

## **ORDINARY COUNCIL MEETING**

## **NOTICE OF MEETING**

To: Mayor Jan-Claire Wisdom

Councillor Ian Bailey
Councillor Kirrilee Boyd
Councillor Nathan Daniell
Councillor Pauline Gill
Councillor Chris Grant
Councillor Linda Green
Councillor Malcolm Herrmann
Councillor John Kemp
Councillor Leith Mudge
Councillor Mark Osterstock
Councillor Kirsty Parkin
Councillor Andrew Stratford

Notice is given pursuant to the provisions under Section 83 of the *Local Government Act 1999* that the next meeting of the Council will be held on:

## Tuesday 24 November 2020 6.30pm To be held in the Zoom Virtual Meeting Room

A copy of the Agenda for this meeting is supplied under Section 83 of the Act.

Meetings of the Council are open to the public and members of the community are welcome to attend. Public notice of the Agenda for this meeting is supplied under Section 84 of the Act.

Andrew Aitken

**Chief Executive Officer** 



## **ORDINARY COUNCIL MEETING**

## **AGENDA FOR MEETING**

## Tuesday 24 November 2020 6.30pm To be held in the Zoom Virtual Meeting Room

### **ORDER OF BUSINESS**

#### 1. COMMENCEMENT

#### 2. OPENING STATEMENT

"Council acknowledges that we meet on the traditional lands of the Peramangk and Kaurna people and we recognise their connection with the land.

We understand that we do not inherit the land from our ancestors but borrow it from our children and in this context the decisions we make should be guided by the principle that nothing we do should decrease our children's ability to live on this land."

## 3. APOLOGIES/LEAVE OF ABSENCE

- 3.1. Apology Apologies were received from .............
- 3.2. Leave of AbsenceCr Kirrilee Boyd 11 December to 15 December 2020
- 3.3. Absent

### 4. MINUTES OF PREVIOUS MEETINGS

Council Meeting – 27 October 2020

That the minutes of the ordinary meeting held on 27 October 2020 as supplied, be confirmed as an accurate record of the proceedings of that meeting.

## 5. DECLARATION OF CONFLICT OF INTEREST BY MEMBERS OF COUNCIL

### 6. MAYOR'S OPENING REMARKS



## 7. QUESTIONS ADJOURNED/LYING ON THE TABLE

7.1. Questions Adjourned

Nil

7.2. Questions Lying on the Table Nil

## 8. PETITIONS / DEPUTATIONS / PUBLIC FORUM

8.1. Petitions

Nil

- 8.2. Deputations
- 8.2.1. Matt Thomas, Houghton Inglewood & Hermitage Memorial Park
- 8.2.2. Douglas Riach re permanent bird netting

## 9. PRESENTATIONS (by exception)

## 10. QUESTIONS ON NOTICE

Nil

## 11. MOTIONS ON NOTICE

Road Resurfacing Albert Street Gumeracha (PLEC Project)

That the Mayor writes to the State Minister for Infrastructure and Transport requesting the Department of Infrastructure and Transport to bring forward the reseal of Albert Street, Gumeracha to the 2021/22 financial year's capital works program in order to schedule the works to align with the completion of the Gumeracha Main Street Upgrade Project.

### 12. ADMINISTRATION REPORTS – DECISION ITEMS

- 12.1. Internal Review Road Closure Decisions 2018 & 2020
  - 1. That the report be received and noted.
  - 2. To accept the findings, conclusions and recommendations in the Internal Review Final Report 2018 and 2020 Road Closure Decisions at Appendix 1 and that the decisions to give consent to road closures (196/18 and 93/20) were reasonable, appropriate and lawful and should be upheld.



## 12.2. Road Exchange Pomona Road Stirling

- 1. That the report be received and noted
- 2. In accordance with sections 12 and 15 of the Roads (Opening and Closing) Act 1991, enter into an Agreement for Exchange with the owner of the land of 21 Pomona Road Stirling and issue a Road Process Order to open as public road the area identified as "Road to be opened 1" on the Preliminary Plan No 20/0038 and in exchange to close a portion of Pomona Road as identified on the Preliminary Plan No 20/0038 as "Public Road A", subject to the owner of the land at 21 Pomona Road Stirling agreeing to pay all costs associated with the road exchange process including but not limited to all survey, valuation and reasonable legal costs
- 3. The closed road be excluded as Community Land pursuant to the Local Government Act 1999.
- 4. The Mayor and Chief Executive Officer be authorised to sign all documents necessary, including affixation of the common seal, to give effect to this resolution.

## 12.3. 2019 – 2020 Annual Report

- 1. That the report be received and noted.
- 2. The 2019-20 Annual Report, as contained in Appendix 1, be adopted.
- 3. That the Chief Executive Officer be authorised to make minor content, formatting or design changes necessary for publication purposes.

## 12.4. 2020 – 2021 Community Recreation & Facility Grants

- 1. That the report be received and noted.
- 2. That Council approves the awarding of Community Development Grants totalling \$99,943.00 as follows (refer Agenda)

### 12.5. Community Development Grants

- 1. That the report be received and noted
- 2. That Council approves the awarding of Community Development Grants totalling \$49,800.78 as follows (refer Agenda)

## 12.6. 2019-20 End of Year Financial Report

- 1. The report be received and noted.
- 2. The 2019-20 End of Year Financial Results in comparison to budget have been appropriately considered by Council.



## 12.7. Budget Review 1

- 1. That the report be received and noted.
- 2. To adopt the proposed budget adjustments presented in the 2020-21 Budget Review 1 which result in:
  - a. An increase in the Operating Surplus from \$808k to \$2.343m for the 2020-21 financial year.
  - b. Changes to Capital Works, increasing capital income by \$50k and capital expenditure by \$219k for the 2020-21 financial year resulting in a revised capital expenditure budget for 2020-21 of \$21.487m.
  - c. A decrease in Council's current Net Borrowing Result from \$6.350m to \$4.984m for the 2020-21 financial year as a result of the proposed operating and capital adjustments.

## 12.8. Audit Committee Presiding Member Appointment

### **MOTION 1**

- 1. That the report be received and noted
- 2. To determine that the method of selecting the Audit Committee Presiding Member to be by an indicative vote to determine the preferred person utilising the process set out in this Agenda report.
- 3. To adjourn the Council meeting for the purposes of seeking nominations for and, if necessary, conducting an indicative vote to determine the preferred person for the Audit Committee Presiding Member role and for the meeting to resume once the results of the indicative vote have been declared.

### **MOTION 2**

1.	To appoint	to the position of Audit Committee
	Presiding Member for a	(12 or 24) month term to commence 27
	November 2020 and conclu	ude on 26 November 2021 inclusive (or at the
	conclusion of the Council T	erm 2022 or if desired a longer specified period if an
	Independent Presidina Mei	mber is appointed).

## 12.9. CEOPRP Presiding Member Appointment

#### **MOTION 1**

- 1. That the report be received and noted.
- To determine that the method of selecting the Chief Executive Officer
  Performance Review Panel Presiding Member to be by an indicative vote to
  determine the preferred person utilising the process set out in this Agenda
  report.
- 3. To adjourn the Council meeting for the purposes of seeking nominations for and, if necessary, conducting an indicative vote to determine the preferred person for the Chief Executive Officer Performance Review Panel Presiding Member role and for the meeting to resume once the results of the indicative vote have been declared.



M	OTION 2		
1.	To appoint	to the position of Co	hief Executive Officer
	Performance Review Panel Presiding	g Member for a	_ (12 or 24) month
	term to commence 27 November 20	20 and conclude on	26 November 2021
	inclusive (or at the conclusion of the	Council Term 2022	or if desired a longer
	specified period if an Independent P	residing Member is (	appointed).

## 12.10. Policy Review – Cemetery Operating Policy

- 1. That the report be received and noted
- 2. With an effective date of 10 November 2020, to revoke the 9 May 2017 Cemetery Operating Policy and to adopt the revised Cemetery Operating Policy in Appendix 1.

## 12.11. Policy Review – Debt Recovery Policy

- 1. That the report be received and noted
- 2. With an effective date of 8 December 2020, to revoke the 28 November 2017 Debt Recovery Policy and to adopt the revised Debt Recovery Policy in Appendix 1.
- 3. That the Chief Executive Officer, or delegate, be authorised to make any formatting, nomenclature or other minor changes to the Debt Recovery Policy prior to the effective date.

## 12.12. Policy Review – Grant & External Funding (Acceptance) Policy

- 1. That the report be received and noted
- 2. With an effective date of 8 December 2020, to revoke the 14 March 2017 Acceptance of External Funding Policy and to adopt the revised Grant & External Funding (Acceptance) Policy in Appendix 1.
- 3. That the Chief Executive Officer, or delegate, be authorised to make any formatting, nomenclature or other minor changes to the Grant & External Funding (Acceptance) Policy prior to the effective date.

## 12.13. Policy Review – Treasury Policy

- 1. That the report be received and noted
- 2. With an effective date of 8 December 2020, to revoke the 26 September 2017 Treasury Policy and to adopt the revised Treasury Policy in Appendix 1.
- 3. That the Chief Executive Officer, or delegate, be authorised to make any formatting, nomenclature or other minor changes to the Treasury Policy prior to the effective date.



