Assessment of the impact of the implementation new planning system (ie the implementation of the PDI Act and P and D Code)	\$ 35,000	01/09/2022	28/04/2023
2021.03	2022 council elections – Stage 2	The primary purpose for this project is ensuring that councils are provided with the support and resources they need to prepare for the 2022 council elections (enabling local campaigns to be integrated with the state-wide campaign). Additional funding granted to stage 2 of this project.	\$ 150,000	01/07/2021	31/12/2022
2022.04	Jetties Research Project: the economic, social and historic value of jetties in South Australia	This project will examine the social, and economic value of jetties and complete a cost benefit analysis of the value to a town's economic value through people visiting the region, walking, fishing and swimming would support advocacy.	\$ 50,000	01/07/2022	16/12/2022
2022.12	Coastal management- council coordination	This project presents the future intent for collaborative action within the local government sector to support long-term social, environmental, and economic resilience for effective coastal management and risk mitigation in South Australia. The project will work to implement a Coastal Coordinator role within the LGA to work with member councils to strengthen collaboration and increase capacity to deliver effective coastal management across SAs 34 coastal councils.	\$ 60,000	01/07/2022	30/06/2023
		<b>Total approved by the LGA Board of Directors</b>	<b>\$295,000</b>		

The following competitive grant round projects were approved by the LGA Board on 15 September 2022.

ID	Project Title	Organisation name	Brief Project Description	Funds Granted	Start date	Completion date
2022.61	Local Government Career Pathways & Workforce Toolkit for Regional South Australia (SA)	Torrens University Australia	This project will develop a Local Government Career Pathways & Workforce Toolkit tailored specifically to the needs of regional SA councils. The toolkit will contain a series of frameworks, strategies, and tools to assist regional councils in their quest to attract, develop and retain their workforces.	\$18,000	09/01/2023	31/08/2023
2022.67	Keys to the digital world: libraries and community centres' critical roles in digital access and connection	South Australian Council of Social Service	This project will draw on SACOSS' knowledge of digital inequity and strong stakeholder networks to produce a research report that outlines the existing work libraries and community centres are doing to address barriers to participating online and provides recommendations for additional work. It will provide an evidence base that libraries, community centres, local government and other stakeholders, including SACOSS, can use to advocate for increased resourcing to support libraries and community centres to further assist community members facing digital exclusion.	\$99,413	01/11/2022	03/11/2023
2022.74	Ending homelessness: a toolkit for local government	Flinders University	Ending homelessness: a toolkit for local government will provide a practical information toolkit formulated to assist local governments to be more actively involved in place-based efforts to end homelessness, particularly rough sleeping homelessness, and to do so as part of a collective with other stakeholders and other local governments where appetite/networks exist. The toolkit is comprised of a series of fact sheets outlining good practice approaches in terms of how local governments can and should be involved and the value of involvement. The project plan details the toolkit structure and focus of fact sheets.	\$78,720	01/11/2022	31/08/2023
2022.79	Quality public spaces: developing placemaking indicators and benchmarks	University of South Australia	<p>This project aims to produce practical resources on placemaking that can aid SA local governments to strategically managing public spaces to achieve better placemaking outcomes for community wellbeing. The specific objectives of the project are as follows:</p> <p>Participants from each of the 19 participating councils will be interviewed and surveyed to identify indicators and develop a benchmark. Its metrics will be informed by interviews and surveys as well as desk research, with potential metrics being financial (budget,</p>	\$38,000	01/11/2022	01/11/2023

			operating expenditure for promotion, energy, maintenance, cleaning etc.), HR, place activation and facility metrics.			
2022.86	Understanding and addressing the housing shortage in the Tatiara, Southern Mallee, Naracoorte Lucindale, and Coorong Local Government Areas	Tatiara District Council (in collaboration with Coorong and Naracoorte Lucindale District Council)	<p>There is current a shortage of 60 – 80 worker's dwelling in the Tatiara, Southern Mallee, Naracoorte Lucindale and Coorong Local Government Areas (Joint Councils).</p> <p>This project will undertake a feasibility study into the delivery of affordable housing for appropriately identified cohorts of people across the four Councils areas. The project is designed to identify opportunities for home ownership and finance options to support this and therefore address the shortage of housing and key worker accommodation. The project will explore the requirements of South Australian Government Financing Authority (SAFA) and also the National Housing Infrastructure Facility (NHIF) to allow the Project to proceed to implementation.</p>	\$112,000	01/11/2022	30/07/2023
2022.92	Shaping Local Civic Youth Leaders	City of Onkaparinga	Shaping Local Civic Youth Leaders is a pilot program led by the City of Onkaparinga, partnering with the Local Government Youth Development Network (LGYDN) members, local youth committees and local leaders to educate, train and support young people to realise their potential in local government. It is important that young people are given the knowledge, skill and opportunities to build their confidence and understanding of how to advocate for issues that are important to them. The program will directly target around 250 young people and their relationship with local government through three activities from October 2022 to November 2023,	\$48,812	31/10/2022	10/11/2023
			<b>Total approved by LGA Board of Directors</b>	<b>\$394,945</b>		

## 6.7 Special Local Roads Program

### LGA Updates

From:	Alyssa Bates, Grants Coordinator	
Strategy:	2 - Assist	
Outcome:	We leverage grant funding for the benefit of councils, and their communities	
Meeting:	Annual General Meeting	28 October 2022
ECM:	782370	

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### Recommendation

**That the Annual General Meeting notes the report.**

### Discussion

This report provides the Annual General Meeting with an update on the Special Local Roads Program and the Local Government Transport Advisory Panel.

#### Background

Managed by the LGA on behalf of the Federal Government, the Special Local Roads Program (SLRP) provides funding through an annual competitive grant round to South Australian councils for the construction and maintenance of strategic local roads.

Funding for SLRP is provided from:

- 15% of identified local roads component of Commonwealth Financial Assistance Grants.
- 15% of South Australia's Supplementary Local Road Funding (in available years).
- 15% of South Australia's allocation of Roads to Recovery.

In 2014, the LGA established the Local Government Transport Advisory Panel (LGTAP) to consider strategic local road funding allocations under the SLRP and make recommendations to the LGA Board of Directors, which flow to the South Australian Local Government Grants Commission and relevant State and Federal ministers for approval.

The current Local Government Transport Advisory Panel (LGTAP) includes:

- Mayor Keith Parkes (Alexandrina Council) – Chair and member of the LGA Board;
- Mr Richard Dodson (Light Regional Council) – member from a country Council;
- Mr Peter Tsokas (City of Unley) – member from a metropolitan Council;
- Mr Chris Dunn (City of Port Adelaide Enfield) – member from a metropolitan Council;
- Ms Bridget Mather (Coorong District Council) – member from a country Council;
- Mr Lea Bacon (LGA Representative);
- Mr Peter Ilee (South Australian Local Government Grants Commission) – nominee of the Minister for Planning and Local Government; and
- Mr Andrew Excell (Department of Infrastructure and Transport) – Proxy: Mike Wilde.

The LGTAP meeting minutes and agendas can be publicly accessed on the [LGA website](#).

## **SLRP and LGTAP Governance Review**

LGTAP is governed by the LGTAP Terms of Reference. The SLRP operates and is governed by the SLRP Policy Manual.

In late 2021-22, LGTAP commenced a review and update of the governance of the SLRP, noting a need to improve how the program was administered and to increase awareness of how the program operates. The outcome of the review included adopting new Terms of Reference for the LGTAP and undertaking a comprehensive update of the SLRP policies.

In March 2022, a refreshed Terms of Reference and an updated SLRP Policy Manual was presented to the LGA Board of Directors for adoption.

The refreshed Terms of Reference was modelled on the Terms of Reference used for other LGA Board communities, including those used for other major grants such as the Local Government Research & Development Scheme's Advisory Committee. There were no substantive changes to LGTAP's core responsibility, but it better defined the LGTAP's role and how it reports through the LGA Board of Directors. In addition, the number of council representatives was changed from two to four to allow for better succession planning.

The updated SLRP Policy Manual provided an entire re-write of the previous Guidelines, Policy and Process document to more clearly communicate the overall objectives of the SLRP, the application and the assessment process. A process update and clarification was that the LGTAP retains responsibility for evaluating the applications, seeking comment from Regional LGAs during this assessment stage.

Another significant change relates to the assessment process. Previously, the assessment was managed via the SLRP database. The re-write of the Policy Manual included a weighted assessment criteria to better align the objectives of the SLRP with the assessment process. In addition, the assessment process was moved from the SLRP database to the LGA's electronic grant management system (Smarty Grants).

Finally, the updated Policy Manual included greater detailed direction regarding managing scope changes, extensions and fund management of SLRP projects.

The current [LGTAP Terms of Reference](#) and [SLRP Policy Manual](#), as endorsed by the LGA Board on 17 March 2022, are available on the LGA website.

### **2022-23 SLRP Grant Round**

Each year the LGTAP calls for applications for SLRP funding from Councils.

The 2022-23 SLRP Grant round opened on Monday 4 April 2022 and closed on Friday 20 May 2022. Thirty-six applications, requesting a total of \$21,122,000 of funding, were received as part of the 2022-23 SLRP Grant round.

At its meeting on 22 July 2022, the LGA Board of Directors endorsed the recommendations put forward by LGTAP, to support 29 SLRP projects with a total funding allocation of \$16,212,000 to the SA Local Government Grants Commission for appropriate recommendation and subsequent formal announcement by respective State and Federal Ministers.

An overview of SLRP Grant recipients can be publicly accessed on the [LGA website](#).

### ***Financial and Resource Implications***

This activity has been anticipated in the LGA's work program and resources are available to progress this work.

## 6.8 LGA Advocacy Update

### LGA Updates

From:	Lea Bacon, Acting Executive Director Public Affairs	
Strategy:	K.I 1 Leadership and advocacy	
Outcome:	1A Listen to, and represent members	
Meeting:	Annual General Meeting	28 October 2022
ECM:	781667	Attachment: 779219

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### Recommendation

**That the Annual General Meeting notes the report.**

### Discussion

This report provides an update on the key advocacy activities being undertaken by the LGA on behalf of our members.

#### LGA Strategic Plan

The LGA's Strategic Plan 2021-2025, recognises the LGA will achieve greater influence for local government through a strategic and evidence-based approach to advocacy, partnering with state and federal government wherever possible, and by raising the profile of local government.

The LGA's advocacy seeks to help councils to provide high quality services, facilities and operations that meet the needs of communities, while driving downward pressure on rates.

The LGA's advocacy informs awareness campaigns that shine light on the role and value of local government to ensure that communities understand and value the services provided by local government.

The Strategic Plan acknowledges that success in advocacy is built upon being close to members and understanding what is important to them.

#### LGA Advocacy Plan

The LGA Advocacy Plan 2019-23<sup>1</sup> guides decision making about the prioritisation of resources, assists in identifying partnership opportunities with key stakeholders and enhances our accountability to our members.

The Advocacy Plan is reviewed each year following the adoption of the Annual Business Plans of the LGA, SAROC and GAROC to ensure that new and emerging issues are captured and to reflect changes in member priorities as identified through Items of Business carried at LGA General Meetings.

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<sup>1</sup> [https://www.lga.sa.gov.au/\\_data/assets/pdf\\_file/0039/859188/ECM\\_713038\\_v11\\_LGA-Advocacy-Plan-2019-23-revised-July-2020.pdf](https://www.lga.sa.gov.au/_data/assets/pdf_file/0039/859188/ECM_713038_v11_LGA-Advocacy-Plan-2019-23-revised-July-2020.pdf)

The attached Advocacy Plan has been updated to reflect the political and policy landscape following the South Australian and Federal elections in 2022, the implementation of local government and planning reforms, and seeks to maintain a focus on the priority issues identified in recent election platforms.

The attached LGA Advocacy Plan 2019-23 (revised) was endorsed by the LGA Board of Directors on 15 September 2022 and is provided to member councils for noting.

## **2022 South Australian Election**

Prior to the 2022 State Election, the LGA ran the Local Voices for a Resilient South Australia election campaign<sup>2</sup>. The LGA's approach was to reinforce the role of SA councils as effective partners in government, by highlighting past projects achieved through collaboration and focusing on practical actions state and local governments can take to deliver lasting benefits for our communities.

Focusing on opportunities to work in partnership with the State Government, our influenced-based approach aimed at cultivating beneficial long-term relationships which put us in a strong position to pursue our ongoing advocacy agenda.

A key LGA advocacy outcome was Labor's commitment to give local government a seat at State Cabinet. The LGA also gained interest and momentum across a number of our election asks, including in the areas of housing and health workforce shortages, funding for libraries and digital literacy programs, and commitment to finalise the jetties strategic plan.

Importantly, beyond the state election period the Local Voices platform has set the tone for the how State and local government will work together over the next term of Government through a mutually beneficial relationship - recognising opportunity to leverage influence and further opportunities over time.

## **State-Local Government Relations Agreement**

At their meeting in May 2022, the LGA President and Minister for Local Government, Hon Geoff Brock MP, discussed the opportunity to establish a model for State-Local Government relations which will include SA Labor's pre-election commitment to provide representatives from the local government sector a quarterly audience with Cabinet.

It is understood that local government involvement in these quarterly meetings will not include observing the deliberations of Cabinet but will involve dialogue with Cabinet ministers about issues of strategic importance to the local government sector.

The LGA President has subsequently written to Minister Brock with an outline of a potential framework for a State-Local Government Relations Agreement, to inform the model currently being drafted by the Department of Premier and Cabinet (DPC).

## **2022 Federal Election**

The LGA's state election strategy was developed in parallel with the Australian Local Government Association's (ALGA) Federal Election campaign strategy - Don't Leave Local Communities Behind!<sup>3</sup>

The Local Voices platform focused on several issues that also align with Federal issues and ALGA's identified priorities, including in relation to housing availability and affordability, gaps in

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<sup>2</sup> [Local voices | LGA South Australia](#)

<sup>3</sup> [https://alga.com.au/app/uploads/alga-election-priorities\\_web.pdf](https://alga.com.au/app/uploads/alga-election-priorities_web.pdf)



digital connectivity, and the need to establish climate partnerships and transition to a circular economy.

Strong advocacy from ALGA, state and territory local government associations and councils around the nation delivered the following key advocacy outcomes and commitments from the Labor Government:

### **Grants**

In 2022-23 the Federal Financial Assistance Grants provided to all councils will increase – at a minimum – from \$2.7 billion to \$2.8 billion, due to the application of indexation. Beyond these allocations, the new Federal Government has committed to providing “fair increases” to Financial Assistance Grants.

Labor committed to support the Coalition’s \$500 million commitment to the Local Roads and Community Infrastructure Program and increase this by \$250 million, pledged \$200 million per year for disaster mitigation through its Disaster Ready Fund, and \$400 million for expanding mobile coverage in regional Australia.

### **National Cabinet**

Advocacy resulted in ALGA being appointed to National Cabinet for the first time, following the Morrison Government’s decision to abolish the Council of Australian Governments (COAG).

### **2022-23 Federal Budget (October)**

The LGA supported ALGA to highlight the following priorities for councils in October’s Federal Budget:

- No net reduction in funding to local government: including dedicated funding programs specifically for councils, as well as competitive grants programs that councils have been eligible to apply for and successful in delivering.
- Financial Assistance Grants – most grants for 2022-23 were pre-paid to councils in 2021-22. ALGA offered to work with the Government towards establishing a quantum for “fair increases” to Financial Assistance Grants, with a view to implementing phased increases for these grants from 2023-24.
- First and last mile funding: ALGA called for \$300 million per annum over four years to help address road freight first and last mile issues that are hindering national productivity. This request recognises sensible heavy vehicle reform that boosts productivity while acknowledging the capacity and financial constraints faced by council road managers.
- Reaffirming the 15 funding priorities for Australian councils in ALGA’s 2022-23 pre-budget submission, including \$20 million per year permanent supplementary road funding for South Australia.

The LGA and ALGA will submit full budget submissions ahead of the 2023-24 Budget, which will focus on how councils can play an increased role driving productivity, while improving the wellbeing of our communities.



## SA State Budget 2022-23

In advance of the 2022-23 State Budget, the LGA President wrote to the Treasurer, Hon Stephen Mullighan MP, to highlight local government advocacy on funding for jetties and public libraries as two immediate and practical issues, whereby an injection of State funding will make a significant impact on the prosperity of local communities. It was noted that these are both issues that the LGA has been discussing with State Government and are significantly progressed with the relevant department and agencies.

The LGA prepared an analysis of the 2022-23 State Budget that was handed down on 2 June 2022<sup>4</sup>. The LGA welcomed the State Budget's significant investments in health services, public housing and homelessness supports, tourism industry assistance, and reforms to procurement processes designed to engage more local businesses.

The LGA, however, highlighted concerns about cuts to programs which were focused on increasing urban green cover and tree canopy in the Adelaide metropolitan area. The LGA President has subsequently written to the Minister for Climate, Environment and Water, Hon Susan Close MP, to seek further clarification on the State Government's commitment to this important issue.

The LGA's post-budget media release also expressed disappointment that the return of annual indexation to public library funding and \$10 million for priority jetty maintenance work was not included in the Budget. The LGA President has subsequently written to the Minister for Infrastructure and Transport, Hon Tom Koutsantonis MP, urging that the Jetties Strategic Plan be finalised and released to identify a sustainable approach to the future management and prioritisation of investment for SA jetties.

The President wrote to the Minister for Education about the importance of library funding, as well as the role of school community libraries in regional areas in supporting education, literacy and access to online services. The Government has now committed \$4M towards the Ceduna Area School Special Education Unit, thereby permitting the Ceduna School Community Library to remain on site.

## Planning update

### Minister for Planning

The new Minister for Planning, Hon Nick Champion MP, has attended a number of LGA activities, including attending a GAROC Committee meeting and the Regional and Metropolitan CEO Forums. The LGA President also met with the Minister on 25 July 2022 and discussed a range of issues relating to the implementation of the planning system.

### Discontinuance of the ePlanning levy

The LGA has recently written to the Minister for Planning regarding the ePlanning levy that councils are required to pay to support the cost of establishing and maintaining the SA Planning Portal.

The LGA and councils have raised with previous State governments the inequity of councils being required to pay this levy.

<sup>4</sup> ECM\_777470\_v3\_LGA State Budget 2022-23 Highlights and Analysis

The LGA considers that State Government agencies, the development industry and all South Australians also benefit from the ePlanning system, as they can lodge and track applications online, make payments, submit and receive information and track projects and development applications in real time.

Based on the contribution schedule outlined in the correspondence, the LGA estimates that local government is contributing approximately \$1.2 million annually through the ePlanning levy.

The LGA also estimates that the State Government is also receiving in excess of \$10 million annually in lodgement fees. The LGA has requested that the Minister give consideration to apportioning the lodgement fee on a 50/50 basis between the State Government and local councils to enable councils to support the State Government in delivering the planning system to all South Australians.

### **Review of the *Planning, Development and Infrastructure Act 2016***

The State Government has established an Expert Panel to provide advice to the State Government on matters relating to the new planning system.

To prepare the local government sector for this review, the LGA Secretariat has undertaken a review of the *Planning, Development and Infrastructure Act 2016*, supporting regulations and the Practice Directions to identify areas for improvement.

The LGA will provide a submission to the Expert Panel in the coming months.

### **Certificate of Occupancy**

The LGA was made aware that a request was made to the Minister to defer the reintroduction of Certificate of Occupancies (CoO) for Class 1a buildings for a further 18 months, until 1 January 2024.

The request was made by the building industry, as they considered that the July 2022 reintroduction of the CoO may result in delays in occupation of homes and payment of final progress payments to builders, with these delays being compounded by the increase in home approvals owing to the HomeBuilder stimulus package.

Following consultation with councils, the LGA advised the Minister that the delay of 18 months would appear both excessive and unnecessary and there should be consideration to implement CoOs to bring South Australia into line with other states.

The Minister advised that he was supportive of a delay until January 2024. However, he also indicated that there would be no extensions beyond this time.

The LGA Secretariat will engage with the sector in relation to the development of housing occupancy requirements as they may differ between metropolitan and regional areas.

### **Planning and Building Staff Shortages within local government**

The Minister was recently made aware that there was no longer an undergraduate planning course in South Australia, and that councils across the State were having difficulties in attracting and retaining qualified planning and building staff, particularly within the regions.

The private sector over the past 12 months has recruited a large number of experienced planners from councils, and many of these planners are now being contracted back to councils to assist them with the assessment of development applications.

The LGA has recently conducted a survey of councils, and from those who responded, it has been identified that there is a shortfall of 34 planning practitioners and 29 building practitioners.

While there is little likelihood of the undergraduate planning degree being established in the short term, there is the option of re-establishing the Certificate 4 (Planning) through TAFE or a registered training provider (RTO). This would necessitate funding from the State Government in preparing a syllabus based on the new system. Administration staff and possibly cadets could undertake this course to provide support for planning staff.

## Other advocacy outcomes

### Free flu vaccination program

On 29 May 2022, the State Government announced free flu vaccinations for all South Australians to relieve pressure on the state's hospitals. Initially the government only committed to reimbursing General Practitioners and pharmacists for the costs of providing these free vaccinations.

In response to LGA advocacy, SA Health has confirmed the State Government will also reimburse council vaccination clinics for the costs of administering both the National Immunisation Program funded flu vaccine and the non-funded flu vaccine. Councils were able to offer the free vaccine and invoice SA Health for all vaccines provided between 29 May and 30 June 2022.

### Borrow pits

Via SAROC, the LGA has advocated for appropriate consideration of council borrow pit activities within the *Mining Act 1971* and relevant regulations.

The LGA Secretariat and Local Government Risk Services (LGRS) have held discussions with SafeWork SA regarding council borrow pit activities. These meetings and subsequent correspondence have confirmed how SafeWork SA consider the *Mining Act 1971* and regulations to apply to council activities in rubble raising in regional areas for roads maintenance programs.

New SafeWork SA interpretation clarifies that the requirement for a mine manager would only be active as and when there were operational mining or processing activities taking place at the site. This would allow for a competent works operative to be designated as the mine manager for the site they are going to work on at that point in time, alleviating the need for them to be considered as a manager of multiple sites and the council and regulator having to go through this gazettal process every time a pit is opened or closed.

LGRS are preparing an education program to be rolled out as councils are informed about this outcome.

## LGA submissions<sup>5</sup>

### ESCOSA Draft Framework and Approach – Advice to councils on Strategic Management Plans

As part of wide-ranging reforms to the *Local Government Act 1999* (the Local Government Act) the Strategic Management Plan Advice Scheme (SMP Advice Scheme) commenced on 30 April 2022.

The Essential Services Commission of SA (ESCOSA) developed a draft Framework and Approach setting out its proposals for administering the SMP Advice Scheme, seeking public submissions by 27 May 2022. The LGA received a strong and well considered response from councils on ESCOSA's proposals and provided a submission that confirms LGA and local government sector support a SMP Advice Scheme which aligns with that contemplated by the changes to section 122 and seeks to address:

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<sup>5</sup> [LGA Submissions](#) | [LGA South Australia](#)

- high level advice to councils which highlights where material amendments made (or proposed to be made) may affect a council's long-term financial sustainability (with reference to the already identified and industry-recognised financial indicator target ranges) and/or may affect a council's ability to maintain and implement their LTFP and IAMP(s);
- high level advice to councils on the appropriateness of the council's proposed approach to funding services and infrastructure as outlined in the funding plan within the LTFP and the IAMP(s) whilst having regard to the intended sources of total revenue and whether council has considered the appropriateness of the financial contributions proposed to be made by ratepayers.

The submission reinforced that the LGA and the local government sector do not support ESCOSA developing a SMP Advice Scheme which:

- expands the scope of the Scheme;
- seeks to limit the discretion bestowed upon councils under the Local Government Act;
- replicates work performed by other agencies (such as reporting data to the Local Government Grants Commission) and/or already required by legislation (e.g., every council must already audit its accounts); and
- will place upwards pressure on rates.

The LGA also raised significant concerns with the focus on rates and the proposed comparison of council rate increases against CPI. This was a perspective shared by many council submissions as part of the consultation process.

The Essential Services Commission of SA has completed its consultation seeking input on the framework for the new Strategic Management Plan Advice Scheme, which came into effect on 30 April 2022.

Disappointingly, the framework has not picked up some of the feedback provided by the sector, with only a small number of concessions made to the scheme.

The LGA welcomes the statutory framework set out in section 122 of the Local Government Act and recognises the value in council's receiving high level advice to improve their strategic management planning processes, long-term financial sustainability, and financial decision-making.

We recognise councils work hard for their residents, including keeping rates down. The LGA remains open and willing to work with ESCOSA on the details of how the scheme will run, including proposed costs to the sector.

The LGA is continuing to look at options to further engage and will seek to ensure the objectives of the scheme are kept focused on supporting councils with strategic management planning processes which can give confidence to communities on council operations. We have also discussed these matters with the State Government through the Minister for Local Government.

To support those councils in the first year of the schedule, the LGA is facilitating a Community of Practice.

ESCOSA's final advice for councils in year one of the four-year schedule is due to be made available in late February 2023. The LGA will keep members updated on this work as it continues.

## **Regional housing – advocacy and toolkit**

Via SAROC, the LGA has developed advocacy for State and Federal Government policies that develop a roadmap for increasing regional housing supply that includes better incentives for private development in regional areas and alternative funding models for affordable housing projects and associated infrastructure, including a process to secure government funds.

At its meeting on 26 May 2022, SAROC received a final report from Leonie Boothby & Associates, which informed advocacy positions. The research advice is also informing the development of an online Local Government Regional Housing Support Framework (toolkit) – for individual councils to refer to when considering local interventions.

On 27 June 2022, SAROC held a Regional Housing Roundtable with senior State Government representatives from the Department for Trade and Investment, Renewal SA, PIRSA, SA Housing Authority, and the Department for Treasury and Finance.

At the roundtable, councils discussed the impacts that housing affordability and availability is having on communities from both a social and economic perspective and outlined both the causes and steps they have taken to address the issue.

SAROC has identified advocacy on policy reforms needed to:

- improve the financial incentives for regional housing developments;
- increase state and federal government funding for the expansion of essential services infrastructure; and
- establish case management resources to support the development of regionally specific business cases – needed to prove the financial viability of regional housing developments.

SAROC has written to the State and Federal Government (and Opposition) in the following terms:

Letter to the Premier and the Minister for Local Government to request support for State Government leadership in a coordinated response, and efforts across State and local government, including:

- a. acknowledging in Cabinet that this issue has critical implications for many ministers and their portfolios;
- b. development of a roadmap for increasing regional housing supply that includes better incentives for private development in regional areas and alternative funding models for affordable housing projects and associated infrastructure, including a process to secure government funds; and
- c. establishing collaborative Regional Housing Crisis Task Force (or similar) featuring suitable representation from State Government agencies and the local government sector, and sufficient staff resourcing to progress associated follow-up work.

Letter to the Australian Government's Minister for Housing, requesting:

- a. information about the Government's proposed National Housing Supply and Affordability Council;
- b. information about the criteria which will be used to determine the locations for the Government's proposed 20,000 new social housing dwellings and 10,000 affordable homes for frontline workers;
- c. the Government consider a new program that seeks to address the shortage of affordable rental housing by offering financial incentives for property developers, not-for-profit organisations, and community housing providers; and

d. the Government consider lowering the development project value threshold for access to the National Housing Infrastructure Facility, given the smaller scale of viable residential developments in regional South Australia.

Letter to the State Minister for Housing and Urban Development requesting:

- a. that he advises whether there are any resource or policy barriers which explain why Renewal SA is not currently engaging in any regional residential projects, at a time when severe housing shortages are being experienced throughout regional South Australia;
- b. consideration be given to Renewal SA making available suitably qualified case management staff, based in regional areas, to conduct regional data analysis and regional housing business case development; and
- c. consideration be given to the establishment of a Regional Development Housing Infrastructure Fund to finance the installation or expansion of essential services infrastructure systems, given the significant barrier to regional residential development infrastructure costs present; and

Letters to the Treasurers of both the Australian Government and South Australian Government requesting that they consider targeted tax incentives for regional first homebuyers and investors (including employers) to incentivise investment in regional residential developments.

### **Food Standards Australia New Zealand (FSANZ)**

Following detailed consultation with member councils, the LGA made a submission regarding a Proposal for Food Safety Management Tools. SA councils have sought changes to the regulatory landscape in food standards for many years and the LGA has welcomed the proposals that progress a nationally consistent risk-based regulation system.

The LGA submission highlighted that the proposed reforms rely heavily on the systems, resources and guidance materials being available in time for implementation, as well as additional resources being in place to assist councils to communicate these proposals to their local food businesses and communities.

### **Review of the Disability Inclusion Act 2018 (SA)**

With input from member councils and the Local Government Disability Advisory Group, the LGA provided a response to the Department of Human Services' Discussion Paper on a review of the *Disability Inclusion Act 2018*.

The LGA submission acknowledged that the Act is an important part of South Australia's legislative scheme. While local government's consensus view is that the legislation has been well received and no changes are required at this time, the submission provided additional feedback to improve collaborations on the promotion, engagement and support for implementing disability access and inclusion planning.

A key recommendation made in the submission was for the LGA and DHS to work together to explore additional grant opportunities / funding from state and federal governments to enable councils to support the implementation of the *Disability Inclusion Act 2018 (SA)* and Australia's Disability Strategy 2021-31, and to deliver access and inclusion initiatives in local communities.



## Research

### Regional Health Workforce

SAROC has commissioned Dr Kristine Peters (Principal Consultant, KPPM Strategy) to develop a Regional Health Workforce Toolkit. Once completed, the toolkit will provide advice to councils experiencing health workforce shortages about actions they can take to attract (and retain) health professionals to live and work in their communities.

To inform this work, the LGA Secretariat has undertaken research and consultation with regional councils to investigate the key barriers preventing the recruitment of a sustainable health workforce, with a focus on general practitioners (GPs), and has explored successful actions previously taken by councils.

This work will inform future LGA advocacy, targeted at shaping state-wide and community-based initiatives which address health workforce shortages in regional areas.

### Immunisation

The LGA has engaged a consultant to undertake evidence-based research and consult with councils to determine what the costs are to councils in providing immunisation programs. The findings will be used to support councils in making sound financial decisions and will further inform the LGA's advocacy that the State Government invest an additional \$2.4 million to provide ongoing, sustainable and equitable funding.

## Partnerships

The LGA continues to partner with the State Government in the delivery of the following programs:

### Wellbeing SA Public Health Partnership Agreement

In 2021, the LGA entered into a new agreement with Wellbeing SA to become a Public Health Partnership Authority. The agreement between the two organisations recognises the shared interest in progressing strategies to deliver better health and wellbeing outcomes through effective action in wellbeing and prevention.

The project will link councils with State Government-led initiatives, showcase impactful work by councils, identify the need for training or other resources, and amplify councils' voices to influence future policy development.

A new Senior Project Officer Wellbeing has started with the LGA, and she will lead the implementation of the agreement over the next two years.

Early priorities identified include walking campaigns and working with councils on promoting nature-based activities, urban greening, and mental health.

### Local Government Early Childhood Community Innovation Grants

The Department for Education has partnered with the LGA to provide South Australian councils with the opportunity to apply for a one-off competitive grant of up to \$15,000 for individual councils and up to \$30,000 for collaborations between councils and/or community organisations.

These grants provide an opportunity for councils and local communities to respond directly to the Australian Early Development Census (AEDC) results by considering initiatives that will support the needs of children (ages 0-5) and their families.

There were 18 applications for this grant program, with a total of \$180,000 allocated to the twelve successful projects which include projects as diverse as the City of Campbelltown developing a children's policy to a Little Creators STEM Workshop being delivered by the District Council of Loxton Waikerie. Councils have two years to deliver projects and the program provides a useful way to promote the AEDC data through councils and share learnings across the sector.

### **Heavy Vehicles Partnership Program**

The two-year secondment of an officer from the Department of Infrastructure and Transport (DIT) has now concluded, culminating with the release of the Road Manager Guideline, adding to the wealth of resources available to councils on the LGA website.

Through the partnership with DIT, the officer was able to work closely with councils supporting them in their responsibilities as road managers, and the program received positive feedback from councils, industry, ALGA and other stakeholders. The future of this work is being discussed with DIT.

### **Regional Climate Partnerships Coordinator**

The LGA is continuing its partnership with Green Adelaide and the Department for Environment and Water to provide central coordination for the Regional Climate Partnerships program, which establishes a network of cross-sectoral groups working to strengthen the climate resilience of their communities. The central Coordinator role, based at the LGA, has provided strength in collaboration, efficiencies, and clear direction for the local government sector. Activities such as the GAROC Climate Change Action Forum, hosted on 28 May 2022, have supported the work of the program. The Forum was attended by the newly appointed Deputy Premier, Hon Susan Close MP, who spoke passionately about the importance of state/local government partnerships, together with twelve mayors, and senior State Government agency representatives.

### **Items of Business**

The LGA has undertaken the following actions to progress 'advocacy' related items of business carried by member councils at the Ordinary General Meeting in April 2022.

#### ***Implementation of an electronic portal for issuing of permits pursuant to the Fire and Emergency Services Act 2005 (District Council of Loxton Waikerie)***

The LGA President has written to the Minister for Emergency Services, Hon Joe Szakacs MP, to advocate that he instruct and fund the SA Country Fire Service to implement an online portal for application, approval and issuing of permits pursuant to the *Fire and Emergency Services Act 2005*, prior to the commencement of the 2022-23 fire season. The Minister has responded to say he has asked the CFS to investigate sustainable options to improve this system.

#### ***Electric Vehicles Taxes (City of Victor Harbor)***

The LGA Secretariat has liaised with ALGA to inform its strategies for continuing to progress electric vehicles as an advocacy issue with the Federal Government.

The LGA President has written to the Federal Government to advocate that they remove the Luxury Car Tax on Electric Vehicles and other 'fuel efficient' vehicles. The Federal Minister for Climate Change and Energy has responded to say that his government is developing a National Electric Vehicle Strategy which will consider measures to increase sales and they have already introduced an Electric Car Discount to exempt many EVs from import tariffs and fringe benefits tax.



### ***Research into the Population Status and Decline of Little Penguins in South Australia***

The LGA President has written to the Minister for Climate, Environment and Water, Hon Susan Close MP, requesting that she review the strategies and management plans applicable to increasing the Little Penguin population within all coastal councils, to save them from extinction.

### ***Stamp Duty on Regional Residential Property in South Australia (Barunga West Council)***

The Chair of SAROC, Mayor Erika Vickery OAM, has written to the Treasurer, Hon Stephen Mullighan MP, requesting that he investigate options to exempt or reduce stamp duty taxes on regional residential property purchases to incentivise regional migration and increase regional residential demand, including from first home buyers.

### ***Rough Sleeper/Homelessness Initiative (Town of Gawler)***

In December 2021, the LGA was approached by the South Australian Alliance to End Homelessness (SAAEH), a state-wide collective of community and business representatives committed to ending rough sleeping homelessness.

As anticipated in this item of business, the LGA is currently working with SAAEH to:

- ensure that the LGA is represented within the governance structure of the SA Alliance to End Homelessness; and
- sign an updated MOU between the Institute of Global Homelessness and South Australian stakeholders (including the newly elected Malinauskas Government).

The LGA also co-hosted a local government forum on rough sleeping homelessness, targeted at mayors and CEOs on 4 August 2022, which detailed the international success of the Advance to Zero methodology, and explored how this methodology may be expanded beyond the inner-city Adelaide area.

The LGA is also liaising with Homelessness Alliance service providers and associated councils on their experiences in developing and implementing pilot projects using the Advance to Zero methodology.

### ***Review of Local Government Disaster Recovery Assistance Arrangements (LGA Secretariat)***

The LGA President has written to the Treasurer, Hon Stephen Mullighan MP, seeking support for a review of the Local Government Disaster Recovery Assistance Arrangements (LGDRAA), with a view to addressing the need to:

- make the LGDRAA simpler and more definitive in terms of the support provided to councils in the event of a natural disaster;
- significantly reduce the current thresholds for cost reimbursement to levels consistent with other state jurisdictions;
- ensure that the significant internal costs borne by councils during and after a natural disaster are acknowledged and can be recovered in the funding frameworks;
- provide clarity on the eligibility of both the short-term and long-term costs relating to the clean-ups of damaged verge trees and road clearance; and
- provide further clarity on the ability of councils to recover direct counter disaster operations costs from Control Agencies, and the merits of removing this ability so that the LGDRAA can be an all-encompassing funding framework.

The LGA has not yet received a response on this issue.

### ***Financial and Resource Implications***

Developing the evidence base and third-party support needed to successfully pursue legislative, policy or funding changes requires a significant investment of time and resources in data collection and analysis, policy research, consultation with members, stakeholder engagement, policy development and positioning through an advocacy strategy.

The LGA Advocacy Plan allows the LGA to be more strategic by defining the parameters of the LGA's advocacy activities and ensuring that adequate resources are available to give important issues the time and attention required to achieve the outcomes desired by members. The Plan provides a useful guide to the Board of Directors, SAROC and GAROC, when assessing the importance and urgency of any new issues raised.



# **LGA Advocacy Plan 2019 – 2023**

**First endorsed: September 2019**

***Latest revision: August 2022***

## Introduction

The object of the LGA is to achieve public value through the promotion and advancement of the interests of local government. From an advocacy perspective, the focus of the LGA is advocating to achieve greater influence for local government in matters affecting councils and communities.

The LGA is at the forefront of strategic policy development and reform in the local government sector. We seek to achieve influence for local government in matters affecting South Australian councils and their local communities. We do this by listening to and representing our 68 member councils and building positive relationships with people and organisations with an interest in or influence over matters of importance to local government.

There is significant value in the leadership and advocacy driven by the LGA in partnership with our member councils. Recent significant advocacy outcomes the LGA and our member councils have achieved include securing sensible, evidence-based local government reform within the *Statutes Amendment (Local Government Review) Act 2021* and state and federal stimulus funding for local government to support economic and community recovery from the COVID-19 pandemic.

At the national level, working with the Australian Local Government Association, we have secured the Commonwealth Government's commitment to extend South Australia's supplementary local roads funding to 2023, and extensions to the Local Roads and Community Infrastructure Fund.

Speaking with one voice through the LGA gives the local government sector and SA councils a 'seat at the table' with decision makers. This means that our communities can enjoy the benefits of governments working in partnership towards common objectives.

Councils that are adequately resourced and supported by an enabling and contemporary state legislative framework are a strong partner in government and can make a great contribution to the economic and social progress of South Australia.

## LGA Strategic Plan 2021-25

The LGA Strategic Plan 2021-25 identifies Advocacy as a key strategy and outlines the following outcomes that activities in this Advocacy Plan seek to deliver:

1. We are close to our members, seek their feedback and represent them with evidence-based advocacy on issues that matter.
2. Governments rely on our proactive contribution to policy and legislation that impacts councils, leading to better outcomes for communities.
3. Communities understand and value the services provided by local government and are encouraged to participate in council processes.

## 2019 – 2023 Advocacy Plan

The purpose of the LGA Advocacy Plan 2019-2023 is to define and prioritise the LGA's advocacy agenda to increase certainty and transparency for members about the outcomes being pursued on their behalf, and to ensure that sufficient resources are available to progress and monitor these important issues. The plan will help the LGA to deliver a focused and effective advocacy agenda over the next four years.

The Advocacy Plan is intended to sit alongside the LGA's Strategic Plan, Annual Business Plans and Policy Manual as an important part of the LGA's Strategic Management Framework. It guides decision making about the prioritisation of resources, assists in identifying partnership opportunities with key stakeholders and enhances our accountability to our members.

This Advocacy Plan is not a complete list of everything the LGA is doing on behalf of its members. The LGA provides a range of additional services that 'Assist' and 'Advance' councils, such as education and training, commercial services, guidelines and model documents, governance advice and research and development.

The Plan's four-year horizon recognises that effective, evidence-based advocacy can take time and the need for advocacy activities to be carefully timed around key events such as State and Federal Government budgets and election cycles.

While the LGA always uses best endeavours to forecast the key issues that will need to be addressed over the coming years, there will always be new issues for local government that emerge during the life of this plan that require an advocacy response from the LGA. The Advocacy Plan will be monitored quarterly and updated annually to allow for reprioritisation of the LGA's work plan as new issues emerge, issues evolve, or as member priorities change.

The issues and actions on the 2019-23 Advocacy Plan have been updated to reflect the current context of the local government, planning and waste reforms, as well as new advocacy to support the impacts of the COVID-19 pandemic on the sector and member councils' actions to support economic and community recovery.

## Aims - what successful advocacy looks like

### *Commitments / Relationships / Reputation*

#### **Commitments**

Elicit genuine and specific commitments from State and Federal government that are relevant to local government's priorities and community outcomes.

Commitments can take the form of:

- funding for councils via targeted contributions and competitive grants – leveraging allocations from existing programs, as well as maintaining and building on existing commitments;
- legislation and regulations that enable local government services and consider implications (cost, appropriate support) for councils; and
- development of Government strategies and policies that reflect insights and experience of local government, including a 'seat at the table' with representation on relevant groups.