- 12.14. Cessation of the Strategic Planning & Development Policy Committee
  - 1. That the report be received and noted
  - 2. With an effective date of 27 November 2020, to cease the Strategic Planning & Development Policy Committee.
- 12.15. Shannons Adelaide Rally 2020 proposed date changes Refer to Agenda
- 12.16. Status Report Council Resolutions Update

  \*Refer to Agenda\*

## 13. ADMINISTRATION REPORTS – INFORMATION ITEMS

- 13.1. Quarterly Performance Report

  Council resolves that the report be received and noted
- 13.2. Reconciliation Working Group Update

  Council resolves that the report be received and noted.
- 13.3. Pomona Road Stirling Streetscape

  Council resolves that the report be received and noted.
- 13.4. Audit Committee Presiding Member's Report 2020 Council resolves that the report be received and noted
- 14. QUESTIONS WITHOUT NOTICE
- 15. MOTIONS WITHOUT NOTICE
- 16. REPORTS
  - 16.1. Council Member Function or Activity on the Business of Council
  - 16.2. Reports of Members/Officers as Council Representatives on External Organisations
  - 16.3. CEO Report



### 17. REPORTS OF COMMITTEES

- 17.1. Council Assessment Panel Special Meeting 21 October 2020

  That the minutes of the Special CAP meeting held on 21 October 2020 as supplied, be received and noted.
- 17.2. Council Assessment Panel 11 November 2020

  That the minutes of the CAP meeting held on 11 November 2020 as supplied, be received and noted.
- 17.3. Strategic Planning & Development Policy Committee *Nil*
- 17.4. Audit Committee 16 November 2020

  That the minutes of the Audit Committee meeting held on 16 November 2020 as supplied, be received and noted
- 17.5. CEO Performance Review Panel *Nil*

## 18. CONFIDENTIAL ITEMS

Nil

## 19. NEXT MEETING

Tuesday 15 December 2020, 6.30pm, 63 Mt Barker Road, Stirling

## 20. CLOSE MEETING



## **Council Meeting/Workshop Venues 2020/21**

DECEMBER 2020				
Tues 8 December	Workshop	Woodside	N/A	
Wed 9 December	CAP	ТВА	Karen Savage	
Tues 15 December	Council	Stirling	Pam Williams	
	JANUARY 2021			
Wed 13 January	CAP	ТВА	Karen Savage	
Wed 27 January **	Council	Stirling	Pam Williams	
FEBRUARY 2021				
Tues 9 February	Workshop	Woodside	N/A	
Tues 9 February	CAP	ТВА	Karen Savage	
Tues 16 February	Professional Development	Stirling	N/A	
Tues 23 February	Council	Stirling	Pam Williams	

<sup>\*\*</sup> Meeting date moved due to Australia Day Public Holiday

Meetings are subject to change, please check agendas for times and venues – www.ahc.sa.gov.au.

All meetings are open to the public unless otherwise indicated.

## **Conflict of Interest Disclosure Form**



## **CONFLICTS MUST BE DECLARED VERBALLY DURING MEETINGS**

**CONFLICTS MUST ALSO BE DECLARED VERBALLY DURING MEETINGS** 

Governance use only: Member voted FOR/AGAINST the motion.



### **Ordinary Business Matters**

A material, actual or perceived Conflict of Interest does not apply to a matter of ordinary business of the council of a kind prescribed by regulation.

The following ordinary business matters are prescribed under Regulation 8AAA of the Local Government (General) Regulations 2013.

- (a) the preparation, discussion, conduct, consideration or determination of a reviewunder section 12 of the Act
- (b) the preparation, discussion, adoption or revision of a policy relating to allowances and benefits payable to members if the policy relates to allowances and benefits payable equally to each member (rather than allowances and benefits payable to particular members or particular office holders)
- (c) the preparation, discussion, adoption or alteration of a training and development policy under section 80A of the Act
- (d) the preparation, discussion, adoption or amendment of a strategic management planunder section 122 of the Act
- (e) the adoption or revision of an annual business plan
- (f) the adoption or revision of a budget
- (g) the declaration of rates (other than a separate rate) or a charge with the character of a rate, and any preparation or discussion in relation to such a declaration
- (h) a discussion or decision of a matter at a meeting of a council if the matter—
  - (i) relates to a matter that was discussed before a meeting of a subsidiary or committee of the council
  - (ii) the relevant interest in the matter is the interest of the council that established the committee or which appointed, or nominated for appointment, a member of the board of management of the council subsidiary or regional subsidiary.
- (2) For the purposes of section 75(3)(b) of the Act, a member of a council who is a member, officer or employee of an agency or instrumentality of the Crown (within the meaning of section 73(4) of the Act) will not be regarded as having an interest in a matter before the council by virtue of being a member, officer or employee.

### Engagement and membership with groups and organisations exemption

A member will not be regarded as having a conflict of interest **actual** or **perceived** in a matter to be discussed at a meeting of council by reason only of:

- an engagement with a community group, sporting club or similar organisation undertaken by the member in his or her capacity as a member; or membership of a political party
- membership of a community group, sporting club or similar organisation (as long as the member **is not** an office holder for the group, club or organisation)
- the member having been a student of a particular school or his or her involvement with a school as parent of a student at the school
- a nomination or appointment as a member of a board of a corporation or other association, if the member was nominated for appointment by a Council.

However, the member will still be required to give careful consideration to the nature of their association with the above bodies. Refer Conflict of Interest Guidelines.

**For example:** If your **only** involvement with a group is in your role as a Council appointed liaison as outlined in the Council appointed liaison policy, you will not be regarded as having a conflict of interest actual or perceived in a matter, and are NOT required to declare your interest.

## 8. DEPUTATIONS

For full details, see Code of Practice for Meeting Procedures on www.ahc.sa.gov.au

- 1. A request to make a deputation should be made by submitting a Deputation Request Form, (available on Council's website and at Service and Community Centres) to the CEO seven clear days prior to the Council meeting for inclusion in the agenda.
- 2. Each deputation is to be no longer than ten (10) minutes, excluding questions from Members.
- 3. Deputations will be limited to a maximum of two per meeting.
- 4. In determining whether a deputation is allowed, the following considerations will be taken into account:
  - the number of deputations that have already been granted for the meeting
  - the subject matter of the proposed deputation
  - relevance to the Council agenda nominated and if not, relevance to the Council's powers or purpose

the integrity of the request (i.e. whether it is considered to be frivolous and/or vexatious)

- the size and extent of the agenda for the particular meeting and
- the number of times the deputee has addressed Council (either in a deputation or public forum) on the subject matter or a similar subject matter.

## 8.3 PUBLIC FORUM

For full details, see Code of Practice for Meeting Procedures on www.ahc.sa.gov.au

- 1. The public may be permitted to address or ask questions of the Council on a relevant and/or timely topic.
- 2. The Presiding Member will determine if an answer is to be provided.
- 3. People wishing to speak in the public forum must advise the Presiding Member of their intention at the beginning of this section of the meeting.
- 4. Each presentation in the Public Forum is to be no longer than five (5) minutes (including questions), except with leave from the Council.
- 5. The total time allocation for the Public Forum will be ten (10) minutes, except with leave from the Council.
- 6. If a large number of presentations have been requested, with leave from the Council, the time allocation of five (5) minutes may be reduced.
- 7. Any comments that may amount to a criticism of individual Council Members or staff must not be made. As identified in the Deputation Conduct section above, the normal laws of defamation will apply to statements made during the Public Forum.
- 8. Members may ask questions of all persons appearing relating to the subject of their presentation.

In Attendance

Presiding Member: Acting Mayor Nathan Daniell

## Members:

Councillor Ian Bailey
Councillor Kirrilee Boyd
Councillor Pauline Gill
Councillor Chris Grant
Councillor Linda Green
Councillor Malcolm Herrmann
Councillor John Kemp (6.32pm)
Councillor Leith Mudge
Councillor Mark Osterstock
Councillor Andrew Stratford

## In Attendance:

Andrew Aitken	Chief Executive Officer
Terry Crackett	Director Corporate Services
John McArthur	Acting Director Infrastructure & Operations
Marc Salver	Director Development & Regulatory Services
David Waters	Director Community Capacity
Lachlan Miller	Executive Manager Governance & Performance
Mike Carey	Manager Financial Services
Sharon Leith	Acting Manager Sustainability Waste &
	Emergency Management
Natalie Westover	Manager Property Services
Deryn Atkinson	Manager Development Services
Chris Janssan	Manager Open Space
David Collins	Manager Strategic Assets
Renee O'Connor	Sport & Recreation Planner
Josh Spiers	Community & Social Planning Officer
Steven Watson	Governance & Risk Coordinator
Pam Williams	Minute Secretary

## 1. COMMENCEMENT

The meeting commenced at 6.30pm.

2. OPENING STATEMENT

"Council acknowledges that we meet on the traditional lands of the Peramangk and Kaurna people and we recognise their connection with the land.

We understand that we do not inherit the land from our ancestors but borrow it from our children and in this context the decisions we make should be guided by the principle that nothing we do should decrease our children's ability to live on this land".

6.32pm Cr John Kemp attended the meeting

## 3. APOLOGIES/LEAVE OF ABSENCE

## 3.2 Apology

Nil

## 3.3 Leave of Absence

- Cr Kirsty Parkin (19 October to 2 November 2020) approved 22 September 2020
- Mayor Jan-Claire Wisdom (26 September to 26 October 2020) approved 22 September 2020

Moved Cr Kirrilee Boyd S/- Cr Linda Green

221/20

That Leave of Absence be granted for Mayor Jan-Claire Wisdom from 27 October to 20 November 2020.

Carried Unanimously

### 3.4 Absent

Nil

## 4. MINUTES OF PREVIOUS MEETINGS

### 4.1 Council Meeting – 22 September 2020

Moved Cr Malcolm Herrmann S/- Cr Pauline Gill

222/20

That the minutes of the Ordinary Council meeting held on 22 September 2020 as supplied, be confirmed as an accurate record of the proceedings of that meeting.

<b>Carried Unanimously</b>

## 5. DECLARATION OF CONFLICT OF INTEREST BY MEMBERS OF COUNCIL

## 5.1 Perceived Conflict of Interest, Cr Leith Mudge - Item 12.3 Mylor BMX Consultation Findings

Under Section 75A of the *Local Government Act 1999* Cr Leith Mudge disclosed a Perceived Conflict of Interest in Item 12.3 Mylor BMX Consultation Findings, the nature of which is as follows:

• My son is a keen mountain biker and I have recently become a recreational mountain biker and have ridden the Aldgate Quarry track.

Cr Leith Mudge intends to participate in discussions and vote when this matter is discussed.

## 5.2 Perceived Conflict of Interest, Cr Chris Grant Item 12.1 – Lew Brickhill Memorial Investigation

Under Section 75A of the *Local Government Act 1999* Cr Chris Grant disclosed a Perceived Conflict of Interest in Item 12.1 – Lew Brickhill Memorial Investigation, the nature of which is as follows:

• I am a Committee Member of the Friends of Lobethal Bushland Park

Cr Chris Grant intends to participate in discussions and vote when this matter is discussed.

## 5.3 Material Conflict of Interest, Cr Linda Green Item 12.12 – Confidential Items Review

Under Section 74 of the *Local Government Act 1999* Cr Linda Green disclosed a Material Conflict of Interest in Item 12.12 – Confidential Items Review, the nature of which is as follows:

 My property is connected to the CWMS system and I may suffer a loss or gain a benefit

Cr Linda Green intends to leave the Chamber when this matter is discussed.

Mayor	24 November 2020

## 5.4 Perceived Conflict of Interest, Cr John Kemp Item 8.1.1 – Opposition to Development Application, 118 Silver Lake Road Mylor

Under Section 75A of the *Local Government Act 1999* Cr John Kemp disclosed a Perceived Conflict of Interest in Item 8.1.1 – Opposition to Development Application, 118 Silver Lake Road Mylor, the nature of which is as follows:

 Council will be considering a petition relating to a non-complying development which will ultimately be considered by Council's Assessment Panel of which I am a member. The petition will be received by Council and not debated.

Cr John Kemp intends to participate in discussions and vote when this matter is discussed.

## 5.5 Perceived Conflict of Interest, Cr Andrew Stratford Item 12.12 - Confidential Items Review

Under Section 75A of the *Local Government Act 1999* Cr Andrew Stratford disclosed a Perceived Conflict of Interest in Item 12.12 - Confidential Items Review, the nature of which is as follows:

I have a property connected to Council's CWMS system

Cr Andrew Stratford intends to leave the Chamber when this matter is discussed.

## 5.6 Perceived Conflict of Interest, Cr Malcolm Herrmann Item 12.12 - Confidential Items Review

Under Section 75A of the *Local Government Act 1999* Cr Malcolm Herrmann disclosed a Perceived Conflict of Interest in Item 12.12 - Confidential Items Review, the nature of which is as follows:

 I own property 10 Pool Street Birdwood connected to Council's CWMS system and may gain a benefit or suffer a detriment

Cr Malcolm Herrmann intends to intends to leave the Chamber when this matter is discussed.

## 6. PRESIDING MEMBER'S OPENING REMARKS

Acting Mayor Nathan Daniel advised the Chamber that he had attended numerous events throughout the district this month and noted that these events all had a consistent theme of all levels of government, stakeholders and local groups working together in collaboration to achieve what is in the best interests of the community.

Mayor	24 November	2020
•	-	

7. QUESTIONS ADJOURNED/LYING ON THE TABLE

## 7.1 Questions Adjourned

Nil

7.2 Questions Lying on the Table

Nil

- 8. PETITIONS/DEPUTATIONS/PUBLIC FORUM
- 8.1 Petitions
- 8.1.1 Opposition to Development Application, 118 Silver Lake Road Mylor

Moved Cr Linda Green S/- Cr Chris Grant

223/20

### Council resolves:

- 1. That the petition signed by 16 signatories opposing the Category 3 Development Application at 118 Silver Lake Road Mylor be received and noted.
- 2. That the CEO advise the principal signatory of the Council's noting of the petition and of any resolutions relating to the matter.

## **VARIATION**

With Leave of the Meeting and the approval of the Mover and the Seconder, the motion was varied as follows.

### **Council resolves:**

- 1. That the petition signed by 16 signatories opposing the Category 3 Development Application at 118 Silver Lake Road Mylor be received and noted.
- 2. That the CEO advises the principal signatory of the Council's noting of the petition and of any resolutions relating to the matter.
- 3. It is noted that Council has no role to play in the assessment of development applications and that Council's Assessment Panel (CAP) is the decision authority in this instance, which, due to legislative restrictions, cannot receive or consider a petition as part of its deliberations on a development application.

\_\_\_\_\_\_ 24 November 2020

	Carried Unanimously

8.2	Deputations		
8.2.2	John Hill re Park'N'Ride facilities		
8.2.3	Penny Haberfeld re South Eastern Freeway noise		
8.3	Public Forum		
	Nil		
9.	PRESENTATIONS		
	Nil		
10.	QUESTIONS ON NOTICE		
	Nil		
11.	MOTIONS ON NOTICE		
11.1	Speed Limit Reduction Longwood & Red Hill Roads		
	Moved Cr Mark Osterstock		
	S/- Cr John Kemp 224,	/20	
	That Council:		
	1. receives the residents' request as contained in Appendix 1 and		
	2. undertakes a speed limit review on sections of Longwood and Red Hill Roads in response to the submission received from local residents, and		
	3. communicates the outcome of the review and proposed action to Council Members via the Council and Committee Meeting Action Tracker.		
	Carried Unanimou	ısly	

### 11.2 South Eastern Freeway Noise

Moved Cr Leith Mudge S/- Cr Kirrilee Boyd

225/20

That the Mayor writes to the Minister for Infrastructure and Transport, Minister for Environment and Minister for Planning asking the State Government to:

- Undertake a comprehensive noise study that includes a noise survey and modelling
  of the impacts of development and traffic volumes along the South Eastern
  Freeway (the Freeway), both now and into the future.
- 2. Consider implementing noise mitigation measures along the Freeway corridor to reduce noise to acceptable levels for nearby residents and businesses.

That copies of the letter be forwarded to the Member for Heysen, Member for Kavel, the State Opposition Leader and the Federal Member for Mayo.

Carried Unanimously

## 11.3 Memorial Seat for former Cr Bill Gale

Moved Cr Malcolm Herrmann S/- Cr Ian Bailey

226/20

That, in conjunction with the Gale family, Council purchase and install a park seat with a plaque to commemorate the contribution the late ex Cr Bill Gale made to the Adelaide Hills Council and, in particular, to the Woodside area.

Carried Unanimously

## 12. OFFICER REPORTS – DECISION ITEMS

Cr Chris Grant declared a Perceived Conflict of Interest at Agenda Item 5 "Declaration of Interest by Members of the Council" in relation to Item 12.1.

Cr Chris Grant remained in the Chamber and voted.

### 12.1 Lew Brickhill Memorial

Moved Cr Malcolm Herrmann S/- Cr Pauline Gill

227/20

### **Council resolves:**

- 1. That the report be received and noted.
- 2. That Council approve a \$5,600 expenditure budget to undertake an engineering design for the restoration and reinstatement of the lookout tower at Lobethal Bushland Park.
- 3. Subject to recommendation 2 above, a quote for restoration and reinstatement works of the lookout tower at Lobethal Bushland Park be obtained.
- 4. That consideration be given to funding the restoration and reinstatement of the Lobethal Bushland Park lookout tower in the development of the 2021-2022 budget.

Carried Unanimously

Cr Chris Grant voted in favour of the motion.

The majority of persons who were entitled to vote at the meeting voted in favour of the motion.

7.40pm Cr Grant left the Chamber

7.42pm Cr Grant returned to the Chamber

### 12.2 Disability Access and Inclusion Plan

Moved Cr Mark Osterstock S/- Cr Kirrilee Boyd

228/20

#### **Council resolves:**

- 1. That the report be received and noted.
- 2. To endorse the provisional Adelaide Hills Council Disability Access and Inclusion Plan (DAIP) 2020-2024: A brighter future for all, as contained in Appendix 1, for publication on Council's website and further community consultation.
- 3. To delegate to the Chief Executive Officer to determine the timings, media and processes around further community consultation while ensuring consistency and compliance with the provisions of applicable legislation and Council's Public Consultation Policy.
- 4. That an amended edition of the DAIP incorporating further community and stakeholder feedback on the provisional DAIP (received during further community consultation) be referred back to the Council for consideration and adoption at the Council Meeting scheduled for 27 January 2021.

	Carried Unanimously
Mayor	24 November 2020

Cr Leith Mudge declared a Perceived Conflict of Interest at Agenda Item 5 "Declaration of Interest by Members of the Council" in relation to Item 12.3.

Cr Leith Mudge remained in the Chamber and voted.

## 12.3 Mylor BMX Consultation Findings

Moved Cr Pauline Gill S/- Cr Kirrilee Boyd

229/20

## **Council resolves:**

- 1. That the report be received and noted.
- 2. That Council approve a \$15,000 expenditure budget to undertake remediation of the Aldgate Quarry site.
- 3. That funds be considered as part of Council's 2021-22 Annual Budget and Business Planning process for the construction of a pump track at Sherry Park in Mylor.

Carried Unanimously

Cr Leith Mudge voted in favour of the motion.

The majority of persons who were entitled to vote at the meeting voted in favour of the motion.

7.52pm Cr Mark Osterstock left the Chamber

7.54pm Cr Mark Osterstock returned to the Chamber

## 12.4 General Purpose Financial Statements

Moved Cr Malcolm Herrmann S/- Cr Leith Mudge

230/20

### **Council resolves:**

- 1. That the report be received and noted.
- 2. That, in accordance with Section 127 of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999, Council adopts the General Purpose Financial Statements for the financial year ended 30 June 2020 with the required changes as set out in section 3.6 of agenda report 12.4.
- 3. To authorise the Mayor and CEO to sign the General Purpose Financial Statements for the financial year ended 30 June 2020.