#### **Relationships**

Set the tone for how local government will work as a partner in government through mutually beneficial intergovernmental relations - recognising opportunity to leverage influence and further opportunities over time through ongoing advocacy.

#### **Reputation**

LGA advocacy creates the opportunity to progress and influence local government's brand and reputation with key decision makers and influencers:

- Government, ministers, Opposition and department agencies – build on the trust and credibility of the sector, reset conflicts and change the conversation on points of difference.
- Peak bodies and other key influencers – identify opportunities to align and build a coalition of support on common areas of interest

## **Principles - an influence-based approach**

The LGA adopts an influence-based approach to advocacy and acknowledges that the most influential way to garner support or 'change the mind' of State Government decision making (our advocacy goal) is to:

- convey urgency and inspire action on priorities, with a focus on the meaningful and practical measures State and local government can pursue;
- acknowledge and build on our common ground, highlight shared achievements and demonstrate a credible track record to be built upon;
- adopt a tone that is positive, credible and likeable, while not glossing over points of difference or opportunities that may be missed;
- leverage local government as a respectful, reliable partner that is trusted by the governments, department agencies and the community;
- focus on areas of strength and relevance for the local government sector; and
- support positions with a small number of cohesive, compelling reasons, back with targeted examples and case studies from member councils.

## 2022-23 advocacy priorities and actions

The issues and actions set out in this Plan have been informed by our members through annual surveys, general meetings, the LGA Board of Directors, and the SAROC and GAROC committees. They also reflect legislative and policy reforms being undertaken by the State and Federal Government that are relevant to the role of councils and impact on local communities.

Local government has a broad range of roles and responsibilities, and the diversity of the sector's interests is reflected in the LGA's Advocacy Plan. Typically, the LGA will prioritise issues that have an immediate direct impact on local government such as changes to the responsibilities, funding, and compliance obligations of councils.

During 2022-23, the LGA will dedicate most of its advocacy focus and resources towards the following priority issues.

- supporting advocacy via the Australian Local Government Association (ALGA) to increase federal **Financial Assistance Grants** and secure long-term certainty of **supplementary road funding for South Australia**.
- establishing a **State-Local Government Relations Agreement** that provides a framework for ensuring State Government action responds to local needs and considers local solutions.
- informing the State Government's independent review of the **Planning Development and Infrastructure Act** and associated documents
- engaging with the State Planning Commission to enable close collaboration and evidenced based investigations during the review of the **Regional Plans** and the review of the **Thirty-Year Plan for Greater Adelaide**.
- developing a roadmap with state and federal governments for increasing **regional housing** supply that includes better incentives for private development in regional areas and alternative funding models for affordable housing projects and associated infrastructure, including a process to secure government funds.
- establishing a formal role for the local government sector to shape state-wide and community-based initiatives to better address **medical workforce shortages** in regional areas.
- achieving access to 50 per cent of council contributions to the Green Industry Fund (through solid waste levy payments) for local government in the form of grants for waste initiatives, trials and programs to support achievement of the State Government's waste targets or the transition to a **circular economy**.
- informing and encouraging a **review of mandatory rebates**, discounts and exemptions resulting in councils' discretion to determine rating structures which produce the best outcomes for all community members.
- securing the future funding of **South Australian libraries**, including restoring CPI to the Government's funding contribution, allocating funds to digital inclusion programs, funding a



dedicated grants program to drive innovation and reform, and finalising new arrangements for Schools Community Libraries.

- increasing state and federal government grant funding for **coastal adaptation** initiatives.
- improving **stormwater management** by securing increased funding in the Stormwater Management Fund and informing a stormwater reform process in partnership with the Stormwater Management Authority
- releasing the South Australian **Jetties Strategic Plan** that includes a \$10 million State Government investment in priority jetty maintenance and upgrades
- securing additional State Government investment to provide ongoing sustainable and equitable funding for councils to deliver **immunisation services**.
- delivering the advocacy identified in the **LGA Climate Commitment Action Plan 2021-23** to drive urgent and sustained action to reduce emissions and adapt to the impacts of climate change.
- establishing a **State-Local Government Climate Change Partnership** that provides long term certainty for the Regional Climate Partnership Sector Agreements, commits to practical action on adaptation and mitigation, and embeds South Australia's leadership on climate change at the national level.
- Lobbying for State Government leadership to provide ongoing operational support to ensure an effective response to **hoarding and squalor** in South Australia.
- Promoting the need for the Australian Government together with States and Territories to commit to a **national plan to end homelessness** by 2030 which addresses all the drivers of homelessness.
- informing the forthcoming legislated review of the **Dog and Cat Management Act 1995**.
- Negotiating the **implementation of local government reforms** and liaising with relevant State Government bodies to limit resource impacts and costs to council arising from the reforms including lobbying for further change where unintended consequences of reforms are identified.
- Liaising with State Government and key stakeholders to support councils to meet statutory strategic management planning requirements, enhance financial management capability and advocating for change in relation to **strategic management plan oversight arrangements**.
- Negotiating with the Legislative Review Committee to **reform by-law making arrangements** and so reduce the number of council by-laws disallowed by Parliament.



## 2019 – 2023 advocacy issues

### Theme: Local Government Sector

Local government welcomes its role as a partner in government and shall continue to work closely with state and federal governments and other key stakeholders to seek solutions to issues that impact communities.

**Objective: Advocate for sensible local government reform and build the respect of federal and state government in all transactions between the spheres of government.**

Issue	Position	Outcome sought	Key actions	Lead body
Local Government Reform – implementation	<p>The LGA has worked with member councils and the Parliament of South Australia to arrive at sensible and effective reforms that will drive downward pressure on council rates, improve the financial sustainability of councils, and deliver lasting benefits to South Australian communities.</p> <p>Implementation of the reforms contained in the Statutes Amendment (Local Government Review) Act 2021 will be most effective if they are driven by the local government sector through the LGA.</p> <p>The LGA has already allocated additional internal resources to help progress this work, but without additional funding support there is a risk that the reform implementation will fall short of the expectations of councils or their communities.</p>	<p>The LGA has allocated an additional \$250,000 to support the reform implementation project and seeks a matching contribution from the State Government to increase the LGA's capacity to deliver the benefits of a high-performing local government sector.</p> <p>LGA advocacy is also aimed at ensuring the commencement of each element of the legislative scheme occurs once councils have had time to update policies, procedures, IT systems, forms and processes and for council members and staff to complete training on the new arrangements.</p>	<p>Pursue opportunities to request an increase in State Government funding and resources to successfully implement meaningful local government reform.</p> <p>Continue to consult extensively with member councils as the LGA commences work on an implementation plan of the 150 outcomes required to support councils to implement the proposed changes.</p> <p>Liaise with relevant ministers and members of parliament to inform discussions and build support for required Ministerial approval.</p>	LGA Board

Issue	Position	Outcome sought	Key actions	Lead body
State- Local Government Relations Agreement	<p>Coordination across all governments in planning, funding and delivering facilities and services can maximise the value of investments by governments. This can be best facilitated through formal structures such as the State-Local Government Relations Agreement and the Premier's State- Local Government Forum.</p> <p>A more cooperative, strategic approach to providing and using public infrastructure will reduce duplication, lower asset operating costs and create a strong foundation for the attraction of businesses and skilled labour needed for economic growth.</p>	<p>To enable local government to deliver on its potential as a partner to advance South Australia, the LGA is asking the State Government to support a State-Local Government Relations Agreement to provide a foundation for more productive state-local partnerships.</p>	<p>Continue to outline the benefits of a formal partnership in correspondence with the Premier and senior Government Ministers.</p> <p>Proactively identify and pursue opportunities to work collaboratively with the State Government, through its departments and agencies.</p> <p>Develop proposals and seek to enter into agreements for grants and programs that deliver interdependent value for the state government, councils and their communities.</p>	LGA Board

## Theme: Financial Sustainability

Local government acknowledges its statutory obligation to be sustainable and that this can only be achieved through attainment and maintenance of financial sustainability.

**Objective: Maximise contributions, investment and the appropriate policy settings from other spheres of government to contribute toward local government financial sustainability.**

Issue	Position	Outcome sought	Key actions	Lead body
Federal funding to local government – FAGs	The financial sustainability of councils and their ability to provide essential services and infrastructure in their communities is impacted by the relative decline in core federal funding in the form of Financial Assistance Grants (FAGs).	Restore the quantum of Financial Assistance Grants to at least 1 per cent of Commonwealth taxation revenue	<p>Support ALGA in developing a Federal advocacy campaign and promote the use of the campaign in SA.</p> <p>Build third party support from individuals and organisations that would benefit from increased local investment.</p> <p>Use member communications to encourage councils to acknowledge the financial contribution of the Federal Government toward local projects.</p> <p>Explore opportunities to identify projects and services being delivered by councils that support the priorities and objectives of the Federal Government.</p>	LGA Board

Issue	Position	Outcome sought	Key actions	Lead body
<p>Review of statutory fees, charges and mandatory rebates.</p>	<p>In most cases, the fees and charges that are set by State Government regulations for the provision of services do not cover the cost of providing the service. For example, planning fees only cover between 20-30% of the cost of providing assessment services, with the other 70-80% subsidised by all ratepayers. Setting user fees and charges too low puts pressure on council rates and requires public funds to be used inequitably for private benefits.</p> <p>Where a State Government role or function is to be undertaken by Local Government on the State's behalf (mandated or by agreement) then those roles and functions must come with an appropriate level of funding and/or fees structures which actually recover the cost of service arrangements.</p> <p>Mandatory rebates place inequitable burden on all other ratepayers. Legislative changes are required to ensure that rates are charged equitably across all properties that have capacity to pay their fair share.</p>	<p>Commitment and action from the State Government to</p> <ul style="list-style-type: none"> <li>adopt a policy that allows statutory fees and charges to be increased to achieve reasonable recovery of costs.</li> <li>undertake a review of mandatory statutory rebates and exemptions from payment of local government rates.</li> </ul> <p>Relevant legislation be amended to remove or recompense councils for state-government mandated discounts on rates for: Community housing / Electricity providers / Religious services / Public cemeteries / Educational purposes.</p>	<p>Continue to outline the need for the State Government to conduct a comprehensive review of local government fees and charges to establish modern price setting principles which promote efficiency, flexibility and fairness in service delivery.</p> <p>Work with interested councils to undertake analysis and prepare an issues paper to inform and advocate for a review of the mandatory rate rebates that councils are compelled to provide; and engage an appropriate economic advisory consultant to prepare a report for government advocating for changes to statutory rate rebates and exemptions in SA.</p> <p>Continue to advocate for legislative changes that would see renewable energy generators paying a fair share of rates to reduce the financial burden on the wider community.</p>	<p>LGA Board GAROC SAROC</p>

## Theme: Infrastructure and Assets

The LGA and our member councils recognise that with appropriate funding and partnership opportunities local government can be part of the solution in addressing the infrastructure challenges South Australia faces in ensuring liveable, vibrant and prosperous communities.

**Objective: Enable advocacy and partnership opportunities that supports local government to fulfil its responsibilities in a range of public infrastructure and facilities that support families and businesses, create and support economic opportunity and build community inclusion and safety.**

Issue	Position	Outcome sought	Key actions	Lead body
Federal funding of South Australia's local road network	<p>South Australia has 11% of the nation's local roads and 7% of the population but receives only 5.5% of the Identified Local Roads component of Commonwealth Financial Assistance Grants (FAGs).</p> <p>Since 2003, successive Federal Governments have allocated supplementary road funding to South Australia as a temporary fix to an unfair funding formula. SA councils need confidence and certainty that this funding is secure over the long term.</p>	Permanent reinstatement of South Australia's supplementary local roads funding – beyond 2021.	<p>Develop an options appraisal and issues paper to support future advocacy.</p> <p>Develop and implement an advocacy campaign at the federal level and leverage ALGA support where required.</p> <p>Support councils to undertake advocacy activities locally.</p> <p>Coordinate a delegation of members to Canberra to engage with representatives and decision makers.</p>	LGA Board
State funding of regional roads – road safety	<p>Local government recognises the importance of State Government investment in the strategic road network for economic and social prosperity.</p> <p>Local government acknowledges its obligation for the maintenance, renewal and safety of local road networks. Councils shall continue to fulfil this obligation recognising the significant obligation of federal/state governments in</p>	Increased State Government funds for the maintenance and upgrade of safe and high-quality regional roads.	<p>Incorporate this issue within the LGA's State Budget Submissions</p> <p>Coordinate advocacy with other peak body associations.</p> <p>Develop and implement actions from the LGASA Guide to Local Government Road Safety Actions and Strategies.</p>	SAROC

Issue	Position	Outcome sought	Key actions	Lead body
	<p>providing financial assistance to the sector in discharging these duties.</p>		<p>Support engagement with member councils and liaise with state and federal government agencies to inform their respective Road Safety Strategies and Action Plans.</p>	
<p>Heavy Vehicle National Law – reform implementation</p>	<p>The National Transport Commission (NTC) has undertaken a review of the Heavy Vehicle National Law and its supporting regulations. This may have various implications for councils in their role as local road managers.</p> <p>In May 2021, infrastructure and transport ministers approved a two-year HVNL Safety and Productivity Program to implement reform outcomes from the HVNL review.</p>	<p>Ensure that the new Heavy Vehicle National Law appropriately considers and reflects the role of local government and implications for councils.</p>	<p>Continue to engage with member councils to ensure that LGA advocacy is evidence based and reflects operational considerations.</p> <p>Undertake advocacy on relevant elements of the reform implementation.</p>	<p>LGA Board</p>
<p>Electric Vehicles Fleet Incentives</p>	<p>Local government recognises that electric vehicles provide for potential zero emission transport and reduce negative impacts such as toxic emissions, engine noise and greenhouse gas emissions.</p> <p>Councils, because of their roles and responsibilities as road authorities, infrastructure providers, fleet managers and representatives of their local communities, can support and encourage the use of electric vehicles through their planning, policies, investment and procurement activities.</p>	<p>Federal Government to remove the luxury vehicle tax on electric vehicles and to introduce incentives for local vehicle manufacturing to create local industries to change the Internal combustion fleet to an electric fleet based on renewable, locally produced power.</p> <p>State Government to assist councils convert to an electric vehicle fleet by providing incentives.</p>	<p>Pursue opportunities at the federal and state government level to develop a trial of a subsidy scheme and/or incentives in South Australia, for cars, light commercial vehicles, trucks and buses fueled by alternative energy sources including electric, hybrid and hydrogen vehicles.</p>	<p>LGA Board</p>

Issue	Position	Outcome sought	Key actions	Lead body
Jetties – State Government funding and maintenance agreements	Local government is seeking to speak with one voice as new lease and funding agreements for jetties are negotiated with the State Government.	Ensure that future lease or other agreements with local government collectively safeguard the future of jetties in South Australia without creating a financial burden on ratepayers, especially in rural and regional areas.	<p>Establish an LGA steering committee of member councils to inform and guide future advocacy.</p> <p>Develop an Issues Paper to clearly articulate the issues, gaps and options for future funding and lease or other arrangements.</p> <p>Seek to meet with and inform stakeholders as appropriate.</p>	LGA Board
Mobile Phone Blackspot – state and federal funding	Regional communities continue to experience poor telecommunications coverage across South Australia. Access to reliable mobile phone and internet connectivity are extremely important to individuals and communities in terms of every-day liveability and emergency services, and also for business operability, viability and sustainability.	Improved telecommunications coverage in regional and remote South Australia.	<p>Identify and map priority blackspot areas in South Australia</p> <p>Identify funding opportunities for councils' submissions.</p> <p>Incorporate funding requests in State and Federal Budget submissions.</p>	SAROC

Issue	Position	Outcome sought	Key actions	Lead body
Stormwater management–state funding allocations	Although stormwater management is the shared responsibility of state and local governments, responsibility often falls to councils. Local government is limited in its ability to fund stormwater infrastructure or to make decisions that have cross boundary implications.	Improved governance, legislation and funding arrangements to support council responsibilities for infrastructure provision.  Work with state government to ensure an integrated approach to planning and for adequate funding of stormwater management and flood mitigation.	Develop issues and discussion paper to inform a review of Stormwater Management Practices in South Australia.  Include requests for additional stormwater funding in State Budget submissions.	LGA Board



## Theme: Economic Development

Local government acknowledges that ensuring sustainable economic development is a shared responsibility of all spheres of government. Councils contribute identifying and implementing solutions to impacts on economic growth, while highlighting the significant responsibilities of federal and state government.

**Objective: Influence federal and state government activities in identifying and implementing programs that promote local aims and produce positive local outcomes.**

Issue	Position	Outcome sought	Key actions	Lead body
Supporting economic development	Local government seeks state and federal funding, policy and legislation that supports economic and social recovery from the COVID-19 pandemic.	<p>Reinstatement of the State/Local Government Red Tape Taskforce to ensure government continues to support local business as they recover from the impact of COVID-19.</p> <p>Collaborate with the State Government to advocate and leverage Commonwealth Government strategies that increase capacity for manufacturing within Australia – for example, strengthening local remanufacturing to support an Australian Circular Economy, and incentives for electric vehicle manufacturing and existing fleet upgrades.</p>	<p>Continue to pursue opportunities for advocacy arising from the Federal and state government response to the COVID-19 pandemic.</p> <p>Engage with councils to identify opportunities and share ideas about how to cut red tape costs for business and use this information to make submissions to the SA Productivity Commission's review of the South Australian Regulatory Framework.</p> <p>Work with relevant State Government departments to establish and promote a clear pathway for councils to identify and progress opportunities for investment attraction in local manufacturing.</p>	<p>LGA</p> <p>GAROC</p>

Issue	Position	Outcome sought	Key actions	Lead body
			Commission research to inform advocacy to State and Commonwealth Government on the funding programs, incentives and policy settings that are needed to stimulate local manufacturing in metropolitan Adelaide.	
Supporting regional economies	<p>Local government acknowledges the significant role that regional economies play in the economic stability of South Australia. In recognition of the specific needs of the regions, the LGA and councils seek to work with Federal and State Government, Regional Development Australia Boards and key regional stakeholders to support regional economies, particularly as communities seek to recover from the COVID-19 pandemic.</p> <p>The centralisation of the public service to Adelaide may directly contribute to loss of jobs and residents living and working in regional South Australia - a disconnect that is reflected in centralised policy and decision making. The more the public service is centralised into Adelaide, the more policy decisions are formed through a 'city' lens and the more connection with regional communities is lost.</p>	State and Federal government funding, initiatives and legislation that assists with the growth and development of regional South Australia, including commitments towards assisting regional councils and communities to respond and recover from the Covid19 public health emergency and the decentralisation of South Australia's population.	Key opportunities for advocacy will include assisting regional councils and communities to respond and recover from the Covid-19 public health emergency, implementation of South Australia's Regional Development Strategy, increased funding and appropriate locations for mobile phone towers to address blackspots, changes to mobile food van licencing, and responding to increased instances of drought and bushfire conditions.	LGA Board SAROC

## Theme: Community Assets and Services

Local government acknowledges that protecting the health and wellbeing of its communities is a shared responsibility of all tiers of government and recognises the significant contributions that councils make in this area.

**Objective: State and Federal Governments recognise and respond to the opportunities to work with councils to improve the quality of life of South Australians by better shaping neighbourhood development, improving infrastructure and access to public services.**

Issue	Position	Outcome sought	Key actions	Lead body
Libraries – state government funding	<p>Libraries are a much loved community facility that provide a range of valued services to people of all ages.</p> <p>Public Library funding is the subject of a 10-year agreement between the State Government and the LGA, which is due to expire in 2021.</p>	Renewal of the State/Local Government libraries funding agreement with no reduction in the level of State Government funding provided.	<p>Design and implement a public awareness campaign to promote the value of libraries.</p> <p>Participate in negotiations with the State Government on behalf of the sector.</p>	LGA Board
Aged Care Reforms – Commonwealth funding	Commonwealth age care reforms have created a high degree of uncertainty for councils and the communities they serve; however, there is a strong sense in our sector that there is an ongoing role for local government in supporting the needs of people as they get older.	Councils are sufficiently supported by the Commonwealth Government to provides a basic level of aged care services to support continued independence for people aged 65 and over living at home and delaying entry to more expensive residential care.	Seek opportunities to continue to advocate for going funding for those councils seeking to continue to provide services.	LGA Board
Lack of medical services in regional areas	The ongoing lack of medical services in regional areas means that councils are being relied upon to provide front-line medical services. This comes at a cost to ratepayers and can detract from councils' efforts to	Improved health services in regional and rural Australia – less reliance on local government intervention.	Continue to advocate to the Federal and State Governments for the provision of improved health services. Support for progression of a key action from the Rural	SAROC

Issue	Position	Outcome sought	Key actions	Lead body
	provide and maximise the benefits of community preventative health activities.		Medical Workforce Plan 2019-2024 by working with the Rural Support Service to investigate how to maximise the personal and family supports provided to rural doctors by assisting efforts in housing, transport costs and childcare, and support for partners and families, including social and community supports.	
Dog and Cat Management issues	<p>In 2022, there will be a legislated review of the Dog and Cat Management Act 1995.</p> <p>Dog and cat management issues impact on councils across the State and have the potential to impact on council resourcing requirements.</p> <p>Under current legislation, each council can determine the resources they put towards cat management and the by-laws they enact to support cat management operations. Councils make decisions based upon available resources, community expectations and competing funding priorities.</p>	<p>That cat management laws be consistent across local government jurisdictions whilst recognising resource limitations and operational realities of regional councils in administering the Act.</p> <p>That State Government through the Dog and Cat Management Board leads legislative reform including community consultation on cat management issues including registration and containment.</p>	Facilitate local government discussion relating to improved cat management laws to support greater consistency across local government jurisdictions in terms of administration of the Act and with a view towards legislative reforms on registration and containment and the powers of council authorised officers.	LGA Board SAROC

Issue	Position	Outcome sought	Key actions	Lead body
<p>Family and Domestic Violence training, education and development</p>	<p>Family and domestic violence is a complex, serious and widespread problem in Australia, with individual and community impacts and social costs. However, it is also ultimately preventable.</p> <p>Councils play a role in creating safe public environments and can provide leadership across their communities in prevention of violence by promoting gender equity and equal and respectful relationships between men and women.</p>	<p>As large employers, councils can influence and change workplace cultures to promote gender equity and the safety of women.</p>	<p>Consult with member councils to determine what resources and programs currently exist to support employees and/or members of their communities impacted by Family and Domestic Violence and identify any further resources which should be developed.</p> <p>Liaise with the State and Federal Government to explore partnership opportunities to support the local government sector in providing consistent, best practice support and education to employees on matters relating to Family and Domestic Violence.</p>	<p>LGA Board</p>

## Theme: Planning and Development

The LGA and our member councils recognise local government's role in future planning and development, and the importance of using planning processes to obtain enhanced planning and design outcomes for communities.

**Objective: The State Government recognises the important role councils play and implements a fair, equitable and balanced planning system that facilitates high quality, sustainable and economically viable development.**

Issue	Position	Outcome sought	Key actions	Lead body
Planning Reform and implementation of the PDI Act	<p>The LGA has consistently advocated for a planning system that is accessible, integrated, accountable and supports local participation and decision making. Quality design outcomes are a hallmark of a great planning system.</p> <p>Local government acknowledges the benefits of an improved planning system and shall continue to liaise with state government on implementation of the Planning, Development and Infrastructure Act 2016, through positive collaboration and mutual respect, and shall lobby against aspects of implementation in the Act that are not in the best interests of local communities.</p>	State Government recognition of the quality planning and design standards expected by local government and our residents that complement and preserve the fabric of local communities.	<p>Continue to host member forums and workshops that facilitate the exchange of information between councils and AGD and the State Planning Commission.</p> <p>Represent the views of local government on the Minister's Liaison Group.</p> <p>Provide regular briefings to key stakeholders and engage with industry groups to seek a range of perspectives.</p> <p>Make submissions on all key documents during the implementation of the new system.</p> <p>Make public statements that highlight the key issues of councils and communities.</p>	LGA Board GAROC

Issue	Position	Outcome sought	Key actions	Lead body
Heritage and Contributory Items	Local government recognises the benefits of protecting our heritage while emphasising that classification of 'heritage' and 'conservation' status should be made locally, on the basis of evidence. Local government will oppose the implementation of policies that lack a sufficiently robust evidence base.	Local government interests on local heritage issues are fully represented, including community participation in heritage listing process and more robust heritage management, in any forthcoming State Government reviews or strategies.	<p>Advocate for the State Planning Commission to prepare an amended to the Planning and Design Code to include Representative Buildings as an Overlay to enable them to be clearly identified in the Code.</p> <p>Facilitate ongoing engagement between metropolitan councils and the State Planning Commission to identify opportunities to strengthen the Planning and Design Code in relation to heritage and historic character protection.</p>	GAROC
Infill Development	Local government recognises the need to contain urban sprawl. However, the increased densities resulting from infill development have placed additional pressure on services and infrastructure. In particular, member councils have raised issues associated with traffic management, carparking, stormwater management, loss of trees, provision of open space, privacy, overshadowing and design quality in relation to infill development.	<p>South Australia's planning system reflects leading practice and that the Planning and Design Code and associated instruments deliver quality planning and design outcomes that improve the amenity, liveability and sustainability of communities.</p> <p>Councils to be engaged at the design stage of State Government infrastructure projects to ensure good urban</p>	<p>Engage with the State Government and State Planning Commission on the preparation of Design Standards for infrastructure in the public realm.</p> <p>Undertake forums and workshops with council staff on draft Design Standards to seek feedback.</p> <p>Provide submissions and influence outcomes through GAROC on draft Design</p>	GAROC

Issue	Position	Outcome sought	Key actions	Lead body
		<p>design and coordinated, holistic placemaking that supports better outcomes as infill development occurs.</p> <p>The State Planning Commission's review Open Space and the Planning and Development Fund determines financial models that are more equitable and appropriate for councils experiencing higher volumes of infill development.</p>	<p>Standards developed with input from councils.</p> <p>Engage with metropolitan councils and undertake research to develop an LGA policy position on the preferred financial model within the Planning and Development Fund.</p>	
Non-compliant Building Cladding	The Grenfell Tower fire (London, 2017) highlighted the risk to public health and safety from non-compliant aluminium cladding on buildings.	An appropriate response from all spheres of government that properly informs but does not alarm the community unnecessarily and protects the interests of local government by determining steps for any remedial work by building owners to address problems with their buildings.	Continue to liaise with the State Government to ensure that councils are informed of future developments and are kept up to date with reliable expert advice when available.	LGA Board



## Theme: Environment and Natural Resources

The LGA and our member councils appreciate local government's role in protecting the environment, managing the risks of climate change, and the importance of managing waste.

**Objective: Influence, inform and advocate for the State Government to address funding, policy and legislative barriers that hinder councils from undertaking their roles in maintaining and enhancing the natural and built environment in regional South Australia.**

Issue	Position	Outcome sought	Key actions	Lead body
Climate Change – leadership, risk management and state of climate emergency	<p>The LGA Climate Commitment Action Plan 2021-23, recognises that responding to climate change is a shared responsibility across all levels of government and society.</p> <p>As the peak representative body for South Australia's councils, the LGA has an important role to advocate for urgent and sustained action to reduce emissions and adapt to the impacts of climate change. This will occur through direct advocacy to governments, partnerships, representation on influential decision-making bodies, and by raising awareness of the role and value of councils in managing climate risks.</p>	<p>State Government commitments that support councils, including:</p> <ul style="list-style-type: none"> <li>• Implementation of their Climate Change Action Plan 2021 -25</li> <li>• State-Local Government Climate Change Partnership Proposal</li> <li>• Renewal of the Regional Climate Partnerships – Sector Agreements</li> <li>• Greater funding for councils to reduce their community emissions profiles, for climate risk management, waste management, coastal management and stormwater management.</li> <li>• Better recognition of and response to climate change in the Planning and Design Code</li> </ul>	<p>Working with member councils and the Regional Climate Partnerships coordinators to clearly identify and communicate their success in delivering practical, proactive, and positive climate action.</p> <p>Consult with member councils to determine climate change risk and management priorities.</p> <p>Review and update the “Managing the Risks of Climate Change” statements in the LGA Policy Manual based on recent science, evidence and practice.</p> <p>Increase awareness of the role and value of councils in managing climate risks through the LGA's ongoing awareness campaigns and</p>	LGA Board

Issue	Position	Outcome sought	Key actions	Lead body
		<ul style="list-style-type: none"> <li>Greater support for the Electric Vehicle Strategy.</li> </ul> <p>Greater Commonwealth Government funding and action on climate change, including funded schemes and incentives to support the uptake of electric vehicles.</p> <p>–</p>	<p>stakeholder engagement actions.</p> <p>Advocate for greater support for councils to address climate change via the local government members on the Premier’s Climate Change Council.</p> <p>Ensure all relevant LGA Advocacy submissions address climate change impact.</p> <p>Pursue opportunities to work collaboratively with government agencies and other organisations with aligned goals and values on projects, programs and campaigns that will assist local government action on climate change.</p> <p>Maintain a high level of engagement with and participation in the Adaptation Practitioners Network.</p> <p>Continue to develop and maintain a productive working relationship with the Department for Water and Environment and Green Adelaide to ensure that the</p>	

Issue	Position	Outcome sought	Key actions	Lead body
			LGA continues to host the central climate change coordinator roles that underpin the Regional Climate Partnerships and the state/local government Adaptation Practitioners Network.	
Waste & Recycling	<p>The LGA's Waste Action Plan identifies local, state and federal actions required to:</p> <ul style="list-style-type: none"> <li>• stabilise the waste industry</li> <li>• ensure the ongoing commercial viability of recycling services; and</li> </ul> <p>establish a circular economy as a means of achieving sustainability in waste management.</p>	<p>That the State Government commits:</p> <p>50% of the monies accumulated in the Green Industry Fund (collected from council contributions to the Solid Waste Levy) be committed back to local government for worthwhile waste, recycling and resource recovery endeavours that support the transition towards a more circular economy.</p> <p>a guaranteed minimum level of reinvestment of the Solid Waste Levy in the waste, recycling and resource recovery sector;</p> <p>to ongoing research and development in collaboration with local government and other stakeholders into alternative waste technologies and strategies such as organics</p>	<p>Continue to outline the impacts of the increased levy on councils and ratepayers, via the LGA public awareness campaign.</p> <p>Provide regular briefings to state and federal members of Parliament to build support for local government's position.</p> <p>Commission independent research into the waste, recycling and resource recovery industry in South Australia and the role of SA local government organisations (councils and council authorities).</p> <p>Seek opportunities to continue to advocate for the stated outcomes.</p> <p>Make public statements that highlight the key issues of councils and communities.</p>	LGA Board GAROC SAROC

Issue	Position	Outcome sought	Key actions	Lead body
		<p>composting for food waste; kerbside collection technologies/strategies to incentivise households to maximise recycling rates and minimise the amount of general waste going to landfill; and</p> <p>Green Industries SA to expand its Waste Education/Awareness campaign to provide clear messaging on recycling and organic waste strategies to help the South Australian community.</p> <p>Green Industries SA to work more closely with local government and businesses in the development of sustainable economy, including making a lot more funding available and substantially increases funding in the waste and resource recovery infrastructure program.</p>	<p>Develop a partnership proposal and negotiate with Green Industries SA on a renewed Service Level Agreement with the LGA.</p>	
<p>Wine Bottles – Container Deposit Scheme</p>	<p>Local government recognises its statutory obligation of managing municipal waste and its vital role in waste resource recovery.</p> <p>Councils continue to promote improved waste management practices in accordance with the waste hierarchy and work with</p>	<p>Determine if there is sufficient support across local government to request the State Government amend the Container Deposit Legislation (incorporated into the Environment Protection Act 1993) to include wine bottles,</p>	<p>Continue to be actively involved in the Container Deposit Scheme (CDS) review process, which is currently ongoing, including through membership of the EPA Stakeholder Reference Group for the review.</p>	<p>LGA Board</p>

Issue	Position	Outcome sought	Key actions	Lead body
	<p>residents and businesses to further limit the creation of waste.</p> <p>Currently wine bottles are not included in SA's Container Deposit Scheme. The LGA has worked with councils to review the benefits and risks of including wine bottles in Container Deposit Legislation to determine a strong advocacy position and commissioned a waste audit and economic analysis on recycling costs for councils.</p>	<p>and to achieve consistency with the treatment of other glass bottles in the waste stream, an increase in the recycling of bottles, and a reduction in the contamination of other recycled waste caused by broken glass.</p>		
<p>Overabundant Species – Little Corellas</p>	<p>Overabundant species, such as Little Corella populations across several council areas, are causing significant impact to councils that need to expend substantial resources being in deterring and managing a wide range of issues.</p>	<p>A State Government commitment to fund implementation of a statewide Little Corella strategy that includes financial assistance to local governments for the development of integrated local management plans and the implementation of medium- and long-term management options at a local-scale.</p>	<p>Advocate for and provide input to the SA Strategy for the Management of Little Corellas.</p>	<p>SAROC</p>
<p>Coastal Management</p>	<p>The task of protecting and maintaining South Australia's coastal assets is beyond the funding capacity of coastal councils.</p> <p>South Australia's coastline is enjoyed by the broader community, as well as visitors to the State, so funding the upkeep of our coastal areas must be a shared responsibility.</p>	<p>Equitable funding from Federal and State Government for coastal management works across South Australia.</p>	<p>Include coastal management issues in submissions to Government, including budget submissions.</p> <p>Support the work of the South Australian Coastal Councils Alliance in researching issues and funding models and advocating for change.</p>	<p>LGA Board SAROC GAROC</p>

Issue	Position	Outcome sought	Key actions	Lead body
National Water Policy	<p>Local government recognises its obligation to conserve water resources, protect water quality, provide water for the environment and effectively manage storm and flood water. Councils contribute to improving water management infrastructure and processes, notwithstanding the responsibilities of federal and state governments.</p> <p>A National Water Policy is required that seeks to address the major challenges Australia faces in ensuring sustainable water supply in the face of increased climate variability and rising demand for water. In response, the Australian Government provides national leadership in water reform.</p>	Federal Government provides national leadership in water reform and makes a commitment to a national water policy.	Facilitate local government discussion relating to water policy including advocating for a national water policy.	SAROC

## 6.9 LGA Members Services Update

### LGA Updates

From:	Nathan Petrus, Executive Director Member Services	
Strategy:	2 - Assist	
Outcome:	2.2 Councils draw upon our resources, services and advice in order to save time and money, and reduce risk	
Meeting:	Annual General Meeting	28 October 2022
ECM:	782397	

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### Recommendation

**That the Annual General Meeting notes the report.**

### Discussion

The LGA's Annual Report 2021-22 provides a summary of many of the Member Services team's activities during the year, covering:

- Local government reforms
- LGA Training and Events
- Community Wastewater Management Scheme funding
- Legal Connect partnership with Norman Waterhouse Lawyers
- Web Solutions

Please refer to the Annual Report for information about those activities. This Member Services update discusses the following additional member services provided during 2021-22:

- supporting councils to implement the Local Government Cyber Security Framework;
- piloting a People and Culture support service for regional councils;
- providing governance support to councils;
- facilitating the Public Lighting Working Group.

#### ***Local Government Cyber Security Framework***

The LGA has worked closely with Local Government Information Technology South Australia (LGITSA) and Local Government Risk Services to commence an awareness and training program to improve cyber security within the sector.

With the assistance of funding through the Local Government Research and Development Scheme, LGITSA developed a Local Government Cyber Security Framework and Toolkit for councils, which was released in April 2022. The LGA has worked with councils to raise awareness of the framework and toolkit and has commenced a cyber security executive training program, delivered through the Australian Cyber Security Centre. This training program will continue to be rolled out in 2022-23.

#### ***People and Culture Pilot Program***

Following a competitive tender process, the LGA has engaged Bespoke HR to assist the LGA with the development of a new People and Culture service for councils. The service commenced as a pilot program with the following five regional councils participating:

- City of Port Lincoln
- District Council of Robe
- Coorong District Council
- Yorke Peninsula District Council
- Loxton-Waikerie

The services provided through the pilot program include:

- Helpdesk calls (HR support calls, unlimited low-level <15 minutes)
- People and Culture Audit (self-assessment and report debrief)
- Employee Survey (optional)
- LG Monthly Coaching Calls
- 5 hours towards other products/services

The outcomes of the pilot program are currently being evaluated and plans to extend the program to other councils are being developed.

A supporting HR Library service, which was developed by LGA's legal partners Norman Waterhouse Lawyers, will also be available for purchase in late 2022 and will provide councils with a comprehensive suite of HR template policies and procedures.

### **Governance support**

The LGA's Governance Team provides assistance to councils through the promotion of best practice standards of governance, research, analysis and development of policies, guidance materials and procedures. This includes the provision of telephone/email assistance to council officers and council members on operational and legislative compliance matters. During 2021-22, the Team has been primarily focused on preparing and delivering information to member councils to support their implementation of the Local Government Reforms (discussed further in the LGA's Annual Report 2021-22). This work has included:

- Caretaker Guidelines and Model Policy
- Annual Reporting Guidelines
- Confidentiality Guideline
- Access to Council and Committee Meetings and Documents Guideline and Model Policy
- Local Government Election Sign guidance materials
- Website explanatory text for more than 100 provisions which commenced during the period
- Zoom Update sessions to support the commencement of provisions
- Consultation processes supporting the development of the Model Behavioural Management Policy and Model Behavioural Support Policy and participation in work to establish the Behavioural Standards Panel and associated resources
- Support to councils following the commencement of the Strategic Management Plan Oversight Scheme (more detail on this work is provided in the Advocacy Update), including the coordination of a Community of Practice for first tranche councils

The Governance Team has also delivered the following outcomes to members:

- Updated resources following changes to COVID-19 Notices
- The first three of a series of 13 Asset Management Information Papers aimed at enhancing asset management capacity and capability in the sector
- In conjunction with the SA Local Government Financial Management Group, updated Model Financial Statements
- Updated Better Practice Model – Financial Internal Controls
- Liaison with the Office of Local Government to ensure council/sector wide perspectives are used to inform legislative/policy processes



- Ongoing maintenance of the Delegations Framework
- Liaison/advocacy with the Legislative Review Committee in relation to council by-laws
- Support to the Nominations Committee, particularly in relation to the appointment of members to:
  - Stormwater Management Authority
  - Libraries Board of SA
  - SA Flood Warning Consultative Committee
  - Power Line Environment Committee
  - LG Transport Advisory Panel
  - CWMS Management Committee

### **Public lighting Working Group**

The LGA continues to facilitate the Public Lighting Working Group, which brings together Councils, SA Power Networks and DIT, to share information and find ways of effectively working together on public lighting activities.

The focus of the Public Lighting Working Group in 2021-22 was:

- Main road lighting – pursuing opportunities for councils to transfer council-owned lights on main roads to the State Government, where there is a benefit.
- Asset management planning – developing guidelines to assist councils with public lighting asset management.
- Decorative lighting LED changeovers – discussing ways to improve collaboration on trials and approvals of new luminaires between stakeholders.
- Smart lighting – discussing governance and potential benefits to councils from smart lighting.

The PLWG continues to meet quarterly and publishes updates on the LGA's website.

### ***Financial and Resource Implications***

This activity has been anticipated in the LGA's work program and resources are available to progress this work.

## 6.10 Local Government Financial Indicators 2022

### LGA Business

From:	Nathan Petrus, Executive Director Member Services	
Key Initiative:	K.I 3 Best practice and continuous improvement	
Strategy:	3B Benchmark, innovate and research	
Meeting:	Annual General Meeting	
ECM:	781644	Attachment: 781643

### Recommendation

**That the Annual General Meeting notes the report regarding Local Government Financial Indicators.**

### Discussion

From 2006 to 2017, the LGA worked with South Australian councils and the state government on a comprehensive Financial Sustainability Program to implement the recommendations of the *2005 Independent Inquiry into Financial Sustainability of Local Government in South Australia*.

The attached *SA Local Government Sector Financial Indicators Report 2022* (the report) delivers on a recommendation from the Inquiry that the LGA reports to each Annual General Meeting on the latest values, history and comparisons of key financial sustainability indicators for the sector as a whole.

The report presents analysis of the most recent SA Local Government Grants Commission Database Reports 2020-21 and demonstrates the ongoing progress in both the financial performance and financial position of the sector as a whole.

In 2020-21:

- the sector's adjusted **operating surplus ratio was 3.8 per cent** – showing that existing levels of income are sufficient to cover day-to-day spending. Overall, the sector's income exceeded operating expenses by \$98 million;
- the sector's **net financial liabilities ratio was 35 per cent** – showing that the net amount owed to others is a relatively modest portion of one year's income. The sector's net amount owed to others of around \$880 million at 30 June 2021 is also very low when put in the context of infrastructure and other physical assets valued at over \$26 billion; and
- the sector's **asset renewal funding ratio was 95 per cent**. While most councils are renewing and replacing their assets in either a satisfactory or optimal way, there are some councils that could improve on the capital spending needed to cost-effectively maintain desired and affordable service levels from their assets.

In summary, the evidence shows that South Australian local government is living within its means, has a low level of indebtedness, and generally is managing its assets satisfactorily.

The LGA Secretariat is currently working on expanding the Financial Indicators report to respond to the advice from the SA Productivity Commission's final report relating to the preparation of a broader 'State of the Sector' report, to be released in 2023.



# SA Local Government Sector

## Financial Indicators Report 2022

September 2022

# 1. Introduction

In order to provide an understanding of the current financial performance and position of the local government sector in South Australia, the Local Government Association (LGA) has undertaken analysis of the most recent SA Local Government Grants Commission Database Reports 2020-21.

The following report highlights the sound financial performance and position of the local government sector as a whole. The evidence shows that South Australian local government is living within its means, has a very low level of indebtedness, and generally is managing its assets satisfactorily.

In 2020-21:-

- the sector's adjusted **operating surplus ratio was 3.8 per cent** – showing that existing levels of income are sufficient to cover day-to-day spending. Overall, the sector's income exceeded operating expenses by \$98 million;
- the sector's adjusted **net financial liabilities ratio was 35 per cent** – showing that the net amount owed to others is a relatively modest portion of one-year's income. The sector's net amount owed to others of around \$880 million at 30 June 2021 is also very low when put in the context of infrastructure and other physical assets valued at over \$26 billion. It is comparable to a family living in a \$500,000 house having a mortgage of around \$16,500 and no other debts; and
- the sector's **asset renewal funding ratio was 95 per cent**. While most councils are renewing and replacing their assets in either a satisfactory or optimal way, there are some councils that could improve on the capital spending needed to cost-effectively maintain desired and affordable service levels from their assets.

## 2. Efficiency of local government

The local government sector in South Australia has an aspiration to be the most efficient sector of government. Sustaining good financial and asset management practices and seeking to continually enhance them are critical success factors for councils as they seek to improve the services they provide to their local communities.

South Australian councils collectively manage an annual budget in excess of \$2.5 billion and maintain infrastructure and other physical assets worth over \$26.7 billion.

Taxation revenue raised by councils (from general and other rates on property) was \$1,841 million in 2020-21. Together with other own-source funding (mainly user and statutory charges), approximately 86 per cent of local government operating revenue is from its own sources. The remaining revenue comes from grants from federal and state governments. The rates collected by councils nationally are less than 4 per cent of the total taxes paid by Australians.

South Australian councils manage their finances conservatively under difficult constraints. Local government can raise only one type of tax (council rates), has very low indebtedness, receives the lowest per capita level of grants from other levels of government in the nation, and relies on an ongoing extension of the Supplementary Local Roads Program to ensure a fair share of federal government grant funding.

Cost shifting from State to local government continues to apply pressure to council budgets. Key cost shifting pressures include mandatory rate rebates required to be provided to Housing SA properties transferred to community housing providers, and a shortfall in the reimbursement of council costs incurred in collecting the State's Regional Landscapes (RL) levy.

Within this context, South Australian councils are doing a lot with a little and often providing an increased range or level of services to a high standard.

In 2019, the South Australian Productivity Commission undertook an Inquiry into Local Government Costs and Efficiency. The Inquiry found that '*compared with each other, most councils achieved high levels of relative efficiency*'.

### 3. Local government financial sustainability

The LGA worked with South Australian councils and the state government on a comprehensive Financial Sustainability Program to implement the recommendations of the *2005 Independent Inquiry into Financial Sustainability of Local Government in South Australia*.

This report delivers on one of the Inquiry's recommendations that the LGA reports to each Annual General Meeting on the latest values, history and comparisons of key financial sustainability indicators for the sector as a whole.

Reform of financial management practices within local government in South Australia is ongoing. Changes have included increased scrutiny by the community, an expectation to do more with less, accrual accounting, improved management of infrastructure and other assets, planned performance measurement and benchmarking, improved internal controls and better governance arrangements.

A key objective for local government is the achievement and maintenance of the financial sustainability of South Australian councils, both collectively and individually. A council's long-term financial performance and position is sustainable where planned long-term service and infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services.

#### ***Financial Sustainability Program***

Under its Financial Sustainability Program from 2006 to 2017, the LGA:-

- prepared and updated a comprehensive series of information papers;
- implemented projects to assist councils with financial and asset management reforms;
- undertook training and briefing programs to further assist councils;
- attracted Federal Government funding to further the financial sustainability reforms that were undertaken by South Australian councils; and
- entered into an alliance with the Institute of Public Works Engineering Australia (IPWEA) to adopt internationally recognised approaches for preparing asset management policies and plans.

More information about the Program and resources for councils can be found on the LGA's Financial Sustainability Program webpage [www.lga.sa.gov.au/FSP](http://www.lga.sa.gov.au/FSP)

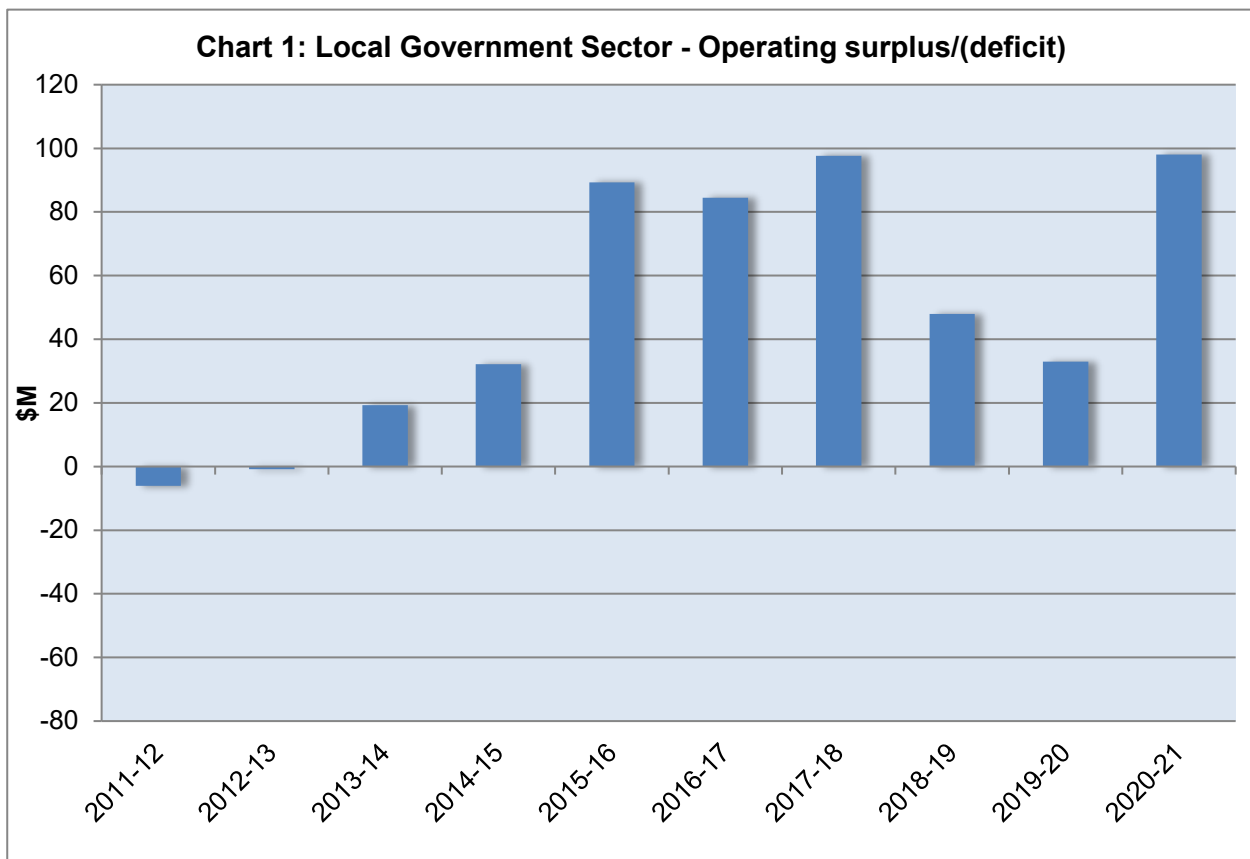
## 4. Measuring Financial Performance

The most critical measure of local government financial performance is the annual operating result which measures the difference between day-to-day income and expenses for a financial year.

Historically, the aggregate level of local government’s annual operating deficit reduced steadily from 2000-01 (when expenses exceeded income by \$75 million) until 2007-08 (when the operating deficit was eliminated). Subsequently, an approximate ‘break-even’ operating result was recorded for five years up until 2012-13. Since then, there has been improvement in the financial performance of councils, with an operating surplus of \$98 million reported in 2020-21.

A total of 51 councils recorded an operating surplus in 2020-21 (compared with only 16 councils in 2000-01).

**Chart 1** provides aggregate data for the last decade (from 2011-12 until 2020-21) covering the sector’s operating surplus/(deficit). The data has been adjusted to remove the distortion otherwise caused by the irregular timing of receipt of Federal financial assistance grants (FAGs) received in some years.

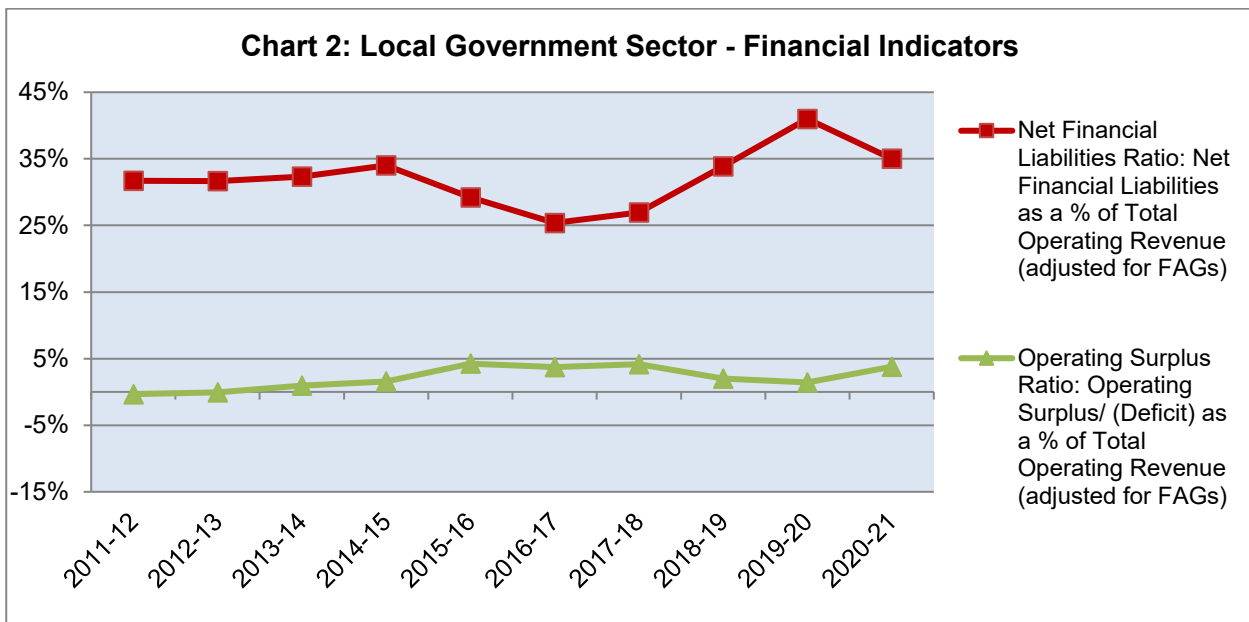


## 5. Financial Indicators

The following information provides an update on the latest values, history and comparisons of key financial indicators for the local government sector as a whole. The LGA appreciates the assistance of the SA Local Government Grants Commission in providing this data.

In 2006, local government in South Australia adopted two key indicators covering its financial performance (operating surplus ratio) and financial position (net financial liabilities ratio).

**Chart 2** below provides aggregate data for the last decade (from 2011-12 until 2020-21) for these two indicators. Again, the data has been adjusted to remove the distortion otherwise caused by the irregular timing of receipt of Federal financial assistance grants (FAGs) in some years.



### Indicator 1: Operating Surplus Ratio

The operating surplus ratio is calculated as the percentage by which the annual operating surplus or deficit varies from total operating income.

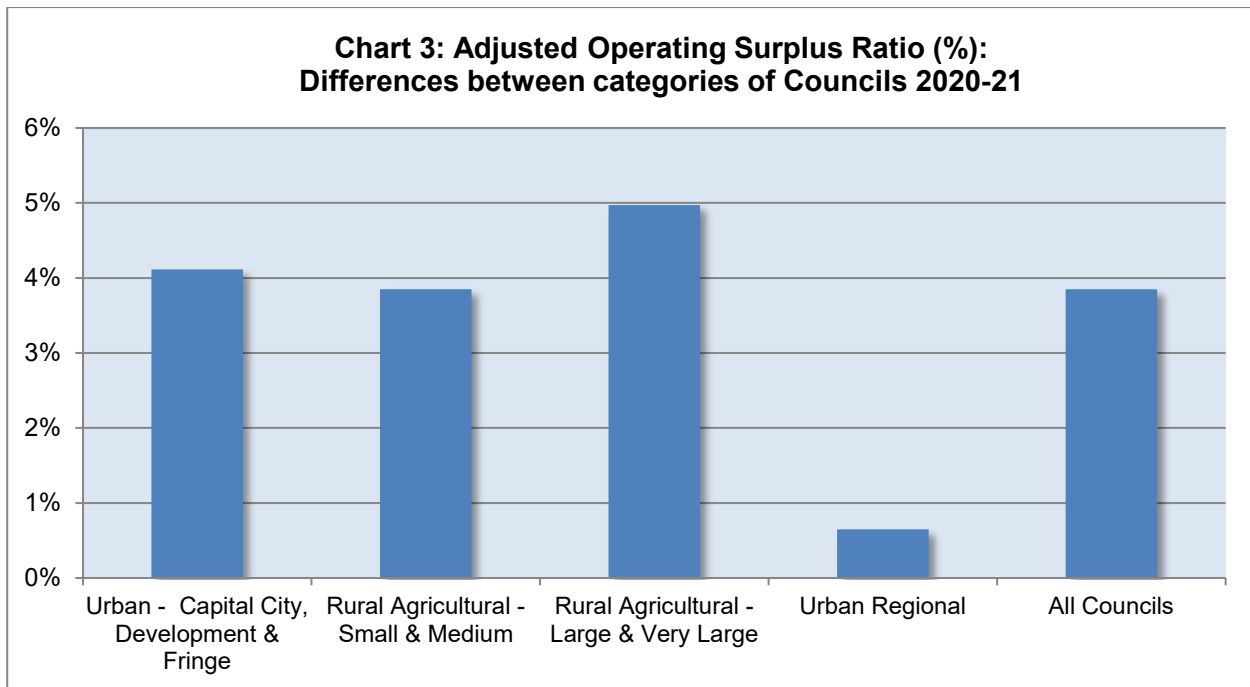
Guidance material provided to councils under the LGA's Financial Sustainability Program suggests that councils generally should seek to achieve, on average over time, a target range for an operating surplus ratio of between 0 per cent and 10 per cent.

As shown in **Chart 2** above, the local government sector's operating surplus ratio in 2020-21 was 3.8 per cent. This result compares with an operating surplus ratio of negative 0.3 per cent in 2011-12.

Historically, this ratio has been as low as negative 8.3 per cent in 2000-01 and recent performance represents a significant improvement in the financial sustainability of councils over the last two decades.

The local government sector's operating surplus ratio has consistently been within the target range for the last nine (9) years.

**Chart 3** below shows the differences in the operating surplus ratios between categories of councils recorded in 2020-21.



### **Indicator 2: Net Financial Liabilities Ratio**

Net financial liabilities represent the amount of money owed by councils to others less money held, invested or owed to councils. It is the most comprehensive measure of the indebtedness of a council as it includes items such as employee long service leave entitlements and other amounts payable as well as taking account of the level of a council's cash and investments.

At 30 June 2021, the level of net financial liabilities was around \$880 million. This is very low when put in the context of local government infrastructure and other physical assets valued at over \$26 billion.

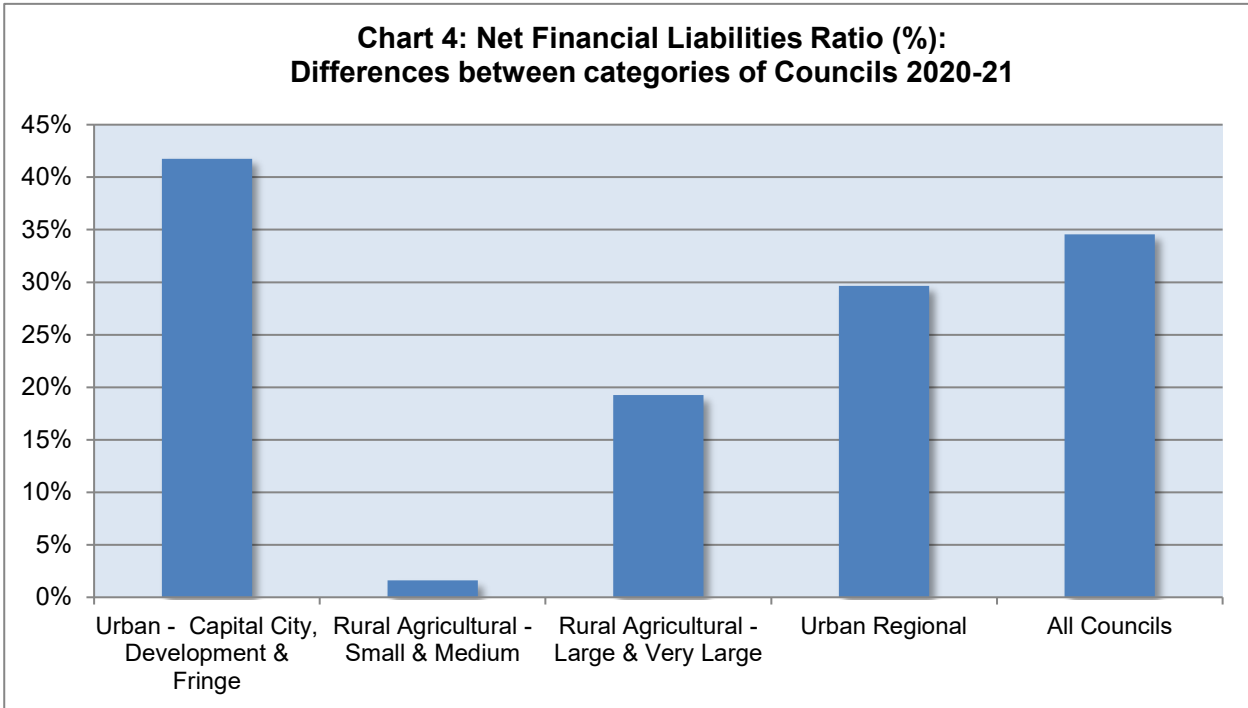
The net financial liabilities ratio is a measure of the significance of the net amount owed at the end of a financial year compared with income for the year.

There is no right or wrong target range for the net financial liabilities ratio. Councils generally seek to achieve a target range of between zero and 100 per cent, but higher than 100 per cent may be appropriate in some circumstances. A target range should be set by a council having regard to the target for its operating surplus ratio and the needs that are identified in its long-term financial plan and its infrastructure and asset management plan.

As shown in **Chart 2** (on the previous page), the net financial liabilities ratio for the local government sector in 2020-21 was 35 per cent. The ratio has consistently landed between 25 to 45 percent (ie. around the middle of the suggested target range) over the decade.



**Chart 4** below shows the differences in the net financial liabilities ratios between categories of councils recorded in 2020-21. The chart highlights that some councils are averse to incurring debt to help finance the cost of infrastructure. This may lead to these councils under-investing in infrastructure relative to what their operating revenue streams will allow. Their service levels will be lower as a result.



Provided operating deficits are avoided, there appears to be considerable scope for some councils to increase their level of borrowings (or liquidate some of their large stock of cash and investments, which is equivalent to borrowing) to finance capital expenditure. Such borrowings could be undertaken for renewal or replacement of existing assets where a council's Infrastructure and Asset Management Plan suggests that it is optimal to do so.

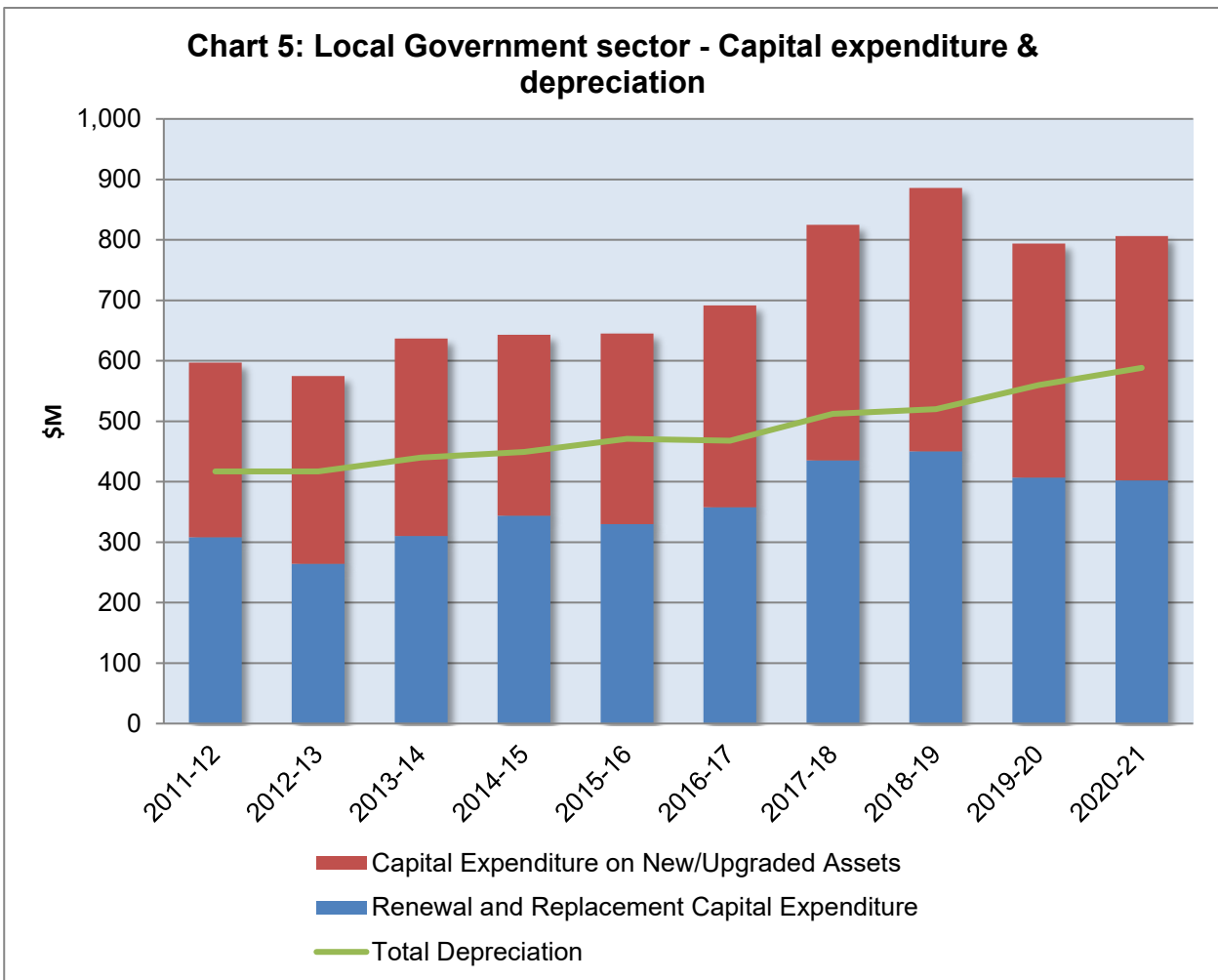
Of course, where a council is not achieving an underlying operating surplus, or trending towards doing so in the medium term, then generally any capital expenditure on upgrading or expanding infrastructure needs to be modest and targeted, because it normally will lead to additional maintenance and depreciation costs.

### Capital Investment Expenditure

Overall, capital expenditure in 2020-21 was \$806 million. Covid-19 had an impact on capital expenditure, with some projects necessarily delayed due to lock-downs. Some councils also intentionally slowed or deferred decision-making on major projects to allow for the impacts of Covid-19 to be better understood.

One of the findings of the abovementioned *2005 Independent Inquiry into Financial Sustainability of Local Government* was that capital investment expenditure on renewal and replacement of existing assets was significantly less than that needed to minimise whole-of-life-cycle costs of assets.

**Chart 5** shows the level of capital expenditure over the past ten years on renewal/replacement of existing assets on one hand and expenditure on new/upgraded assets on the other. This shows an increased expenditure on renewing and replacing existing assets in most years.



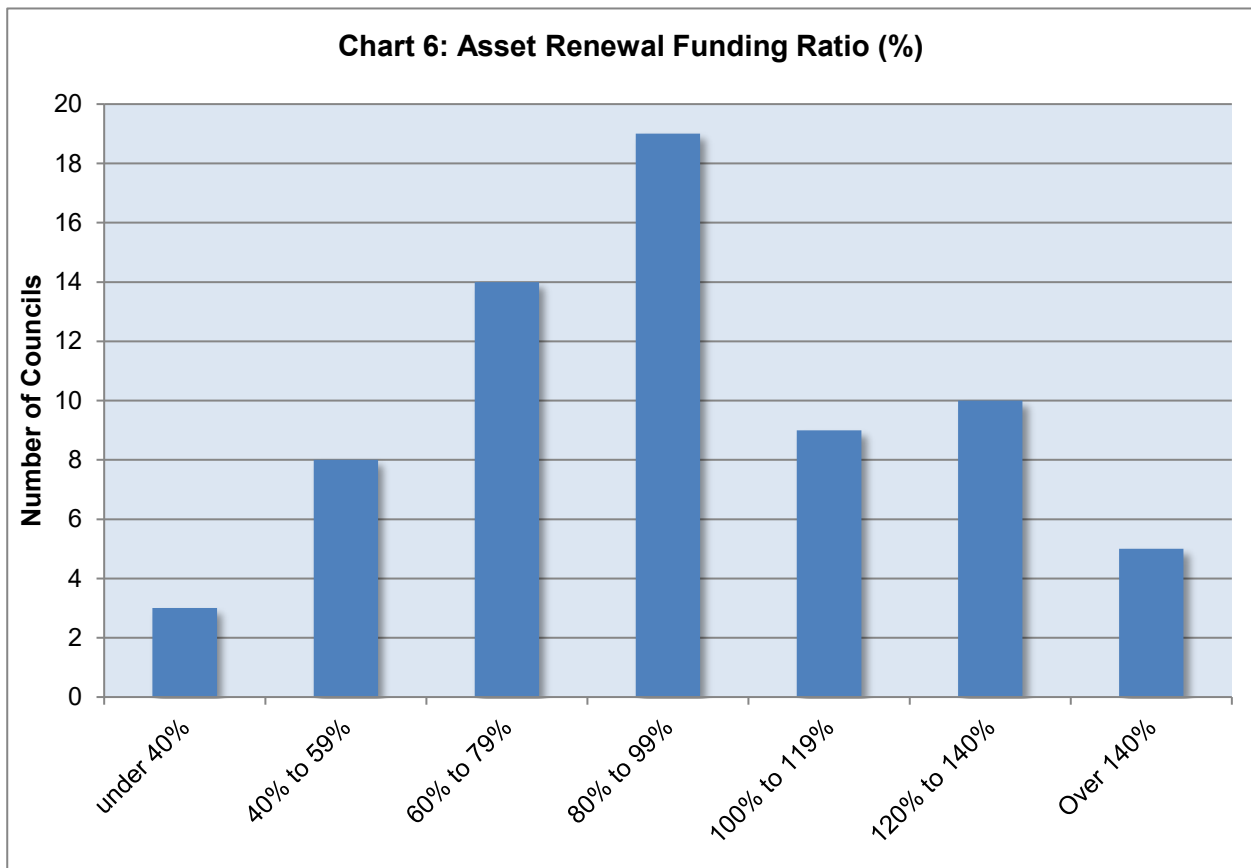
### Indicator 3: Asset Renewal Funding Ratio

A third financial indicator adopted by the sector in recent years covers the asset management performance of councils. The asset renewal funding ratio represents the level of capital expenditure on renewal and replacement of assets relative to the level of such expenditure identified as warranted in a council's infrastructure and asset management plan.

This indicator is a measure of whether a council is accommodating asset renewal and replacement in an optimal and cost effective way from a timing perspective, relative to the risk it is prepared to accept and the service levels it wishes to maintain.

There are operational and other reasons why the asset renewal funding ratio result may vary between years. This may not necessarily detract from asset management performance if a council's target is achieved over the medium term (e.g. over a rolling 3 or 5 year average).

**Chart 6** below provides summary information for the asset renewal funding ratio in 2020-21, 63 per cent of councils had a ratio higher than 80 per cent.



### A note on the differing financial performance of councils

This report demonstrates the significant improvement in the financial performance and financial position of the sector as a whole. However, it needs to be emphasised that the current financial condition of individual councils varies substantially.

## 6.11 SAROC and GAROC Terms of Reference

### LGA Updates

From:	Lea Bacon, Acting Executive Director Public Affairs	
Strategy:	4 - Achieve	
Outcome:	4.1 We lead by example in the governance and operations of the LGA	
Meeting:	Annual General Meeting	28 October 2022
ECM:	782372	Attachments: 687694, 687690

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### Recommendation

**That the Annual General Meeting ratifies the LGA SAROC Terms of Reference (effective 8 January 2020) and LGA GAROC Terms of Reference (effective 23 July 2020).**

### Discussion

Clause 2.3 of the Greater Adelaide Regional Organisation of Councils (GAROC) Terms of Reference and the South Australian Regional Organisation of Councils (SAROC) Terms of Reference specify that those documents will be presented to Members at a General Meeting for ratification annually.

The Terms of Reference are unchanged since last ratified by Members at the LGA Annual General Meeting in October 2020.

Members are asked to re-ratify the GAROC and SAROC Terms of Reference.

# **LGA SAROC Terms of Reference**

**Effective 8 January 2020**

## Local Government Association of South Australia

### SAROC Terms of Reference

Received Ministerial approval on 8 January 2020 and re-ratified Members at the AGM held 29 October 2021

#### 1. Establishment

In accordance with clause 19 of the Local Government Association of South Australia Constitution and Rules (**Constitution**) there are 2 regional organisations of Members: the South Australian Regional Organisation of Councils (**SAROC**) and the Greater Adelaide Regional Organisation of Councils (**GAROC**).

#### 2. Terms of Reference

- 2.1. These Terms of Reference set out the functions to be discharged by SAROC.
- 2.2. The operation of the Terms of Reference may be altered by the Board of Directors either generally or in respect of specific circumstances by resolution with the exception of clauses 4.2, 4.3 and 4.4. A resolution for the purposes of this clause 2.2 will be reported to the chairperson of SAROC within 24 hours of the meeting of the Board of Directors at which the resolution was passed.
- 2.3. These Terms of Reference will be presented to the Members at a General Meeting for ratification annually (or more frequently as determined by the Board).
- 2.4. Clauses 4.2, 4.3 or 4.4 of this Terms of Reference may be altered only:
  - 2.4.1. By resolution passed at a General Meeting of which at least 30 days' notice has been given to Members; and
  - 2.4.2. With approval of the Minister.
- 2.5. The term:
 

**SAROC Region** means the combined local government area of each Member listed in the Schedule.

**SAROC Regional Grouping** means all of the Members of the Regional Groupings of Members as identified in the Schedule.
- 2.6. A capitalised term not defined in this document has the meaning provided for the term in the Constitution.

#### 3. Status

SAROC is a committee of the LGA and is responsible to the Board of Directors for the discharge of its functions.

#### 4. SAROC

##### 4.1. Role

The role of SAROC is regional advocacy, policy initiation and review, leadership, engagement and capacity building in the SAROC Region.



## 4.2. Membership

Each Regional Grouping of Members listed in the schedule to these Terms of Reference will elect in accordance with clauses 4.3 and 4.4 from the Members of the Regional Grouping of Members, 2 Council Members as members of SAROC provided that each person elected is from a different Member.

## 4.3. Nominations for election to SAROC

- 4.3.1. The members of SAROC will be elected biennially.
- 4.3.2. In the year in which SAROC members will be elected, and at least 3 months before the Annual General Meeting, the Chief Executive shall write to all Members of the SAROC Regional Grouping, as listed in the schedule, calling for nominations for the membership of SAROC.
- 4.3.3. Each Member of the SAROC Regional Grouping may nominate a candidate for membership of SAROC, provided that:
  - 4.3.3.1. a person nominated as a member of SAROC must be a representative of a Member on the relevant Regional Grouping of Members; and
  - 4.3.3.2. only a Council Member can be nominated to SAROC.
- 4.3.4. A nomination of a person as a member of SAROC must be received by the Chief Executive Officer not later than 5 pm on the day specified for the closure of nominations (**Close of Nominations**). A nomination must be signed by the candidate indicating his or her willingness to stand for election and be in the form determined by the Chief Executive.

## 4.4. Election to SAROC

- 4.4.1. The Chief Executive shall be the returning officer for any election of members to SAROC.
- 4.4.2. After the Close of Nominations, the Chief Executive will notify Members of each Regional Grouping of Members of the candidates for membership of SAROC nominated by the Regional Grouping of Members.
- 4.4.3. If the only nominations received from a Regional Grouping of Members by the Close of Nominations match the membership positions described in clause 4.2 then the Chief Executive will declare those persons duly elected to those membership positions.
- 4.4.4. If the number of persons nominated by the Close of Nominations by a Regional Grouping of Members exceeds the number of membership positions described in clause 4.2, then an election for the purpose of clause 4.2 must be held in accordance with this clause.
- 4.4.5. In the event of an election being required, the SAROC Regional Grouping in consultation with the Chief Executive shall conduct an election.
- 4.4.6. The Chief Executive, in consultation with the SAROC Regional Grouping shall nominate the date, time and place for the counting of votes and shall invite



each candidate and a person nominated as the candidate's scrutineer to be present:

- (a) at the counting of the votes the Chief Executive shall produce unopened envelopes marked "Ballot Paper" and if satisfied that all votes are valid, count the number of votes received by each candidate;
- (b) in respect of an election for the purposes of clause 4.2, the 2 candidates from a Regional Grouping of Members with the most votes shall be deemed elected and the Chief Executive shall declare the candidates elected at the Annual General Meeting; and
- (c) in the case of candidates for membership positions described in clause 4.2 receiving the same number of votes, the Chief Executive shall draw lots at the counting of the votes to determine which candidate is elected.

4.4.7. The Chief Executive may, in his or her discretion, appoint a deputy returning officer and delegate any of his or her powers, functions or duties to that person who shall act accordingly.

4.4.8. The Chief Executive may, in his or her discretion, delegate any of his or her powers, functions or duties to an Executive Officer of a Regional Grouping of Members who shall act accordingly for the conduct of elections for the purpose of clause 4.2 in respect of the Regional Grouping of Members relevant to that Executive Officer.

#### **4.5. Term of office**

The term of office for members of SAROC shall commence after the Annual General Meeting of the year in which the member is elected. Each member of SAROC will serve for a period of 2 years or until a circumstance causing a casual vacancy as described in clause 4.7.2 occurs.

#### **4.6. Duties**

4.6.1. Each member of SAROC must:

- (a) undertake his or her role as a SAROC member honestly and act with reasonable care and diligence in the performance and discharge of functions and duties;
- (b) not make improper use of information acquired by virtue of his or her position as a SAROC member to gain, directly or indirectly, an advantage for himself or herself or for another person or to cause detriment to the LGA;
- (c) not make improper use of his or her position as a SAROC member to gain, directly or indirectly, an advantage for himself or herself or for another person or to cause detriment to the LGA; and
- (d) not act in any matter where the SAROC member has a conflict of interest (provided that an interest shared in common with all or a substantial proportion of the members of SAROC will not be an interest giving rise to a conflict of interest).





#### **4.7. Absences and casual vacancies**

- 4.7.1. A leave of absence may be granted to a member of SAROC by resolution of SAROC. A replacement member of SAROC will be appointed for the period of the leave of absence by resolution of the majority of Members comprising the Regional Grouping of Members relevant to the person the subject of the leave of absence.
- 4.7.2. A casual vacancy will occur in the office of a member of SAROC if the member of SAROC:
- (a) dies;
  - (b) resigns from SAROC;
  - (c) is dismissed by resolution of the Board of Directors from SAROC for Misconduct;
  - (d) ceases to be a Council Member; or
  - (e) an administrator is appointed to administer the affairs of the Member for which the member of SAROC is a Council Member.
- 4.7.3. If there is a casual vacancy in the membership of SAROC then the Regional Grouping of Members relevant to the SAROC member the subject of the casual vacancy will appoint by resolution of the majority of Members comprising the Regional Grouping of Members another Council Member to serve as a member of SAROC for the balance of the membership term.

### **5. Responsibilities**

#### **5.1. Board of Directors**

- 5.1.1. The role of the Board of Directors is to oversee corporate governance of the LGA and provide strategic direction and leadership.
- 5.1.2. The duties of the Board of Directors are to ensure that:
- (a) the LGA acts in accordance with applicable laws and the Constitution;
  - (b) the LGA acts ethically and with integrity, respecting diversity and striving for gender balance participation in all activities;
  - (c) the activities of the LGA are conducted efficiently and effectively and that the assets of the LGA are properly managed and maintained;
  - (d) subject to any overriding fiduciary or other duty to maintain confidentiality, the affairs of the LGA are undertaken in an open and transparent manner; and
  - (e) the LGA performs to its business plan and achieves or betters the financial outcomes projected in its budget.
- 5.1.3. The Board of Directors may from time to time refer matters to SAROC for consideration.
- 5.1.4. The Board of Directors will receive, consider and respond to any report and recommendations provided to the Board of Directors by SAROC.



5.1.5. The Board of Directors will periodically review the performance of SAROC.

## **5.2. SAROC**

5.2.1. SAROC will fulfil its functions under these Terms of Reference in a timely, objective and professional manner consistent with the 'LGA Strategic Management Framework'.

5.2.2. SAROC may, through the Chief Executive and at the LGA's expense, seek external legal, financial or other advice on matters within its functions or concerning these Terms of Reference.

## **5.3. Chief Executive**

5.3.1. The Chief Executive will make available to SAROC information of the LGA which is relevant to the functions of SAROC.

5.3.2. The Chief Executive will ensure that administrative support and other resources are made available to SAROC as included in the SAROC approved annual business plan and budget to enable SAROC to discharge its obligations under these Terms of Reference.

5.3.3. Resources made available to SAROC will include resourcing by the LGA Office or external resources considered appropriate by the Chief Executive acting in consultation with SAROC.

## **6. Functions of SAROC**

### **6.1. LGA Object**

6.1.1. The object of the LGA is to achieve public value through the promotion and advancement of the interests of local government by:

- (a) advocating to achieve greater influence for local government in matters affecting councils and communities;
- (b) assisting member councils to build capacity and increase sustainability through integrated and coordinated local government; and
- (c) advancing local government through best practice and continuous improvement.

6.1.2. SAROC will assist in the achievement of the LGA's object by:

- (a) supporting the activities of the LGA at a regional level;
- (b) promoting communication between Members and between Members and the LGA;
- (c) advocating in respect of matters which affect the SAROC Regional Grouping;
- (d) encouraging engagement of Members within the SAROC Regional Grouping with SAROC and the LGA; and
- (e) participating in policy development and implementation.



## **6.2. Consideration and referral of Member items of business**

- 6.2.1. Any Member of the SAROC Regional Grouping may raise an item of business for the consideration of the Board of Directors or a General Meeting with SAROC. The item of business must be clearly described in writing, including an indication as to whether the impact of the item is confined to the Member or has broader implications for the local government sector.
- 6.2.2. SAROC will consider each item of business raised with SAROC by a Member.
- 6.2.3. A Member may be invited by SAROC to address a meeting of SAROC in respect of the proposed item of business.
- 6.2.4. Where considered appropriate by SAROC on the basis of the nature, scope and impact or potential impact of the item on the local government sector, SAROC will refer the item to either the Board of Directors or a General Meeting.
- 6.2.5. SAROC will inform the Member which has raised the item of business as to whether or not the item will be referred to the Board of Directors or a General Meeting.
- 6.2.6. Where an item of business is not referred to the Board of Directors or a General Meeting, SAROC may provide assistance or guidance to the Member in respect of progressing the matter.

## **6.3. Proposals for policy development**

- 6.3.1. SAROC may develop proposals for policy positions for consideration at a General Meeting either in response to an issue raised by a Member within the SAROC Regional Grouping or independently.
- 6.3.2. A policy position developed by SAROC will be referred to the Board of Directors for consideration and determination as to whether or not the position should be put for consideration and adoption to a General Meeting.