	Carried Unanimously
Mayor	24 November 2020

12.5 Draft Road, Footpath and Kerb Asset Management Plan 2020 **Moved Cr Malcolm Herrmann** S/- Cr Mark Osterstock 231/20 **Council resolves:** 1. That the report be received and noted. 2. That the Draft Road, Footpath and Kerb Asset Management Plan 2020 as contained in Appendix 1 be released for community consultation. That the CEO be authorised to determine the consultation timings, media and processes while ensuring consistency and compliance with the provisions of applicable legislation and Council's Public Consultation Policy. **Carried Unanimously** 12.6 **Nomination of East Waste Audit Committee Independent Member Moved Cr Leith Mudge** S/- Cr Pauline Gill 232/20 **Council resolves:** 1. That the report be received and noted That Council nominates Paula Davies and Lachlan Miller to East Waste for 2. consideration as an Independent Member of the East Waste Audit Committee. **Carried Unanimously** 

### 12.7 Resilient Hills and Coasts Sector Agreement

Moved Cr Kirrilee Boyd S/- Cr Leith Mudge

233/20

#### **Council resolves:**

- 1. That the report be received and noted.
- 2. To note the achievements of the Resilient Hills & Coasts partnership to date, and its future priorities for action.
- 3. To recommit to the partnership by authorising the Mayor to sign the RH&C Sector Agreement 2020-2025, as contained in Appendix 1.

Carried Unanimously

12.8 Change to Community Land Management Plan 10 – Vehicle Access Control Reserves

Moved Cr John Kemp S/- Cr Malcolm Herrmann

234/20

24 November 2020

## **Council resolves:**

- 1. That the report be received and noted.
- 2. That the proposed amendment of Plan 10 of the Community Land Management Plan Vehicle Access Control Reserves has no impact or no significant impact on the interests of the community and therefore the provisions of section 198(3) of the Local Government Act 1999 requiring community consultation do not apply.
- 3. To amend Plan 10 of the Community Land Management Plan for Vehicle Access Control Reserves to permit leases or licences to adjoining landowners to occupy a portion of a reserve immediately abutting their property.
- 4. That it be a condition of any lease or licence to an adjoining landowner to occupy a portion of a reserve that vehicle access across the reserve is prohibited and any fence constructed does not include a gate wide enough to cater for a vehicle.

		<b>Carried Unanimously</b>
_		

12.9 Revocation of Community Land – Closed Road R855 Upper Hermitage **Moved Cr Pauline Gill** S/- Cr Malcolm Herrmann 235/20 **Council resolves:** 1. That the report be received and noted 2. To commence a revocation of community land process for the land described as "A" in Road Plan No. 855 ("Closed Road") including consultation in accordance with Council's Public Consultation Policy and the Local Government Act 1999 with the intention of selling the Closed Road to the adjoining owners. 3. That a further report be presented to Council at the completion of the consultation. **Carried Unanimously** 12.10 Rescission of resolution 253/19 - Oakbank Soldiers Memorial Hall **Moved Cr Linda Green** 236/20 S/- Cr Ian Bailey **Council resolves:** 1. That the report be received and noted 2. To rescind the resolution made on 24 September 2019 and numbered 153/19. 3. To continue to provide assistance to the Oakbank Soldiers Memorial Hall Inc Committee consistent with support provided by Council to other community owned halls. **Carried Unanimously** 

Stra	ategic Boundary Review
	ved Cr John Kemp Cr Pauline Gill 237/20
Cou	incil resolves:
1.	That the report be received and noted.
2.	That the Strategic Boundary Review Report in Appendix 1 be received and noted.
3.	To conduct a workshop session in the first quarter of 2021 to further explore the boundary reform options identified in the Strategic Boundary Review Report.
	Carried Unanimously
	Ifidential items Review  h the leave of the meeting, Decision 4, 6, 8 and 9 were considered at the end of this n.
	ved Cr Mark Osterstock Cr Linda Green 238/20
Cou	incil resolves:
DEC	CISION 1
DEC	That the report be received and noted.

**DECISION 2** 

Moved Cr Mark Osterstock S/- Cr Ian Bailey

239/20

### **Council resolves**

- 1. Pursuant to Section 91(7) of the Local Government Act 1999, Council orders that the following document(s) (or part) shall be kept confidential, being document(s) (or part) relating to a matter dealt with by the Council on a confidential basis under Sections 90(2) and 90(3)(d) of the Act:
  - The Report of 07 May 2019, Item No. 19.1, Unsolicited Approach to Purchase Community Land until the matter is further presented to Council and that this order be reviewed every twelve (12) months.

On the grounds that the document(s) (or part) relates to commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party.

2. Pursuant to section 91(9)(c) of the Local Government Act 1999, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.

Carried Unanimously

**DECISION 3** 

Moved Cr Mark Osterstock S/- Cr Linda Green

240/20

- 1. Pursuant to Section 91(7) of the Local Government Act 1999, Council orders that the following document(s) (or part) shall be kept confidential, being document(s) (or part) relating to a matter dealt with by the Council on a confidential basis under Sections 90(2) and 90(3)(b) of the Act:
  - Clause 8 and Appendix 2 of the Report of 01 August 2018, Item No. 7.2.1, Retirement Village Review, remain confidential until 31 July 2023 and that this order be reviewed every twelve (12) months.

On the grounds that the document(s) (or part) relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council and would, on balance, be contrary to the public interest.

2. Pursuant to section 91(9)(c) of the Local Government Act 1999, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.

Carried Unanimously

Decision 4 was considered at the end of this Item.

**DECISION 5** 

Moved Cr Ian Bailey S/- Cr Pauline Gill

241/20

- 1. Pursuant to Section 91(7) of the Local Government Act 1999, Council orders that the following document(s) (or part) shall be kept confidential, being document(s) (or part) relating to a matter dealt with by the Council on a confidential basis under Sections 90(2) and 90(3)(i) of the Act:
  - The Report of 27 February 2018, Item No. 19.2, Adelaide Hills Swimming Centre Shade Sail until the matter is determined and that this order be reviewed every twelve (12) months.

On the grounds that the document(s) (or part) relates to actual litigation, or litigation that the council or council committee believes on reasonable grounds will take place, involving the council or an employee of the council, the disclosure of which could reasonably be expected to prejudice the commercial position of person/agency/business involved with any litigation that may be undertaken.

2. Pursuant to section 91(9)(c) of the Local Government Act 1999, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.

Carried Unanimously

Decision 6 was considered at the end of this Item.

**DECISION 7** 

Moved Cr Pauline Gill S/- Cr John Kemp

242/20

- Pursuant to Section 91(7) of the Local Government Act 1999, Council orders that the following document(s) (or part) shall be kept confidential, being document(s) (or part) relating to a matter dealt with by the Council on a confidential basis under Sections 90(2) and 90(3)(d) of the Act:
  - The Report of 22 August 2017, Item No. 19.1, Adelaide Hills Region Waste Management Authority Tender Landfill Compactor until the matter is determined and that this order be reviewed every twelve (12) months.

On the grounds that the document(s) (or part) relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council and would, on balance, be contrary to the public interest.

2. Pursuant to section 91(9)(c) of the Local Government Act 1999, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.

Carried Unanimously

Decisions 8 & 9 were considered at the end of this Item.

Mayor 24 November 2020

**DECISION 10** 

Moved Cr Chris Grant S/- Cr Linda Green

243/20

- Pursuant to Section 91(7) of the Local Government Act 1999, Council orders that
  the following document(s) (or part) shall be kept confidential, being document(s)
  (or part) relating to a matter dealt with by the Council on a confidential basis
  under Sections 90(2) and 90(3)(d) of the Act:
  - The Report of 22 April 2014 Item No. 18.2, Adelaide Hills Region Waste Management Authority (AHRWMA) until legal proceedings and deliberations have concluded and that this order be reviewed every twelve (12) months.

On the grounds that the document(s) (or part) relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council and would, on balance, be contrary to the public interest.

2. Pursuant to section 91(9)(c) of the Local Government Act 1999, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.

**Carried Unanimously** 

Cr Andrew Stratford declared a Perceived Conflict of Interest at Agenda Item 5 "Declaration of Interest by Members of the Council" in relation to parts 4, 6, 8 & 9 of Item 12.12 and left the Chamber.

Cr Linda Green and Cr Malcolm Herrmann declared a Material Conflict of Interest at Agenda Item 5 "Declaration of Interest by Members of the Council" in relation to parts 4, 6, 8 & 9 of Item 12.12 and left the Chamber.

8.55pm Cr Stratford, Cr Green and Cr Herrmann left the Chamber

Mayor	24 November 202	20
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**DECISION 4** 

Moved Cr Leith Mudge S/- Cr Ian Bailey

244/20

- 1. Pursuant to Section 91(7) of the Local Government Act 1999, Council orders that the following document(s) (or part) shall be kept confidential, being document(s) (or part) relating to a matter dealt with by the Council on a confidential basis under Sections 90(2) and 90(3)(b) of the Act:
  - The Report of 19 June 2018, Item No. 6.1.1, CWMS Expression of Interest Outcomes remain confidential until Council determines its position in relation to the CWMS operating model and that this order be reviewed every twelve (12) months.

On the grounds that the document(s) (or part) relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council and would, on balance, be contrary to the public interest.

2. Pursuant to section 91(9)(c) of the Local Government Act 1999, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.

Carried Unanimously

**DECISION 6** 

Moved Cr Chris Grant S/- Cr Ian Bailey

245/20

- 1. Pursuant to Section 91(7) of the Local Government Act 1999, Council orders that the following document(s) (or part) shall be kept confidential, being document(s) (or part) relating to a matter dealt with by the Council on a confidential basis under Sections 90(2) and 90(3)(b) of the Act:
  - The Report of 26 September 2017, Item No. 19.2, Community Wastewater Management Systems Review remain confidential until Council determines its position in relation to the CWMS operating model and that this order be reviewed every twelve (12) months.

On the grounds that the document(s) (or part) relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council and would, on balance, be contrary to the public interest.

2. Pursuant to section 91(9)(c) of the Local Government Act 1999, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.

Carried Unanimously

Mayor	24 November 2020

**DECISION 8** 

Moved Cr Mark Osterstock S/- Cr Pauline Gill

246/20

- 1. Pursuant to Section 91(7) of the Local Government Act 1999, Council orders that the following document(s) (or part) shall be kept confidential, being document(s) (or part) relating to a matter dealt with by the Council on a confidential basis under Sections 90(2) and 90(3)(b) of the Act:
  - The Report of 28 February 2017, Item No. 19.1, Community Wastewater Management Systems Review remain confidential until Council determines its position in relation to the CWMS operating model and that this order be reviewed every twelve (12) months.

On the grounds that the document(s) (or part) relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council and would, on balance, be contrary to the public interest.

2.	Pursuant to section 91(9)(c) of the Local Government Act 1999, Council delegates
	the power to revoke the confidentiality order either partially or in full to the Chief
	Executive Officer.

Carried U	Unanimously

<b>DECISION</b>	9

Moved Cr Pauline Gill S/- Cr Chris Grant

247/20

- Pursuant to Section 91(7) of the Local Government Act 1999, Council orders that the following document(s) (or part) shall be kept confidential, being document(s) (or part) relating to a matter dealt with by the Council on a confidential basis under Sections 90(2) and 90(3)(d) of the Act:
  - The Report of 25 October 2016, Item No. 19.1, CWMS Expression of Interest remain confidential until Council determines its position in relation to the CWMS operating model and that this order be reviewed every twelve (12) months.

On the grounds that the document(s) (or part) relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council and would, on balance, be contrary to the public interest.

2. Pursuant to section 91(9)(c) of the Local Government Act 1999, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.

Caia al 11aiaaa
Carried Unanimously

### 12.12.1 Short adjournment

Moved Cr Chris Grant S/- Cr Leith Mudge

248/20

That the Council meeting adjourn for a short break from 8.56pm.

Carried Unanimously

9.06pm The Council meeting resumed with all Members present

12.13 Review of Development Application Fee Waiver Policy

Moved Cr Pauline Gill S/- Cr Leith Mudge

249/20

#### **Council resolves:**

- 1. That the report be received and noted
- 2. With an effective date of 10 November 2020, to revoke the 9 May 2017

  Development Application Fee Waiver Policy and to adopt the 27 October 2020

  Draft Development Application Fee Waiver Policy as contained in Appendix 1 of this report.
- 3. That the CEO is permitted to make any formatting, nomenclature or other minor changes to the Policy as per Appendix 1 prior to the effective date.

Carried Unanimously

## 12.14 Status Report – Council Resolutions Update

Moved Cr John Kemp S/- Cr Ian Bailey

250/20

## **Council resolves:**

- 1. That the report be received and noted
- 2. The following completed items be removed from the Action List:

Meeting Date	Meeting	Res No.	Item Name	Previously Declared COI
27/02/2018	Ordinary Council	31/18	Arts & Heritage Hub	None declared
28/04/2020	Ordinary Council	73/20	CEO Performance Review Process & Panel Schedule	None declared
23/06/2020	Ordinary Council	104/20	Support for Road Closures 2020 Adelaide Hills Rally	Perceived - Cr Chris Grant
28/07/2020	Ordinary Council	137/20	Genetically Modified Crops Legislation Change - Community Engagement Plan	None declared

Mayor 24 November 2020

25/08/2020 **Ordinary Council** 162/20 None declared **Boundary Reform Options** 25/08/2020 **Ordinary Council** 164/20 Fabrik Development None declared **Proposal** 25/08/2020 **Ordinary Council** 167/20 DA Fee Waiver Policy None declared 15/09/2020 Special Council 198/20 **Broadcasting Council** None declared Meetings & Workshops 22/09/2020 **Ordinary Council** 204/20 **Genetically Modified Crops** Material - Cr Linda Green Material - Cr Chris Grant Perceived - Cr Kirsty Parkin 22/09/2020 **Ordinary Council** 208/20 2020 LGA President Ballot None declared **Ordinary Council** Election for GAROC 2020 -22/09/2020 209/20 None declared 2022 22/09/2020 212/20 **Ordinary Council** Policy Review Records & None declared Information Management Policy and Records & Information Management for Council Members Procedure 22/09/2020 **Ordinary Council** 213/20 **Policy Review Community** None declared **Loans Policy** 22/09/2020 **Ordinary Council** 214/20 **Policy Review Council** None declared Member Allowances & Support Policy 22/09/2020 **Ordinary Council** 219/20 2020 CEO Performance & None declared Remuneration Reviews -**CONFIDENTIAL ITEM** 22/09/2020 220/20 **Ordinary Council** 2020 CEO Performance & None declared Remuneration Reviews -Period of Confidentiality 22/09/2020 **Ordinary Council** 218/20 **Records & Information** None Declared

Carried Unanimously					
		Members Procedure			
		Management Policy and Records and Information Management for Council			

24 November 2020

Mayor \_

### 13. OFFICER REPORTS - INFORMATION ITEMS

13.1 Waste & Management Strategy 2016 - 2021 Status Report

Moved Cr Mark Osterstock S/- Cr Pauline Gill

251/20

Council resolves that the report be received and noted.

**Carried Unanimously** 

## 14. QUESTIONS WITHOUT NOTICE

Cr Herrmann – Australia Day celebrations and financial assistance from Government

15. MOTIONS WITHOUT NOTICE

Nil

### 16. REPORTS

## 16.1 Council Member Function or Activity on the Business of Council

## **Acting Mayor Nathan Daniell**

- 23 September, Community and Recreation Facilities Framework meeting,
   Stirling
- 26 September, National Trust of SA function, Engelbrook Reserve, Bridgewater
- 29 September, meeting with Josh Teague MP, Member for Heysen, Stirling
- 30 September, LG Reform briefing with Opposition Leader, Peter Malinauskas MP and Shadow Minister for Planning and Local Government, Jayne Stinson MP via Zoom
- 1 October, The Hut Community Centre AGM, Stirling
- 6 October, Tour and meeting with Advanced Plastic Recycling, Kilburn
- 12 October, Function with Their Excellencies Governor-General David Hurley and Mrs Linda Hurley, Hahndorf
- 12 October, Visit to Lobethal Recovery Centre by Their Excellencies Governor-General David Hurley and Mrs Linda Hurley, Lobethal

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- 13 October, Rethinking Business 2020, Hahndorf
- 14 October, Mayor Selling initiative for The Big Issue, Stirling
- 21 October, Imagine Uraidla AGM, Uraidla
- 21 October, Book launch for Shane McNally's "Adelaide Hills", Mt Lofty
- 25 October, Kathina Ceremony 2020, Mylor
- 25 October, Houghton Breaking Ground Ceremony, Houghton

### Radio interviews

- 24 September, interview with Cassandra on ABC Country Hour re GM Crops decision
- 21 October, interview with Jules Schiller on ABC891 re bushfire recovery

### **Cr Leith Mudge**

- 28 September, State Member for Heysen regarding GM Crops, Heysen Electorate Office, Stirling
- 6 October, Stirling Resident re Freeway Noise, Stirling
- 28 October, Rostrevor College 2020 Presentation Night, Paradise

### **Cr Pauline Gill**

- 1 October, Kersbrook Residents Association
- 7 October, Role of Councils and EMs in the New Planning System (Webinar)
- 14 October, Local Recovery Committee
- 14 October, Northern Adelaide Hills Community Leaders Group

### **Cr Malcolm Herrmann**

- 7 October, Webinar Planning Development and Infrastructure Act.
- 15 October, Interview for vacant position of Independent Member Audit Committee -Stirling
- 22 October, Closing down function Blaze Aid Springhead
- 25 October, Top of the Torrens Valley Churches Acknowledgement of volunteers' roles/community experiences in the Cudlee Creek Bushfire- Birdwood

### Cr Linda Green

- 12 October, Mt Torrens Community Association, Mt Torrens
- 19 October, Lights of Lobethal, Lobethal
- 23 October, Lobethal Hall meeting, Lobethal
- 25 October, Houghton Spring Fair, Houghton
- 25 October, Your Hall, Your Hub Cudlee Creek, Lobethal, Mt Torrens

### **Cr Chris Grant**

- 24 September, Bushfire Advisory Group meeting, Uraidla
- 7 October, Friends of Lenswood Centennial Park working bee
- 17 October, Friend of Lobethal Bushland Park AGM, Lobethal

### **Cr Ian Bailey**

 26 October, Community & Recreation Facility Framework Working Group with targeted Club & Association Stakeholders – thank you to staff Natalie Westover and Renee O'Connor for a well-run meeting

### 16.2 Reports of Members as Council/Committee Representatives on External Organisations <u>Cr Linda Green</u>

• East Waste, Workshop re Strategic Plan and Board meeting

### 16.3 CEO Report

Andrew Aitken, CEO, provided Council with a verbal Corporate Update.

- New excavator
- Shoulder renewals, unsealed roadworks, footpath renewals, road construction
- Stormwater upgrade
- Development Applications by bushfire affected residents

### 17. REPORTS OF COMMITTEES

### 17.1 Council Assessment Panel – 14 October 2020

Moved Cr Pauline Gill S/- Cr John Kemp

252/20

That the minutes of the Council Assessment Panel meeting of 14 October 2020 as distributed, be received and noted.

	<b>Carried Unanimously</b>
-	_

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17.2	Strategic Planning & Development Policy Committee
	Nil

### 17.3 Audit Committee – 19 October 2020

Moved Cr Leith Mudge S/- Cr Malcolm Herrmann

253/20

That the minutes of the Audit Committee meeting of 19 October 2020 as distributed, be received and noted.

Carried Unanimously

### 17.4 CEO Performance Review Panel

Nil

### 18. CONFIDENTIAL ITEMS

18.1 Audit Committee Independent Member Appointment – Exclusion of the Public

Moved Cr Kirrilee Boyd S/- Cr Ian Bailey

254/20

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except:

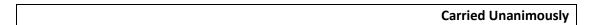
- Chief Executive Officer, Andrew Aitken
- Acting Director Infrastructure & Operations, John McArthur
- Director Strategy & Development, Marc Salver
- Director Corporate Services, Terry Crackett
- Director Community & Customer Service, David Waters
- Executive Manager Governance & Performance, Lachlan Miller
- Governance & Risk Coordinator, Steven Watson
- Minute Secretary, Pam Williams

be excluded from attendance at the meeting for Agenda Item 18.1: (Audit Committee Independent Member Appointments) in confidence.