## **6.4. Election to Board of Directors**

- 6.4.1. SAROC will elect 3 members of SAROC (each of which must be a Council Member with relevant business and governance experience) to the Board of Directors.
- 6.4.2. In addition to Directors elected under clause 6.4.1, the chairperson of SAROC will be a Director.
- 6.4.3. The term of office as a Director of the 3 persons elected to the Board of Directors by SAROC and the chairperson of SAROC will commence after the Annual General Meeting of the year in which the person is elected and shall be for 2 years or until a casual vacancy in that office occurs.
- 6.4.4. Persons elected under clause 6.4.1 are eligible for re-election for subsequent terms.

## **6.5. Strategic and annual business planning**

- 6.5.1. SAROC will develop, in consultation with the Members of the SAROC Regional Grouping, a 4 year strategic plan for regional advocacy, policy



initiation and review, leadership, engagement and capacity building in the SAROC Region. The strategic plan will be reviewed and updated annually by SAROC by June each year.

6.5.2. SAROC will develop, in consultation with the Members within the SAROC Regional Grouping, an annual business plan for the next financial year by June each year.

6.5.3. The strategic plan and annual business plan for the next financial year will be presented to the Board of Directors for approval by June each year.

## **6.6. Other functions**

SAROC will undertake any other functions:

6.6.1. of SAROC set out in the Constitution; and

6.6.2. delegated by the Board of Directors to SAROC.

## **7. Budget**

7.1 SAROC will by June each year develop and adopt a budget to cover anticipated expenses of activities under the strategic plan and annual business plan during the next financial year. After adoption by SAROC, the budget will be provided to the Board of Directors for consideration and approval.

7.2 SAROC will provide a financial report to the Board of Directors no later than September providing a true and correct record of the expenditure of SAROC against the annual budget.

7.3 The chairperson of SAROC will meet with the Audit Committee of the LGA or the LGA's external auditor on request to discuss the SAROC financial report.

## **8. Committees**

SAROC may establish committees consisting of any person with relevant experience, skill or expertise for any purpose and determine the terms of reference for such committees.

## **9. Meetings of SAROC**

### **9.1. Resolution of the Board of Directors**

Requirements under this clause 9 may be altered, supplemented or replaced by resolution of the Board of Directors.

### **9.2. Frequency of meetings and venue**

9.2.1. SAROC will meet at least once in each 2 month period at such times and places as shall be determined by the Chief Executive.

9.2.2. Any member of SAROC or the Board of Directors may convene additional meetings of SAROC.

9.2.3. Notice of a meeting of SAROC will be provided in writing to members of SAROC by the Chief Executive no less than 7 days prior to the meeting providing the date, time and place of the meeting and the proposed business to be conducted at the meeting.



### **9.3. Chairperson**

- 9.3.1. The chairperson of SAROC will be a Council Member appointed by SAROC.
- 9.3.2. The chairperson will be the official spokesperson for SAROC.
- 9.3.3. If the chairperson of SAROC is absent from a meeting of SAROC then the members attending the SAROC meeting will appoint a chairperson for the purposes of that meeting.

### **9.4. Decision making**

- 9.4.1. All questions arising at a meeting of SAROC shall be decided by a simple majority vote of the members of SAROC present and voting on each question.
- 9.4.2. The Chair of the meeting has a deliberative vote and, if there are equal numbers of votes on any question, a casting vote.

### **9.5. Meeting procedure**

The meeting procedures determined by the Board of Directors from time to time will apply to meetings of SAROC.

### **9.6. Attendance**

- 9.6.1. Meetings of SAROC will be closed to the public.
- 9.6.2. SAROC may invite any person to attend its meetings.

### **9.7. Minutes**

- 9.7.1. Minutes will be kept of all SAROC meetings including a record of the actions of SAROC.
- 9.7.2. Within 48 hours of a SAROC meeting, the chairperson will review and confirm the draft minutes. The draft minutes will then be circulated to SAROC members for comment and if necessary amendment before being certified as correct by the chairperson.

### **9.8. Quorum**

The quorum for a meeting of SAROC is one half of the members of SAROC, plus 1 member of SAROC (provided that at least 1 member elected by each Regional Grouping of Members must be present except for a Regional Grouping of Members with no representation on SAROC).

### **9.9. Performance assessment**

SAROC will assess its performance against:

- 9.9.1. the strategic plan and annual business plan each quarter; and
- 9.9.2. these Terms of Reference annually.

### **9.10. Reporting**

- 9.10.1. A Director elected by SAROC will provide a verbal report to the Board of Directors on key matters being considered by SAROC at each Board of Director's meeting at which the minutes of SAROC are to be considered by the Board of Directors.



- 9.10.2. Any matter relevant to regional advocacy, policy initiation and review, leadership, engagement and capacity building in the SAROC Region considered to be of significance to the corporate governance, strategic direction and leadership of the LGA will be reported by SAROC to the Board as soon as practicable after SAROC has considered the matter.
- 9.10.3. SAROC will provide an annual report to the Board of Directors by September each year summarising:
- (a) the discharge of SAROC's responsibilities and functions under these Terms of Reference and against the strategic plan and annual business plan;
  - (b) the activities of SAROC during the financial year;
  - (c) items of business referred to the Board of Directors or a General Meeting during the financial year; and
  - (d) items being considered by SAROC which have not been reported to the Board of Directors and the intended actions in respect of those matters.

## **10. Access to information**

- 10.1.1. SAROC is entitled, acting through the Chief Executive, to access any information or discuss matters with staff of the LGA Office.
- 10.1.2. A copy of the agenda for a SAROC meeting, reports to be considered by SAROC and minutes of SAROC meetings certified under clause 9.7.2 will be available to all Directors.
- 10.1.3. Subject to confidentiality requirements as determined by the Board of Directors or SAROC, a copy of the SAROC agenda, reports and minutes certified under clause 9.7.2. will be published on the LGA website for review by Members.

## **11. Administration**

- 11.1.** Subject to clause 11.2, an administrator appointed to administer the affairs of the Member may exercise the rights and satisfy the obligations of the administered Member under these Terms of Reference.
- 11.2.** An administrator is ineligible to be a member of SAROC.



**Schedule: List of Regional Groupings of Members in the SAROC Regional Grouping**

<b>Regional Grouping of Members</b>	<b>Members</b>
<b>Southern &amp; Hills Councils</b>	Alexandrina Mount Barker Victor Harbor Yankalilla Kangaroo Island
<b>Legatus Councils</b>	Adelaide Plains Barossa Barunga West Clare & Gilbert Valleys Copper Coast Goyder Light Mount Remarkable Northern Areas Orroroo Carrieton Peterborough Wakefield Yorke Peninsula Flinders Ranges
<b>Eyre Peninsula</b>	Ceduna Cleve Elliston Franklin Harbor Kimba Streaky Bay Tumby Bay Wudinna Lower Eyre Peninsula Port Lincoln
<b>Limestone Coast</b>	Grant Kingston Mount Gambier Naracoorte Lucindale Robe Tatiara Wattle Range

<b>Murraylands &amp; Riverland</b>	Loxton Waikerie Mid Murray Karoonda East Murray Coorong District Southern Mallee Berri Barmera Renmark Paringa Murray Bridge
<b>Spencer Gulf Cities</b>	Port Augusta Port Pirie Whyalla



# LGA GAROC Terms of Reference

Effective 23 July 2020

## Local Government Association of South Australia

### GAROC Terms of Reference

Adopted by the LGA Board on 23 July 2020 and re-ratified by Members at the AGM held 29 October 2021

#### 1. Establishment

In accordance with clause 19 of the Local Government Association of South Australia Constitution and Rules (**Constitution**) there are 2 regional organisations of Members: the South Australian Regional Organisation of Councils (**SAROC**) and the Greater Adelaide Regional Organisation of Councils (**GAROC**).

#### 2. Terms of Reference

2.1. These Terms of Reference set out the functions to be discharged by GAROC.

2.2. The operation of the Terms of Reference may be altered by the Board of Directors either generally or in respect of specific circumstances by resolution with the exception of clauses 4.2, 4.3 and 4.4. A resolution for the purposes of this clause 2.2 will be reported to the chairperson of GAROC within 24 hours of the meeting of the Board of Directors at which the resolution was passed.

2.3. These Terms of Reference will be presented to the Members at a General Meeting for ratification annually (or more frequently as determined by the Board).

2.4. Clauses 4.2, 4.3 or 4.4 of this Terms of Reference may be altered only:

2.4.1. By resolution passed at a General Meeting of which at least 30 days' notice has been given to Members; and

2.4.2. With approval of the Minister.

2.5. The term:

**GAROC Region** means the combined local government area of each Member listed in the Schedule and the City of Adelaide.

**GAROC Regional Grouping** means all of the Members of the Regional Groupings of Members as identified in the Schedule and, for the purposes of Clause 6 of these Terms of Reference and Clause 28.6 of the Constitution, includes the City of Adelaide.

2.6. A capitalised term not defined in this document has the meaning provided for the term in the Constitution.

#### 3. Status

GAROC is a committee of the LGA and is responsible to the Board of Directors for the discharge of its functions.

#### 4. GAROC

##### 4.1. Role

The role of GAROC is regional advocacy, policy initiation and review, leadership, engagement and capacity building in the GAROC Region.



## 4.2. Membership

- 4.2.1. Each Regional Grouping of Members listed in the schedule to these Terms of Reference will elect in accordance with clause 4.3 and 4.4 from the Members of the Regional Grouping of Members, 2 Council Members of Members in the Regional Grouping of Members as members of GAROC provided that each person elected is from a different Member.
- 4.2.2. In addition to the members of GAROC elected in accordance with clause 4.2.1, the Lord Mayor of the City of Adelaide will be a standing member of GAROC.

## 4.3. Nominations for election to GAROC

- 4.3.1. The members of GAROC will be elected biennially.
- 4.3.2. In the year in which GAROC members will be elected, and at least 3 months before the Annual General Meeting, the Chief Executive shall write to all Members of the GAROC Regional Grouping as listed in the schedule calling for nominations for the membership of GAROC.
- 4.3.3. Each Member of the GAROC Regional Grouping may nominate a candidate for membership of GAROC, provided that:
- (a) a person nominated as a member of GAROC must be a representative of a member on the relevant Regional Grouping of Members; and
  - (b) only a Council Member can be nominated to GAROC.
- 4.3.4. A nomination of a person as a member of GAROC must be by resolution of the Member received by the Chief Executive not later than 5 pm on the day specified for the closure of nominations (**Close of Nominations**). A nomination must be signed by the candidate indicating his or her willingness to stand for election and be in the form determined by the Chief Executive.

## 4.4. Election to GAROC

- 4.4.1. The Chief Executive shall be the returning officer for any election of members to GAROC.
- 4.4.2. After the Close of Nominations, the Chief Executive will notify Members of each Regional Grouping of Members of the candidates for membership of GAROC nominated by the Regional Grouping of Members.
- 4.4.3. If the only nominations received from a Regional Grouping of Members by the Close of Nominations match the membership positions described in clause 4.2.1, then the Chief Executive will declare those persons duly elected to those membership positions.
- 4.4.4. If the number of persons nominated by the Close of Nominations by a Regional Grouping of Members exceeds the number of membership positions described in clause 4.2.1, then an election for the purpose of clause 4.2.1 must be held in accordance with this clause.



- 4.4.5. In the event of an election being required, the Chief Executive shall conduct the election as follows:
- (a) at least six weeks before the Annual General Meeting, the Chief Executive shall deliver ballot papers to each Member of the Regional Grouping of Members;
  - (b) the ballot papers shall:
    - (i) list the candidates for election;
    - (ii) specify the day of closure of the election;
    - (iii) be accompanied by an envelope marked "Ballot Paper" and a second envelope marked "Returning Officer";
  - (c) each Member shall determine by resolution the candidate or candidates (as relevant) it wishes to elect;
  - (d) the chair of the meeting for that Member shall mark the ballot paper with an "X" next to the candidate or candidates (as relevant) that the Member wishes elected and seal the ballot paper in the envelope marked "Ballot Paper" inside the envelope marked "Returning Officer". Before sealing the second envelope the chair must indicate the Member's name on the inside flap of the envelope. The envelope may then be sealed and delivered to the Returning Officer;
  - (e) on receipt of the envelopes the Chief Executive must:
    - (i) open the outer envelope addressed to the "Returning Officer" and record the name of the Member which appears on the inside flap of the envelope on the roll of Member's eligible to vote; and
    - (ii) place the envelope marked "Ballot Paper" unopened into the ballot box;
  - (f) the Chief Executive shall nominate the date, time and place for the counting of votes and shall invite each candidate and a person nominated as the candidate's scrutineer to be present;
  - (g) at the counting of the votes the Chief Executive shall produce unopened envelopes marked "Ballot Paper" and if satisfied that all votes are valid, count the number of votes received by each candidate;
  - (h) in respect of an election for the purposes of clause 4.2.1, the 2 candidates from a Regional Grouping of Members with the most votes shall be deemed elected in respect of that Regional Grouping of Members and the Chief Executive shall declare the candidates elected at the Annual General Meeting; and
  - (i) in the case of candidates for membership positions described in clause 4.2.1 from a Regional Grouping of Members receiving the same number of votes, the Chief Executive shall draw lots at the counting of the votes to determine which candidate is elected.



4.4.6. The Chief Executive may, in his or her discretion, appoint a deputy returning officer and delegate any of his or her powers, functions or duties to that person who shall act accordingly.

4.4.7. The Chief Executive may, in his or her discretion, delegate any of his or her powers, functions or duties to an Executive Officer of a Regional Grouping of Members who shall act accordingly for the conduct of elections for the purpose of clause 4.2.1 in respect of the Regional Grouping of Members relevant to that Executive Officer.

#### **4.5. Term of office**

The term of office for members of GAROC shall commence after the Annual General Meeting of the year in which the member is elected. Each member of GAROC will serve for a period of 2 years or until a circumstance causing a casual vacancy as described in clause 4.7.2 occurs.

#### **4.6. Duties**

4.6.1. Each member of GAROC must:

- (a) undertake his or her role as a GAROC member honestly and act with reasonable care and diligence in the performance and discharge of functions and duties;
- (b) not make improper use of information acquired by virtue of his or her position as a GAROC member to gain, directly or indirectly, an advantage for himself or herself or for another person or to cause detriment to the LGA;
- (c) not make improper use of his or her position as a GAROC member to gain, directly or indirectly, an advantage for himself or herself or for another person or to cause detriment to the LGA; and
- (d) not act in any matter where the GAROC member has a conflict of interest (provided that an interest shared in common with all or a substantial proportion of the members of GAROC will not be an interest giving rise to a conflict of interest).

#### **4.7. Absences and casual vacancies**

4.7.1. A leave of absence may be granted to a member of GAROC by resolution of GAROC. A replacement member of GAROC will be appointed for the period of the leave of absence by resolution of the majority of Members comprising the Regional Grouping of Members relevant to the person the subject of the leave of absence.

4.7.2. A casual vacancy will occur in the office of a member of GAROC if the member of GAROC:

- (a) dies;
- (b) resigns from GAROC;
- (c) is dismissed by resolution of the Board of Directors from GAROC for Misconduct;



- (d) ceases to be a Council Member;
- (e) the Member for which the member of GAROC is a Council Member is no longer a member of the Local Government Association; or
- (f) an administrator is appointed to administer the affairs of the Member for which the member of GAROC is a Council Member.

4.7.3. If there is a casual vacancy in the membership of GAROC, then the Regional Grouping of Members relevant to the GAROC member the subject of the casual vacancy will appoint by resolution of the majority of Members comprising the Regional Grouping of Members another Council Member to serve as a member of GAROC for the balance of the membership term.

## **5. Responsibilities**

### **5.1. Board of Directors**

- 5.1.1. The role of the Board of Directors is to oversee corporate governance of the LGA and provide strategic direction and leadership.
- 5.1.2. The duties of the Board of Directors are to ensure that:
  - (a) the LGA acts in accordance with applicable laws and the Constitution;
  - (b) the LGA acts ethically and with integrity, respecting diversity and striving for gender balance participation in all activities;
  - (c) the activities of the LGA are conducted efficiently and effectively and that the assets of the LGA are properly managed and maintained;
  - (d) subject to any overriding fiduciary or other duty to maintain confidentiality, the affairs of the LGA are undertaken in an open and transparent manner; and
  - (e) the LGA performs to its business plan and achieves or betters the financial outcomes projected in its budget.
- 5.1.3. The Board of Directors may from time to time refer matters to GAROC for consideration.
- 5.1.4. The Board of Directors will receive, consider and respond to any report and recommendations provided to the Board of Directors by GAROC.
- 5.1.5. The Board of Directors will periodically review the performance of GAROC.

### **5.2. GAROC**

- 5.2.1. GAROC will fulfil its functions under these Terms of Reference in a timely, objective and professional manner consistent with the 'LGA Strategic Management Framework'.
- 5.2.2. GAROC may, through the Chief Executive and at the LGA's expense, seek external legal, financial or other advice on matters within its functions or concerning these Terms of Reference.



### 5.3. Chief Executive

- 5.3.1. The Chief Executive will make available to GAROC information of the LGA which is relevant to the functions of GAROC.
- 5.3.2. The Chief Executive will ensure that administrative support and other resources are made available to GAROC as included in the GAROC approved annual business plan and budget to enable GAROC to discharge its obligations under these Terms of Reference.
- 5.3.3. Resources made available to GAROC will include resourcing by the LGA Office or external resources considered appropriate by the Chief Executive acting in consultation with GAROC.

## 6. Functions of GAROC

### 6.1. LGA Object

- 6.1.1. The object of the LGA is to achieve public value through the promotion and advancement of the interests of local government by:
  - (a) advocating to achieve greater influence for local government in matters affecting councils and communities;
  - (b) assisting member councils to build capacity and increase sustainability through integrated and coordinated local government; and
  - (c) advancing local government through best practice and continuous improvement.
- 6.1.2. GAROC will assist in the achievement of the LGA's object by:
  - (a) supporting the activities of the LGA at a regional level;
  - (b) promoting communication between Members and between Members and the LGA;
  - (c) advocating in respect of matters which affect the GAROC Regional Grouping;
  - (d) encouraging engagement of Members within the GAROC Regional Grouping with GAROC and the LGA; and
  - (e) participating in policy development and implementation.

### 6.2. Consideration and referral of Member items of business

- 6.2.1. Any Member of the GAROC Regional Grouping may raise an item of business for the consideration of the Board of Directors or a General Meeting with GAROC. The item of business must be clearly described in writing, including an indication as to whether the impact of the item is confined to the Member or has broader implications for the local government sector.
- 6.2.2. GAROC will consider each item of business raised with GAROC by a Member.



- 6.2.3. A Member may be invited by GAROC to address a meeting of GAROC in respect of the proposed item of business.
- 6.2.4. Where considered appropriate by GAROC on the basis of the nature, scope and impact or potential impact of the item on the local government sector, GAROC will refer the item to either the Board of Directors or a General Meeting.
- 6.2.5. GAROC will inform the Member which has raised the item of business as to whether or not the item will be referred to the Board of Directors or a General Meeting.
- 6.2.6. Where an item of business is not referred to the Board of Directors or a General Meeting, GAROC may provide assistance or guidance to the Member in respect of progressing the matter.

### **6.3. Proposals for policy development**

- 6.3.1. GAROC may develop proposals for policy positions for consideration at a General Meeting either in response to an issue raised by a Member within the GAROC Regional Grouping or independently.
- 6.3.2. A policy position developed by GAROC will be referred to the Board of Directors for consideration and determination as to whether or not the position should be put for consideration and adoption to a General Meeting.

### **6.4. Election to Board of Directors**

- 6.4.1. GAROC will elect 3 members of GAROC (each of which must be a Council Member with relevant business and governance experience) to the Board of Directors.
- 6.4.2. In addition to Directors elected under clause 6.4.1, the chairperson of GAROC will be a Director.
- 6.4.3. The term of office as a Director of the 3 persons elected to the Board of Directors by GAROC and the chairperson of GAROC will commence after the Annual General Meeting of the year in which the person is elected and shall be for 2 years or until a casual vacancy in that office occurs.
- 6.4.4. Persons elected under clause 6.4.1 are eligible for re-election for subsequent terms.

### **6.5. Strategic and annual business planning**

- 6.5.1. GAROC will develop, in consultation with the Members of the GAROC Regional Grouping, a 4 year strategic plan for regional advocacy, policy initiation and review, leadership, engagement and capacity building in the GAROC Region. The strategic plan will be reviewed and updated annually by GAROC by June each year.
- 6.5.2. GAROC will develop, in consultation with the Members within the GAROC Regional Group, an annual business plan for the next financial year by June each year.





6.5.3. The strategic plan and annual business plan for the next financial year will be presented to the Board of Directors for approval by June each year.

## **6.6. Other functions**

GAROC will undertake any other functions:

- 6.6.1. of GAROC set out in the Constitution; and
- 6.6.2. delegated by the Board of Directors to GAROC.

## **7. Budget**

- 7.1.1. GAROC will by June each year develop and adopt a budget to cover anticipated expenses of activities under the strategic plan and annual business plan during the next financial year. After adoption by GAROC, the budget will be provided to the Board of Directors for consideration and approval.
- 7.1.2. GAROC will provide a financial report to the Board of Directors no later than September providing a true and correct record of the expenditure of GAROC against the annual budget.
- 7.1.3. The chairperson of GAROC will meet with the Audit Committee of the LGA or the LGA's external auditor on request to discuss the GAROC financial report.

## **8. Committees**

GAROC may establish committees consisting of any person with relevant experience, skill or expertise for any purpose and determine the terms of reference for such committees.

## **9. Meetings of GAROC**

### **9.1. Resolution of the Board of Directors**

Requirements under this clause 9 may be altered, supplemented or replaced by resolution of the Board of Directors.

### **9.2. Frequency of meetings and venue**

- 9.2.1. GAROC will meet at least once in each 2 month period at such times and places as shall be determined by the Chief Executive.
- 9.2.2. Any member of GAROC or the Board of Directors may convene additional meetings of GAROC.
- 9.2.3. Notice of a meeting of GAROC will be provided in writing to members of GAROC by the Chief Executive no less than 7 days prior to the meeting providing the date, time and place of the meeting and the proposed business to be conducted at the meeting.

### **9.3. Chairperson**

- 9.3.1. The chairperson of GAROC will be a Council Member appointed by GAROC.
- 9.3.2. The chairperson will be the official spokesperson for GAROC.



- 9.3.3. If the chairperson of GAROC is absent from a meeting of GAROC then the members attending the GAROC meeting will appoint a chairperson for the purposes of that meeting.

#### **9.4. Decision making**

- 9.4.1. All questions arising at a meeting of GAROC shall be decided by a simple majority vote of the members of GAROC present and voting on each question.
- 9.4.2. The Chair of the meeting has a deliberative vote and, if there are equal numbers of votes on any question, a casting vote.

#### **9.5. Meeting procedure**

The meeting procedures determined by the Board of Directors from time to time will apply to meetings of GAROC.

#### **9.6. Attendance**

- 9.6.1. Meetings of GAROC will be closed to the public.
- 9.6.2. GAROC may invite any person to attend its meetings.

#### **9.7. Minutes**

- 9.7.1. Minutes will be kept of all GAROC meetings including a record of the actions of GAROC.
- 9.7.2. Within 48 hours of a GAROC meeting, the chairperson will review and confirm the draft minutes. The draft minutes will then be circulated to GAROC members for comment and if necessary amendment before being certified as correct by the chairperson.

#### **9.8. Quorum**

The quorum for a meeting of GAROC is one half of the members of GAROC, plus 1 member of GAROC (provided that at least 1 member elected by each Regional Grouping of Members must be present except for a Regional Grouping of Members with no representation on GAROC).

#### **9.9. Performance assessment**

GAROC will assess its performance against:

- 9.9.1. the strategic plan and annual business plan each quarter; and
- 9.9.2. these Terms of Reference annually.

#### **9.10. Reporting**

- 9.10.1. A Director elected by GAROC will provide a verbal report to the Board of Directors on key matters being considered by GAROC at each Board of Director's meeting at which the minutes of GAROC are to be considered by the Board of Directors.



- 9.10.2. Any matter relevant to regional advocacy, policy initiation and review, leadership, engagement and capacity building in the GAROC Region considered to be of significance to the corporate governance, strategic direction and leadership of the LGA will be reported by GAROC to the Board as soon as practicable after GAROC has considered the matter.
- 9.10.3. GAROC will provide an annual report to the Board of Directors by September each year summarising:
- (a) the discharge of GAROC's responsibilities and functions under these Terms of Reference and against the strategic plan and annual business plan;
  - (b) the activities of GAROC during the financial year;
  - (c) items of business referred to the Board of Directors or a General Meeting during the financial year; and
  - (d) items being considered by GAROC which have not been reported to the Board of Directors and the intended actions in respect of those matters.

## **10. Access to information**

- 10.1.1. GAROC is entitled, acting through the Chief Executive, to access any information or discuss matters with staff of the LGA Office.
- 10.1.2. A copy of the agenda for a GAROC meeting, reports to be considered by GAROC and minutes of GAROC meetings certified under clause 9.7.2 will be available to all Directors.
- 10.1.3. Subject to confidentiality requirements as determined by the Board of Directors or GAROC, a copy of the GAROC agenda, reports and minutes certified under clause 9.7.2 will be published on the LGA website for review by Members.

## **11. Administration**

- 11.1. Subject to clause 11.2, an administrator appointed to administer the affairs of the Member may exercise the rights and satisfy the obligations of the administered Member under these Terms of Reference.
- 11.2. An administrator is ineligible to be a member of GAROC.

## **12. Transitional provisions**

### **12.1. Interpretation**

- 12.1.1. Transitional arrangements associated with these Terms of Reference are set out in this clause 12.
- 12.1.2. In this clause 12:



**“Commencement Date”** means the date on which both of the following criteria have been satisfied (regardless of the order in which they are satisfied):

- (a) these Terms of Reference have been adopted by resolution passed at a General Meeting of which at least 30 days’ notice has been given to Members; and
- (b) the Minister has approved the amendments to clauses 4.2, 4.3 and 4.4.

**“Previous Terms of Reference”** means the terms of reference for GAROC in operation immediately prior to the Commencement Date.

**“Transitional Period”** means the period between the Commencement Date and the Annual General Meeting in 2020.

- 12.1.3. The term of office of each member of GAROC appointed prior to the Commencement Date will expire at the Annual General Meeting in 2020 or when a casual vacancy arises under clause 4.7.2.
- 12.1.4. If a leave of absence is granted under clause 4.7.1 in respect of a member of GAROC during the Transitional Period, a replacement member of GAROC will be appointed for the period of the leave of absence by resolution of the majority of Members comprising the Regional Grouping of Members specified in the schedule to the Previous Terms of Reference.
- 12.1.5. If a casual vacancy arises under clause 4.7.2 in respect of a member of GAROC during the Transitional Period, another Council Member will be appointed to serve as a member of GAROC for the balance of the membership term by resolution of the majority of Members comprising the Regional Grouping of Members specified in the schedule to the Previous Terms of Reference.

**Schedule: List of Regional Groupings of Members within the GAROC Regional Grouping**

<b>Regional Grouping of Members</b>	<b>Members</b>
<b>North</b>	Gawler Playford Salisbury Tea Tree Gully
<b>West</b>	Charles Sturt Holdfast Bay Port Adelaide Enfield West Torrens
<b>South</b>	Marion Mitcham Onkaparinga
<b>East</b>	Adelaide Hills Burnside Campbelltown Norwood Payneham & St Peters Prospect Unley Walkerville

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## 7.1 Landscapes Board Levy (City of Victor Harbor)

### Recommendation Reports from the SAROC Committee

Submitted by:	City of Victor Harbor	
Approved by:	SAROC Committee	
Meeting	Annual General Meeting	28 October 2022
ECM:	781945	Attachment: 780051

### Recommendation

**That the Annual General Meeting requests the Local Government Association to request the State Government review the manner which they collect the Landscape levy from local communities. With the desired outcome being one in which Revenue SA collect the levy directly in alignment with the Emergency Services levy.**

### SAROC Committee's Comments

The matter raised in the Item of Business proposed by the City of Victor Harbor is of importance to the LGA and to the local government sector and is in alignment with the following LGA Policy:

#### *1.2.6 Cost Shifting*

*Cost shifting and unsustainable increases in levies and charges from state government puts significant pressure on council rates and creates fiscal impacts in councils. Local government will continue to rigorously object to cost shifting in any form, including mandatory revenue collection for federal or state government.*

SAROC amended the recommendation to suggest that the desired outcome should be one where Revenue SA collects the Landscape levy on behalf of the Landscape Board in the same way they collect the Emergency Services Levy.

SAROC considered that imposing this requirement on the Landscape Board would result in a significant administrative and financial burden and recognises that the State Government has an existing established agency who should be able to collect and distribute the Landscape levy.

### LGA Officer's Comments

**(Officer: Stephen Smith, Policy Advisor)**

Local government collecting the Landscapes levy and the previous NRM levy has been a key advocacy platform for the LGA for many years. The LGA sought the deletion of those sections of the *Landscapes South Australia Act 2019*, that placed a mandatory requirement on councils to collect the Landscape levy on behalf of the regional landscape boards during debate on the Bill in 2019. The Labor opposition and most cross bench parties supported the LGA position, the Greens supported the Liberal Government to pass the legislation.

The LGA's long held position is that all spheres of government should be responsible for collecting their own revenue and have autonomy in how it is collected.

There are several areas of concern for Councils in collecting the Landscape levy, including:

- Community members mistaking the state government levy for increased council revenue.

- Where the Landscape levy remains unpaid by the landholder, the financial burden is on the Council as they are required to pay the full total of the levy to the Landscape Board.
- The hidden administrative costs to councils in collecting the levy on behalf of the State, particularly in relation to non-payment and rebates that are not recovered.
- The cost of the levy and the administrative arrangements for Landscape Boards has changed significantly since councils began collecting the levy in 2004.
- The Green Adelaide Board is solely appointed by the Minister. Local government is being required to collect a levy for a government operated and managed boards.

Sections 71 of the Landscapes SA Act provide a mechanism to enable Landscape Boards to collect the Regional Landscape levy, without the requirement for Councils to be involved.

Given that the Act has been in operation since 2019 it would be appropriate for a review of the levy collection process to be undertaken to determine the financial cost imposts on local government and to develop a more appropriate levy collection process.

### ***Financial and Resource Implications***

This activity has been anticipated in the LGA's work program and resources are available to progress this work.



## LGA General Meeting – Proposed Item of Business

The purpose of this form is to request consideration by SAROC, GAROC or the Board of Directors of an item of business to be included on the agenda of an LGA General Meeting - refer Clause 16.3.1 of the LGA Constitution. Prior to submitting a proposed Item of Business, please refer to the Considering Proposed Items of Business for LGA General Meetings Guidelines.

<b>Council Name</b>	City of Victor Harbor
<b>The body the item is being referred to</b>  <i>Proposals may only be submitted to the ROC of which council is a member, or to the LGA Board of Directors.</i>	SAROC
<b>Subject of the proposed item of business</b>	<b>Landscapes Board Levy</b>
<b>Proposed motion for the General Meeting</b>	That the Annual General Meeting requests the Local Government Association to request that the State Government review the manner in which they collect the Landscapes levy from local communities. With the desired outcome being one in which they collect the revenue for their own levy directly
<b>Supporting information</b>  <i>Provide a summary of the issue(s), relevant background information, description of the impact on the sector and evidence that this is an item of strategic importance to local government.</i>	Over the years the State Government has continued to shift a number of regulatory costs and burdens onto Local Government. One of the most ridiculous of these is requiring councils to collect a State Government tax on their behalf. The objection is not that we shouldn't be raising money to help with environmental projects, but rather that if councils are raising this money then arguably they are best positioned to spend it on projects that see real environmental impacts on the ground. Rather than the current situation that sees the sector collect the revenue (including the administration fee we are allowed to charge), then pass it to the State, who distributes it to the Boards who then spend what is left of the money raised. The layers between raising the money and spending it for environmental outcomes siphon off money that could otherwise have more of a real impact.  If the state government wishes to raise money then they should bear the responsibility for it themselves. If they want councils to raise it, then let the sector spend it
<b>LGA Policy Manual</b>  <i>Does this item require a change to the LGA Policy Manual (new policy or amendment to existing policy)?</i>	( <a href="#">please click here to view the LGA Policy Manual</a> )  No
<b>LGA Strategic Plan reference</b>	( <a href="#">please click here to view the 2021-25 LGA Strategic Plan</a> )  Strategy 1 – Advocate

	Achieve greater influence for local government <i>1.2 Governments rely on our proactive contribution to policy and legislation that impacts councils, leading to better outcomes for communities</i>
<b>Council Contact Officer submitting form</b>	Kyla Walker <a href="mailto:kwalker@victor.sa.gov.au">kwalker@victor.sa.gov.au</a> 8551 0573
<b>Council Meeting minute reference and date of meeting</b>	Monday, 25 July 2022 OC3002022
<b>Date submitted to LGA</b>	29 July 2022

Please return Word version of completed form to [lgasa@lga.sa.gov.au](mailto:lgasa@lga.sa.gov.au).  
Refer to [LGA Latest News](#) in respect to deadlines for upcoming General Meetings.

## 7.2 EPA Solid Waste Levy (City of Mount Gambier)

### Recommendation Reports from the SAROC Committee

Submitted by:	City of Mount Gambier	
Approved by:	SAROC Committee	
Meeting	Annual General Meeting	28 October 2022
ECM:	782380	Attachment: 780042

### Recommendation

**That the Annual General Meeting requests the LGA to call for the Deputy Premier the Hon Susan Close, as Minister for Climate, Environment and Water, to provide the LGA with a detailed explanation of how the Solid Waste Levy funds collected by waste depot licence holders are allocated both in terms of general revenue and the Green Industry Fund and calls for an equitable distribution of funds between regional and metropolitan councils.**

### SAROC Committee's Comments

In considering this item of business, SAROC recognised the impact matters relating to the Solid Waste Levy (SWL) have on strategic local government endeavours relating to waste, recycling, resource recovery and the transition towards a more circular economy.

In approving this item of business, SAROC acknowledged the significant advocacy<sup>1</sup> and assist endeavours undertaken by the LGA in this space and the alignment between this item of business and existing LGA Waste & Resource Recovery policy positions<sup>2</sup>:

#### 4.2.2 Solid Waste Levy

Local government recognises the use of fees, charges and levies as legitimate tools for waste management, but the level at which the solid waste levy is currently set is too high. Local government shall continue to lobby for an independent inquiry to determine the optimal level for the solid waste levy with regard to community benefits.

#### 4.2.6 EPA Waste Reform Agenda

Local government acknowledges that the waste and resource recovery sector is highly regulated and recognises its role in this framework. Local government shall continue to lobby against further legislative and regulatory changes that result in councils incurring an even greater expense in providing waste management services.

### LGA Officer's Comments

**(Officer: Brianna McGee, Senior Policy Officer)**

The proposed item of business from the City of Mount Gambier calling for a detailed explanation of how the SWL is allocated, aligns and progresses LGA advocacy seeking greater transparency and hypothecation to councils of the SWL.

<sup>1</sup>For example: LGA Submissions:< <https://www.lga.sa.gov.au/news-and-events/news/submissions> >.

<sup>2</sup><https://www.lga.sa.gov.au/about/overview-of-the-lga/corporate-documents/lga-policy-manual/environment-and-natural-resources/4.2-waste-and-resource-recovery>

A substantial amount of the cost of managing and processing waste and recycling is borne by councils and their ratepayers. This is particularly problematic in regional and rural areas where low volume and the tyranny of distance significantly reduces the viability of recycling operations.

Greater hypothecation and transparency of the SWL has been a key focus for LGA advocacy over many years.<sup>3</sup> LGA advocacy on this issue intensified in 2018 following policy and market shifts (triggered by insecure end markets for recyclables) and continued following unprecedented increases to the SWL in 2020 resulting in councils experiencing significant increases in waste management costs.

A 2019/20, Environment, Resources and Development Committee Parliamentary inquiry into the Recycling Industry<sup>4</sup> found that:

- Unexpected increases in the SWL has created challenges for councils and industry.
- There is a lack of transparency and accountability around (long-term) decision making for expenditure of the SWL.
- Regional councils have been disproportionately affected by policy and legislative changes to the SWL, even with assistance towards transport costs from state government.

LGA advocacy around transparency of the SWL has, and will continue to, focus on;

- the expenditure of funds from the Green Industry Fund being reinvested into councils and the waste, recycling, and resource recovery sector to support the transition towards a more circular economy (as opposed to more general climate change or environmental endeavours); and
- the SWL is clearly articulated in advance and there are no unexpected increases to ensure market stability.

Greater transparency regarding expenditure associated with the SWL and the Green Industry Fund, beyond information in state government budget papers and the parliamentary estimates committee process, as articulated by the City of Mount Gambier in its proposed item of business, is beneficial for councils and their communities.

### Funds raised through the Solid Waste Levy

Section 17 of *Green Industries SA Act 2004* (SA) provides that at least 50% of the money paid by waste depot licence holders by way of the SWL<sup>5</sup> goes to the Green Industry Fund. Additionally, it is understood that 5% is paid to the Environmental Protection Fund and 45% is directed to the SA Environmental Protection Authority (EPA) to deliver its regulatory and administrative functions.<sup>6</sup>

As of 30 June 2022, the balance of the Green Industry Fund was nearly \$70million.<sup>7</sup> It is estimated that the Green Industry Fund is projected to increase to “...\$75.5million, then to \$97.7million, then \$114.5million and by 2025-26, to \$142.5 million.”<sup>8</sup>

Evidence (**attached**) provided by the City of Mount Gambier highlights that as a waste depot licence holder, “the City of Mount Gambier has collected approximately \$8.1 million for the EPA Solid Waste Levy over the past five years.”

<sup>3</sup> For example, through regular briefings to Members of Parliament, LGA submissions and the LGA Bin Tax campaign.

<sup>4</sup> House of Assembly Environment, Resources and Development Committee, Parliament of South Australia, *An Inquiry into the Recycling Industry* (4<sup>th</sup> Report, 21 July 2020) < <https://www.parliament.sa.gov.au/en/Committees/Committees-Detail> >.

<sup>5</sup> Solid waste levy is provided for under s113 of the *Environment Protection Act 1993* (SA).

<sup>6</sup> Parliament of Australia, Senate Standing Committees on Environment and Communications, *Waste and Recycling Industry in Australia* (26 June 2018) Chapter 4: Waste Levies, page 64 at 4.97, <[https://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Environment\\_and\\_Communications/WasteandRecycling/Report](https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Environment_and_Communications/WasteandRecycling/Report)>.

<sup>7</sup> State Government Budget, Budget Paper 4, Volume 2, page 195.

<sup>8</sup> South Australia, *Estimates Committee A*, House of Assembly, 23 June 2022, 310 (Susan Close, Deputy Premier, Minister for Climate, Environment and Water) < <https://hansardsearch.parliament.sa.gov.au/search/calendar> >.

Green Industries has provided approximately \$13 million in grants for waste management to councils from the Green Industry Fund over the last six years.<sup>9</sup> Over the same time period, it is estimated that metropolitan councils paid around \$150 million dollars in the SWL.<sup>10</sup>

Green Industries SA can apply the funds in the Green Industry Fund in accordance with its business plan or as authorised by the Minister for the purposes of the *Green Industries SA Act 2004* (SA).<sup>11</sup> Additionally, the Minister can utilise funds in the Green Industry Fund for climate change initiatives and for managing waste and debris arising from an emergency or disaster.<sup>12</sup>

### ***Financial and Resource Implications***

This specific activity is not currently anticipated in the LGA's work program but can be delivered within existing LGA resources.

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<sup>9</sup> Government of South Australia, Auditor General's Department, *Management of Kerbside Waste Services* (Report 5 of 2022) pg 14.

<sup>10</sup> Ibid.

<sup>11</sup> *Green Industries SA Act 2004* (SA) s 17(5)(a).

<sup>12</sup> Ibid s17(5)(b).

## LGA General Meeting – Proposed Item of Business

The purpose of this form is to request consideration by SAROC, GAROC or the Board of Directors of an item of business to be included on the agenda of an LGA General Meeting - refer Clause 16.3.1 of the LGA Constitution. Prior to submitting a proposed Item of Business, please refer to the Considering Proposed Items of Business for LGA General Meetings Guidelines.

<b>Council Name</b>	City of Mount Gambier
<b>The body the item is being referred to</b>  <i>Proposals may only be submitted to the ROC of which council is a member, or to the LGA Board of Directors.</i>	SAROC
<b>Subject of the proposed item of business</b>	<b>EPA Solid Waste Levy</b>
<b>Proposed motion for the General Meeting</b>	That the Annual / Ordinary General Meeting requests the LGA to call for the Deputy Premier the Hon Susan Close, as Minister for Climate, Environment and Water, to provide the LGA with a detailed explanation of how the Solid Waste Levy funds collected by waste depot licence holders are allocated both in terms of general revenue and the Green Industries fund and calls for an equitable distribution of funds between regional and metropolitan Councils.
<b>Supporting information</b>  <i>Provide a summary of the issue(s), relevant background information, description of the impact on the sector and evidence that this is an item of strategic importance to local government.</i>	<p>In accordance with Part 3 Green Industry Fund – Section 17 (3)(a) of the Green Industries SA Act 2004:</p> <p><i>‘50 percent, or such greater percentage as may be prescribed, of the amount paid by waste depot licence holders by way of levy under section 13 of the Environment Protection Act 1993 in respect of solid waste received at the depots’</i></p> <p>Part 3 Green Industry Fund - Section 17 (4) states that:</p> <p><i>‘The Minister must, at least annually, review the adequacy of the amount paid into the Fund under subsection (3)(a)’</i></p> <p>A substantial amount of the cost of processing waste and recycling is born by local councils and their ratepayers. This is particularly problematic in regional and rural areas where volume and the tyranny of distance significantly reduces the viability of recycling operations.</p> <p>As a Waste Depot licence holder, the City of Mount Gambier has collected approximately \$8.1 million for the EPA Solid Waste Levy over the past 5 years. Increasing costs associated with waste management and the level of investment required to modernise and progress with contemporary, innovative practice requires significant investment therefore it is the view of this Council that all revenue that is raised from waste should be reinvested in waste initiatives.</p> <p>It is on this basis that Council seek clarity around the application of the EPA Solid Waste Levy distribution.</p>

<b>LGA Policy Manual</b>  <i>Does this item require a change to the LGA Policy Manual (new policy or amendment to existing policy)?</i>	Nil changes, however relates to LGA Policy:  4.2.2 Solid Waste Levy  4.2.6 EPA Reform Agenda
<b>LGA Strategic Plan reference</b>	Strategy 3 - Advance  3.2 New partnerships and services help Councils innovate and prepare for the future
<b>Council Contact Officer submitting form</b>	Barbara Cernovskis  <a href="mailto:bcernovskis@mountgambier.sa.gov.au">bcernovskis@mountgambier.sa.gov.au</a>  8721 2587 or 0417 488 064
<b>Council Meeting minute reference and date of meeting</b>	21 June 2022 - Item 22.3, Resolution 2022/69 (page 12)  <a href="https://cdn.mountgambier.sa.gov.au/agendas-minutes/Minutes-Council-Meeting-21-June-2022-Website-PDF.pdf">https://cdn.mountgambier.sa.gov.au/agendas-minutes/Minutes-Council-Meeting-21-June-2022-Website-PDF.pdf</a>
<b>Date submitted to LGA</b>	1 August 2022

Please return Word version of completed form to [lgasa@lga.sa.gov.au](mailto:lgasa@lga.sa.gov.au).  
Refer to [LGA Latest News](#) in respect to deadlines for upcoming General Meetings.



## 7.3 Energy Positive and Carbon Neutral Development (City of Victor Harbor)

### Recommendation Reports from the SAROC Committee

Submitted by:	City of Victor Harbor	
Approved by:	SAROC Committee	
Meeting	Annual General Meeting	28 October 2022
ECM:	781047	Attachment: 780050

### Recommendation

**That the Annual General Meeting request the LGA to write to the Expert Panel on Planning and to the Minister for Planning seeking an amendment to the Planning, Development and Infrastructure Act 2016 which would enable the State Planning Commission and/or Councils to amend the Planning and Design Code to enable more energy efficient and sustainable development.**

### SAROC Committee's Comments

The matter raised in the Item of Business proposed by the City of Victor Harbor is of importance to the LGA and to the local government sector and is in alignment with the following LGA Policy:

#### *6.2.6 Principles of Good Design*

*Local government recognises that planning decisions should be made cognisant of good design principles. Local government shall continue to collaborate with state government in the development of quality design principles, along with lobbying against design requirements that are not in the best interests of the local community.*

SAROC supported the recommendation from the City of Victor Harbor, noting that the recommendation was not seeking to mandate additional provisions which may result increased development costs but enabled the State Planning Commission and councils to identify and enable alternative forms of development and building materials which would allow for more energy efficient and sustainable building forms.

### LGA Officer's Comments

#### **(Officer: Stephen Smith, Policy Advisor)**

The City of Victor Harbor has raised a valid concern that the current Planning and Design Code does not have clear policy outcomes that promote more energy efficient and carbon neutral buildings apart from minimal standards of insulation and shading and tree planting.

The current Building Code has standards for energy efficiency which must be met for both dwellings and commercial buildings and upcoming amendments to the National Construction Code will see a requirement for new constructions to increase from a 6 star to 7 star rating. The move to 7-star construction for new buildings in the National Construction Code is being delivered in accordance with a 2019 national agreement 'Trajectory for Low Energy Buildings'.



In addition to new buildings there is currently work underway to address the issue of energy efficiency within existing buildings. The existing building trajectory is part of a broader national plan that aims to achieve zero-energy and carbon-ready commercial and residential buildings in Australia

Land use planning can play an important role in climate change mitigation and adaptation. The *Planning Development and Infrastructure Act 2016* requires the Minister for Planning to prepare a specific state planning policy relating to climate change (see attached). The Policy identifies the specific policies and principles that should be applied with respect to minimising adverse effects of decisions made under the Act on the climate and promoting development that is resilient to climate change. A key action for government is to strengthen these policies for climate smart development through the planning system.

The Department for Environment and Water is undertaking a project to review existing and under development work across jurisdictions on land use planning measures for climate change adaptation, risk mitigation, and managing emissions. The stocktake aims to identify best practice measures that could inform future improvements across planning instruments and their implementation under the South Australian planning system.

The research and analysis will consider policies and programs and options to improve the Act and the Planning and Design Code.

The motion from the City of Victor Harbor provides support from the local government sector for the need for this work to be undertaken and embedded within the Planning and Design Code.

The motion will also enable the issue to be raised with the Expert Panel and to seek that energy positive and carbon neutral development policies are included in the Planning and Design Code therefore allowing new development to be assessed against these provisions.

### ***Financial and Resource Implications***

This activity has been anticipated in the LGA's work program and resources are available to progress this work.

## LGA General Meeting – Proposed Item of Business

The purpose of this form is to request consideration by SAROC, GAROC or the Board of Directors of an item of business to be included on the agenda of an LGA General Meeting - refer Clause 16.3.1 of the LGA Constitution. Prior to submitting a proposed Item of Business, please refer to the Considering Proposed Items of Business for LGA General Meetings Guidelines.

<b>Council Name</b>	City of Victor Harbor
<b>The body the item is being referred to</b>  <i>Proposals may only be submitted to the ROC of which council is a member, or to the LGA Board of Directors.</i>	SAROC
<b>Subject of the proposed item of business</b>	<b>Energy Positive and Carbon Neutral Development</b>
<b>Proposed motion for the General Meeting</b>	That the Annual General Meeting requests the LGA to submit to the Government of South Australia a proposal to amend the Planning and Development Infrastructure Act 2016 to enable Councils to plan for more energy efficient and sustainable development.
<b>Supporting information</b>  <i>Provide a summary of the issue(s), relevant background information, description of the impact on the sector and evidence that this is an item of strategic importance to local government.</i>	<p>Councils are at the forefront of practical action to address climate change.</p> <p>The new Planning and Design Code legislation is silent on the matter of promoting more energy efficient and carbon neutral buildings, save for minimum standards of insulation and shading. There are no specific provisions in the Code that require structures to be energy positive or carbon neutral. Carbon neutral development is not a consideration in the Planning and Design Code at this point in time.</p> <p>The Building Code of Australia, which is called up by the <i>Planning, Development and Infrastructure Act</i> to control and manage building work, also does not mandate any new buildings to be energy positive or carbon neutral. The Building Code does, however, have minimum standards for energy efficiency, which must be met for both dwellings and commercial buildings.</p> <p>Once the minimum energy efficiency requirements of Volume 1 Part J of the Building Code have been achieved the developer/owner is under no obligation to achieve any further energy efficiency features.</p> <p>If a Council wanted to require or encourage minimum levels of energy self-sufficiency, from the points of view of practically addressing energy use issues, or minimising disruption due to outages such as that caused by bushfire damage to HV lines, neither the Planning and Design Code nor the Building Code have requirements to address such matters.</p> <p>In short, in Council's capacity as a regulatory development authority, there is not much it can do other than to apply the low bar minimum that currently exists within the planning/building statutory framework.</p>

	<p>The LGA should be able to advocate for changes to building and design codes to enable Councils to understand how they might realistically be achieved, and then providing information to its community on the same.</p> <p>Councils should become a leader in the energy efficiency space by raising the bar for their own developments. To facilitate Councils moving this way, to provide the tools, and minimise frustration along the way, the Design Codes need to be amended.</p> <p>The LGA would also need to assist with discussions with Construction Industry.</p>
<b>LGA Policy Manual</b>  <i>Does this item require a change to the LGA Policy Manual (new policy or amendment to existing policy)?</i>	<p>(<a href="#">please click here to view the LGA Policy Manual</a>)</p> <p>No as its captured under</p> <p>Clause 6.1 – The Planning System</p> <p>Clause 6.6.1 – Planning Legislation and Policy</p>
<b>LGA Strategic Plan reference</b>	<p>(<a href="#">please click here to view the 2021-25 LGA Strategic Plan</a>)</p> <p><i>Choose one Strategy and one outcome reference only</i></p> <p><i>Strategy 1 – Advocate</i></p> <p><i>Achieve greater influence for local government</i></p> <p><i>1.2 – Governments rely on our proactive contribution to policy and legislation that impacts councils, leading to better outcomes for communities</i></p>
<b>Council Contact Officer submitting form</b>	<p>Kyla Walker</p> <p><a href="mailto:kwalker@victor.sa.gov.au">kwalker@victor.sa.gov.au</a></p> <p>8551 0573</p>
<b>Council Meeting minute reference and date of meeting</b>	<p>Monday, 25 July 2022</p> <p>OC3002022</p>
<b>Date submitted to LGA</b>	<p>29 July 2022</p>

Please return Word version of completed form to [lgasa@lga.sa.gov.au](mailto:lgasa@lga.sa.gov.au).  
Refer to [LGA Latest News](#) in respect to deadlines for upcoming General Meetings.

## 8.1 Mental Health and Wellbeing (Town of Gawler)

### Recommendation Reports from the GAROC Committee

Submitted by:	Town of Gawler	
Approved by:	GAROC Committee	
Meeting	Annual General Meeting	28 October 2022
ECM:	782527	Attachment: 780359

### Recommendation

That the Annual General Meeting requests that:

1. the LGA support and actively advocate that the State Government addresses the lack of mental health outcomes and suicide prevention through providing information, connecting people with improved support agencies, and undertaking studies and further research to inform advocacy on related service needs in South Australia; and
2. notes that if the item of business is approved by the LGA members at the Annual General meeting the LGA Secretariat will undertake the following actions:
  - a. write to the Minister for Health and Wellbeing, and the Shadow Minister for Health and Wellbeing, outlining this advocacy position and requesting increased funding opportunities for local government, noting that improved collaboration is required with Local Health Networks including in regional public health planning;
  - b. write to the CEOs of each Local Health Network, expressing a need for stronger collaboration with local government in the regional public health planning process, particularly around wellbeing as a primary prevention strategy to address mental health and suicide prevention activities/services;
  - c. write to the CEOs of the Country Primary Health Network and the Adelaide Primary Health Network, expressing a need for stronger collaboration with local government in the regional public health planning process, particularly regarding wellbeing as a primary prevention strategy to address mental health and suicide prevention activities/services; and
  - d. liaise with the Australian Local Government Association (ALGA) to ensure that there is consistent messaging from the sector on this issue.

### GAROC Committee's Comments

In recommending this item of business, GAROC Committee members acknowledged the difficulty in accessing mental health services; but recognised that local government's role is not in direct service delivery, but instead as an advocate, leader, and enabler. It was recognised that stronger partnerships with the LHNs was needed to pursue these issues.

### LGA Officer's Comments

(Officer: Belinda Tassone, Senior Policy Officer)

In proposing this item of business, the Town of Gawler suggests that three State Government actions are required to support better mental health outcomes and suicide prevention:

- the provision of information;
- connecting people with improved support agencies; and
- undertaking studies and further research.

The Town of Gawler's supporting evidence indicates that better partnerships and collaborations are required with State Government to help address the key challenges identified through their regional public health planning process. In addition, Council asserts that these challenges are not isolated to the Gawler region.

The following discussion provides background to the mental health and wellbeing challenges experienced in South Australia, including the relative roles of the three tiers of government in this complex and multifaceted policy area.

## Background

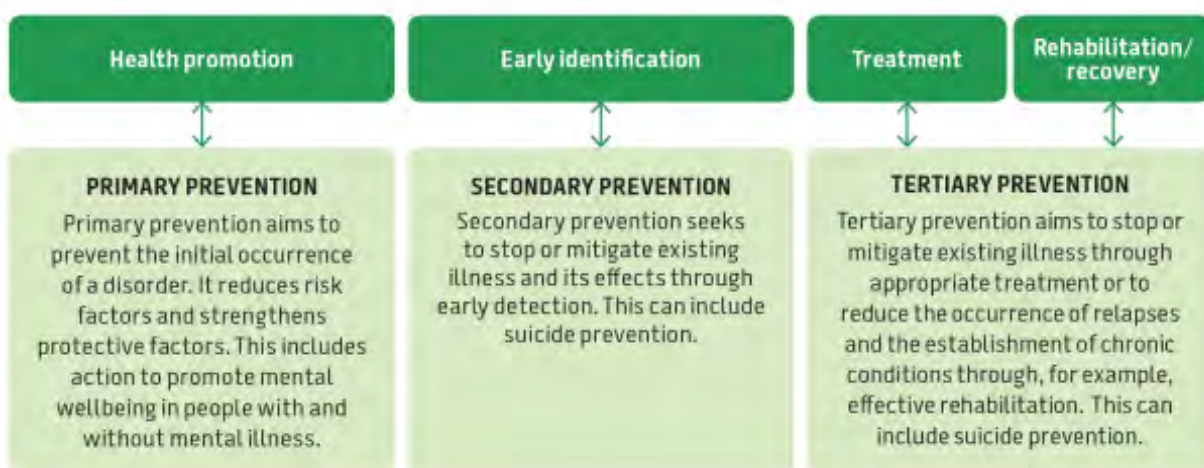
Mental health occurs on a spectrum from mental wellbeing to mental ill health (including mental illnesses). Mental health is a key driver of economic participation and productivity in Australia, and in June 2020, the Productivity Commission identified that improved population mental health can assist in reducing costs to the economy over the long-term.<sup>1</sup>

According to Wellbeing SA:

*Mental ill health affects almost half of the Australian population at some point in their lifetime, and one in five people in any one year. The most common mental illnesses are depression, anxiety and substance use disorders. Seventy-five per cent of people who develop a mental illness do so before the age of 25 years.*

*Suicide is also a significant health and social policy issue. It is the leading cause of death for people aged 15 to 44 years and the third leading cause of death for people aged 45 to 55 years.<sup>2</sup>*

Action on mental wellbeing and mental ill health has been described by VicHealth to exist on a continuum<sup>3</sup> as depicted below.



<sup>1</sup> Productivity Commission, Mental Health: Productivity Commission Inquiry Report, Volume 1, No. 95, 30 June 2020, p. iv, <https://www.pc.gov.au/inquiries/completed/mental-health/report/mental-health-volume1.pdf>

<sup>2</sup> Wellbeing SA, Strategic Plan 2020-2025: Supporting your state of wellbeing, p. 16, <https://www.wellbeing.sa.gov.au/assets/images/20090.1-WellbeingSA-StrategicPlan-2020update-WEB.pdf>

<sup>3</sup> VicHealth, 'Promoting healthier, happier lives for more Victorians', Submission to the Royal Commission into Victoria's Mental Health System, July 2019, p. 5, <https://www.vichealth.vic.gov.au/-/media/ResearchandEvidence/VicHealth-submission-to-theRCVMHS.pdf?la=en&hash=4624401DAEAA1F046504E1F7F0F8A168B7418DAC>

The work of councils varies but is predominately in the primary prevention space with a focus on maintaining and improving mental wellbeing to prevent illness occurring in the first place.

The opposite end of the continuum is aligned more closely with the actions of the Federal Government through the Medicare system – responsible for expenditures associated with public hospital services, services provided by GPs, medical specialists, some allied health, and Primary Health Networks (PHNs). The latter are funded to coordinate and assess the health services and health needs of a local area and support community health centres, GPs, specialists and other health professionals.

In addition, the State Government, through Local Health Networks (LHNs), are responsible for the planning, funding and delivery of clinical health services – alongside private providers – and the State Government also coordinates the planning and provision of broader health services, in collaboration with other primary health care providers. There are 10 LHNs across South Australia.

Underpinning this work are various federal and state government plans and strategies related to improving mental health and suicide prevention. These are noted in Appendix 1.

### ***The role of local government***

As noted in the Town of Gawler's item of business, public health and wellbeing is a shared responsibility within the *South Australian Public Health Act 2011* (the Act), the statutory framework that councils use to drive public health and wellbeing outcomes.

Councils play an important role in primary prevention/wellbeing and support action through early intervention activities, which include:

- Building community resilience through creating safe, equitable and respectful public environments, including sporting clubs, libraries and community centres, parks and playgrounds.
- Providing opportunities for participation and social connections through programs and services that support residents (including Culturally and Linguistically Diverse and First Nations) across all life stages (early years, youth and ageing well programs), and supporting community groups, volunteer networks, men's/women's' sheds, sporting clubs and events/festivals.

The systems and actions of local government are effective in reaching and supporting diverse local communities, and with increased resources, can build on the existing expertise and systems to achieve mental health and wellbeing outcomes that are place-based and locally relevant.

However, in the absence of the following criteria, South Australian councils often lack the capacity to effectively carry out this work:

- a significant community health system;
- formal structures that enable local partnerships to support sector integration and provide 'backbone functions'<sup>4</sup> as is the case in Victoria with Primary Care Partnerships;
- a health promotion workforce in SA – as noted in a report prepared by the Australian Health Promotion Association for Wellbeing SA in April 2022;<sup>5</sup> and

<sup>4</sup> Backbone functions refers to an organisation providing critical support and coordination.

<sup>5</sup> Australian Health Promotion Association, 'An evidence-informed review to support the development of the South Australian Health Promotion Workforce Strategy', a report prepared for Wellbeing SA, [https://www.healthpromotion.org.au/images/docs/SA\\_HP\\_Workforce\\_Strategy\\_Report\\_web.pdf](https://www.healthpromotion.org.au/images/docs/SA_HP_Workforce_Strategy_Report_web.pdf).



- adequate funding.

Further advocacy in this area is important to support the work of councils.

### *Regional public health planning*

The Act requires councils to develop Regional Public Health Plans (RPHPs), which have regard to issues identified in the State Public Health Plan (SPHP) and which respond to local health and wellbeing needs and priorities using a social determinants of health framework.<sup>6</sup>

The *State Public Health Plan 2019-2024* noted that in the previous planning cycle, councils highlighted mental health and wellbeing as important and that action included building networks, providing opportunities for participation, providing suitable facilities, and ensuring access to services. It noted that suicide prevention is identified as a high priority by many councils, particularly in many regional areas and noted that a lack of access to mental health services and support was a great concern.<sup>7</sup>

The Town of Gawler's supporting evidence reinforces those findings, noting the lack of mental health services, both clinical and non-clinical, in their region. This problem will likely continue to be exacerbated by the wider societal issues associated with housing shortages and the on-going effects of the pandemic, climate change, and cost of living pressures.

Many councils, through their RPHPs, identify actions or strategies relating to the development of mental health promotion and suicide prevention activities.

However, as identified by the Town of Gawler, these plans often note that good governance and collaboration between councils, service providers, non-government organisations and State Government is important to facilitate change and improvements in health and wellbeing outcomes. Such collaboration and good governance arrangements are often lacking.

Of relevance, when a draft RPHP is developed, under subsection 51(11) of the Act: "A council must... give a copy of it to ... any incorporated hospital established under the Health Care Act 2008 that operates a facility within the region".

This mechanism is not currently well managed or understood, and therefore, there is an opportunity to advocate to strengthen existing relationships between LHNs and councils, using this legislative mechanism to enhance collaborative action and provide a formal conduit for councils to provide input into mental health service planning needs in their communities.

### *Suicide Prevention Networks*

In recent years, some councils have taken the leadership role for local suicide prevention networks (SPNs) and local suicide prevention action – including local capacity building and community campaigns.

Many councils are key facilitators, partners, funders and advocates for the development and implementation of local SPNs in their regions, and often work closely together with the State Government and the non-government sector.

There is an opportunity to advocate to the State Government to assist councils to be more formally involved in the development and management of SPNs. At present, a council's involvement in their local SPN varies depending on available resources, ability to provide wraparound services and level of interest in the community. Creating more formalised structures to support councils and their

<sup>6</sup> A social view of health recognises that health and wellbeing is influenced by the natural, built, social and economic environments in which people are born, grow, live, work, and age, including the health systems.

<sup>7</sup> SA Health, *State Public Health Plan 2019-2024*, p. 20.

communities in addressing issues relating to mental health promotion and suicide prevention will assist in addressing service gaps and opportunities for collaboration.

There are over 40 operational SPNs in South Australia, with many aligning to local government boundaries. It is acknowledged that there is a state level commitment in the current *SA Suicide Prevention Plan 2017-2021* to establish a SPN in each local government region across the State. In this light, there is an opportunity for the LGA to advocate for more formalised structures to be included in the next iteration of the Suicide Prevention Plan.

### ***ALGA's 2022 National General Assembly Motions***

It is worth noting that at the 2022 ALGA National General Assembly, there were four motions aligned to this item of business (refer Appendix 2).

In response to the passage of these motions, ALGA will write to Hon Mark Butler MP, Minister for Health and Aged Care, and Hon Emma McBride MP, Assistant Minister for Mental Health, Rural and Regional Health.

It is recommended that the LGA Secretariat liaise with ALGA to co-ordinate the content of ministerial correspondence, particularly regarding further research into mental health promotion and suicide prevention activities; recognising that local government is an efficient partner in government and provides value for money by contributing significant in-kind resources that extends the benefits of federal and state government funding.

### ***Next steps***

Local government has a key role in place-based health and wellbeing planning and initiatives, with a strong focus on primary prevention and health promotion.

However, the local government sector cannot address the range of challenges associated with mental health and suicide prevention alone.

In considering the Town of Gawler's item of business, the GAROC Committee has given regard to the resources and capacity needed to support and advocate to the State Government on this issue. An opportunity therefore exists for the LGA to advocate for improved services and further research, noting the specific actions requested in the proposed item of business.

It is suggested that correspondence to the Minister for Health and Wellbeing and the CEOs of the LHNs and PHNs would be appropriate to initiate a dialogue between these key stakeholders and local government.

This motion also presents an opportunity to work with ALGA to reinforce their messaging at the state level.

### ***Financial and Resource Implications***

Any activity beyond preparing correspondence for the State Government, LHNs and PHNs, will require significant staff resources and/or funding that is not currently anticipated in the LGA/GAROC budget.



## Appendix 1

- *Australia's Long Term National Health Plan*
- *National Preventative Health Strategy 2021-2030.*
- *Wellbeing SA Strategic Plan 2020-2025* recognises: "Mental health and wellbeing and suicide prevention" as a key priority focus area and commits to "foster and coordinate the partnerships required to build resilient and connected communities and work to improve South Australian's mental health and wellbeing."
- *South Australian Mental Health Strategic Plan 2017-2022* developed by the SA Mental Health Commission, calls for a 'whole of government' and 'whole of community' approach to mental health and policy reform including promotion, prevention and early intervention as well as supports and improved governance arrangements.
- *State Public Health Plan 2019-2024* identifies action relating to mental health and suicide prevention under the 'Promote' priority area.
- Wellbeing SA is supporting the development of the next Suicide Prevention Plan, with a *Consultation Feedback Report*, released in September 2021, observing that there was a strong call for building stronger communities - by addressing the determinants of social, cultural and economic disadvantage and sense of belonging, and strengthening services – through workforce training, better responses and reducing the crisis care model.

## Appendix 2

### **Motion 39 Isaac Regional Council QLD**

This National General Assembly 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.

Carried

#### *ALGA Comment*

This resolution is generally consistent with ALGA's policy and advocacy approaches seeking improved health services in rural and regional Australia.

#### *Recommendation*

Agree to write to Hon Mark Butler MP, Minister for Health and Aged Care, and the Hon Emma McBride MP, Assistant Minister for Rural and Regional Health, supporting this proposal from the NGA.

### **Motion number 39.1 Brimbank City Council VIC**

This National General Assembly calls on the Australian Government to:

1. Substantially increase recurrent mental health expenditure, in average annual real per capita spending, from 1.3 percent to 2.5 percent; and
2. Increase funding, accessibility, and services for the Commonwealth Better Access initiative to extend access to mental health professionals and care to more people.

### *ALGA Comment*

This motion was not debated separately, but is generally consistent with ALGA's policy and advocacy approaches seeking improved health services.

### *Recommendation*

Agree to write to Hon Mark Butler MP, Minister for Health and Aged Care and the Hon Emma McBride MP, Assistant Minister for Rural and Regional Health, supporting this proposal from the NGA.

## **Motion number 40 Maribyrnong City VIC**

This National General Assembly calls on the Australian Government to:

1. Establish a dedicated and ongoing Community Resilience and Fairness Response Package to ensure our most vulnerable community members are protected from the worst of the impacts of a prolonged pandemic, particularly the youth;
2. Increase funding for mental health support services, local learning and job preparation programs, and initiatives designed to reduce unemployment; and
3. Invest in and grow local manufacturing.

Motion is Carried

### *ALGA Comment*

This resolution is generally consistent with ALGA's policy and advocacy approaches seeking improved health services.

### *Recommendation*

Agree to write to the Hon Mark Butler MP, Minister for Health and Aged Care and the Hon Emma McBride MP, Assistant Minister for Rural and Regional Health, supporting this proposal from the NGA.

## **Motion number 86**

South Burnett Regional Council QLD This National General Assembly calls on the Australian Government to support rural and regional communities with increased funding and facilities to meet the growing needs of youth with mental health issues, including early intervention programs and ensuring equity of access to services.

### *ALGA Comment*

This motion was not debated separately. This is consistent with ALGA policy and advocacy approaches to community infrastructure and youth service.

### *Recommendation*

Agree to include it in the ministerial correspondence to the Hon Mark Butler MP, Minister for Health and Aged Care and Hon Emma McBride MP, Assistance Minister for Mental Health and Suicide Prevention.

## LGA General Meeting – Proposed Item of Business

The purpose of this form is to request consideration by SAROC, GAROC or the Board of Directors of an item of business to be included on the agenda of an LGA General Meeting - refer Clause 16.3.1 of the LGA Constitution. Prior to submitting a proposed Item of Business, please refer to the Considering Proposed Items of Business for LGA General Meetings Guidelines.

<b>Council Name</b>	Town of Gawler
<b>The body the item is being referred to</b>  <i>Proposals may only be submitted to the ROC of which council is a member, or to the LGA Board of Directors.</i>	GAROC
<b>Subject of the proposed item of business</b>	<b>To seek State Government support to address the lack of mental health outcomes and suicide prevention through providing information, connecting people with improved support agencies, and undertaking studies and further research to inform advocacy on related service needs in South Australia.</b>
<b>Proposed motion for the General Meeting</b>	That the Annual / Ordinary General Meeting requests the LGA: <ul style="list-style-type: none"> <li><i>To support and actively advocate that the State Government addresses the lack of mental health outcomes and suicide prevention through providing information, connecting people with improved support agencies, and undertaking studies and further research to inform advocacy on related service needs in South Australia.</i></li> </ul>
<b>Supporting information</b>  <i>Provide a summary of the issue(s), relevant background information, description of the impact on the sector and evidence that this is an item of strategic importance to local government.</i>	<p>The South Australian Public Health Act 2011 (Public Health Act) and the South Australian State Public Health Plan 2019-2024 acknowledge the important role of local governments in public health and require that each council develop a public health plan. The establishment of regional public health plans that cover multiple council areas are encouraged to support the collaboration of councils and stakeholders to improve regional outcomes.</p> <p>The Town of Gawler along with its regional partners The Barossa, Light Regional and Adelaide Plains Councils have undertaken a review of their Regional Public Health Plan, "<i>Barossa, Light and Lower Northern Region Regional Public Health Plan (DRAFT)</i>".</p> <p>The plan has been prepared by the councils of Adelaide Plains, Barossa, Town of Gawler and Light Regional in consultation with community and stakeholders. It is the second regional plan that the councils have prepared together.</p> <p>Public Health is a shared responsibility. Councils, community, public health services, agencies and governments all contribute to community wellbeing. Councils support public health outcomes through the provision of open space and recreation infrastructure, immunisation programs, environmental health regulation, community programs,</p>

	<p>libraries and community centres, home aged care support, development and planning services that enable inclusive buildings and environments.</p> <p>The extent of what councils can achieve can be increased by partnership support from State and Federal Governments and through the efforts of local services and community groups.</p> <p>Councils also work with public health service providers or agencies to share their education resources with communities and by referring community members to their services. The plan establishes three regional lighthouse projects and governance arrangements to address top regional challenges for public health in the Barossa, Light and Lower Northern Region.</p> <p>One of the key regional public health challenges is:</p> <ul style="list-style-type: none"> <li>Improving mental health and reducing psychological stress (and suicide prevention)</li> </ul> <p>People in the community need support to manage their high levels of psychological stress and mental health. A partnership with the state would go a long way to address this need.</p> <p>A high rate of people are clients of community mental health services and the rate of suicide in the region is higher than Greater Adelaide.</p> <p>Adult men in particular are reporting mental health problems. Although stress and mental health is a greater issue for adults regionally, Gawler has a high rate of clients to the Child and Adolescent Mental Health Service. We suspect this is the case across SA, not just our region so having advocacy at the LGA level would really assist all our communities to making a difference in this space.</p> <p>Although the plan acknowledges that each council will continue to deliver its own ongoing services, programs and plans to address its unique situation. A regional collaboration is the cornerstone that will support the success of the regional plan. Good governance and collaboration between the state government, councils and partners will aim to deliver the plan and its regional projects, not only in our region but across SA.</p>
<p><b>LGA Policy Manual</b></p> <p><i>Does this item require a change to the LGA Policy Manual (new policy or amendment to existing policy)?</i></p>	<p>The item supports the implementation of existing Policy:</p> <p><i>Statement Number 1.1.6 'Service provisions' - Local government supports the achievement of cost savings and efficiencies through regionalisation and shared services, and shall continue to work with state government, its regional counterparts and other stakeholders to identify ways to streamline the way services are provided.</i></p> <p><i>and;</i></p> <p><i>Statement Number 1.1.7 'State-Wide Strategies' - Local government recognises its responsibilities to give due weight to the plans and strategies of other spheres of government, while continuing to be a key partner in their development. Local government shall continue to seek full and meaningful engagement with other spheres in the interests of consistency and alignment.</i></p>

<b>LGA Strategic Plan reference</b>	<i>Strategy 4 – Advance - Facilitate continuous improvement in local government.</i>  <i>3.2 New partnerships and services help councils innovate and prepare for the future.</i>
<b>Council Contact Officer submitting form</b>	Jack Darzanos Jack.darzanos@gawler.sa.gov.au (08) 8522 9257
<b>Council Meeting minute reference and date of meeting</b>	RESOLUTION 2022:07:COU251 26 July 2022
<b>Date submitted to LGA</b>	28 July 2022

Please return Word version of completed form to [lgasa@lga.sa.gov.au](mailto:lgasa@lga.sa.gov.au).  
Refer to [LGA Latest News](#) in respect to deadlines for upcoming General Meetings.

## 8.2 Responding to the Climate Emergency (Town of Gawler)

### Recommendation Reports from the GAROC Committee

Submitted by:	Town of Gawler	
Approved by:	GAROC Committee	
Meeting	Annual General Meeting	28 October 2022
ECM:	782268	Attachments: 780356

### Recommendation

That the Annual General Meeting:

1. requests the LGA to:
  - a) update its Climate Policy Statements to acknowledge the State Government's declaration of a Climate Emergency;
  - b) commit to supporting the State Government in responding to the Climate Emergency; and
  - c) commit to engaging with the State Government on developing a collaborative reform agenda towards:
    - i. Enabling councils and their communities to better access renewable energy, carbon offsets and technologies to reduce emissions (mitigation); and
    - ii. Improving disaster resilience and climate adaptation planning and response to extreme events (adaptation); and
2. notes that if the Item of Business is approved by LGA members at the Annual General Meeting,
  - a. Part a) of the item to recognise the State Government's declaration of a Climate Emergency will be enacted through an amendment to the Climate Change statements in the LGA Policy Manual; and
  - b. Parts b) and c) of the item will see the LGA continuing to support and engage with the State Government on climate change issues, with the current level of resourcing available and directed from the LGA Secretariat.

### GAROC Committee's Comments

In recommending this Item of Business, the GAROC Committee acknowledged the importance of reviewing the LGA Policy Manual's climate change statements and supported consideration of this additional Item of Business relating to that review.

### LGA Officer's Comments

(Officer: Katherine Russell, Manager Policy Projects)



## *Policy Manual Review*

The LGA Policy Manual is a compendium of policies that are reviewed as required and endorsed at Annual and Ordinary General Meetings.

These policies represent the broad directions for leadership and advocacy for the local government sector as a whole and guide the LGA's responses to policy issues through submissions, position papers, media and stakeholder relations.

The Policy Manual Review which has been undertaken addresses only the climate change statements in the Policy Manual, reflective of the importance of these statements and the fast-moving nature of climate change science and policy.

The current LGA Policy on Climate Change, reviewed as part of LGA Policy Manual in 2018, reflects the science and the political and social views at the time. Since then, Government policies around the nation, and indeed globally, have struggled to keep up with ever-increasing scientific evidence that our climate is changing at a faster rate than previously predicted (IPCC report AR6).

On 31 May 2022 the State Government declared a climate emergency reaffirming the urgent need to decarbonise the South Australian economy and shift to renewable sources of energy.

In mid-June this year, the Federal Labor government submitted its enhanced nationally determined contribution (NDC) to the UN Framework Convention on Climate Change secretariat, formalising a 43% emission reduction target by 2030.

The LGA Policy Manual Review sought feedback from councils, so the LGA now has a snapshot its member councils' likely response on certain issues relating to this topic. The AGM is considering a separate report on this topic at this meeting.

## *Previous Items of Business seeking declaration of a climate emergency*

The Town of Gawler has previously submitted proposed Items of Business seeking an LGA declaration of a climate emergency which were not approved.

In 2020, the LGA Annual General Meeting considered an Item of Business to declare a climate emergency as well as develop a Climate Emergency Action Plan. That motion was lost.

In 2021, the LGA Board of Directors at its meeting on 18 March 2021 considered an Item of Business seeking the LGA declare a climate emergency, as well as develop a Climate Emergency Action Plan and develop a model policy for councils. The Board did not approve the Item to be included in the agenda of the LGA Ordinary General Meeting of 20 April 2021. It was noted that the exact same motion was voted on in the LGA AGM of 29 October 2020 and that the other components of the motion reflected existing LGA policy and actions.

This Item of Business from the Town of Gawler differs from those submitted earlier as it is about recognition of the State Government's declaration of a climate emergency, rather than seeking for the LGA to declare a climate emergency.

## *Current item of business*

The current Item of Business is addressed in three parts below.

### **1. Seeks acknowledgement in the LGA Policy Manual that the State Government has declared a Climate Emergency.**

The proposed changes to the Policy Manual as a result of the Policy Manual Review do not propose declaration by the LGA of a climate emergency, but acknowledge the position of the State Government. This part of the Item of Business seeks acknowledgement by the LGA of the State Government declaration.

While the changes proposed in the Policy Manual Review which were considered by the LGA Board on 22 July 2022 recognise the need for urgent action, support the State Government targets, and call for strong leadership at all levels of government, they do not acknowledge the State Government declaration of a climate emergency.

Specifically, it is proposed to further amend the Policy Manual, including an additional reference to the State Government declaration (**highlighted in yellow**) which was not considered by the LGA Board of Directors to state as follows:

#### 4.4 Managing the Risks of Climate Change

Local government acknowledges that human-induced climate change is occurring and that urgent, ambitious, and immediate action is required at all levels of government to address the climate crisis by reducing emissions, and adapting to the impacts that are now unavoidable.

**The LGA acknowledges the State Government declaration of a climate emergency and** supports its ambition to achieve a 50% reduction in emissions by 2030 and net zero emissions by 2050.

The LGA supports its member councils to take the meaningful and immediate actions required, and calls for strong leadership and coordination at all levels of government for ongoing, effective and adequately funded Commonwealth and State Government climate change policies and programs.

If the Item of Business is approved at this Annual General Meeting, the LGA will further update its Policy Manual to recognise the State Government's declaration of a Climate Emergency.

### **2. Seeks the LGA to commit to supporting the State Government in responding to the Climate Emergency.**

The proposed changes to the Policy Manual as a result of the Policy Manual Review state that the LGA supports the State Government's targets (see above) and supports partnership with all levels of government. Consultation through this process revealed that some councils would like the State Government to set more ambitious targets for emissions reduction and others sought greater clarification of the impacts on local government.

The LGA prioritises its relationship with the State Government and encourages partnerships at every opportunity. This was reflected at the GAROC Climate Change Action Forum in May 2022 which highlighted the important relationship between State and local government and was the focus of the address to the forum by the Deputy Premier, Hon Susan Close. It was recognised by the Deputy Premier that the State Government cannot successfully progress its emissions reduction targets without the support of local government and the LGA.

The Regional Climate Partnerships (RCPs) Grant Agreement between Green Adelaide/Department for Environment and Water (DEW), which funds the role of the RCP Central Coordinator, is an example of the existing successful partnership between State and local government.

The LGA is also working with the state government to align opportunities from the Federal Government, such as the \$200M Disaster Readiness Fund. This year, the LGA also funded the preparation of a grant application to the Federal Government's Coastal and Estuarine Risk Mitigation Program (no decision has yet been made), with DEW as one of the key partners.

Accordingly, it is appropriate that the second part of the Item of Business is recommended for approval by the AGM as it acknowledges the importance of the relationship with the State Government.



**3. Commit to engaging with the State Government on developing a collaborative reform agenda towards:**

**(a) Enabling councils and their communities to better access renewable energy, carbon offsets and technologies to reduce emissions (mitigation); and**

**(b) Improving disaster resilience and climate adaptation planning and response to extreme events (adaptation).**

The proposed changes to the Policy Manual as a result of the Policy Manual Review support mitigation actions (such as renewable energy, carbon offsets and technologies to reduce emissions) and adaptation actions (such as improving disaster resilience, climate adaptation planning and response to extreme events).

Specifically, the AGM is considering at this meeting a report which proposes to amend the Policy Manual to state:

**4.4.6 Energy Reduction and Storage**

Local government provides leadership in the community through proactive actions to reduce energy use and associated greenhouse gas emissions. Continual improvement in technologies mean that councils should undertake regular audits of facilities and practices that are energy intensive, seek to reduce energy usage as far as practicable through installation of energy reduction and storage technologies, and contribute to associated policy development and reform where appropriate.

**4.4.7 Greenhouse Gas Reduction Mechanisms**

Local government supports that voluntary carbon markets, including renewable energy, carbon offsets, and other low carbon products and services, be supported through clarified carbon accounting and legislation to ensure zero carbon outcomes are cost effective.

These proposed amendments recognise the importance of mitigation and adaptation activities, which it seeks to progress with support of partners within local government and with the State Government.

The LGA Secretariat is working through a range of measures to respond to climate change and the LGA Policy Manual provides clear mandate for LGA advocacy and policy activities as opportunities arise. For example, there are many advocacy opportunities through the LGA Secretariat's ongoing work on urban greening, stormwater, waste, native vegetation, vegetation management around powerlines, urban planning and procurement.

The LGA Secretariat provides significant financial support to the RCP Central Coordinator who is the only dedicated resource on climate change activities, supporting development of a network of regional, cross-sectoral groups working to strengthen the climate resilience of their communities. This role is not tasked with undertaking advocacy work on behalf of the LGA but is available to provide technical advice as required.

The LGA Secretariat has been working with the Local Government Mutual Liability Scheme to progress a potential project on risk assessments for councils, as well as having made application to the Federal grant program on coastal adaptation, referred to above. The LGA is also working with coastal councils to progress the appointment of a Coastal Coordinator to support the LGA Secretariat.

The LGA Secretariat will continue to explore opportunities to bring together the work of its members and the State government to inform the climate change reform agenda at the local, state and federal levels of government for the benefit of the SA community.

The third part of the Item of Business is recommended for approval by the AGM as it supports work the LGA is already undertaking.

### *Summary*

It is recommended that this Item of Business is approved by the AGM as it is acknowledging actions from the State Government and recognises an existing important partnership with State Government, as well as progressing work which is already underway.

### *Financial and Resource Implications*

This activity has been anticipated in the LGA's work program and resources are available to progress this work.