The Council is satisfied that it is necessary that the public, with the exception of Council staff in attendance as specified above, be excluded to enable Council to consider the report at the meeting on the following grounds:

Section 90(3) (a) of the *Local Government Act 1999*, the information to be received, discussed or considered in relation to this Agenda Item is information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead), because it would disclose the personal details of candidates who have expressed an interest to be on the Audit Committee.

Accordingly, on this basis the principle that meetings of the Council should be conducted in a place open to the public has been outweighed by the need to keep the information and discussion confidential.



18.1.1 Audit Committee Independent Member Appointment - Confidential Item



18.1.2 Audit Committee Independent Member Appointment - Period of Confidentiality

Moved Cr Linda Green S/- Cr Leith Mudge

256/20

Subject to the CEO, or his delegate, disclosing information or any document (in whole or in part) for the purpose of implementing Council's decision(s) in this matter in the performance of the duties and responsibilities of office, Council, having considered Agenda Item 18.1 in confidence under sections 90(2) and 90(3) (a) of the *Local Government Act 1999*, resolves that an order be made under the provisions of sections 91(7) and (9) of the *Local Government Act 1999* that the report, related attachments and the minutes of Council and the discussion and considerations of the subject matter be retained in confidence until the appointment has been confirmed with the applicant.

Pursuant to section 91(9)(c) of the *Local Government Act 1999*, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.

Carried Unanimously
Carried Orianiniously

18.2 CEO PRP Independent Member Appointment – Exclusion of the Public

Moved Cr Mark Osterstock S/- Cr Ian Bailey

257/20

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except:

- Chief Executive Officer, Andrew Aitken
- Acting Director Infrastructure & Operations, John McArthur
- Director Strategy & Development, Marc Salver
- Director Corporate Services, Terry Crackett
- Director Community & Customer Service, David Waters
- Executive Manager Governance & Performance, Lachlan Miller
- Executive Manager Organisational Development, Megan Sutherland
- Governance & Risk Coordinator, Steven Watson
- Minute Secretary, Pam Williams

be excluded from attendance at the meeting for Agenda Item 18.2: (CEO Performance Review Panel Independent Member Appointment) in confidence.

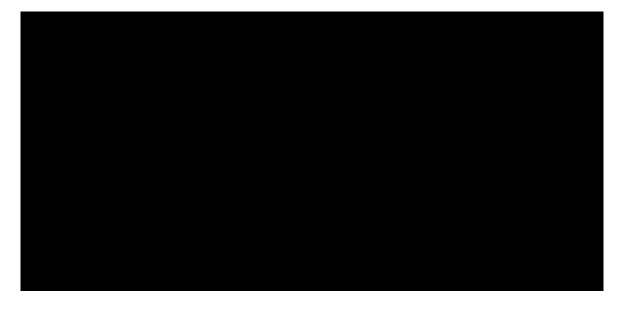
The Council is satisfied that it is necessary that the public, with the exception of Council staff in attendance as specified above, be excluded to enable Council to consider the report at the meeting on the following grounds:

Section 90(3) (a) of the *Local Government Act 1999*, the information to be received, discussed or considered in relation to this Agenda Item is information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead), because it would disclose the personal details of candidates who have expressed an interest to be on the CEO Performance Review Panel.

Accordingly, on this basis the principle that meetings of the Council should be conducted in a place open to the public has been outweighed by the need to keep the information and discussion confidential.

Carried Unanimo	ously

18.2.1 CEO PRP Independent Member Appointment - Confidential Item



### 18.2.2 CEO PRP Independent Member Appointment - Period of Confidentiality

Moved Cr Ian Bailey S/- Cr Pauline Gill

259/20

Subject to the CEO, or his delegate, disclosing information or any document (in whole or in part) for the purpose of implementing Council's decision(s) in this matter in the performance of the duties and responsibilities of office, Council, having considered Agenda Item 18.2 in confidence under sections 90(2) and 90(3) (a) of the *Local Government Act 1999*, resolves that an order be made under the provisions of sections 91(7) and (9) of the *Local Government Act 1999* that the report, related attachments and the minutes of Council and the discussion and considerations of the subject matter be retained in confidence until the appointment have been confirmed with the applicants, but not longer than 2 months.

Pursuant to section 91(9)(c) of the *Local Government Act 1999*, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.

Carried Unanimously

### 18.3 Event Opportunity – Exclusion of the Public

Moved Cr Linda Green S/- Cr Kirrilee Boyd

260/20

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except:

- Chief Executive Officer, Andrew Aitken
- A/Director Infrastructure & Operations, John McArthur
- Director Development & Regulatory Services, Marc Salver
- Director Corporate Services, Terry Crackett
- Director Community Capacity, David Waters
- Executive Manager Governance & Performance, Lachlan Miller
- Governance & Risk Coordinator, Steven Watson
- Manager Communications, Engagement & Events, Jennifer Blake
- Minute Secretary, Pam Williams

be excluded from attendance at the meeting for Agenda Item 18.3: (Event Opportunity) in confidence.

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The Council is satisfied that it is necessary that the public, with the exception of Council staff in attendance as specified above, be excluded to enable Council to consider the report at the meeting on the following grounds:

Section 90(3)(j) of the *Local Government Act 1999*, the information to be received, discussed or considered in relation to this Agenda Item is information the disclosure of which could reasonably be expected to

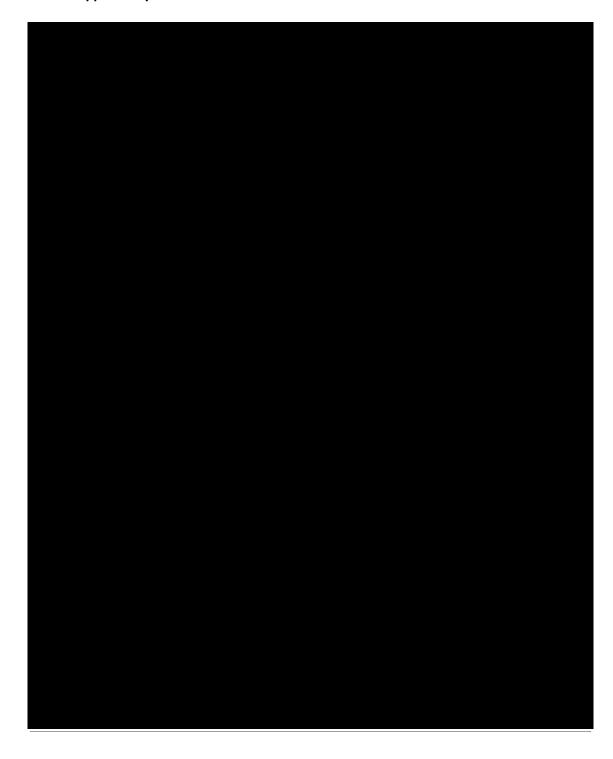
- divulge information provided on a confidential basis by or to a Minister of the Crown, or another public authority or official (not being an employee of the council, or a person engaged by the council); and
- (ii) on balance, be contrary to the public interest.

Accordingly, on this basis the principle that meetings of the Council should be conducted in a place open to the public has been outweighed by the need to keep the information and discussion confidential.

Section 90(3)(j) of the *Local Government Act 1999*, 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 prejudice the commercial position of the person/agency/business who supplied the information by disclosing specific quotes and modelling by the tenderer.

Carried Unanimously

### 18.3.1 Event Opportunity – Confidential item



18.3.2 Event Opportunity - Period of Confidentiality

Moved Cr Pauline Gill S/- Cr Ian Bailey

262/20

Subject to the CEO, or his delegate, disclosing information or any document (in whole or in part) for the purpose of implementing Council's decision(s) in this matter in the performance of the duties and responsibilities of office, Council, having considered Agenda Item 18.3 in confidence under sections 90(2) and 90(3) (j) of the *Local Government Act 1999*, resolves that an order be made under the provisions of sections 91(7) and (9) of the *Local Government Act 1999* that the report, related attachments and the minutes of Council and the discussion and considerations of the subject matter be retained in confidence until the event agreements are signed and the relevant event details are announced by the relevant Minister, but not longer than 31 December 2020.

Pursuant to section 91(9)(c) of the *Local Government Act 1999*, Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.

Carried Unanimously

### 19. NEXT ORDINARY MEETING

The next ordinary meeting of the Adelaide Hills Council will be held on Tuesday 24 November 2020 from 6.30pm at 63 Mt Barker Road, Stirling.

### 20. CLOSE MEETING

The meeting closed at 9.50pm.

Mayor 24 November 2020

# ADELAIDE HILLS COUNCIL ORDINARY COUNCIL MEETING Tuesday 24 November 2020 AGENDA BUSINESS ITEM

Item: 11.1 Motion on Notice

Originating from: Cr Malcolm Herrmann

Subject: Road Resurfacing Albert Street Gumeracha (PLEC Project)

### 1. MOTION

### I move:

That the Mayor writes to the State Minister for Infrastructure and Transport requesting the Department of Infrastructure and Transport to bring forward the reseal of Albert Street, Gumeracha to the 2021/22 financial year's capital works program in order to schedule the works to align with the completion of the Gumeracha Main Street Upgrade Project.

### 2. BACKGROUND

Council is currently delivering a major project in Gumeracha: the Gumeracha Main Street Upgrade. The Gumeracha Main Street Upgrade is a community led initiative that seeks to revitalise the heart of Gumeracha, improve amenity, and stimulate the tourism and business sectors within the town. More information about the project can be found here: <a href="https://engage.ahc.sa.gov.au/gumeracha-mainstreet-upgrade">https://engage.ahc.sa.gov.au/gumeracha-mainstreet-upgrade</a>

Specific works being undertaken include the undergrounding of power lines (PLEC), installation of underground stormwater infrastructure, as well as landscaping and streetscape works. As a result of these works, Albert Street is being heavily trenched, (over 30 trenches) especially between Victoria St and Randell Terrace. The community has raised its concerns about the appearance of Albert Street with the Minister and AHC staff have also raised this with the Department of Transport staff. Although the trenches are being reinstated appropriately, there is concern that the condition of Albert Street may compromise the objectives of the project.