## LGA General Meeting – Proposed Item of Business

The purpose of this form is to request consideration by SAROC, GAROC or the Board of Directors of an item of business to be included on the agenda of an LGA General Meeting - refer Clause 16.3.1 of the LGA Constitution. Prior to submitting a proposed Item of Business, please refer to the Considering Proposed Items of Business for LGA General Meetings Guidelines.

<b>Council Name</b>	Town of Gawler
<b>The body the item is being referred to</b>  <i>Proposals may only be submitted to the ROC of which council is a member, or to the LGA Board of Directors.</i>	GAROC
<b>Subject of the proposed item of business</b>	<b>Responding to the Climate Emergency</b>
<b>Proposed motion for the General Meeting</b>	<p>That the Annual / Ordinary General Meeting requests the LGA to:</p> <ul style="list-style-type: none"> <li>• Update its Climate Policy Statements to acknowledge the State Government's declaration of a Climate Emergency.</li> <li>• Commit to supporting the State Government in responding to the Climate Emergency.</li> <li>• Commit to engaging with the State Government on developing a collaborative reform agenda towards: <ul style="list-style-type: none"> <li>○ Enabling councils and their communities to better access renewable energy, carbon offsets and technologies to reduce emissions (mitigation).</li> <li>○ Improving disaster resilience and climate adaptation planning and response to extreme events (adaptation).</li> </ul> </li> </ul>
<b>Supporting information</b>  <i>Provide a summary of the issue(s), relevant background information, description of the impact on the sector and evidence that this is an item of strategic importance to local government.</i>	<p>At the 2021 LGA Ordinary General Meeting, the Town of Gawler proposed the following Climate Emergency Motion that was narrowly defeated:</p> <p><i>That Council endorse the following Motion on Notice for the LGA OGM to be held in April 2021:</i></p> <p><i>Declare a Climate Emergency</i></p> <ol style="list-style-type: none"> <li>1. <i>That the SA LGA recognizes the climate crisis and declares that there is a Climate Emergency;</i></li> <li>2. <i>That the SA LGA develops an LGA Climate Emergency Action Plan (CEAP) in partnership with its member councils (in relation to its operations and its leadership role);</i></li> <li>3. <i>That the SA LGA CEAP primarily focuses on mitigation through the reduction of GHG emissions but it also focuses on adaptation and climate safety for local communities;</i></li> <li>4. <i>The SA LGA develop a model CEAP in partnership with interested member councils for use by member councils throughout the state; and</i></li> <li>5. <i>Any work to be undertaken by the SA LGA should complement, add</i></li> </ol>

*value to, and build upon what is already happening, and not duplicate the work of the Climate Emergency Australia (Local Government) Network.*

Since that time, Australia has experienced more unprecedented natural disasters with extensive flooding across large regions of New South Wales and Queensland, and continued extreme dry conditions across South West- Western Australia.

The Scientific community is warning that these events are consistent with climate change and that such risks of extreme heat and dry conditions, as well as more extreme storm and flooding events will continue to increase.

The recently elected State Government has quickly moved to declare a **Climate Emergency** and there is strong bipartisan commitment in South Australia to continue to lead in taking action and to transition to a renewables-based economy.

South Australia already has a Climate Change Action Plan 2021-25, but what is lacking is a reform agenda to address the barriers that councils and their communities face when seeking to take action.

Examples include but are not limited to:

- Whilst South Australia is moving towards generating 100% renewable electricity at lower cost compared to fossil fuel generation, ordinary consumers are unable to purchase renewable electricity with legal certainty or at a fair price.
- Whilst carbon offsets are a popular solution to reduce emissions, Australia does not have market-based Greenhouse Gas (GHG) accounting to legally support end user offset claims and double counting remains a concern.
- An article by the RAA published 19 June 2022, advised that a survey of drivers showed 62% would consider an EV as their next car purchase – a significant increase compared to the 42% of RAA members who made the same claim in a survey held in May 2020. This latest survey of more than 1500 RAA members also found 74% were concerned about rising fuel prices and many were seeking alternative transport to cut their fuel bills. South Australian drivers are interested in driving electric vehicles but the higher purchase cost and slow rollout of charging infrastructure are barriers to the Electric Vehicle (EV) transition.

<https://daily.raa.com.au/media-resources/record-petrol-price-drives-surge-in-ev-interest/>

- Continued climate adaptation, resilience and disaster preparedness is required across South Australian communities to better prepare and respond to climate change and extreme events. This will also require a nationally coordinated and funded response to be a step ahead of changing conditions.

	<p>Managing the Risks of Climate Change through the review of the LGA Policy Statements on Climate Change should include acknowledging the State Government's Climate Emergency Declaration and incorporate LGA support for the Government's Climate Emergency Declaration and response in the LGA Climate Policy Statements and new policy proposals.</p> <p>It should be noted that Climate Change Policy is continuously evolving and the LGA and Councils have the opportunity to play a key role for the benefit of councils and their communities.</p>
<p><b>LGA Policy Manual</b></p> <p><i>Does this item require a change to the LGA Policy Manual (new policy or amendment to existing policy)?</i></p>	<p>The item supports the implementation of existing Policy:</p> <p>Statement Number 4.4.1 'Partnerships' - <i>Local government accepts that negative impacts from climate change are inevitable, and that building resilience to these impacts is a joint responsibility. Councils shall continue to be key partners in delivering a strategic response to climate risks, recognising obligations of other parties.</i></p> <p>and;</p> <p>Statement Number 4.4.2 'Funding and Strategic Investment' – <i>Building resilience to climate impacts will require significant funding and investment, both now and into the future. Councils shall continue to provide equitable levels of funding and investment, recognising it is incumbent on federal and state governments to subsidise the majority of expenditure required.</i></p> <p>and;</p> <p>Statement Number 4.4.7 'Greenhouse Gas Reduction Mechanisms' - <i>There were significant environmental benefits to the carbon pricing scheme that was in effect from 2012-14 without causing detrimental effects on the economy. Local government supports the reintroduction of carbon pricing as an equitable means of reducing carbon emissions.</i></p> <p>and;</p> <p>Statement Number 4.4.9 'Electric Vehicles' - <i>Local government recognises that electric vehicles provide for potential zero emission transport and reduce negative impacts such as toxic emissions, engine noise and greenhouse gas emissions and that councils, because of their roles and responsibilities as road authorities, infrastructure providers, fleet managers and representatives of their local communities, can support and encourage the use of electric vehicles through their planning, policies, investment and procurement activities.</i></p>
<p><b>LGA Strategic Plan reference</b></p>	<p><i>Strategy 1: Advocate - Achieve greater influence for local government</i></p> <p><i>1.2 Governments rely on our proactive contribution to policy and legislation that impacts councils, leading to better outcomes for communities</i></p>

<b>Council Contact Officer submitting form</b>	Tim Kelly Tim.kelly@gawler.sa.gov.au (08) 8522 0143
<b>Council Meeting minute reference and date of meeting</b>	<b>RESOLUTION 2022:07:COU251</b> 26 July 2022
<b>Date submitted to LGA</b>	28 July 2022

Please return Word version of completed form to [lgasa@lga.sa.gov.au](mailto:lgasa@lga.sa.gov.au).  
Refer to [LGA Latest News](#) in respect to deadlines for upcoming General Meetings.

## 9.1 LGA Policy Manual on Climate Change Endorsement

### Recommendation Report from the LGA Board of Directors

Submitted by:	LGA Secretariat	
Approved by:	LGA Board of Directors	
Meeting	Annual General Meeting	28 October 2022
ECM:	782384	Attachment: 778828

### Recommendation

That the Annual General Meeting:

1. notes the report on a review of the LGA Policy Manual on Climate Change;
2. endorses the revised LGA Policy Manual statements on Climate Change to take effect from 28 October 2022 as follows:

***'4.4 Managing the Risks of Climate Change:***

***Local government acknowledges that human-induced climate change is occurring and that urgent, ambitious, and immediate action is required at all levels of government to address the climate crisis by reducing emissions, and adapting to the impacts that are now unavoidable.***

***The LGA supports the State Government's ambition to achieve a 50% reduction in emissions by 2030 and net zero emissions by 2050.***

***The LGA supports its member councils to take the meaningful and immediate actions required, and calls for strong leadership and coordination at all levels of government for ongoing, effective and adequately funded Commonwealth and State Government climate change policies and programs.'***

***'4.4.1 Partnerships: Local government accepts that negative impacts from climate change are inevitable, and recognises that building resilience to these impacts is a responsibility shared by everyone. Councils shall continue to be key partners in delivering a strategic response to climate risks.'***

***'4.4.2 Funding and Strategic Investment; Building resilience to climate impacts will require significant funding and investment, both now and into the future. Councils shall continue to provide equitable levels of funding and investment, recognising it is incumbent on federal and state governments to subsidise the majority of expenditure required'***

***'4.4.3 Embedding Climate Change Considerations: Climate risk and vulnerability assessments are vital in identifying climate impacts and determining appropriate actions. Councils shall ensure assessments are conducted with full consideration of available relevant information as part of all council strategic and operational planning processes across all functions and services.'***

***'4.4.4 Decision Making: Local government understands that decisions made by councils must take account of all currently available climate data. Local government supports improved availability and regionally relevant data to be***



***provided through state government, so that councils can expand their knowledge base (such as sustainable development, tree management, coastal management, bushfire management, flood mitigation and other climate hazards) to ensure they are 'best informed to make well rounded decisions.'* (LGMLS);**

***'4.4.5 Consultation and Engagement; Tackling the impacts of climate change will require community involvement and effort, in partnership with government-led policy and services. Councils should not solely rely on expert input, science and data when making decisions relating to climate change, but should also consider the outcomes of stakeholder and public consultation for better informed decision making and to raise awareness within the community.'***;

***'4.4.6 Energy Reduction and Storage; Local government provides leadership in the community through proactive actions to reduce energy use and associated greenhouse gas emissions. Continual improvement in technologies mean that councils should undertake regular audits of facilities and practices that are energy intensive, seek to reduce energy usage as far as practicable through installation of energy reduction and storage technologies, and contribute to associated policy development and reform where appropriate.'***;

***'4.4.7 Greenhouse Gas Reduction Mechanisms; Local government supports that voluntary carbon markets, including renewable energy, carbon offsets, and other low carbon products and services, be supported through clarified carbon accounting and legislation to ensure zero carbon outcomes are cost effective.'***;

***'4.4.8 Integrity; Local government supports the Glasgow Climate Pact (2021), the Paris Agreement (2016), and the Kyoto Protocol (2005) for the reduction of global greenhouse gas emissions and shall contribute towards the commitments made by the Federal Government to achieve national carbon emission reduction targets, and Net Zero Carbon by 2050.'***; and

***'4.4.9 Zero or Low-emission Vehicles; Local government recognises the need for widespread transition to zero emission transport and the role of emerging technologies to facilitate this and reduce negative impacts such as toxic emissions, engine noise and greenhouse gas emissions. Therefore, as road authorities, infrastructure providers, fleet managers and representatives of their local communities, councils should support and encourage the use of zero or low emission vehicles through their planning, policies, investment and procurement activities.'***

## **LGA Board of Directors' Comments**

The LGA Board of Directors considered a report on the proposed review of the LGA Policy Manual climate change statements at its meeting on 22 July 2022 and supported the proposed changes being considered at the Annual General Meeting, recognised the importance of updating the Policy Manual and the particular importance of the statements on climate change.

## **LGA Officer's Comments**

**(Officer: Katherine Russell, Manager Policy Projects)**

### ***Background***

The role of the LGA is to promote and advance the interests of local government by advocating to achieve greater influence for local government in matters affecting councils and communities. With



climate change affecting all councils and their communities, clear and unifying policy statements provide the LGA and the sector with a mandate to advocate on behalf of the sector and drive further development of policies, programs and projects aimed at supporting the reduction in emissions and helping to adapt to the impacts of climate change that are now unavoidable.

The LGA Policy Manual is a compendium of policies that are reviewed as required and endorsed at Annual and Ordinary General Meetings (AGMs) and (OGMs). These policies represent the broad directions for leadership and advocacy for the local government sector as a whole. It guides the LGA's responses to policy issues through submissions, position papers, media and stakeholder relations.

This review only addresses the climate change statements in the Policy Manual, reflective of the importance of these statements and the fast-moving nature of climate change science and policy.

### ***Review of the Policy Manual***

The last comprehensive review of the Policy Manual was endorsed at the LGA AGM in 2018 although the Manual is updated as required if policies are endorsed at the AGM or OGM on an ad hoc basis.

The LGA Climate Commitment Action Plan 2021-2023 includes an action to 'review and update the 'Managing the Risks of Climate Change' statements in the LGA Policy Manual based on recent science, evidence and practice".

The current LGA Policy on Climate Change, reviewed as part of LGA Policy Manual in 2018, reflects the science and the political and social views at the time. Since then, Government policies around the nation, and indeed globally, have struggled to keep up with ever-increasing scientific evidence that our climate is changing at a faster rate than previously predicted (IPCC report AR6).

On 31 May 2022 the State Government declared a climate emergency reaffirming the urgent need to decarbonise the South Australian economy and shift to renewable sources of energy.

In mid-June this year, the Federal Labor government submitted its enhanced nationally determined contribution (NDC) to the UN Framework Convention on Climate Change secretariat, formalising a 43% emission reduction target by 2030.

The LGA has an opportunity to review its Climate Change policy to bring it in line with current scientific evidence and the current policy context at the Federal and State Government level. This will assist the LGA's advocacy activities on this important issue and meet the LGA's responsibilities of its Climate Commitment Action Plan.

### ***Proposed amendments***

The current primary statement at 4.4 Managing the Risks of Climate Change states as follows:

'Local government acknowledges that climate change poses a serious risk to local communities and ecosystems. All levels of government are urged to take action that will help address the effects of climate change in local communities.'

It is proposed to amend the primary statement to:

'Local government acknowledges that human-induced climate change is occurring and that urgent, ambitious, and immediate action is required at all levels of government to address the climate crisis by reducing emissions, and adapting to the impacts that are now unavoidable.'

The LGA supports the State Government's ambition to achieve a 50% reduction in emissions by 2030 and net zero emissions by 2050.

The LGA supports its member councils to take the meaningful and immediate actions required, and calls for strong leadership and coordination at all levels of government for ongoing, effective and adequately funded Commonwealth and State Government climate change policies and programs.’

The primary statement is supported by secondary policy statements in the Policy Manual addressing:

- 4.4.1 Partnerships;
- 4.4.2 Funding and Strategic Investment;
- 4.4.3 Embedding Climate Change Considerations;
- 4.4.4 Decision Making;
- 4.4.5 Consultation and Engagement;
- 4.4.6 Energy Reduction and Storage;
- 4.4.7 Greenhouse Gas Reduction Mechanisms;
- 4.4.8 Integrity; and
- 4.4.9 Electric Vehicles.

The proposed changes to the primary statements following consultation are explained in the attached consultation report

### ***Principles to guide the review***

In reviewing the LGA Policy Manual, a set of principles has been developed to help guide the revision of policy statements for consultation and endorsement by the LGA. According to these principles, LGA policy statements should:

- **be well-defined** - provide a clear and concise statement that reflects the LGA’s leadership position within its sphere of influence;
- **acknowledge** the impacts that the policy issue has on the environment, communities, and the economy;
- **convey urgency** – recognising the need for both immediate action and consideration of long-term impacts;
- **inspire action** – be ambitious and realistic, with a focus on the meaningful and practical measures local, state, and federal government can pursue;
- **prioritise** – demonstrate the level of priority that the LGA and its member councils place on the specific policy issue;
- **be relevant** - appropriately balance the various positions, declarations, and range of activities within the LGA membership; and
- **reflect** – the State government strategies and policies, and articulate the need for an integrated, collaborative approach with local government as a partner in government.

### ***Engagement Process***

The Policy Manual forms the position of the LGA on relevant issues. As such, it is important that the LGA’s member councils inform any amendment to the Policy Manual. To facilitate this engagement, an Issues Paper was prepared outlining the background, context and rationale for a review of the Policy Manual ‘s climate change statements.

The Issues Paper was distributed to councils via:

- Latest News dated 29 April 2022;
- CEO Update dated 5 May 2022; and
- Other subject matter newsletters distributed amongst council staff.

Councils were able to submit feedback as an endorsed motion from the council or from council officers. Most submissions were received via a survey which formed part of the Issues Paper. A consultation report has been prepared to explain the proposed changes to the Policy Manual and to summarise the council feedback received. The consultation report is attached.

### ***Submissions received***

Although only 12 submissions were received, those received were thoughtful and well-considered, providing useful guidance to the LGA Board of Directors. The responses were wide-ranging and span many perspectives on this complex issue. In that context, amendments proposed seek to address the concerns of the local government sector as a whole. The Policy Manual does not prevent individual councils from taking either or a more progressive or conservative approach to these issues.

### ***Recommended changes to the Policy Manual***

As per the principles above, the recommended approach is that policies need to be high-level so as not to become out of date when the State and Federal Governments change their policies, not be too extreme in either direction so as to alienate councils with opposing views, and not too detailed as to be unworkable as a policy to guide activity. Some councils have recommended advocacy activities for the LGA to be involved in, which is reasonable in the context of existing activities, but the LGA is not sufficiently resourced to advocate on all advocacy issues proposed.

### ***Next Steps***

If the proposed amendments to the Policy Manual are approved, the changes can be made soon after the Annual General Meeting and will be made available on the LGA website.

Elsewhere on the agenda, the Annual General Meeting will also be considering a separate Recommendation Report from GAROC on 'Responding to the Climate Emergency', an Item of Business proposed by the Town of Gawler which requests:

- a) an additional amendment to the Policy Manual to acknowledge the State Government's declaration of a Climate Emergency;
- b) the LGA commit to supporting the State Government in responding to the Climate Emergency; and
- c) the LGA commit to engaging with the State Government on developing a collaborative reform agenda towards:
  - i. Enabling councils and their communities to better access renewable energy, carbon offsets and technologies to reduce emissions (mitigation); and
  - ii. Improving disaster resilience and climate adaptation planning and response to extreme events (adaptation).

If the 'Responding to the Climate Emergency' item of business is approved by members at the Annual General Meeting the LGA will further update its Policy Manual to recognise the State Government's declaration of a Climate Emergency.

### ***Financial and Resource Implications***

The proposed amendments to the Policy Manual can be undertaken within existing resources. LGA advocacy on the issues associated with the Policy Manual will be undertaken as the opportunity arises.

## Consultation Report: Review of the LGA Policy Manual on Climate Change

4.4 Managing the Risks of Climate Change		Consultation feedback	LGA response
<b>Current Statement</b>	Local government acknowledges that climate change poses a serious risk to local communities and ecosystems. All levels of government are urged to take action that will help address the effects of climate change in local communities.	A range of responses were received, with some councils arguing the need for more ambitious targets for reaching net zero emissions, such as by 2050, and others not supporting the amendment at all.	The amendment was proposed to reflect recent science, evidence and practice. In light of consultation received, the LGA considers this is a reasonable approach for the local government sector. Individual councils may wish to advocate for more ambitious targets.
<b>Suggested Amendment</b>	Local government acknowledges that human-induced climate change is occurring and that urgent, ambitious, and immediate action is required at all levels of government to address the climate crisis by reducing emissions, and adapting to the impacts that are now unavoidable.  The LGA supports the State Government's ambition to achieve a 50% reduction in emissions by 2030 and net zero emissions by 2050.  The LGA supports its member councils to take the meaningful and immediate actions required, and calls for strong leadership and coordination at all levels of government for ongoing, effective and adequately funded Commonwealth and State Government climate change policies and programs.		
4.4.1 Partnerships		Consultation feedback	LGA response
<b>Current Statement</b>	Local government accepts that negative impacts from climate change are inevitable, and that building resilience to these impacts is a joint responsibility. Councils shall continue to be key partners in delivering a strategic response to climate risks, recognising obligations of other parties.	Some councils suggested more proactive language is used and sought clarity over 'obligations of other parties'.	While the LGA consultation proposed no change, it recognises in light of feedback that greater clarity is required. These additional changes are shown in yellow.
<b>Suggested Amendment</b>	Local government accepts that negative impacts from climate change are inevitable, and recognises that building resilience to these impacts is a responsibility shared by everyone. Councils shall continue to be key partners in delivering a strategic response to climate risks.		

4.4.2 Funding and Strategic Investment		Consultation feedback	LGA Comments
<b>Current Statement</b>	Building resilience to climate impacts will require significant funding and investment, both now and into the future. Councils shall continue to provide equitable levels of funding and investment, recognising it is incumbent on federal and state governments to subsidise the majority of expenditure required.	Most councils supported the proposed amendment but there was a suggestion to recognise the need for long-term financial planning	Given that most councils supported this statement, it is proposed that the current wording will remain.
<b>Suggested Amendment</b>	No Change		
4.4.3 Embedding Climate Considerations		Consultation feedback	LGA Comments
<b>Current Statement</b>	Climate risk and vulnerability assessments are vital in identifying climate impacts and determining appropriate actions. Councils shall ensure assessments are conducted with full consideration of available relevant information as part of all council strategic and operational planning processes across all functions and services.	There was feedback on the need to be responsive to new data, the responsibility of the State government to lead data collection and the need for the LGA to advocate on development and planning policy.	Given that most councils supported this statement, it is proposed that the current proposed wording will remain.  The LGA recognises the role of the State government in data collection and the importance of recognising climate considerations in planning policy but is wary of being overly prescriptive on advocacy issues which may quickly date the policy change.
<b>Suggested Amendment</b>	No Change		

4.4.4 Decision Making		Consultation feedback	LGA Comments
<b>Current Statement</b>	Local government understands that decisions made by councils must take account of all currently available climate data. Councils shall expand their knowledge base (such as development, tree management, coastal management) to ensure they are 'best informed to make well rounded decisions' (LGMLS).	Some councils suggested the need to improve local government capability in this area, the need for explicit reference to flood and fire risk mapping by the State Government and the need for regular updates on state and federal policies.	<p>The proposed amendment responded to the need identified by local government for greater standardization and availability of up-to-date and regionally relevant data related to climate change impacts and predictions. Examples include advocacy submissions to the Coast Protection Broad in relation to better information and planning on coastal hazards and risks, as well as a report on "Installation of Sea-level gauge at O'Sullivan Beach (Adelaide Plains)".</p> <p>This statement also touches upon Policy Position 5.2.4 Data: Local government recognises that creating the technological capabilities that are required to support future/ diversified economies is key to sustainable economic development. Councils, through the LGA, will continue to lobby and promote 'smart infrastructure' and 'digital economy' opportunities to ensure investment attractiveness is 'future proofed'.</p> <p>In response to feedback, it is suggested, that the statement be amended to include flood and fire data but that the call for regular updates is not required. These additional changes are shown in yellow.</p>
<b>Suggested Amendment</b>	Local government understands that decisions made by councils must take account of all currently available climate data. Local government supports improved availability and regionally relevant data to be provided through state government, so that councils can expand their knowledge base (such as <b>sustainable</b> development, tree management, coastal management, <b>bushfire management, flood mitigation and other</b> climate hazards) to ensure they are 'best informed to make well rounded decisions.' (LGMLS).		

4.4.5 Consultation and Engagement		Consultation feedback	LGA Comments
<b>Current Statement</b>	Tackling the impacts of climate change will require a societal shift in values. Councils should not solely rely on scientific / expert input, science and data when making decisions relating to climate change, but will also place emphasis on the outcomes of stakeholder and public consultation.	Some feedback expressed concern about the reliance on community input and sought greater leadership from the State Government on education.	The proposed statement recognises the need for community behaviour change being at the core of mitigating climate change, as well as increasing awareness, through engagement, as an important tool in building resilience amongst the community and adapting to a changing climate.  It is proposed to amend the suggested statement slightly to better explain community input as a factor when considering climate action. This additional change is shown in yellow.
<b>Suggested Amendment</b>	Tackling the impacts of climate change will require community involvement and effort, in partnership with government-led policy and services. Councils should not solely rely on expert input, science and data when making decisions relating to climate change, but <b>should also consider</b> the outcomes of stakeholder and public consultation for better informed decision making and to raise awareness within the community.		
4.4.6 Energy Reduction and Storage		Consultation feedback	LGA Comments
<b>Current Statement</b>	Reduction and storage technology costs have dramatically decreased resulting in short pay-back periods. Councils should undertake audits of facilities and practices that are energy intensive, and seek to reduce energy usage through installation of energy reduction and storage technologies.	Council feedback sought greater recognition of council role to contribute to associated policy development and reform	The proposed statement addressed the increase in councils pursuing meaningful change in reducing carbon emission across the sector. Recent support for improved advocacy regarding Carbon Neutral definitions and Green Power legislation, as well as many Councils pursuing Net Zero Emission strategies and plans.  In recognition of feedback from councils, it is proposed to amend the statement to include reference to the role of the LGA to contribute to associated policy development and reform. Local government has limited capacity to influence energy infrastructure, such as battery storage. This additional change is shown in yellow.
<b>Suggested Amendment</b>	Local government provides leadership in the community through proactive actions to reduce energy use and associated greenhouse gas emissions. Continual improvement in technologies mean that councils should undertake regular audits of facilities and practices that are energy intensive, seek to reduce energy usage as far as practicable through installation of energy reduction and storage technologies, <b>and contribute to associated policy development and reform where appropriate.</b>		



4.4.7 Greenhouse Gas Reduction Mechanisms		Consultation feedback	LGA Comments
<b>Current Statement</b>	There were significant environmental benefits to the carbon pricing scheme that was in effect from 2012-14 without causing detrimental effects on the economy. Local government supports the reintroduction of carbon pricing as an equitable means of reducing carbon emissions.	Some councils argued for the retention of this statement.	See comments above. Voluntary Carbon pricing mechanisms in place and it was proposed to remove this statement.  In light of consultation feedback, it is proposed to amend this statement to reflect the contemporary and developing carbon market within Australia (highlighted in yellow).
<b>Suggested Amendment</b>	Local government supports that voluntary carbon markets, including renewable energy, carbon offsets, and other low carbon products and services, be supported through clarified carbon accounting and legislation to ensure zero carbon outcomes are cost effective.		
4.4.8 Integrity		Consultation feedback	LGA Comments
<b>Current Statement</b>	Local Government supports the Paris Agreement (2016) and the Kyoto Protocol (2005) for the reduction of global greenhouse gas emissions and shall contribute towards the commitments made by the Federal Government to achieve national carbon emission reduction targets.	Council feedback indicated general support for the proposed amendment.	Australia was a signatory to the Glasgow Climate Pact (2021) following the COP26 Climate Change conference in November 2021. The package of decisions consists of a range of agreed items, including strengthened efforts to build resilience to climate change, to curb greenhouse gas emissions and to provide the necessary finance for both.  Given that most councils supported this amendment, it is proposed that the suggested wording will remain. The LGA considers this is a reasonable approach for the local government sector. Individual councils may wish to advocate for more ambitious targets.
<b>Suggested Amendment</b>	Local government supports the Glasgow Climate Pact (2021), the Paris Agreement (2016), and the Kyoto Protocol (2005) for the reduction of global greenhouse gas emissions and shall contribute towards the commitments made by the Federal Government to achieve national carbon emission reduction targets, and Net Zero Carbon by 2050		



4.4.9 Zero or Low-emission Vehicles		Consultation feedback	LGA Comments
<b>Current Statement</b>	Local government recognizes that electric vehicles provide for potential zero emission transport and reduce negative impacts such as toxic emissions, engine noise and greenhouse gas emissions and that councils, because of their roles and responsibilities as road authorities, infrastructure providers, fleet managers and representatives of their local communities, can support and encourage the use of electric vehicles through their planning, policies, investment and procurement activities.	A range of views were received. The Coorong District Council supported the amended secondary policy statements but requested that references to electric vehicles be changed to 'zero/low emissions vehicles' and include references to other fuel types such as hydrogen vehicles. Other councils also sought greater recognition of the importance of active transport as an alternative.	<p>The proposed amendment was a recently endorsed statement. A minor amendment for improved readability was proposed.</p> <p>In light of consultation feedback, it is proposed to rename this statement and include reference to the importance of all alternative fuels for the provision of low or zero emission transport. It is not proposed to include active transport which is a separate topic and is already included in LGA policy development such as the Guide to Road Safety.</p> <p>The additional proposed changes are shown in yellow.</p>
<b>Suggested Amendment</b>	Local government recognises <b>the need for widespread transition to zero emission transport and the role of emerging technologies to facilitate this</b> and reduce negative impacts such as toxic emissions, engine noise and greenhouse gas emissions. Therefore, as road authorities, infrastructure providers, fleet managers and representatives of their local communities, councils should support and encourage the use of <b>zero or low emission</b> vehicles through their planning, policies, investment and procurement activities.		

## Consultation summary: Review of the LGA Policy Manual on Climate Change

Summaries of submissions received are provided below:

**1. City of Adelaide** – council support for amended primary statement and the secondary statements.

The Council response addressed:

- the need for increased urgency of actions required;
- endorsement of the State Government’s emissions reduction target,
- the call for State and Commonwealth funding appropriately highlights the increasing cost burden of climate action and adaptation for local governments;
- In reference to the secondary statement on **decision-making**, support for increased emphasis on the need for good data;
- In reference to the secondary statement about **consultation**, acknowledging the role of community alongside government;
- In reference to the secondary statement about **energy reduction**, increased recognition of the leadership role of local government in reducing emissions; and
- In reference to the secondary statement about **integrity**, support for inclusion of the Glasgow Climate Pact.

**2. Adelaide Hills Council** – council officer support for amended primary statement and secondary statements.

**3. City of Burnside** – council support for amended primary statement except for the need for a more urgent emissions target, and support for the secondary statements except for the statements on decision-making, energy reduction and electric vehicles.

The Council response addressed:

- The Intergovernmental Panel on Climate Change (IPCC) report ‘Climate Change 2022: Mitigation of Climate Change’ which identifies that stronger policies are required to limit global warming below 3 degrees;
- The need for the LGA to advocate for a national commitment to at least match the State commitment for 2030 and support a call for more ambitious targets for reaching net zero (e.g., by 2040);
- In reference to the secondary statement around **decision-making**, the need for explicit reference to flood and fire risk mapping by the State Government and the need to build capacity in the local government sector;
- In reference to the secondary statement about **energy generation**, the need to broaden the statement to include energy for council facilities and a move towards electrification, as well as amending legislation to address double-counting in carbon accounting;

- In reference to the secondary statement about **integrity**, the need for a more ambitious target for reaching net zero (by 2040); and
- In reference to the secondary statement about **electric vehicles**, the need to reduce the cost of electric vehicles and improve charging infrastructure.

**4. Campbelltown City Council** – council opposition to amended primary statement, support for secondary statements except the secondary statement on consultation, removal of the statement on greenhouse gas emissions and the statement on electric vehicles.

The Council response addressed:

- The **primary statement** should clarify that any actions taken should be evidence-based, allowing for improvement and adaptation as new information arises, and also considers that as the revision statement is currently worded, it reads as if LGA is only calling for all levels of government to adapt on a corporate level suggesting the following amendment:
  - ‘Local government acknowledges that human-induced climate change is occurring and that urgent, ambitious, and **evidence-based** action is required at all levels of government to address the climate crisis by reducing emissions, and **putting in place the necessary processes and infrastructure to enable Community-wide adaptation of any unavoidable impacts.**’
- The need to call for higher national emissions reduction by 2030 and suggests the following:
  - ‘The LGA supports the State Government’s ambition to achieve a 50% reduction in emissions by 2030 and net zero emissions by 2050, **and calls for similar ambitious emissions reduction targets to be consider at a national level.**’
- In reference to the secondary statement about **partnerships**, the Council supports the statement but queries the meaning of ‘recognising obligation of other parties’ and suggests the following:
  - ‘Local government accepts that negative impacts from climate change are inevitable, and **recognises** that building resilience to these impacts is a responsibility **shared by everyone**. Councils shall continue to be key partners in delivering a strategic response to climate risks.’
- In reference to the secondary statement about **embedding climate considerations**, the Council supports the statement noting that climate science evolves quickly as new information arises, so climate risk needs to be assessed regularly, and suggests the following:
  - ‘Climate risk and vulnerability assessments are vital in identifying climate impacts and determining appropriate actions. Councils shall ensure assessments are conducted **periodically** with full consideration of available relevant information as part of all council strategic and operational planning processes across all functions and services’.

- In reference to the secondary statement about **decision-making**, the Council notes the LGA's acknowledgement of the need for immediate and ambitious action by all levels of government (including state and federal), it is expected that there should be drastic policy and systemic change and suggests the following:

'Local government understands that decisions made by councils must take account of all currently available climate data. Local government supports improved availability and regionally relevant data to be provided through state government, so that councils can expand their knowledge base (such as **sustainable** development, tree management, coastal management, **bush fire management, flood mitigation and other** climate hazards) to ensure they are best informed to make well rounded decisions (LGMLS). **Local government also calls for regular updates on state and federal policies and issues that may impact councils' climate mitigation and adaptation response.**'

- In reference to the secondary statement about **consultation**, the Council supports the first sentence of the proposed change in statement, but strongly disagrees with the second sentence which it says reads as if all decisions are to be made based on stakeholder inputs before informing relevant stakeholders of the relevant topics, as raising awareness within the community is only meant to be a product of the public consultation. It suggests the following:

'Tackling the impacts of climate change will require community involvement and effort, in partnership with government-led policy and services. Councils should **strive to partner with the community, aiming to build a climate resiliency by raising awareness and allowing for open communication through stakeholder and public consultations. Where appropriate, decisions relating to climate change should be made in consideration of community and expert input, financial & economical stability, as well as available data to ensure any decisions made would be well-informed and tailored for local conditions.**'

- In reference to the secondary statement about **greenhouse gas reductions**, the Council does not support the proposal to remove this statement and noted that removing this section is in direct conflict of part two of the overarching policy statement. It believes that greenhouse gas reduction is a necessary and important part of mitigating climate change and should not be removed. Understanding that the removal of this statement may be due to the 2012-2014 carbon pricing being presently irrelevant, it suggests updating the statement to:

**'Local government supports that voluntary carbon markets, including renewable energy, carbon offsets, and other low carbon products and services, be supported through clarified carbon accounting and legislation to ensure zero carbon outcomes are cost effective.'**

- In reference to the secondary statement about **electric vehicles**, the Council does not support the proposed amendment, stating that it believes the statement should be broadened to hydrogen-powered vehicles, as well as other forms of sustainable transport such as cycling and walking, suggesting the statement reads:

'Local government recognises the need for widespread transition to zero emission transport and acknowledges the increasingly important role of electric vehicles, active transport, and other emerging technologies to help us do so. Therefore, as road authorities, infrastructure providers, fleet managers and representatives of their local communities, councils should support and encourage the use and uptake of sustainable transport through their planning, policies, infrastructure providence, investment and procurement activities.'

**5. City of Charles Sturt** – council support for amended primary statement and for some of the secondary statements.

The Council response addressed:

- Need for more urgent language, such as 'encourages' councils rather than 'supports' councils to take action in the primary statement;
- Support for the secondary statement on **partnerships**, but believes the language is dismissive and should be more proactive to encourage councils to work with their communities, adding words, 'we recognise the obligations of other parties to adapt and mitigate climate change impacts in a collaborative manner';
- Support for the secondary statement on **funding**, but noted the need for long-term financial planning;
- Lack of support for the secondary statement on **embedding climate change considerations**, seeking inclusion of the words 'encourage state-led collaboration with all levels of government to achieve climate change targets and better understand climate change risks through hazard data';
- Support for the secondary statement on **decision-making**, as it strengthens the role of State Government to provide overarching data (which it is currently working towards) and will encourage all councils to utilise this data for the purposes of future planning and financial considerations;
- Support for the secondary statement on **consultation** although suggesting increased emphasis on the role of State government in leading education to support behavioural change;
- Support for the secondary statement on **energy reduction**, although seeking for this work to be ongoing;
- Lack of support for removal of the secondary statement about **greenhouse gas emissions** as it is still relevant. Suggests following rewording:

'Local government continues to support carbon pricing as an equitable means of reducing carbon emissions and recognises the need to prepare for the transition to a low carbon economy. Local government should work with partners to pursue sector-based initiatives that will assist with this transition towards net zero targets'.

- Support for the secondary statement about **integrity**, noting support for more urgent targets to net zero; and
- Support for the secondary statement about **electric vehicles**, noting the need to refer also to active transport and the need to include walking and cycling in planning policies.

**6. Coorong District Council** – council opposition to amended statement but support for amended secondary statements.

The Council response addressed:

- Lack of clarity on potential implications for regional councils and communities;
- Lack of acknowledgement of regional differences and potential non-alignment with the National Farmers Federation Climate Change Position;
- The declaration of a climate emergency is viewed as less relevant compared to definitive action within individual council capacity and support by State and Commonwealth Governments;
- Support for the draft suggested amendments to the secondary LGA Climate Change policy statements with amendment to the secondary statement about **electric vehicles** to be re-titled 'Zero / Low emissions vehicles' and include references to other fuel types such as hydrogen and broad range of vehicle types utilised by the local government sector; and
- The need for LGA policies and actions to address the climate change to be consistent with National Farmers Federation Climate Change Position and are fully examined to ensure that the policy levers of Government work cohesively to achieve national objectives, while minimising the risk of unintended or perverse outcomes.

**7. District Council of Grant** – council support for amended primary statement.

**8. Regional Council of Goyder** – council support for amended primary statement with the exception of the first paragraph.

**9. City of Marion** – council support for amended primary statement and for some of the secondary statements.

The Council response addressed:

- The importance of ambitious targets for emissions reduction, especially with new State and Federal Governments.
- In reference to the secondary statement about **partnerships**, the importance of collaboration across governments and the role of the Regional Climate Partnerships as a key mechanism to address support this.
- In reference to the secondary statement about **funding**, the Council values continued funding from State and Federal government to support local action on climate change.
- In reference to the secondary statement about **embedding climate considerations**, the Council did not support this statement and noted the important role of urban planning and development assessment in embedding climate considerations and suggested the statement be reworded to reflect the role the LGA can play in advocating for stronger climate outcomes in development and planning policy.
- In reference to the secondary statement about **decision-making**, the Council supported the statement and noted the importance of the State government's role in data collection.
- In reference to the secondary statement about **consultation**, the Council supported the statement and noted the need for community education to build resilience to the impacts of climate change.
- In reference to the secondary statement about **energy reduction**, the Council supported the statement and noted the role for the LGA to continue to contribute to policy development and reform in the renewable energy development and storage space.
- In reference to the secondary statement about **greenhouse gas reductions**, the Council does not support the proposed removal of the statement as carbon pricing is an equitable means of reducing carbon emissions.
- In reference to the secondary statement about **integrity**, the Council does not support the proposed change, suggesting that the LGA could have a role in advocating towards greater integrity around the carbon offset market and seeking specific reference to global targets that limit warming to 1.5 degrees and including additional statements related to transparency and fairness in relation to carbon accounting.
- In reference to the secondary statement about **electric vehicles**, the Council did not support this statement, noting that this statement should be broader than just electric vehicles but also applying to all forms of sustainable transport, such as walking, cycling and public transport that will all require significant infrastructure investments and supportive planning contexts at all levels of government. The Council believes the LGA can play a role in coordinating efforts and advocating for sustainable transport outcomes on behalf of the sector. It suggests renaming the statement to 'Sustainable Transport' with some additional wording to reflect the need for a broader conversation and advocacy about mobility that encompasses not just EVs but also other modes of transport such as walking, cycling and public transport.



**10. City of Playford** - administration support for amendments proposed.

**11. Town of Gawler** - council support for amended primary statement and for some of the secondary statements.

The Council response addressed:

- The need for a more urgent net zero emissions target, noting that South Australia will play an increasing role as a major renewable electricity supplier to the East Australia Grid;
- A lack of support for the secondary statement about **funding**, including reference to funding for regional climate partnerships;
- In reference to the secondary statement about **decision-making**, noting the needs for the local government sector need to build knowledge of areas such as mitigation policy, carbon accounting, renewables accounting, current risks and pitfalls and prevention of double counting. It is suggested that the statement is edited to include:

'Local government understands that decisions made by councils must take account of all currently available climate data and policy.

**ADAPTATION** - Local government supports improved availability and regionally relevant data to be provided through state government, so that Councils can expand their knowledge base (such as development, tree management, coastal management, climate hazards) to ensure they are best informed to make well rounded decisions (LGMLS).

**MITIGATION** - Local government supports councils to participate in low carbon markets for renewable electricity, carbon offsets and other low carbon products and services. This includes up to date briefings on policy and issues that create risks to cost, certainty and reputation for councils and their communities) to ensure they are best informed to make well rounded decisions (LGMLS).'

A suggested addition to the paragraph on climate adaptation:

'The State Government must play a key role in in providing data that is to be collected across regions and the state, (such as spatial data and services in heat mapping, canopy cover, LIDAR, accurate bushfire statistics including cause analysis, flooding frequency data to underpin sound decision making.'

- Support for the secondary statement about **consultation**, suggesting inclusion of words 'to raise awareness within the community'.
- Support for the secondary statement on **energy reduction**, but suggesting an amendment:



'Local government provides leadership in the community through proactive actions to reduce energy use and associated greenhouse gas emissions. Continual improvement in technologies mean that councils should undertake regular audits of facilities and practices that are energy intensive, **contribute to associated policy development and reform** and seek to reduce energy usage as far as practicable through installation of energy reduction and storage technologies.'

- No support for the removal of the secondary statement on **greenhouse gas emissions**, suggesting an amendment to:

'As the Australian Government has not progressed carbon pricing or emissions trading, it is important to ensure that voluntary carbon markets including renewable electricity, carbon offsets and other low carbon products and services are supported and clarified in accounting and legislation. This is critical for Local Government and their communities for achieving zero carbon outcomes that are cost effective'.

- Support for the secondary statement on **integrity** suggesting an additional paragraph:

'Domestic and international schemes used by councils and communities, need to be audited and confirmed ensuring a level of integrity. This includes reforms to underpin Australia's voluntary carbon markets with a legislated economy wide market-based greenhouse gas and renewables accounting framework to ensure clarity, equity, fairness and integrity for all participants.'

- Support for the secondary statement on electric vehicles.

## **12. City of West Torrens** - council support for amended primary statement and for all of the secondary statements.

The Council response addressed:

- The need for clarity around what does 'supporting the State Government's ambition' actually mean in terms of commitment and cost and while the LGA's ambition is supported, it should not be at any cost. There needs to be a balanced approach which considers the effects on ratepayers and the wider community to achieve this very ambitious target. The pressure on infrastructure and services provided by local governments needs to be recognised by state and federal governments through appropriate funding mechanisms.
- Support for the no changes proposed to the secondary statements on **partnerships, funding and embedding climate change considerations**.
- Support for the proposed secondary statement on **decision-making**, noting the importance of use of Urban Heat Mapping and tree canopy data, which has recently been updated on a metropolitan-wide scale, as an example of how this model can work successfully at the broader scale and help to leverage greater outcomes for our community at a reduced cost.

- Support for the proposed secondary statement on **energy reduction and storage**, noting the importance of the demonstrated leadership role of councils and the activities the Council already undertakes to reduce emissions.
- Support for the proposed removal of the secondary statement on **greenhouse gas reduction emissions** as no longer relevant.
- Support for the proposed amendment of the secondary statement on **integrity** to reflect recent changes.
- Support for the proposed amendment of the secondary statement on **electric vehicles** but urges support for alternative zero emission energy/fuel initiatives.

## 9.2 Housing Supply, Affordability and Homelessness

### Recommendation Reports from the LGA Board of Directors

Submitted by:	LGA Secretariat	
Approved by:	LGA Board of Directors	
Meeting	Annual General Meeting	28 October 2022
ECM:	782364	

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### Recommendation

That the Annual General Meeting requests that the LGA calls on the State Government to:

1. acknowledge the statewide housing crisis in South Australia;
2. establish a Regional Housing Crisis Taskforce, which features suitable representation from State Government agencies and the local government sector, to develop a roadmap for increasing regional housing supply;
3. host a South Australian housing summit to inform the development a whole-of-government response to the statewide housing supply, affordability and homelessness issues, including:
  - a. supply of worker housing in regional South Australia;
  - b. support community driven efforts to identify people experiencing homelessness by name;
  - c. investigate how homelessness support services can be most effectively and sustainably coordinated; and
  - d. increase funding to expand the stock of social and community housing;
4. support local government's calls, made at ALGA's 2022 National General Assembly, that the Australian Government:
  - a. host a national affordable housing summit to identify the regional, state, and national issues to be addressed to deliver housing solutions to communities through local, state, and federal government in a whole-of-government response to be tailored for respective community needs;
  - b. fund further national housing research, specific to understanding housing affordability, housing supply and demand, and housing accessibility across rural and regional Australia;
  - c. develop and implement a collaborative program, involving all levels of government, to address housing concerns in rural and regional Australia; and
  - d. commit to implementing a funding stream, specific to rural and regional local governments, allowing them to undertake LGA-specific housing research; and to prepare and implement LGA-specific housing plans (aligning to the relevant State Housing and Homelessness Strategies prepared under the NHHA); and

- 5. delivers its election commitment to hold quarterly cabinet meetings with the local government sector and use this important engagement to discuss these housing challenges and opportunities with the Local Government Association of South Australia.**

## **LGA Board of Director's Comments**

The LGA Board of Directors agreed with a proposal from the LGA Secretariat for an Item of Business to further progress the research and advocacy activities that have been undertaken (with support of the SAROC and GAROC committees) in response to previous Items of Business carried at LGA General Meetings regarding regional housing, affordability and homelessness.

In supporting and recommending this Item of Business, the LGA Board of Directors noted the opportunity to continue to take a proactive approach to advocacy on this issue and partnering with state and federal government wherever possible to ensure that Governments rely on our contribution to policy leading to better outcomes for communities.

The Board has also asked the LGA Secretariat to gather further evidence regarding the housing supply crisis from affected regional and metropolitan communities.

## **LGA Officer's Comments**

**(Officer: Lea Bacon, Acting Executive Director Public Affairs)**

### ***SAROC Regional Housing Toolkit***

For many years, pockets of regional South Australia have experienced housing shortages, limiting opportunities for economic development, employment and population growth.

However, coinciding with the COVID-19 pandemic, communities have experienced worker housing shortages spread throughout regional South Australia.

Part of the reason for this is that whereas housing shortages had previously been geographically confined to a small number of locations which featured major private sector investment projects, substantial investments are now forecast for every South Australian region.

To put this into context, in its October 2021 Regional Blueprint, Regional Development South Australia (RDSA) forecasts a five-year \$36.35 billion investment pipeline across regional South Australia.

This significant pipeline of investment may be put at risk if workers cannot be housed.

The SAROC Committee at its meeting held on 29 July 2021 endorsed the use of a Regional Housing Consultancy Brief to tender for a consultant to produce a policy toolkit resource for regional councils encountering housing supply shortages, which features both policy tools designed to assist individual councils and an advocacy agenda for the LGA/SAROC to pursue on behalf of regional councils.

Following a 'Request for Quote' process, Leonie Boothby & Associates Pty Ltd were selected for this project, and SAROC received a 'Report to Inform the Development of a Regional Housing Policy Toolkit' from Leonie Boothby & Associates at its 26 May 2022 meeting (the report is attached to the SAROC agenda on the [LGA's website](https://www.lga.sa.gov.au/)<sup>1</sup>).

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<sup>1</sup> [https://www.lga.sa.gov.au/\\_data/assets/pdf\\_file/0018/1151631/SAROC-Committee-Agenda-26-May-2022.pdf](https://www.lga.sa.gov.au/_data/assets/pdf_file/0018/1151631/SAROC-Committee-Agenda-26-May-2022.pdf)

Stakeholders included in the report's consultation process were regional council staff (chief executives, planners, and economic development practitioners), representatives of State Government agencies, the Planning Institute of Australia SA (PIA), planning consultants, the Urban Development Institute of Australia SA (UDIA), Master Builders South Australia (MBASA), and the Housing Industry Association SA (HIA).

The Leonie Boothby & Associates report provides much of the evidence base needed to produce the Regional Housing Policy Toolkit's two outputs (still to be finalised):

1. An online framework, which outlines a range of roles and actions that individual councils can take to assist in addressing identified regional housing supply barriers in their locations.
2. An advocacy agenda, outlining a series of recommendations for advocacy to other levels of government and stakeholders for further investigation, discussion, collaborative action, and policy reform.

Regarding the online framework, the Leonie Boothby & Associates report provided the following key insights:

- The value to councils of establishing and updating local and/or regional housing supply and demand audits, and guidance on how to develop these audits through various publicly available and subscription-based data sets, for the purposes of presenting these audits as a prospectus for potential investors, and as evidence of market failure to other levels of government.
- Financial supports (loans, grants and equity finance) potentially available for residential infrastructure projects through the National Housing Finance and Investment Corporation's (NHFIC) National Housing Infrastructure Facility.
- Options to encourage housing diversity.
- SA case study examples of rates rebates provided to reduce developer financial risk or encourage employer investment in regional housing (Renmark Paringa Council and Southern Mallee District Council).
- SA case study example of the significantly subsidised sale of council-owned land for residential development (District Council of Karoonda East Murray).
- Innovative SA case study example which combined contributions and inputs from many stakeholders, including various government capital grants, and the provision of council-owned land to build worker housing (Unity Housing Project – Yorke and Mid North).

Regarding the development of an advocacy agenda, the Leonie Boothby & Associates report offered 47 separate recommendations for SAROC consideration.

The most prominent of these recommendations were incorporated into a SAROC Discussion Paper, 'Regional Housing Policy Advocacy', which highlighted the background context and next step recommendations under the following solution themes:

- Increased Investment in Public Housing
- Regional Plans
- Connection between Data and Effective Case Management
- Financing / Incentivising Regional Development
- Funding for Essential Services Infrastructure

Based upon this discussion paper, the SAROC Chair, Mayor Erika Vickery OAM, wrote to several state and federal government ministers requesting consideration of several policy reforms, as well

as further information about policy commitments of the newly elected Albanese Government. These advocacy requests are summarised below.

### *'Asks' of the State Government*

1. Because the challenges associated with regional housing supply cut across the three tiers of government, as well as multiple portfolios, solutions to removing the barriers to regional residential development will require whole-of-government engagement and cross-government responses.

This acknowledgment underpinned the LGA State Election Platform's request that the new State Government:

*“Commit to working in partnership with councils to develop a roadmap for increasing regional housing supply that includes better incentives for private development in regional areas and alternative funding models for affordable housing projects and associated infrastructure, including a process to secure government funds.”<sup>2</sup>*

At this critical juncture, therefore, the SAROC Chair requested of the Premier that a Regional Housing Crisis Taskforce be established, which features suitable representation from State Government agencies and the local government sector, in addition to sufficient staff resourcing to progress associated follow-up work.

2. The SAROC Chair also requested:
  - a. that consideration be given to Renewal SA making available suitably qualified case management staff, based in regional areas, to conduct regional data analysis and regional housing business case development.
  - b. advice on whether there are any resource or policy barriers which explain why Renewal SA is not currently engaging in any regional residential projects, at a time when severe housing shortages are being experienced throughout regional South Australia.
  - c. that the State Government consider establishing grant funding support for the installation or expansion of essential services infrastructure systems through a Regional Development Housing Infrastructure Fund.
  - d. that financial incentives be considered which may incentivise investment in regional South Australian housing, including exempting or reducing stamp duty taxes on regional residential property purchases, including from first home buyers.

### *'Asks' of the Federal Government*

1. SAROC is interested to learn how the National Housing Supply and Affordability Council will operate, and specifically how regional SA councils can most effectively inform its deliberations through providing evidence of the causes of regional SA housing shortages, case study examples of effective localised council housing interventions, and proposed policy solutions.
2. Regarding the construction of social and affordable homes through the Housing Australia Future Fund, SAROC is interested to learn about the criteria which will be used to determine the locations of the proposed 20,000 new social housing dwellings and the 10,000 affordable homes for frontline workers, to be built during the fund's first 5 years.

<sup>2</sup> LGA, *Local Voices for a resilient South Australia*, p. 10, [https://www.lga.sa.gov.au/\\_data/assets/pdf\\_file/0020/1084241/LGA\\_State\\_Election\\_Platform\\_Web.pdf](https://www.lga.sa.gov.au/_data/assets/pdf_file/0020/1084241/LGA_State_Election_Platform_Web.pdf)

3. SAROC requests that the Australian Government consider designing a new program that seeks to address the shortage of affordable rental housing in regional SA by offering financial incentives for property developers, not-for-profit organisations, and community housing providers.
4. SAROC requests that the Australian Government consider lowering the development project value threshold for access to the National Housing Infrastructure Facility, given the smaller scale of viable residential developments in regional South Australia.
5. SAROC requests that the Australian Government investigate whether the expansion of the eligibility for the remote area housing benefit Fringe Benefit Tax exemption will increase the supply of regional SA worker housing.

### ***Housing Affordability and Homelessness – LGA / ALGA Resolutions***

The following passages list the resolutions carried at LGA and ALGA meetings over the past 12 months regarding both housing affordability and homelessness, and detail the actions taken (where applicable).

#### ***LGA Annual General Meeting, October 2021***

##### **Homelessness (City of Port Adelaide Enfield)**

*Moved Port Adelaide Enfield. Seconded Salisbury. That the Annual General Meeting requests the LGA to:*

1. *support the Everybody's Home Campaign which calls on the Australian Government together with States and Territories to commit to a national plan to end homelessness by 2030 which addresses all the drivers of homelessness;*
2. *call on the South Australian Government to support community driven efforts to identify people experiencing homelessness by name; and*
3. *support these efforts through joint advocacy and investigate how homelessness support services can be most effectively and sustainably coordinated.*

##### **LGA Action:**

The LGA signed the Everybody's Home Campaign and supported ALGA's advocacy for local government inclusion in a reformed National Housing and Homelessness Agreement, including at an October 2021 local government consultation forum, which formed part of the Productivity Commission's ongoing Housing and Homeless Agreement Review.<sup>3</sup>

This advocacy contributed to the Albanese Government – prior to its election – committing to the development of a National Housing and Homelessness Plan, which will include the states, territories, local government, and other key stakeholders, and be targeted at addressing the nation's severe housing crisis.

This motion was also the catalyst for collaborative work between the LGA and the South Australian Alliance to End Homelessness (SAAEH), an emerging state-wide collective of homelessness service providers, charitable organisations, government agencies, and business representatives committed to ending rough sleeping homelessness.

The SAAEH are working in partnership with the South Australian Housing Authority (SAHA) to achieve one of the objectives in the SAHA 'Strategic Plan 2020-2025',<sup>4</sup> to achieve 'Functional Zero' for rough sleepers.<sup>5</sup>

<sup>3</sup> See: <https://www.pc.gov.au/inquiries/current/housing-homelessness/issues>

<sup>4</sup> SA Housing Authority, *SA Housing Authority Strategic Plan 2020-2025*, p. 14, [https://www.housing.sa.gov.au/data/assets/pdf\\_file/0020/219062/SA-Housing-Authority-Strategic-Plan-2020-to-2025.pdf](https://www.housing.sa.gov.au/data/assets/pdf_file/0020/219062/SA-Housing-Authority-Strategic-Plan-2020-to-2025.pdf)

<sup>5</sup> 'Functional Zero' for rough sleepers is achieved when a community's average monthly housing placement rate is more than the number of people sleeping rough.



The role of the SAAEH is envisaged to facilitate the transformation of the homelessness and social housing sectors in South Australia by enabling the integration of the supports and services provided through the Advance to Zero methodology to achieve and sustain Functional Zero for rough sleepers. The City of Adelaide employed the Advance to Zero methodology in the Adelaide Zero Project to address rough sleeping in the Adelaide CBD.

Part of this methodology includes the production and maintenance of a quality, real-time 'By-Name List' used to identify and digitally record the individual service needs of individuals sleeping rough, efficiently connect people with the services they need, and thereby address some of the causes of rough sleeping homelessness.

The SAAEH is working with SAHA to roll out the Advance to Zero methodology, through localised pilot projects, administered through SAHA's homelessness service provider alliance structure.

As part of this collaborative work, LGA representatives attended a Local Government Homelessness Forum at the City of Adelaide on 5 July 2022, featuring council community service staff and representatives of SAHA's homelessness service provider alliance structure.

At this forum council staff reinforced the variance evident in the depth, quality and maturity of social welfare services available to rough sleepers in different communities, including across the metropolitan Adelaide area.

Staff also reinforced the effective working relationships between councils and SAHA's homelessness service provider alliance structure, as well as the investment some councils were making in this space (e.g., the City of Port Adelaide Enfield has recently employed a staff member for a 12-month period to work on homelessness alleviation).

The LGA also co-hosted a Rough Sleeper Homelessness Forum with the SAAEH on 4 August 2022, targeted at elected members and council CEOs, which detailed the international success of the Advance to Zero methodology, and explored how a quality, real-time 'By-Name List' may be expanded beyond the inner-city Adelaide area.

The LGA will continue to collaborate with the SAAEH to explore resourcing options for this initiative and liaise with member councils who are actively partnering with SAHA's homelessness service providers on localised projects. Opportunities to showcase the project successes and/or learnings at future LGA events will also be actively explored.

### **Regional Homelessness (and Housing Affordability) (City of Mount Gambier)**

*Moved Mount Gambier. Seconded Wattle Range. That the Annual General Meeting requests the LGA to write to: the Prime Minister, The Hon Scott Morrison MP; The Hon Michael Sukkar MP, Minister for Homelessness, Social and Community Housing; the Premier of South Australia, The Hon Steven Marshall MP; and The Hon Michelle Lensink MLC, Minister for Human Services advocating for increased funding to expand the stock of social and community housing in regional South Australia, with copies sent to regional Federal and State Members of Parliament.*

#### LGA Action:

Given the anticipation of a Federal Election soon after the LGA's 2022 AGM, and in the interests of maintaining clear advocacy positions, the requested ministerial correspondence was not sent prior to the 2022 state and federal elections.

However, advocacy for increased housing supply featured prominently in both ALGA's 2022 Federal Election Platform, *Don't Leave Local Communities Behind*, as well as the LGA's 2022 State Election Platform, *Local Voices for a resilient South Australia*.

Partly as a result of ALGA's policy advocacy, the Albanese Government brought several policies into office targeted at increasing the supply of social and affordable housing, including:



- The establishment of a National Housing Supply and Affordability Council (including local government representation).
- The establishment of a \$10 billion Housing Australia Future Fund, expected to finance the construction of 30,000 social and affordable homes over its first 5 years.
- The development of a National Housing and Homelessness Plan, in conjunction with states, territories, local government, and other key stakeholders.
- The introduction of a Help to Buy scheme, assisting 10,000 people per year purchase their home through a shared equity model.
- The introduction of a Regional First Home Buyer Support Scheme, assisting 10,000 people per year purchase their first home in regional Australia.

The Malinauskas Government also announced in its first budget (State Budget 2022-23) a \$177.5 million Public Housing Improvement Program, which features the construction of 400 new public housing dwellings (including 150 in regional SA), major maintenance works on 350 untenanted public housing dwellings, and maintenance work on a further 3,000.

The SAROC Chair, Mayor Erika Vickery OAM, has also written to the Australian Government's Minister for Housing and Homelessness, Hon Julie Collins MP (dated 25 August 2022), requesting information about the criteria which will be used to determine the locations of the Albanese Government's proposed 20,000 new social housing dwellings and 10,000 affordable homes for frontline workers, to be built during the Housing Australia Future Fund's first 5 years.

### *LGA Ordinary General Meeting, April 2022*

#### **Rough Sleeper / Homelessness Initiative (Town of Gawler)**

*Moved Gawler. Seconded Salisbury. That the Ordinary General Meeting requests the LGA to:*

- 1. support and actively advocate for the provision of lockers in appropriate locations across all South Australian Local Government areas. Lockers to be made available via participating charity services, issued to people living rough or experiencing homelessness to store their belongings in a safe and dignified way;*
- 2. ensure support for people in these situations is collectively encouraged across the entire local government sector in South Australia on an ongoing basis, and request the LGA be represented within the current governance structure of the SA Alliance to End Homelessness; and*
- 3. support the formation and work of the SA Alliance to End Homelessness, including by committing to the principles contained in the Memorandum of Understanding by signing the MOU between the Institute of Global Homelessness and South Australian stakeholders (including the State Government).*

#### LGA Action:

LGA Secretariat staff have highlighted the Town of Gawler's locker provision idea at forums featuring council staff and elected members, such as those mentioned above.

The LGA will also liaise with the Town of Gawler to monitor the local development of this model and look for opportunities to showcase the project's success and/or learnings at a future LGA event.

The SAAEH is currently developing a governance framework.

As part of this development, the LGA has participated in two preliminary workshop meetings (held on 12 April and 4 August 2022) which were partly focused on developing the SAAEH's governance

framework. Each included approximately 20-25 participants from SAHA's homelessness service provider alliance structure, as well as other interested stakeholders from the charitable sector.

At these sessions, the LGA emphasised the following points:

- As the closest level of government to South Australian communities, councils are aware of the growing incidence of rough sleeping homelessness.
- South Australian councils want to participate in lessening the incidence of rough sleeping homelessness through collaborative actions involving the State Government and service providers in the charitable sector.
- However, South Australian councils cannot provide services they are not resourced to maintain.
- In this context, a collaborative working group needs to be established which includes representatives from all relevant stakeholders, to discuss viable actions and the resources required for their fulfilment.
- The local government sector's role in this space is likely to be that of a facilitator – connecting service providers/charities and recording/reporting local data.

In this context, the governance framework of the SAAEH is likely to provide an effective vehicle for the local government sector to:

- Share local intelligence regarding the occurrence and service demands of rough sleepers.
- Detail actions taken by councils to alleviate affordable housing shortages.
- Advocate for State Government policy/regulatory change and/or increased funding supports.

The LGA is also working closely with the SAAEH to arrange an opportunity for the LGA President to sign an updated MOU between the Institute of Global Homelessness and South Australian stakeholders, including the newly elected Malinauskas Government.

### **Stamp Duty on Residential Property in South Australia (Barunga West Council)**

*Moved Whyalla. Seconded Wattle Range. That the Ordinary General Meeting requests the LGA to call on the South Australian Government to investigate options to exempt or reduce stamp duty taxes on regional residential property purchases to incentivise regional migration and increase regional residential demand, including from first home buyers.*

#### LGA Action:

This policy option was included for investigation in correspondence sent from the Chair of SAROC, Mayor Erika Vickery OAM, to the Treasurer, Hon Stephen Mullighan MP (dated 25 August 2022).

### *ALGA National General Assembly, June 2022*

The ALGA 2022 National General Assembly deliberated upon several motions relating to housing affordability and homelessness. These are listed below.

#### **Motion 32 Whitsunday Regional Council QLD**

This National General Assembly calls on the Australian Government to host a national affordable housing summit to identify the regional, state, and national issues to be addressed to deliver housing solutions to communities through local, state, and federal government in a whole-of-government response to be tailored for respective community needs.

*Carried*

### **Motion 33 City of Mount Gambier SA**

This National General Assembly calls on the Australian Government to:

1. Fund further national housing research, specific to understanding housing affordability, housing supply and demand, and housing accessibility across rural and regional Australia;
2. Develop and implement a collaborative program, involving all levels of government, to address housing concerns in rural and regional Australia; and
3. Commit to implementing a funding stream, specific to rural and regional local governments, allowing them to undertake LGA-specific housing research; and to prepare and implement LGA-specific housing plans (aligning to the relevant State Housing and Homelessness Strategies prepared under the NHHA).

*Carried*

### **Motion 34 North Sydney Council NSW**

This National General Assembly calls on the Australian Government to establish a Royal Commission into housing affordability.

That the terms of reference include consideration of the impacts of historical low housing affordability on productivity, intergenerational equity, public health including mental health, educational opportunities and equity.

*Lost*

One other motion, relating to housing affordability was not debated on the floor of the 2022 National General Assembly – due to time constraints – and was instead considered at the ALGA Board meeting, held in July 2022.

### **Motion 94 Broken Hill City Council NSW**

This National General Assembly calls on the Australian Government to create a regional mining city tax incentive to equalise the current remote area Fringe Benefit Tax concessions from 50% to 100% to enable all employees residing in mining cities and remote mining communities across Australia access to the same allowances as their employers.

The tax incentive will assist to drive regional relocation, to smooth out the volatility of housing prices with the aim to address the regional housing affordability crisis across Australia (especially in regional areas affected by the boom-bust cycle of mining industries).

That a trial program be run, with the five mining Cities that make up the Australian Mining Cities Alliance, being Broken Hill City Council (NSW), Isaac Regional Council (QLD), Mount Isa City Council (QLD), City of Karratha (WA) and City of Kalgoorlie Boulder (WA), with the view to prove the theory in practice and value of the tax incentive for broader application.

*Carried*

ALGA has written to the Hon Julie Collins MP, Minister for Housing and Homelessness, requesting that she investigate the issues and proposals included in the motions carried above.

### *Housing summit*

The LGA's GAROC committee has noted the importance of housing, homelessness and housing affordability issues in both metropolitan and regional South Australia.

At its meeting on 4 July 2022, GAROC requested the LGA Secretariat outline options and recommendations to the LGA Board of Directors for a housing summit, which would involve input from all three levels of government to consider South Australian housing affordability issues.

In line with LGA/SAROC's current advocacy that the State Government commit to working in partnership with councils to develop a roadmap for increasing regional housing supply, it is recommended that the 'housing summit' in South Australia is led by the State Government.

A state-led summit, with support and co-design from the local government sector and other key stakeholders and industry associations would provide the leadership and legitimacy required to enable whole-of-government engagement and cross-government and stakeholder responses.

It is anticipated that a South Australian housing summit would put South Australia in a proactive position to inform any potential forthcoming national affordable housing summit as requested by delegates at the ALGA 2022 National General Assembly.

### ***Financial and Resource Implications***

This activity is now anticipated in the LGA's work program. However, depending on the level of further investigations and advocacy to support local governments position additional resources maybe required.

# Attachment 2



Recommendation Reports from the SAROC Committee			
#	Recommendation	Comments	Recommended Voting Position
7.1	That the Annual General Meeting requests the Local Government Association to request the State Government review the manner which they collect the Landscape levy from local communities. With the desired outcome being one in which Revenue SA collect the levy directly in alignment with the Emergency Services levy.	The LGA's long held position is that all spheres of government should be responsible for collecting their own revenue and have autonomy in how it is collected. This position is sound, reasonable and supports transparency and accountability.	Support
7.2	That the Annual General Meeting requests the LGA to call for the Deputy Premier the Hon Susan Close, as Minister for Climate, Environment and Water, to provide the LGA with a detailed explanation of how the Solid Waste Levy funds collected by waste depot licence holders are allocated both in terms of general revenue and the Green Industry Fund and calls for an equitable distribution of funds between regional and metropolitan councils.	Transparency and accountability is supported and the principle that revenue raised should be reinvested to further community benefit is supported.  Reducing waste, particularly to landfill, is supported strongly, and can be used as a lever to manage costs.	Support
7.3	That the Annual General Meeting request the LGA to write to the Expert Panel on Planning and to the Minister for Planning seeking an amendment to the Planning, Development and Infrastructure Act 2016 which would enable the State Planning Commission and/or Councils to amend the Planning and Design Code to enable more energy efficient and sustainable development.	As energy use is a significant contributor to climate change, initiatives that improve energy efficiency are valuable.  Facilitating energy efficiency and other sustainability measures at the design stage is the most efficient and effective way to achieve improved building performance.	Support

Recommendation Reports from the GAROC Committee			
#	Recommendation	Comments	Recommended Voting Position
8.1	<p>That the Annual General Meeting requests that:</p> <ol style="list-style-type: none"> <li>1. the LGA support and actively advocate that the State Government addresses the lack of mental health outcomes and suicide prevention through providing information, connecting people with improved support agencies, and undertaking studies and further research to inform advocacy on related service needs in South Australia; and</li> <li>2. notes that if the item of business is approved by the LGA members at the Annual General meeting the LGA Secretariat will undertake the following actions: <ol style="list-style-type: none"> <li>a. write to the Minister for Health and Wellbeing, and the Shadow Minister for Health and Wellbeing, outlining this advocacy position and requesting increased funding opportunities for local government, noting that improved collaboration is required with Local Health Networks including in regional public health planning;</li> <li>b. write to the CEOs of each Local Health Network, expressing a need for stronger collaboration with local government in the regional public health planning process, particularly around wellbeing as a primary prevention strategy to address mental health and suicide prevention activities/services;</li> <li>c. write to the CEOs of the Country Primary Health Network and the Adelaide Primary Health Network, expressing a need for stronger collaboration with local government in the regional public health planning process, particularly regarding wellbeing as a primary prevention strategy to address mental health and suicide prevention activities/services; and</li> <li>d. liaise with the Australian Local Government Association (ALGA) to ensure that there is consistent messaging from the sector on this issue.</li> </ol> </li> </ol>	<p>Part of the success of the 40+ Suicide Prevention Networks that are already established and operational is because they are community driven initiatives (a community capacity building model).</p> <p>Whilst local government has a role to play in supporting these networks, it may not be the most effective outcome to put the responsibility for establishing and operating these networks in the hands of LG.</p> <p>If it is to be more of a formal role for LG moving forward, then financial support to enable that to happen would be required.</p>	Support in principle
8.2	<p>That the Annual General Meeting:</p> <ol style="list-style-type: none"> <li>1. requests the LGA to: <ol style="list-style-type: none"> <li>a) update its Climate Policy Statements to acknowledge the State Government's declaration of a Climate Emergency;</li> </ol> </li> </ol>	<p>The City of Holdfast Bay has a bold vision to, in part, be South Australia's most sustainable city.</p> <p>Coupled with this, Council has a strong Environment Strategy and supporting plans, which include a broad spectrum</p>	Support

Recommendation Reports from the GAROC Committee			
#	Recommendation	Comments	Recommended Voting Position
	<ul style="list-style-type: none"> <li>b) commit to supporting the State Government in responding to the Climate Emergency; and</li> <li>c) commit to engaging with the State Government on developing a collaborative reform agenda towards:               <ul style="list-style-type: none"> <li>i. Enabling councils and their communities to better access renewable energy, carbon offsets and technologies to reduce emissions (mitigation); and</li> <li>ii. Improving disaster resilience and climate adaptation planning and response to extreme events (adaptation); and</li> </ul> </li> <li>2. notes that if the Item of Business is approved by LGA members at the Annual General Meeting,               <ul style="list-style-type: none"> <li>a. Part a) of the item to recognise the State Government’s declaration of a Climate Emergency will be enacted through an amendment to the Climate Change statements in the LGA Policy Manual; and</li> <li>b. Parts b) and c) of the item will see the LGA continuing to support and engage with the State Government on climate change issues, with the current level of resourcing available and directed from the LGA Secretariat.</li> </ul> </li> </ul>	of mitigations and adaptations in response to climate change.	



Recommendation Reports from the LGA Board of Directors			
#	Recommendation	Comments	Recommended Voting Position
9.1	<p>That the Annual General Meeting:</p> <ol style="list-style-type: none"> <li>1. notes the report on a review of the LGA Policy Manual on Climate Change;</li> <li>2. endorses the revised LGA Policy Manual statements on Climate Change to take effect from 28 October 2022 as follows: <ul style="list-style-type: none"> <li>‘4.4 Managing the Risks of Climate Change: Local government acknowledges that human-induced climate change is occurring and that urgent, ambitious, and immediate action is required at all levels of government to address the climate crisis by reducing emissions, and adapting to the impacts that are now unavoidable. The LGA supports the State Government’s ambition to achieve a 50% reduction in emissions by 2030 and net zero emissions by 2050. The LGA supports its member councils to take the meaningful and immediate actions required, and calls for strong leadership and coordination at all levels of government for ongoing, effective and adequately funded Commonwealth and State Government climate change policies and programs.’;</li> <li>‘4.4.1 Partnerships: Local government accepts that negative impacts from climate change are inevitable, and recognises that building resilience to these impacts is a responsibility shared by everyone. Councils shall continue to be key partners in delivering a strategic response to climate risks.’;</li> <li>‘4.4.2 Funding and Strategic Investment; Building resilience to climate impacts will require significant funding and investment, both now and into the future. Councils shall continue to provide equitable levels of funding and investment, recognising it is incumbent on federal and state governments to subsidise the majority of expenditure required’;</li> <li>‘4.4.3 Embedding Climate Change Considerations: Climate risk and vulnerability assessments are vital in identifying climate impacts and determining appropriate actions. Councils shall ensure assessments are conducted with full consideration of available relevant information as part of all council strategic and operational planning processes across all functions and services.’;</li> </ul> </li> </ol>	<p>Per above, the City of Holdfast Bay has a bold vision to, in part, be South Australia’s most sustainable city.</p> <p>Coupled with this, Council has a strong Environment Strategy and supporting plans, which include a broad spectrum of mitigations and adaptations in response to climate change.</p> <p>While some of the language proposed may not be as nuanced as it could be, overall, the sentiments of the proposed changes are supported.</p>	Support

Recommendation Reports from the LGA Board of Directors			
#	Recommendation	Comments	Recommended Voting Position
	<p>‘4.4.4 Decision Making: Local government understands that decisions made by councils must take account of all currently available climate data. Local government supports improved availability and regionally relevant data to be provided through state government, so that councils can expand their knowledge base (such as sustainable development, tree management, coastal management, bushfire management, flood mitigation and other climate hazards) to ensure they are ‘best informed to make well rounded decisions.’ (LGMLS);</p> <p>‘4.4.5 Consultation and Engagement; Tackling the impacts of climate change will require community involvement and effort, in partnership with government-led policy and services. Councils should not solely rely on expert input, science and data when making decisions relating to climate change, but should also consider the outcomes of stakeholder and public consultation for better informed decision making and to raise awareness within the community.’;</p> <p>‘4.4.6 Energy Reduction and Storage; Local government provides leadership in the community through proactive actions to reduce energy use and associated greenhouse gas emissions. Continual improvement in technologies mean that councils should undertake regular audits of facilities and practices that are energy intensive, seek to reduce energy usage as far as practicable through installation of energy reduction and storage technologies, and contribute to associated policy development and reform where appropriate.’;</p> <p>‘4.4.7 Greenhouse Gas Reduction Mechanisms; Local government supports that voluntary carbon markets, including renewable energy, carbon offsets, and other low carbon products and services, be supported through clarified carbon accounting and legislation to ensure zero carbon outcomes are cost effective.’;</p> <p>‘4.4.8 Integrity; Local government supports the Glasgow Climate Pact (2021), the Paris Agreement (2016), and the Kyoto Protocol (2005) for the reduction of global greenhouse gas emissions and shall contribute towards the commitments made by the Federal Government to achieve national carbon emission reduction targets, and Net Zero Carbon by 2050.’; and</p>		

Recommendation Reports from the LGA Board of Directors			
#	Recommendation	Comments	Recommended Voting Position
	<p>'4.4.9 Zero or Low-emission Vehicles; Local government recognises the need for widespread transition to zero emission transport and the role of emerging technologies to facilitate this and reduce negative impacts such as toxic emissions, engine noise and greenhouse gas emissions. Therefore, as road authorities, infrastructure providers, fleet managers and representatives of their local communities, councils should support and encourage the use of zero or low emission vehicles through their planning, policies, investment and procurement activities.'</p>		
9.2	<p>That the Annual General Meeting requests that the LGA calls on the State Government to:</p> <ol style="list-style-type: none"> <li>1. acknowledge the statewide housing crisis in South Australia;</li> <li>2. establish a Regional Housing Crisis Taskforce, which features suitable representation from State Government agencies and the local government sector, to develop a roadmap for increasing regional housing supply;</li> <li>3. host a South Australian housing summit to inform the development a whole-of-government response to the statewide housing supply, affordability and homelessness issues, including: <ol style="list-style-type: none"> <li>a. supply of worker housing in regional South Australia;</li> <li>b. support community driven efforts to identify people experiencing homelessness by name;</li> <li>c. investigate how homelessness support services can be most effectively and sustainably coordinated; and</li> <li>d. increase funding to expand the stock of social and community housing;</li> </ol> </li> <li>4. support local government's calls, made at ALGA's 2022 National General Assembly, that the Australian Government: <ol style="list-style-type: none"> <li>a. host a national affordable housing summit to identify the regional, state, and national issues to be addressed to deliver housing solutions to communities through local, state, and federal government in a whole-of-government response to be tailored for respective community needs;</li> </ol> </li> </ol>	<p>Increased support outside of the CBD is required to make a difference on a local level. The recent involvement of the Toward Home Alliance and partnership on a local level in Holdfast Bay has seen significant inroads made in connecting people experiencing homelessness with services.</p>	Support

Recommendation Reports from the LGA Board of Directors			
#	Recommendation	Comments	Recommended Voting Position
	<ul style="list-style-type: none"> <li>b. fund further national housing research, specific to understanding housing affordability, housing supply and demand, and housing accessibility across rural and regional Australia;</li> <li>c. develop and implement a collaborative program, involving all levels of government, to address housing concerns in rural and regional Australia; and d. commit to implementing a funding stream, specific to rural and regional local governments, allowing them to undertake LGA-specific housing research; and to prepare and implement LGA-specific housing plans (aligning to the relevant State Housing and Homelessness Strategies prepared under the NHHHA); and</li> </ul> <p>5. delivers its election commitment to hold quarterly cabinet meetings with the local government sector and use this important engagement to discuss these housing challenges and opportunities with the Local Government Association of South Australia.</p>		

Item No: 15.6  
Subject: **EVENTS SEASON 2021/22 SUMMARY**  
Date: 25 October 2022  
Written By: Manager, City Activation  
General Manager: Community and Business, Ms M Lock

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### **SUMMARY**

Events form a significant part of the City of Holdfast Bay's community and economy. In 2021/22, despite COVID-19 restrictions being in place for much of the year, a total of 380 events were held attracting more than 535,000 visitors and contributing more than \$51 million to the local economy.

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### **RECOMMENDATION**

**That Council note this report.**

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### **STRATEGIC PLAN**

Innovation: economic and social vibrancy and a thriving environment

### **COUNCIL POLICY**

*City of Holdfast Bay Events Strategy 2021-2025*

### **STATUTORY PROVISIONS**

Not applicable

### **BACKGROUND**

One of Holdfast Bay's greatest strengths is its impressive calendar of public events. Events form an integral part of the City's local and business communities.

The *City of Holdfast Bay Events Strategy 2021-2025* identifies four key priority areas for events:

- Economic value – attracting visitation, investment and spend in the City of Holdfast Bay;
- Destination awareness – positioning Holdfast Bay as a leading events destination and Adelaide’s premier seaside destination, via positive media attention and Word of Mouth;
- Lifestyle and legacy – bringing the community together, activating public spaces and embracing our cultural heritage; and
- Sustainability – financial and environmental sustainability.

Council Administration plays a number of different roles in event delivery, ranging from in-house design and delivery to attracting and supporting events organised by third parties. Revenue generated from commercial hire of Council spaces contributes to the cost of delivering community events.

## REPORT

There were approximately 380 events held in the City of Holdfast Bay during 2021/22, representing a significant increase on pre-COVID-19 event numbers:

Year	Event Numbers
2018/19	278
2019/20	207
2020/21	186
<b>2021/22</b>	<b>380</b>

The 2021/22 event count includes more than 250 beach sports events (e.g. Beach Handball, Volleyball and Surf Lifesaving events) but excludes private events such as weddings and birthday parties.

Attendance at Council organised/supported events as well as significant external events is summarised below; in addition there were more than 50 smaller scale external events primarily organised by sporting, community and neighbourhood groups. Together these events attracted more than 535,000 event visitors to the area. The vast majority of these visitors will be day trippers based from within South Australia, given the restrictions on both interstate and international travel in place for significant periods of the year. Assuming an average daily spend of \$97 per day tripper visitor, the event season contributed more than \$51 million to the local economy.

Event	2021/22 Season Attendees
Alpine Winter Festival	46,000
Glenelg Ice Cream Festival	20,000
Fork on the Road (2 events)	1300

Rendez-Vous Markets (4 events)	10,000
Outdoor Cinema (2 events)	550
City to Bay Fun Run	<i>Cancelled</i>
Glenelg Sunset Markets (5 events)	15,000
Christmas at the Bay	15,000
The Local/Battle of the Bands	4,000
Bay Sheffield	3000
Proclamation Day	350
New Year's Eve	20,000 (no organised event)
Tour Down Under	<i>Cancelled</i>
Australia Day	350
Brighton Jetty Classic & Sculptures	140,000
Glenelg Equinox Festival	15,000
Beach Concerts (2 events)	6,000
Boheme on the Beach	6,000
Carl Cox and Eric Powell Mobile Disco	3,000
Anzac Day Dawn Services (Glenelg and Brighton)	6,500
Pro Hustle Basketball	12,000
Brighton Street Parties	7,000
Moseley Beach Club	50,000
Giant Ferris Wheel	120,000
Car shows (13 events)	25,000
Beach volleyball (ca. 50 events total)	5,000
SLSSA Carnival (multiple events)	4,000
Citizenship ceremonies (multiple events)	400
<b>TOTAL</b>	<b>535,450</b>

There were a number of events which were either cancelled or rescheduled (sometimes multiple times) due to COVID-19 restrictions on venue density and/or interstate travel. Agile approaches to event design were required to ensure that events were delivered in line with the prevailing COVID-19 requirements, which were subject to change at short notice.

#### **BUDGET**

Event delivery expenditure was contained within the approved 2021/22 budget.

#### **LIFE CYCLE COSTS**

Not applicable

Item No: 15.7

Subject: **BRIGHTON STREET PARTIES 2022**

Date: 25 October 2022

Written By: Manager, City Activation

General Manager: Community and Business, Ms M Lock

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### **SUMMARY**

The staging of two annual street parties (summer and winter) in Jetty Road, Brighton was approved by Council on 24 August 2021 (C240821/2396). In 2022, the summer street party was held on 2 April 2022 (postponed from summer due to COVID-19 restrictions), and the winter event was held on 18 June 2022. Both events saw enthusiastic participation by traders and were well attended, with a significant increase in both hospitality and retail spend in Brighton on the days each event was held.