### 3. OFFICER'S RESPONSE – Peter Bice, Director Infrastructure & Operations

### > Strategic Management Plan/Functional Strategy/Council Policy Alignment

Strategic Plan 2020-24 – A brighter future

Goal 1 A functional Built Environment

Objective B2 Preserve and enhance the unique character if the Hills for current

and future generations.

Priority B2.1 Continue to embrace and support community led public place

revitalisation across our district.

### Legal Implications

Not applicable

### Risk Management Implications

The resealing of Albert St will assist in mitigating the risk of:

Reduced visual amenity due to trenches along Albert St leading to poor public perception of the Gumeracha Main Street Upgrade Project

Inherent Risk	Residual Risk	Target Risk
2C	1E	1E

### > Financial and Resource Implications

Not applicable.

### Customer Service and Community/Cultural Implications

Not applicable.

### Sustainability Implications

Not applicable.

### > Engagement/Consultation conducted in the development of the report

Consultation on the development of this report was as follows:

Council Committees: Not Applicable

Council Workshops: Not Applicable

Advisory Groups: Not Applicable

Administration: Coordinator Civil projects

Manager Civil Services

External Agencies: Not Applicable

Community: Not Applicable

### 4. ANALYSIS

Council Administration supports the motion.

The Council appointed Project Manager for the Gumeracha Main Street Upgrade Project has previously identified that the project outcomes could be enhanced by the resealing of Albert St at the completion of the project. An enquiry was made to the then Department for Planning, Transport and Infrastructure as to when Albert St was due for reseal, with advice received in response that the Department had "no plans to undertake major resurfacing works along Albert St in the next few year".

Council officers, in liaison with senior asset management staff at the Department of Infrastructure and Transport, have since made a formal request that DIT bring forward the reseal of Albert St to align with the completion of the Gumeracha Main Street Upgrade Project. It is understood that the Department is currently considering this request.

The above Motion on Notice would support staff and the local community in their endeavours to facilitate the reseal of Albert Street, Gumeracha.

### 5. APPENDIX

Nil

# ADELAIDE HILLS COUNCIL ORDINARY COUNCIL MEETING Tuesday 24 November 2020 AGENDA BUSINESS ITEM

Item: 12.1

Responsible Officer: Jess Charlton

**Coordinator Service Strategy & Innovation** 

**Community Capacity** 

Subject: Internal Review of Council Decision - 2018 and 2020 Road

**Closure Consents** 

For: Decision

### **SUMMARY**

Council received an application in February 2019 for an internal review of a Council decision, being the decision by Council on 28 August 2018 (resolution 196/18) to give consent to road closures for the 2018 Shannon's Adelaide Rally. This review was placed 'on hold' pending the completion of related freedom of information requests from the same Applicant.

Further correspondence was received in July 2020 regarding the decision by Council on 26 May 2020 (resolution 93/20) to give consent to road closures for the 2020 Shannon's Adelaide Rally event. This was substantively considered to be a request for an internal review of the decision. Given that the requests concerned the same decision making functions of Council, it was considered appropriate to combine the reviews and conduct them concurrently.

An external advisor was engaged to complete the investigation and prepare a report for Council. The investigator has recommended that Council's decisions to give consent to the road closures for the 2018 and 2020 Shannon's Adelaide Rally events were reasonable, appropriate and lawful and should be upheld.

As the elected Council was the decision maker, under the provisions of the *Internal Review of Council Decisions Policy*, Council must also be the reviewer and determine whether the decision should be upheld or if other actions or remedies are appropriate.

### RECOMMENDATION

### **Council resolves:**

- 1. That the report be received and noted.
- To accept the findings, conclusions and recommendations in the Internal Review Final Report

   2018 and 2020 Road Closure Decisions at Appendix 1 and that the decisions to give consent to road closures (196/18 and 93/20) were reasonable, appropriate and lawful and should be upheld.

### 1. GOVERNANCE

### Strategic Management Plan/Functional Strategy/Council Policy Alignment

Strategic Plan 2020-24 – A brighter future

Goal A Progressive Organisation

Objective O5 We are accountable, informed, and make decisions in the best

interests of the whole community

Priority O5.2 Make evidence-based decisions and prudently assess the risks and

opportunities to our community before taking action

Council recognises the importance of transparency in Council decision-making and the need to provide a fair, objective and consistent process for the review of Council decisions.

The *Internal Review of Council Decisions Policy* (the IRCD Policy) outlines the procedure that applies to all applications or requests for a review of a Council decision. Where the decision being reviewed was made by the elected Council, the CEO will refer a review of the decision to the elected Council.

It should be noted that the application for the review of the 2018 decision was made under the IRCD Policy that was superseded in November 2019, however, the process for dealing with internal reviews is materially the same under both policies.

### Legal Implications

Section 270(1) of the *Local Government Act 1999* (the Act) states that a council must establish procedures for the review of decisions of the council, employees of council and other person acting on behalf of council. In this regard, Council has adopted the IRCD Policy.

### Risk Management Implications

Managing internal review applications effectively and in accordance with the provisions of section 270 of the Act and the IRCD Policy will assist in mitigating the risk of:

Poor governance practices occur which lead to a loss of stakeholder (i.e. customer and regulator) confidence and/or legislative breaches.

Inherent Risk	Residual Risk	Target Risk
Extreme (5C)	Medium (3D)	Medium (3D)

Note that there are many other controls that assist in mitigating this risk.

### Financial and Resource Implications

The costs associated with managing and investigating internal reviews are accommodated in existing budgets and, where required, adjusted via budget reviews.

The cost of the external consultant engaged to investigate this matter will be approximately \$5,500. In addition, a significant amount of staff time has been spent managing the process.

### Customer Service and Community/Cultural Implications

There is a high expectation that complaints and requests for decision reviews are managed in an appropriate manner. These can often be the source of valuable improvement opportunities in the way in which Council delivers services to the community.

### > Sustainability Implications

Not applicable.

### > Engagement/Consultation conducted in the development of the report

Consultation on the development of this report was as follows:

Council Committees: Not Applicable

Council Workshops: Not Applicable

Advisory Groups: Not Applicable

Administration: Director Community Capacity

Executive Manager Governance & Performance Manager Communications, Engagement and Events

External Agencies: Kelledy Jones Lawyers

Community: Not Applicable

### 2. BACKGROUND

### Decisions under review

On 28 August 2018, Council resolved at agenda item 12.1 (resolution 196/18) to provide consent to certain road closures for the 2018 Shannon's Adelaide Rally (the 2018 decision).

### 12.1 Shannons Adelaide Rally Support for Road Closure

Mr Tim Possingham, Sporting Car Club of South Australia, answered questions from Council Members

Moved Cr John Kemp S/- Cr Nathan Daniell

196/18

### Council resolves:

- That the report be received and noted.
- That, in relation to the Shannons Adelaide Rally 2018, Council's support of the event is contingent on the organisers, to the satisfaction of the Chief Executive Officer:
  - Providing evidence of satisfactory insurance to cover any damage to 3<sup>rd</sup> party property caused by the event;

- Providing confirmation that affected business owners are aware of the road closures;
- Providing written confirmation to confirm that the concerns raised by affected residents have been addressed and that arrangements for egress and regress from those properties can be managed within the event;
- d. Written confirmation from the organisers that they will erect advance notices of road closures on the affected roads, at least 3 weeks prior to the event.
- That subject to the requirements of 2. being undertaken, Council provides consent for road closure orders in relation to the Shannons Adelaide Rally 2018, to be held between Wednesday 28 November and Saturday 1 December 2018 as follows:

[the remainder of this resolution has been excluded from this excerpt for space reasons]

On 3 February 2019, Mr Eberhard (Joe) Frank (the Applicant) made an application for an internal review of the decision to approve the road closures. This application was initially held 'on hold', at the applicant's request, while related freedom of information request processes were completed. This included an external review of Council's FOI determination to the South Australian Ombudsman. The Applicant then sought a review of the Ombudsman's determination in the South Australia Civil and Administrative Tribunal who ultimately decided in August 2020 to affirm the Ombudsman's decision to vary Council's determination on some of the items sought by the Applicant.

Council Members will also be aware that the Administration initially appointed an external investigator who had done a number of other similar reviewed for the Council before. Following representations from the Applicant, the Council resolved on 25 June 2019 at agenda item 11.1 (resolution 148/19) to cease the appointment of the investigator for the internal review and identify a suitable alternative.

11.1 Internal Review Investigator, Shannons Adelaide Rally Support for Road Closure decision
 7.21pm Cr John Kemp returned to the Chamber

Moved Cr Mark Osterstock S/- Cr John Kemp

148/19

### I move that Council resolves:

- To cease the current arrangements for the investigation of the Internal Review of the 28 August 2018 Shannons Adelaide Rally Support for Road Closure decision (resolution 196/18) in order to mitigate any perceptions of bias (including apprehension of bias) on the part of the investigator.
- That the CEO identify, for the Mayor's approval, an appropriate alternative
  investigator, whether internal or external, to enquire into resolution 196/18 in
  order to prepare a report to Council as the reviewer of that decision in accordance
  with the provisions of the Internal Review of Council Decision Policy.

Carried Unanimously

On 26 May 2020, Council resolved at agenda item 12.4 (resolution 93/20) to provide consent to road closures for the 2020 Shannon's Adelaide Rally (the 2020 decision).

### 12.4 Support for Road Closures – 2020 Shannons Adelaide Rally & 2020 Gorge Rallysprint Council resolves:

- That the report be received and noted.
- That, in relation to the 2020 Shannons Adelaide Rally and 2020 Gorge Rallysprint, Council supports the event contingent on the organisers, to the satisfaction of the Chief Executive Officer:
  - Providing evidence of satisfactory insurance to cover any damage to third party property caused by the event
  - Entering into a road repair agreement with Council to cover any rectification works required as a result of damage caused by the event
  - Providing confirmation that the affected business owners are aware of the road closures
  - Providing written confirmation that the concerns raised by affected residents have been adequately addressed and that arrangements for egress
    - and regress for those properties can be managed within the event where possible
  - Written confirmation from the organisers that they will erect advance notice
    of road closures on the affected roads, at least three weeks prior to the
    event.
- 3. That subject to the requirements of item 2. being undertaken, Council provides consent for road closure orders in relation to the two events, to be held on Sunday 13 September and between Wednesday 25 and Saturday 28 November as follows:

[the remainder of this resolution has been excluded from this excerpt for space reasons]

Council received correspondence from the Applicant in July 2020 regarding the 2020 road closure decision. While the Applicant did not complete a formal application for the internal review of a council decision, based on legal advice, the correspondence was reasonably and appropriately considered a request for an internal review of the 2020 decision.