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### **RECOMMENDATION**

**That Council note this report.**

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### **STRATEGIC PLAN**

Wellbeing: Encouraging people to connect

Sustainability: supporting localized activation and embracing and promoting Jetty Road Brighton as a plastic free precinct

Innovation: Providing opportunities for businesses to extend their business footprint

### **COUNCIL POLICY**

Not applicable

### **STATUTORY PROVISIONS**

Not applicable



## **BACKGROUND**

At the 24 August 2021 Council meeting, the following motion C240821/2396 was carried unanimously:

1. *That Council approve \$30,000 funding to stage two Jetty Road Brighton Street Parties community events annually.*
2. *That Administration provide a report to Council on the outcomes from the two events once they have been held.*

This arose from the inaugural Brighton Winter Solstice Street Party staged on Saturday 19 June 2021, which was attended by over 3,000 people. The target for future events is a total attendance of 5,000 people at the winter event and 10,000 people at the summer event (no more than 2,000 people in attendance at any one time).

The summer street party was originally planned to be held on Saturday 5 February 2022 to coincide with the Brighton Jetty Classic, however this was reviewed in light of the expected peak of COVID-19 case numbers in late January. In consultation with traders, the event was postponed to Saturday 2 April 2022, which was the final evening of Daylight Saving Time as well as being clear of the Adelaide Festival/Fringe activities of March. The June event was held on Saturday 18 June 2022.

## **REPORT**

The 2022 events operated in an extended footprint compared to 2021, with Jetty Road, Brighton closed to all traffic between the Esplanade and Gurrs Road. The road closure extended on the southern side of Jetty Road up to Elm Street for the April event; upon consultation with traders and local residents this was extended to both lanes for the June event. Residents whose property access was affected by the road closures were personally approached in the lead up to each event and offered alternate on-street parking as well as shopping vouchers.

Given the community focus of the events, promotional signage (corflutes and flyers) was targeted to the immediate area, and complemented by promotion on City of Holdfast Bay website and social media.

Considering feedback from retail traders, event start times were earlier compared to 2021 (10am start compared to 3pm start), concluding at 10pm (April) and 9pm (June). The events offered a mixture of live and recorded music, children's activity areas and a variety of pop up bars and dining experiences developed by Jetty Road Brighton traders. Trader engagement was high for both events, with around a dozen of the businesses providing pop up offerings, activities or other entertainment. A fireworks display was staged on Brighton Jetty towards the conclusion of the April event; this was deferred from New Year Eve due to COVID-19 restrictions and thus did not form part of the street party event budget.

The capacity of the April event was 1,000 people at any one time, with an estimated total attendance of 3,000 people over the course of the event. For the June event the capacity was increased to 1,500 people and total estimated attendance 4,000 people.

Both events were held with minimal incidents or complaints. One resident complaint from the April event regarding noise was addressed by repositioning the entertainment stage for the June event. Feedback from participating traders was enthusiastic, with a preference to have the two 2023 street parties in April and June as off-peak activations help to stimulate economic sustainability.

Spendmapp data for Brighton shows an increase in hospitality spend of approximately \$80k (April) and \$100k (June) on the event dates in comparison to the two adjacent weekends. While the small size of the retail sector in Brighton limits the resolution of the data, a significant increase in spend was nonetheless apparent on the two event dates.

<b>HOSPITALITY SECTOR</b>			
April Street Party	26 March 2022	<b>Event 2 April 2022</b>	9 April 2022
	\$167k	<b>\$248k</b>	\$165k
Solstice Festival	11 June 2022*	<b>Event 18 June 2022</b>	25 June 2022
	\$167k	<b>\$276k</b>	\$184k
<b>RETAIL SECTOR</b>			
April Street Party	26 March 2022	<b>Event 2 April 2022</b>	9 April 2022
	\$0**	<b>\$10.8k</b>	\$7.37k
Solstice Festival	11 June 2022*	<b>Event 18 June 2022</b>	25 June 2022
	\$5.49k	<b>\$10.9k</b>	\$0k**

\* *Queen's Birthday long weekend*

\*\* *The \$0k figure is the result of data masking, which is done to safeguard the anonymity of individual businesses when the overall number of transactions is small.*

Based on feedback received from traders, the 2022/23 street parties are currently being planned for 1 April and 24 June 2023.

## **BUDGET**

The cost of delivering the two events in 2022 was \$47,000, exceeding the \$30,000 budget originally allocated. Considerable additional costs were incurred by the security requirements imposed by Consumer and Business Services as part of the event's liquor license. This was unable to be reduced without fundamentally altering the character of the event, however the additional costs were able to be offset by savings made elsewhere in the events budget.

## **LIFE CYCLE COSTS**

Future event budgets will include an allocation for Brighton street parties in alignment with the Council motion.

Item No: 15.8

Subject: **WINTER WONDERLAND 2022 EVENT REPORT**

Date: 25 October 2022

Written By: Manager, City Activation

General Manager: Community and Business, Ms M Lock

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### **SUMMARY**

The report provides an overview on the results of Winter Wonderland ice skating rink in Moseley Square which took place from 1-25 July 2022, during the school holidays. This activation, which was jointly funded by Council and the Jetty Road Mainstreet Committee, attracted nearly 13,000 skaters over a three week period. A winter edition of the popular Sunset Markets was held on the following weekend.

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### **RECOMMENDATION**

**That Council note this report.**

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### **STRATEGIC PLAN**

Innovation: economic and social vibrancy and a thriving environment

### **COUNCIL POLICY**

*City of Holdfast Bay Events Strategy 2021-2025*

### **STATUTORY PROVISIONS**

Not applicable

### **BACKGROUND**

The Winter Wonderland festival was developed by the Jetty Road Mainstreet Committee (JRMC) in 2014 to help stimulate economic development during off peak visitation and to keep Glenelg front of mind as a destination during winter. The event is scheduled to coincide with the winter school holiday period, typically three weeks in late June-July, with the event infrastructure being subsequently utilised for an additional event such as markets.

There was no Winter Wonderland event in 2020 due to COVID-19; and in 2021 the Alpine Winter Village was staged with an external partner who was not in a position to repeat the event in 2022. As a result, a proposal to return to the Winter Wonderland event model for 2022 was endorsed by Council at the 10 May 2022 meeting (Motion C100522/2593). The event was jointly funded by JRMC and from the approved 2022/23 Events budget.

## **REPORT**

### **Winter Wonderland**

The Winter Wonderland activation was held from 1-25 July 2022. This coincided with South Australia's state school holiday dates (9-24 July 2022) as well as interstate school holidays which overlapped with the first week of July.

The event comprised of one hour pre-ticketed sessions of ice skating on the Glenelg Foreshore, under a marquee overlooking the Jetty and sea. Sunday to Thursday, there were seven daily sessions offered, commencing 10.00am with the final session at 7.00pm. Friday and Saturday night there was an additional session which commenced at 8:30pm, with both the 7.00pm and 8:30pm sessions branded as "Retro Skate", with a disco theme and live DJ.

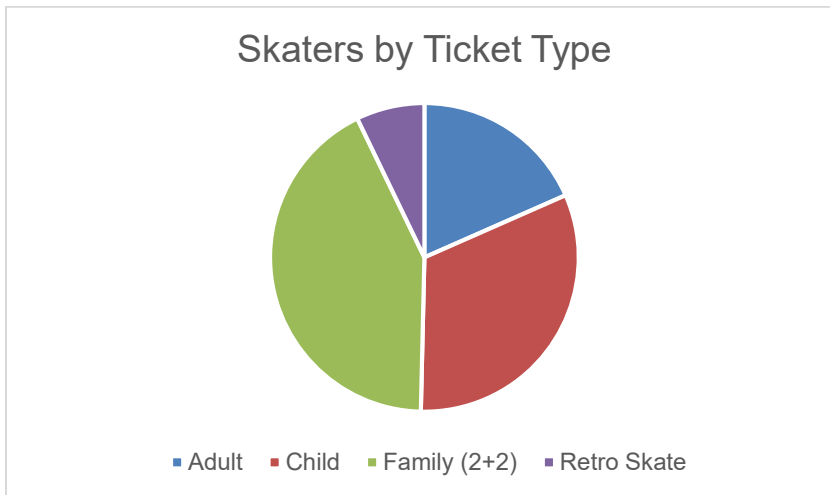
As the focus of the activation was to provide an affordable family activity to attract visitors to the precinct, prices were set as follows:

- Adult \$18 presale; \$20 at door
- Child \$12 presale; \$14 at door
- Family (2+2 or 1+3) \$40 presale; \$50 at door
- Skating aid (Penguin) \$5 flat rate
- Retro skate (all ages) \$20 presale; \$25 at door

Pricing was set in order to compare favourably with the Illuminate Adelaide "Base Camp" activation held in the CBD during July. This had ticket prices starting at \$20 (off-peak child ticket) and ranging up to \$100 for a family ticket at peak times.

The activation attracted a total of 12,734 skaters across the 25 day period; this translates to an average of 83 skaters per regular session and 57 skaters per Retro Skate (capacity of each session = 160). Ticket sales were strongest on the weekends as well as the dates that coincided with the South Australian state school holidays. Peak attendance was recorded on Saturday 23 July, with a total of 826 skaters attending.

The breakdown of tickets sold shows the key audience was families, with more than three quarters of all skaters being a family or child ticket. This is also reflected by the market research conducted with event visitors, in which 86% of the 394 respondents attended the event with their family.



Based on market research results, skaters spent an average of 4.3 hours in Glenelg during their visit and spent \$197 per family. Top activities were frequenting food/restaurants (66%) and walking on Jetty Road (26%). More than half (61%) of respondents stated they would have been unlikely to have visited Glenelg if the event was not taking place. A high-level summary of the market research is provided as Attachment 1. Winter Wonderland is one of five events being surveyed in the 2022/23 events season, with a more detailed report to follow at the end of the season.

*Refer Attachment 1*

### **Sunset Markets Winter Edition**

The Sunset Markets Winter Edition were developed in response to Council and JRMC feedback that the winter activation was to include an element to attract an adult audience, to complement the more family-oriented ice skating offering. Curated by the team who deliver the Sunset Markets Glenelg, the winter edition of this popular market was held 30-31 July 2022 under the same marquee used for the ice rink. There were a number of stalls selling fashion, vintage, art and craft, while Threefold Distillery and Beach Burrito each ran bars including a small selection of both alcoholic and non-alcoholic beverages. A variety of live musicians performed acoustic sets over the two day event. Fire pits located in a fenced area outside the marquee allowed attendees to enjoy a beverage or churros by a warm open fire.

### **Future Winter Activations**

Ice skating ticket sales have continued the downward trend that commenced prior to COVID-19. Ticket sales peaked in 2017 at 28,000 (including penguin skating aids), declining by 3-5,000 in each subsequent year (2018, 2019 and 2022). While external factors have likely contributed to this (most notably the Illuminate Adelaide festival attracting significant numbers to the CBD), this suggests the Winter Wonderland model is due for a refresh. Administration is in discussions with external operators to produce a new offering for 2023. This may still incorporate a skating component but will also include other elements to attract a more diverse audience. This will be presented to Council as part of the 2023/24 budget build process.

**BUDGET**

The net cost of delivering Winter Wonderland was \$139k, compared to a budget of \$125k. As costs and revenue are shared 50:50 with JRMC, the net cost to Council is \$69,500 (budget \$62,500). The Sunset Markets Winter Edition cost an additional \$13,500. As some of these costs were paid in the 2021/22 financial year, the additional expense will not negatively impact the 2022/23 events budget going forward.

The most significant additional expense was generator and fuel costs, which were approximately \$15k over budget and reflective of the unusually high fuel costs prevailing at the time. In addition ticket revenue was \$6k below budget at \$164k, reflecting the declining trend in ticket sales.

**LIFE CYCLE COSTS**

Not applicable

# Attachment 1





# City of Holdfast Bay Events Research – Event 1: Winter Wonderland

August 2022 | REF 12201

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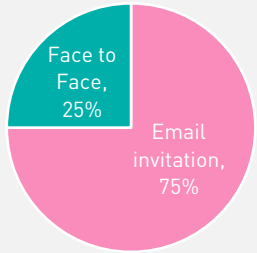




# Event 1 Topline – Winter Wonderland

# City of Holdfast Bay – Winter Wonderland (Event 1)

## Key insights



### Attendees



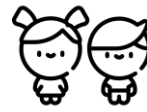
Attended with family

**86%**



Average number of adults

**2.8**



Average number of children

**2.5**



Average number of hours in Glenelg

**4.3 hrs**



Average spend per person

**\$185**

Average expenditure per travel party

Family **\$197**

Other adults **\$110**

\*Total respondents: 394

### Location in Adelaide



South **40%**  
West **24%**  
North **12%**  
East **8%**

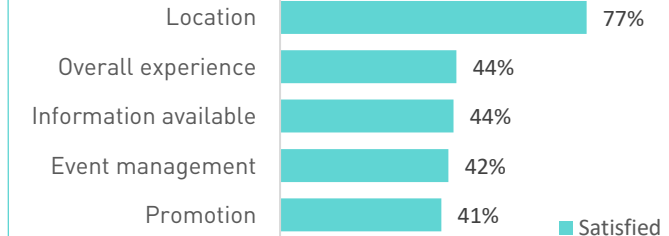
### Top activities after the event



### Future Intent



### Event Satisfaction

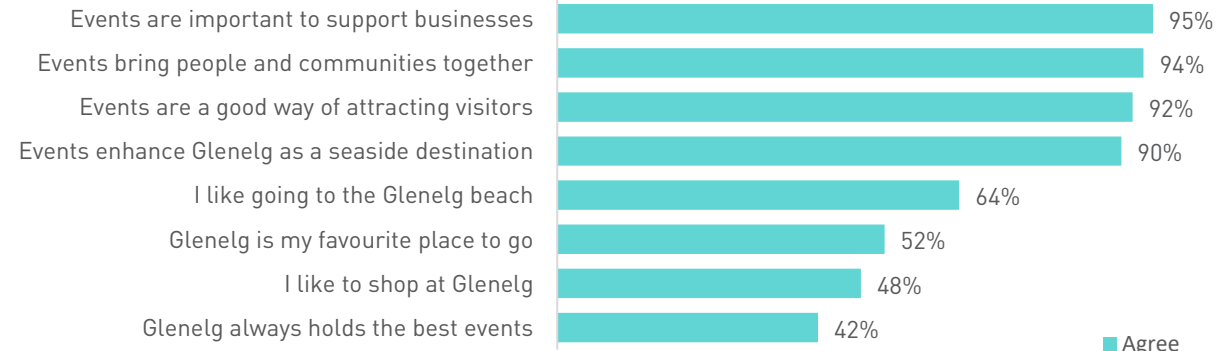


### Visit Glenelg if event was not on



Unlikely **61%**

### Event information



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THANK YOU

Item No: 15.9  
Subject: **AUDIT COMMITTEE TERMS OF REFERENCE - REVIEW**  
Date: 25 October 2022  
Written By: Personal Assistant, Strategy and Corporate  
General Manager: Strategy and Corporate, Ms P Jackson

---

## **SUMMARY**

The *Local Government Act 1999* requires Council to have an Audit Committee to carry out the functions defined in Section 126. Pursuant to Section 41 of the Act, Council established an Audit Committee in 2007.

The Local Government Reform process, which has been undertaken over several years will result in mandatory changes to the terms of reference and functions of audit committees. Relevant reforms are not scheduled to commence until late in 2023, however, under the current Audit Committee Terms of Reference, the Committee is required to at least once per year, review its own performance, terms of reference and provide a report to Council including any recommended changes. A light review has been undertaken and suggested changes are marked in Attachment 2.

The suggested changes were tabled at the Audit Committee meeting on 19 October and the changes were endorsed by the Committee and recommended to Council for adoption.

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## **RECOMMENDATION**

**That Council adopts the amended Terms of Reference.**

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## **STRATEGIC PLAN**

Statutory compliance

## **COUNCIL POLICY**

Not applicable

## **STATUTORY PROVISIONS**

*Local Government Act 1999*

## BACKGROUND

The *Local Government Act 1999* (the Act) requires Council to have an Audit Committee to carry out the functions defined in Section 126. Pursuant to Section 41 of the Act, Council established an Audit Committee in 2007.

Regulation 17 of the Local Government (Financial Management) Regulations 2011 states:

*(1) The audit committee of a council -*

- (a) must have between 3 and 5 members (inclusive); and*
- (b) must include at least 1 person who is not a member of the council and who is determined by the council to have financial experience relevant to the functions of an audit committee; and*
- (c) must not include, as a member, the council's auditor under section 128 of the Act.*

Further amendments to the *Local Government Act 1999* to implement financial accountability reforms, are to commence in late 2023. These include:

- Extending the work of council audit committees to audit and risk committees to provide independent assurance and advice to councils on accounting, financial management, internal controls, risk management and governance matters. Audit and risk committees will be required to consist of a majority of independent members and councils will have the ability to form regional audit and risk committees.
- New requirements for councils and their chief executive officers to ensure that effective policies, systems and procedures relating to risk management are established and maintained.
- New requirements for chief executive officers of a council that have an internal audit function to consult with the relevant audit and risk committee before appointing a person to be primarily responsible for the internal audit function.

## REPORT

The Terms of Reference for the Audit Committee were last amended and adopted by Council on 12 September 2017, and are included as Attachment 1.

*Refer Attachment 1*

Notwithstanding further reforms coming, the existing terms of reference require that the Committee at least once per year, reviews its own performance, terms of reference and provides a report to Council including any recommended changes.

Given that legislative reforms are imminent, a light review was conducted of the current terms of reference. A desktop analysis against current legislation and comparisons against other councils' showed that the current terms of reference both meet legislative requirements and extend well beyond minimum requirements.

The opportunity was taken to include minor clarifications and improve clarity, however, a substantive reconsideration of the terms of reference is not recommended at this time. Suggested amendments are provided in tracked changes, as Attachment 2.

*Refer Attachment 2*

The key proposed changes are:

- amending the name of the committee to more accurately reflect its role by changing it to the Audit and Risk Committee;
- clarifying matters related to the appointment of the Presiding Member;
- removing minor duplications in relation to the meetings of the Committee;
- including references to recently adopted Council policies that are integral to the functions of the Committee;
- removing the need to provide Council with a formal annual report on the Committee's activities. Given the Council receives the Committee's minutes after each meeting, the Committee's activities are already transparently reported.

It is expected that in due course, the Local Government Association will provide new model terms of reference to meet legislative obligations. At that time, a more substantive review can be considered. At that time, the scope and focus of the committee can be discussed more broadly.

The suggested changes were tabled at the Audit Committee meeting on 19 October and the changes were endorsed by the Committee and recommended to Council for adoption.

#### **BUDGET**

Nil

#### **LIFE CYCLE COSTS**

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

# Attachment 1





12 September 2017 - C120917/896

## **Audit Committee Terms of Reference**

### **1. Establishment**

- 1.1 The Audit Committee is established under Section 41 of the Local Government Act pursuant to Section 126 of that Act.

### **2. Membership**

- 2.1 The Audit Committee shall consist of 5 persons with at least 2 persons who are not Elected Members of Council (“independent members”).
- 2.2 Independent members of the Audit Committee must have recent and relevant financial, risk management or internal audit experience and must not be an employee of City of Holdfast Bay.
- 2.3 Members of the Audit Committee are appointed by Council. Elected Members are appointed for the term agreed by Council, and independent members are appointed for a term not exceeding 3 years. On expiry of their term, a member may be re-appointed by Council
- 2.4 If Council proposes to remove an independent member of from the Committee, it must give written notice to the independent member of its intention to do so and provide that expert member with the opportunity to be heard at an Executive Committee meeting, if that independent member so requests.”
- 2.5 The Audit Committee shall nominate and Council shall appoint the Presiding Member who must be a member of the Audit Committee but not the Mayor.

### **3. Secretariat and Support**

- 3.1 The Chief Executive Officer shall ensure that the Audit Committee has access to reasonable administrative resources in order to carry out its duties (subject to any budget allocation being approved by Council).
- 3.2 The Audit Committee shall be provided with appropriate and timely training, both in the form of an induction program for new members and on an ongoing basis for all members.





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**4. Meetings**

- 4.1 The Audit Committee shall meet at least 4 times each year at least once per quarter at appropriate times in the budgeting and financial reporting cycle and otherwise as required. As per section 90 of the Local Government Act the meetings are public except in special circumstances as defined by the Act.
- 4.2 Meetings of the Audit Committee are governed by the Local Government (Procedures at Meetings) Regulations 2013.
- 4.3 Unless required by legislation not to vote, each member must vote on every matter that is before the Audit Committee for decision.
- 4.4 The Presiding Member has a deliberative vote but not a casting vote in the event of a tie. A tied vote means that the motion is lost.
- 4.5 The quorum necessary for the transaction of business shall be 3 members. A duly convened meeting of the Audit Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by it.
- 4.6 The Chief Executive Officer, General Manager, Strategy and Corporate and other officers of Council may attend any meeting as observers or be responsible for preparing papers for the Audit Committee.
- 4.7 Council's External Auditor and Internal Auditor may be invited to attend meetings of the Audit Committee.
- 4.8 Ordinary meetings of the Audit Committee will be held at times and places determined by Council or, subject to a decision of Council, the Audit Committee.
- 4.9 A special meeting of the Audit Committee may be called by the Chief Executive Officer in accordance with Section 87(5) of the Act at the request of the Presiding Member or at least two members of the Audit Committee.
- 4.10 In accordance with the principles of open, transparent and informed decision making, Audit Committee meetings will be conducted in a place open to the public.
- 4.11 The agenda and minutes of Audit Committee meetings, subject to any items that are discussed in confidence under Section 90 of the Act and



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subsequently retained under Section 91 of the Act, are also required to be made available to the public.

- 4.12 Notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Audit Committee, no later than 3 business days before the date of the meeting. Supporting papers shall be sent to committee members (and to other attendees as appropriate) at the same time.
- 4.13 The Chief Executive Officer shall ensure that the proceedings and resolutions of all meetings of the Audit Committee are minuted and that the minutes comply with the requirements of the Local Government (Procedure at Meetings) Regulations 2000.
- 4.14 Minutes of Audit Committee meetings shall be circulated within 5 days after a meeting to all members of the Audit Committee and to members of the Council and will (as appropriate) be available to the public.

5. **Review**

- 5.1 The Audit Committee shall, at least once per year following the adoption of the audited financial statements by Council, review its own performance, terms of reference and provide a report to Council including any recommended changes

6. **Role of the Committee**

- 6.1 The Audit Committee has no authority to act independently of Council. The primary role of the Audit Committee is to provide suggestions and recommendations to Council about matters in relation to financial governance.

6.2 ***Financial Reporting***

The Audit Committee shall:

- 6.2.1 pursuant to Section 126 of the Act, review Council's annual financial statements to ensure that they present fairly the state of affairs of the Council;
- 6.2.2 monitor the integrity of the financial statements of Council, including its annual report, reviewing significant financial reporting issues and judgements which they contain;



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6.2.3 review:

- 6.2.3.1 the consistency of, and/or changes to, accounting policies;
- 6.2.3.2 the application of accounting standards and appropriate estimates and judgements, taking into account the views of the external auditor;
- 6.2.3.3 the clarity of disclosure in the Council's financial reports and the context in which statements are made; and
- 6.2.3.4 all material information presented with the financial statements, such as the operating and financial review and the corporate governance statement (insofar as it relates to the audit and risk management).

6.3 ***Strategic Management Plans and Annual Business Plan***

The Audit Committee shall:

- 6.3.1 pursuant to Section 126 of the Act, propose and provide information relevant to a review of Council's strategic management plans or annual business plan; and
- 6.3.2 review and provide recommendations to Council on the sustainability of Council's financial performance and proposals with respect to debt levels included in the strategic management plans and, in particular, the long-term financial plan.

6.4 ***Internal Controls and Risk Management Systems***

The Audit Committee shall:

- 6.4.1 pursuant to Section 126 of the Act, review the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the Council on a regular basis;
- 6.4.2 review and assess the effectiveness of Council's internal controls and risk management systems; and



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- 6.4.3 review and recommend the approval, where appropriate, of statements to be included in the annual report concerning internal controls and risk management.

6.5 ***Whistle Blowing***

The Audit Committee shall:

- 6.5.1 review the Council's arrangements for its employees to raise concerns, in confidence, about possible wrong-doing in financial reporting or other matters; and
- 6.5.2 ensure these arrangements allow independent investigation of such matters and appropriate follow-up action.

6.6 ***Internal Audit***

The Audit Committee shall:

- 6.6.1 endorse the internal audit program;
- 6.6.2 receive and review internal audit reports on a regular basis;
- 6.6.3 review the status of internal audit recommendations;
- 6.6.4 provide advice and recommendations to Council in relation to internal audit program and matters;
- 6.6.5 monitor and review the effectiveness of Council's internal audit function
- 6.6.6 meet with the Internal Audit Partner at least once a year, without management being present, to discuss any issues arising from the Internal Audits carried out during the year. In addition, the Internal Audit Partner shall be given the right of direct access to the Mayor and the Presiding Member of the Audit Committee.
- 6.6.7 monitor and review the selection process for the Internal Auditor. Appointment of Internal Auditor is the responsibility of management. If the Internal Auditor resigns, the Audit Committee shall investigate the issues leading to the resignation and decide whether any action is required.



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**6.7 External Audit**

The Audit Committee shall:

- 6.7.1 pursuant to Section 126 of the Act, liaise with Council's external auditor;
- 6.7.2 pursuant to Section 129 of the Act, receive the external auditor's audit opinion with respect to Council's audited financial statements and the external auditor's report on particular matters arising from the audit;
- 6.7.3 develop and recommend to Council a policy on the supply of non-audit services by the external auditor, taking into account any relevant ethical guidance on the matter;
- 6.7.4 pursuant to Section 128 of the Act, consider and make recommendations to the council, in relation to the appointment, re-appointment and removal of the Council's external auditor;
- 6.7.5 investigate the issues leading to the resignation of an external auditor and report to Council with any recommendations;
- 6.7.6 oversee Council's relationship with the external auditor including, but not limited to:
  - 6.7.6.1 recommending the approval of the external auditor's remuneration, whether fees for audit or non-audit services, and recommending whether the level of fees is appropriate to enable an adequate audit to be conducted;
  - 6.7.6.2 recommending the approval of the external auditor's terms of engagement, including any engagement letter issued at the commencement of each audit and the scope of the audit;
  - 6.7.6.3 assessing the external auditor's independence and objectivity taking into account relevant professional and regulatory requirements and the extent of Council's relationship with the auditor, including the provision of any non-audit services;



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- 6.7.6.4 satisfying itself that there are no relationships that give rise to an actual, perceived or potential conflict of interest in the external auditor carrying out the external audit duties;
- 6.7.6.5 monitoring the external auditor's compliance with legislative requirements on the rotation of audit partners;
- 6.7.6.6 assessing the external auditor's qualifications, expertise and resources and the effectiveness of the audit process (which shall include a report from the external auditor on the Audit Committee's own internal quality control procedures);
- 6.7.7 meet with the external auditor at least once per year, without management being present, to discuss the external auditor's report and any issues arising from the audit and otherwise as need;
- 6.7.8 review and make recommendations on the annual audit plan, and in particular, its consistency with the scope of the external audit engagement;
- 6.7.9 review the findings of the audit with the external auditor including, but not limited to, the following:
  - 6.7.9.1 a discussion of any major issues which arose during the external audit;
  - 6.7.9.2 any accounting and audit judgements; and
  - 6.7.9.3 levels of errors identified during the external audit;
- 6.7.10 review the effectiveness of the external audit;
- 6.7.11 review any representation letter requested by the external auditor before it is signed by administration;
- 6.7.12 review the management letter and administration's response to the external auditor's findings and recommendations; and
- 6.7.13 pursuant to regulation 22 of the Local Government (Financial Management) regulations 2011, consider and authorise the



12 September 2017 - C120917/896

Presiding Member to sign a statement with the Chief Executive Officer on an annual basis certifying that the external auditor is independent of Council.

**6.8 *Economy and Efficiency Audits***

The Audit Committee shall:

- 6.8.1 propose and review the exercise of powers under Section 130A of the Act (relating to economy and efficiency audits); and
- 6.8.2 receive a report prepared by the external auditor or other person appointed by Council under Section 130A to examine any matter relating to financial management, or the efficiency and economy with which Council manages or uses its resources to achieve its objectives.

**6.9 *Reporting Responsibilities***

- 6.9.1 The Audit Committee minutes shall be presented to the Council after every meeting to identify and present advice and recommendations.
- 6.9.2 The Chief Executive Officer will identify matters, further to those matters covered elsewhere in these Terms of Reference, to be reported to the Audit Committee in detail where those matters are considered to be of material affect, have a material impact on the operation of Council as an elected body (e.g. impact on policies relating to Elected Members), or have significant impact on Council's operations.
- 6.9.3 The Audit Committee Presiding Member shall report annually to Council summarising the activities of the Committee during the previous financial year.

# Attachment 2







13 December 2022 – C131222/

## Audit and Risk Committee Terms of Reference

### 1. Establishment

- 1.1 ~~Pursuant to section 41 of the *Local Government Act 1999* (the Act) the Council hereby establishes a committee to be known as the Audit and Risk Committee, in order to fulfill the role of an audit committee as required by The Audit and Risk Committee is established under Section 41 of the Local Government Act pursuant to Section 126 of the Act.~~

### 2. Membership

- 2.1 The Audit and Risk Committee shall consist of ~~5-five~~ persons with ~~at least 2-persons who are not Elected Members of Council (“with the majority being Independent Members”).~~
- 2.2 Independent Members of the Audit and Risk Committee must have recent and relevant financial, risk management or internal audit experience and must not be an employee of City of Holdfast Bay.
- 2.3 Members of the Audit and Risk Committee are appointed by Council. Elected Members are appointed for ~~the-a~~ term agreed by Council, and Independent Members are appointed for a term not exceeding ~~3-three~~ years. On expiry of their term, a member may be re-appointed by Council.
- 2.4 If Council proposes to remove an Independent Member from the Committee, it must give written notice to the Independent Member of its intention to do so and provide that ~~expert-Independent~~ Member with the opportunity to be heard at an Executive Committee meeting, if that Independent Member so requests.
- 2.5 The Audit and Risk Committee shall ~~nominate-recommend~~, and Council shall appoint, the Presiding Member of the Audit and Risk Committee. The Presiding Member who must already be a member of the Audit and Risk Committee, but not the Mayor may not be appointed to the Role of Presiding Member of the Audit and Risk Committee.

### 3. Secretariat and Support

- 3.1 The Chief Executive Officer shall ensure that the Audit and Risk Committee has access to reasonable administrative resources in order to carry out its duties (subject to any budget allocation being approved by Council).
- 3.2 The Audit and Risk Committee shall be provided with appropriate and timely training, both in the form of an induction program for new members and on an ongoing basis for all members.



13 December 2022 – C131222/

#### 4. Meetings

- 4.1 The Audit and Risk Committee shall meet at least ~~4~~four times each year, at least once per quarter, at appropriate times in the budgeting and financial reporting cycle, and otherwise as required. ~~As per~~Pursuant to Section 90 of the ~~Local Government Act, the~~ meetings are public (except in special circumstances as defined by the Act) and will be conducted in a place open to the public.
- 4.2 Meetings of the Audit and Risk Committee are governed by the *Local Government (Procedures at Meetings) Regulations 2013*.
- 4.3 Unless required by legislation not to vote, each member must vote on every matter that is before the Audit and Risk Committee for decision.
- 4.4 The Presiding Member has a deliberative vote but not a casting vote in the event of a tie. A tied vote means that the motion is lost.
- 4.5 The quorum necessary for the transaction of business shall be ~~3~~three members. A duly convened meeting of the Audit and Risk Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by it.
- 4.6 The Chief Executive Officer, General Manager, Strategy and Corporate and other officers of Council may attend any meeting as observers or ~~be responsible for preparing papers for~~ in support of matters being considered by the Audit and Risk Committee.
- 4.7 Council's External Auditor and Internal Auditor may be invited to attend meetings of the Audit and Risk Committee.
- 4.8 Ordinary meetings of the Audit and Risk Committee will be held at times and places determined by Council or, subject to a decision of Council, the Audit and Risk Committee.
- 4.9 A special meeting of the Audit and Risk Committee may be called by the Chief Executive Officer in accordance with Section 87(5) of the Act, at the request of the Presiding Member or at least two members of the Audit and Risk Committee.
- ~~4.10 In accordance with the principles of open, transparent and informed decision making, Audit and Risk Committee meetings will be conducted in a place open to the public.~~
- 4.~~11~~10 The agenda and minutes of Audit and Risk Committee meetings, subject to any items that are discussed in confidence under Section 90 of the Act and subsequently retained under Section 91 of the Act, are also required to be made available to the public.



13 December 2022 – C131222/

- 4.1211 Notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Audit and Risk Committee, no later than ~~3-three~~ business days before the date of the meeting. Supporting papers shall be sent to committee members (and to other attendees as appropriate) at the same time.
- 4.1312 The Chief Executive Officer shall ensure that the proceedings and resolutions of all meetings of the Audit and Risk Committee are minuted and that the minutes comply with the requirements of the *Local Government (Procedure at Meetings) Regulations 2000/2013*.
- 4.1413 Minutes of Audit and Risk Committee meetings shall be circulated within ~~5-five~~ days after a meeting to all members of the Audit and Risk Committee and to members of the Council and will (as appropriate) be available to the public.

## 5. Review

- 5.1 The Audit and Risk Committee shall, at least once per year following the adoption of the audited financial statements by Council, review its own performance, terms of reference and provide a report to Council including any recommended changes.

## 6. Role of the Committee

- 6.1 The Audit and Risk Committee has no authority to act independently of Council. The primary role of the Audit and Risk Committee is to provide suggestions and recommendations to Council about matters ~~in-relation~~relating to financial governance.

### 6.2 **Financial Reporting**

The Audit Committee shall:

- 6.2.1 pursuant to Section 126 of the Act, review Council's annual financial statements to ensure that they present fairly the state of affairs of the Council;
- 6.2.2 monitor the integrity of the financial statements of Council, including its annual report, reviewing significant financial reporting issues and judgements which they contain;
- 6.2.3 review:
- 6.2.3.1 the consistency of, and/or changes to, accounting policies;
  - 6.2.3.2 the application of accounting standards and appropriate estimates and judgements, taking into account the views of the external auditor;



13 December 2022 – C131222/

- 6.2.3.3 the clarity of disclosure in the Council’s financial reports and the context in which statements are made; and
- 6.2.3.4 all material information presented with the financial statements, such as the operating and financial review and the corporate governance statement (insofar as it relates to the audit and risk management).

6.3 ***Strategic Management Plans and Annual Business Plan***

The Audit and Risk Committee shall:

- 6.3.1 pursuant to Section 126 of the Act, propose and provide information relevant to a review of Council’s strategic management plans or annual business plan; and
- 6.3.2 review and provide recommendations to Council on the sustainability of Council’s financial performance and proposals with respect to debt levels included in the strategic management plans and, in particular, the long-term financial plan.

6.4 ***Internal Controls and Risk Management Systems***

The Audit and Risk Committee shall:

- 6.4.1 pursuant to Section 126 of the Act, review the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the Council on a regular basis;
- 6.4.2 receive reports on risks rated high and above, pursuant to Council’s Risk Management Policy and Procedure;
- 6.4.3 verify annually that risks are controlled within risk appetite and tolerances and propose emerging risks for consideration as relevant;
- 6.4.~~24~~ review and assess the effectiveness of Council’s internal controls and risk management systems; and
- 6.4.~~35~~ review and recommend the approval, where appropriate, of statements to be included in the annual report concerning internal controls and risk management.

6.5 ***Whistle-Blowing Public Interest Disclosures***

The Audit and Risk Committee shall:



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- 6.5.1 review the Council's arrangements for its employees to raise concerns, in confidence, about possible wrong-doing in financial reporting or other matters; and
- 6.5.2 ensure these arrangements allow independent investigation of such matters and appropriate follow-up action.

#### 6.6 **Internal Audit**

The Audit **and Risk** Committee shall, [in accordance with Council's Internal Audit Policy and Procedure](#):

- 6.6.1 endorse the internal audit program;
- 6.6.2 receive and review internal audit reports on a regular basis;
- 6.6.3 review the status of internal audit recommendations;
- 6.6.4 provide advice and recommendations to Council in relation to internal audit program and matters;
- 6.6.5 monitor and review the effectiveness of Council's internal audit function;
- 6.6.6 meet with the Internal Audit Partner at least once a year, without management being present, to discuss any issues arising from the Internal Audits carried out during the year. In addition, the Internal Audit Partner shall be given the right of direct access to the Mayor and the Presiding Member of the Audit **and Risk** Committee;
- 6.6.7 monitor and review the selection process for the Internal Auditor. Appointment of Internal Auditor is the responsibility of management. If the Internal Auditor resigns, the Audit Committee shall investigate the issues leading to the resignation and decide whether any action is required.

#### 6.7 **External Audit**

The Audit **and Risk** Committee shall:

- 6.7.1 pursuant to Section 126 of the Act, liaise with Council's external auditor;
- 6.7.2 pursuant to Section 129 of the Act, receive the external auditor's audit opinion with respect to Council's audited financial statements and the external auditor's report on particular matters arising from the audit;



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- 6.7.3 develop and recommend to Council a policy on the supply of non-audit services by the external auditor, taking into account any relevant ethical guidance on the matter;
- 6.7.4 pursuant to Section 128 of the Act, consider and make recommendations to the council, in relation to the appointment, re-appointment and removal of the Council's external auditor;
- 6.7.5 investigate the issues leading to the resignation of an external auditor and report to Council with any recommendations;
- 6.7.6 oversee Council's relationship with the external auditor including, but not limited to:
  - 6.7.6.1 recommending the approval of the external auditor's remuneration, whether fees for audit or non-audit services, and recommending whether the level of fees is appropriate to enable an adequate audit to be conducted;
  - 6.7.6.2 recommending the approval of the external auditor's terms of engagement, including any engagement letter issued at the commencement of each audit and the scope of the audit;
  - 6.7.6.3 assessing the external auditor's independence and objectivity taking into account relevant professional and regulatory requirements and the extent of Council's relationship with the auditor, including the provision of any non-audit services;
  - 6.7.6.4 satisfying itself that there are no relationships that give rise to an actual, perceived or potential conflict of interest in the external auditor carrying out the external audit duties;
  - 6.7.6.5 monitoring the external auditor's compliance with legislative requirements on the rotation of audit partners;
  - 6.7.6.6 assessing the external auditor's qualifications, expertise and resources and the effectiveness of the audit process (which shall include a report from the external auditor on the Audit Committee's own internal quality control procedures);
- 6.7.7 meet with the external auditor at least once per year, without management being present, to discuss the external auditor's report and any issues arising from the audit and otherwise as need;
- 6.7.8 review and make recommendations on the annual audit plan, and in particular, its consistency with the scope of the external audit engagement;



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- 6.7.9 review the findings of the audit with the external auditor including, but not limited to, the following:
  - 6.7.9.1 a discussion of any major issues which arose during the external audit;
  - 6.7.9.2 any accounting and audit judgements; and
  - 6.7.9.3 levels of errors identified during the external audit;
- 6.7.10 review the effectiveness of the external audit;
- 6.7.11 review any representation letter requested by the external auditor before it is signed by administration;
- 6.7.12 review the management letter and administration's response to the external auditor's findings and recommendations; and
- 6.7.13 pursuant to regulation 22 of the *Local Government (Financial Management) ~~regulations~~ Regulations 2011*, consider and authorise the Presiding Member to sign a statement with the Chief Executive Officer on an annual basis certifying that the external auditor is independent of Council.

#### 6.8 ***Economy and Efficiency Audits***

The Audit and Risk Committee shall:

- 6.8.1 propose and review the exercise of powers under Section 130A of the Act (relating to economy and efficiency audits); and
- 6.8.2 receive a report prepared by ~~the external auditor or other~~any person appointed by Council ~~under~~pursuant to Section 130A of the Act to examine any matter relating to financial management, or the efficiency and economy with which Council manages or uses its resources to achieve its objectives.

#### 6.9 ***Reporting Responsibilities***

- 6.9.1 The Audit and Risk Committee minutes shall be presented to the Council after every meeting to identify and present advice and recommendations.
- 6.9.2 The Chief Executive Officer will identify matters, further to those matters covered elsewhere in these Terms of Reference, to be reported to the Audit and Risk Committee in detail where those matters are considered to be of material affect, have a material impact on the operation of



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Council as an elected body (e.g. impact on policies relating to Elected Members), or have significant impact on Council's operations.

~~6.9.3 The Audit and Risk Committee Presiding Member shall report annually to Council summarising the activities of the Committee during the previous financial year.~~