Both requests for review raised similar factual circumstances and concerned Council decision-making functions regarding the same community event. It was therefore considered appropriate and prudent that Council, as a transparent and accountable public authority, charged with the expenditure of finite public funds, combine the reviews and conduct them concurrently.

### **Review Process**

Clause 6.4 of the IRCD Policy states that "an external advisor may be recommended where the decision under review is complex and/or raises legal questions." Thus, given the nature of the subject matter and the concurrent review of two similar decisions, the CEO determined to appoint one of its legal providers (Kelledy Jones Lawyers) as an external advisor to undertake the investigation and prepare a report for Council. This method was also considered appropriate to avoid any perception of bias by the Applicant were the investigation to be carried out by Council staff.

The Applicant was advised on 28 July 2020 of Council's intention to complete the reviews concurrently and that an external advisor had been appointed. Following this, Kelledy Jones Lawyers initiated contact with the Applicant to commence the review process. The investigation reviewed all information relating to the making of the decisions in question, including relevant policies, correspondence and agenda reports and documents.

### **Procedural Fairness**

In accordance with the provisions of clause 6.4 of the Policy, the Applicant has been afforded procedural fairness by being given the opportunity to put forward his case at various points in the review. The Applicant was invited by Kelledy Jones Lawyers to provide information at the beginning of the investigation. This was taken up by the Applicant and the information was considered in addition to that already received by the Council.

The Applicant was also invited to provide feedback on the draft report as described in 2.13-2.19 of the *Internal Review Final Report – 2018 and 2020 Road Closure Decisions* (the final report) at *Appendix 1*. At the request of the Applicant, Council granted an extension of time for feedback to be provided from the initial time frame of one week to two weeks. When feedback was not received four days after the extended timeframe, Kelledy Jones proceeded to finalise the report. Feedback was then received by Council after the report had been finalised. Nonetheless, the feedback was reviewed and it was determined that it did not raise any matters that required further revisions to the final report. The feedback on the draft report is attached as *Appendix 3* for completeness and at the request of the Applicant.

Further, as required by clause 6.3 of the IRDC Policy, the Applicant was invited to make a verbal or written submission for Council's consideration together with the final report. The Applicant chose to make a written submission which is attached at *Appendix 2*. The Applicant also included correspondence to the Premier of South Australia as part of his written submission and this is attached at *Appendix 4*.

As the original decisions were made by the elected Council, the Council is responsible for acting as the reviewer, in accordance with clause 6.3 of the IRCD Policy. The role of Council as the reviewer is to determine whether the decision made was reasonable, appropriate and lawful. The final report has now been completed (*Appendix 1*) and is being provided to Council in conjunction with the Applicant's submissions in *Appendices 2-4* for its ultimate determination regarding the decisions in question.

### 3. ANALYSIS

The final report in **Appendix 1** provides detail about the investigation, the Council decisions and the findings, conclusions and recommendations of the external advisor. The report concludes and recommends that the original decisions of Council should be upheld on the basis that:

The Council had sufficient information available to it at its meetings of 28 August 2018 and 26 May 2020, to make informed, responsible and accountable decisions, affording all due process, prior to determining to provide consent to the Police Commissioner, for the temporary road closures, to facilitate the Shannon's Adelaide Rally in 2018 and 2020.

- It cannot be said that the actions and behaviours of any employee or elected member, have been in breach of their public officer obligations.
- The processes surrounding the Council's consideration and subsequent decisions, pertaining to providing consent for temporary road closures for the 2018 and 2020 Shannon's Adelaide Rally events, were valid and appropriate.
- The decisions made by the Council were open for it to make and were reasonable in the circumstances, were based upon all of the available evidence and able to be made on the facts available and in the public interest. That is, they were reasonable decisions, made in a reasonable manner, by a reasonable and responsible public authority.
- Decisions made by the Council, may not (and indeed are unlikely) to ever be decisions that all residents and ratepayers in the Council area may agree upon. In fact, councils are often required to make decisions that a majority, if not all, of the ratepayers and residents, may not favour (for example, an increase in rates). However, that does not mean that such decisions are not able to be made or reasonable decisions to make in the circumstances, based on all of the available evidence

As the reviewer for the decision, Council is now required to consider the final report, together with the Applicant's submission and make a determination in relation to the decision.

### 4. OPTIONS

Council has the following options:

- I. To accept the findings, conclusions and recommendations in the final report and determine that the decisions to give consent to road closures (196/18 and 93/20) were reasonable, appropriate and lawful and should be upheld. (Recommended)
- II. To not accept the findings, conclusions and recommendations in the final report and revoke the decision made on 26 May 2020 (93/20) to give consent to road closures for the 2020 Shannon's Adelaide Rally. Council should be aware that SA Police have already issued the road closure order pursuant to section 33 of the *Road Traffic Act* 1961, event planning is underway and the event is due to be held on 25-28 November 2020. (Not Recommended)

### 5. APPENDICES

- (1) Internal Review Final Report 2018 and 2020 Road Closure Decisions
- (2) Applicant Submission Part 1 (Response to Final Report)
- (3) Applicant Submission Part 2 (Feedback on Draft Report
- (4) Applicant Submission Part 3 (Letter to Premier)

Appendix :  Internal Review Final Report – 2018 and 2020 Roa
Internal Review Final Report – 2018 and 2020 Roa
Closure Decision

### **KelledyJones**

# ADELAIDE HILLS COUNCIL COUNCIL DECISIONS REGARDING ROAD CLOSURES

**SECTION 270 REVIEW** 



### ADELAIDE HILLS COUNCIL

### **Council Decisions Regarding Road Closures**

### 1. INTRODUCTION

- 1.1 By letter dated 3 February 2019, Mr Eberhard (Joe) Frank (the Applicant), made application under section 270 of the Local Government Act 1999 (the Act), for a review of the decision of the Adelaide Hills Council (the Council) made at its meeting of Tuesday 28 August 2018 at Agenda item 12.1, Shannon's Adelaide Rally Support for Road Closure, (the First Application Appendix 1) to approve certain road closures.
- 1.2 It is noted that the Applicant asserts in the First Application that he had 'flagged' making this request, following the Council's decision at its meeting of 28 August 2018. However, we do not have any evidence of any application for the purposes of section 270 of the Act, until that received on 3 February 2019.
- 1.3 When the First Application was received, more than five (5) months had elapsed since the decision of the Council that the Applicant complains about. Further, the event, for which the temporary road closures were required, had been held, over the period of Wednesday 28 November 2018 to Saturday 1 December 2018 prior.
- 1.4 The Applicant submitted that this delay was caused, in part, as a result of his request under the *Freedom of Information Act 1991* (the FOI Act), for certain Council documents said to be required for the purposes of formulating the First Application.
- 1.5 Accordingly, at the Applicant's request, the Council exercised its discretion in favour of the Applicant, to 'hold' progressing the First Application, to enable the statutory processes to be completed under the FOI Act.
- 1.6 For the avoidance of doubt, while it is outside of the scope of this review to address the receipt and assessment of the Applicant's request under the FOI Act, it is noted that the Council's initial determination was then the subject of a request to the Ombudsman's Office, for an external review,.
- 1.7 Further, the determination of the Ombudsman was the subject of an application for review by the Applicant to the South Australian Civil and Administrative Tribunal (the Tribunal).
- 1.8 On 13 August 2020, the Tribunal made findings affirming the Ombudsman's decision.
- 1.9 Accordingly, the decision of the Tribunal disposed of the Applicant's request under the FOI Act and has enabled the Council to progress the First Application.
- 1.10 That is, the Applicant has received all relevant information that he is lawfully entitled to and there can be no, reasonable, complaint that he does not have access to the information required to progress the First Application.



- 1.11 Concurrent with the above FOI Act processes, the Council received further correspondence from the Applicant, including on 12 July 2020 and 26 July 2020, regarding the decision made by the Council at its meeting of Tuesday 26 May 2020, on Agenda item 12.4 Support for Road Closures 2020 Shannon's Adelaide Rally (the Second Application Appendix 2).
- 1.12 The Second Application pertains to the decision of the Council, at its meeting of 26 May 2020, to provide consent for temporary road closures for the 2020 Shannon's Adelaide Rally, as referenced at paragraph 3b – e of Council resolution 93/201.
- 1.13 As the First and Second Applications arise, substantially, from the same factual background, give rise to similar factual circumstances, relate to Council decision-making functions regarding the same community event, albeit in different years and given the First Application is now so dated it is difficult to proceed with it in any meaningful way, the Applications will be reviewed together in this review.

### 2. THE REVIEW PROCESS

- 2.1 As the decisions that are the subject of the requests for review, are decisions of the governing body and in making them the Council was provided with reports prepared by Administration, the CEO determined, in accordance with clause 6.3 of the Council's *Internal Review of Council Decisions Policy* (Appendix 3), to engage Kelledy Jones Lawyers (KJL) to undertake an independent review of the decisions which are the subject of the First and Second Applications.
- 2.2 The review process occurs in accordance with the Policy, as well as relevant principles of procedural fairness. The Applicant has been provided with a copy of the Policy.
- 2.3 The purpose of the review is to examine the processes followed by the Council in arriving at the decisions of concern to the Applicant, as set out in the First and Second Applications, for the purposes of determining whether those decisions were:
  - 2.3.1 reasonable decision to make in the circumstances;
  - 2.3.2 open to be made on the facts before the Council;
  - 2.3.3 made in the public interest; and
  - 2.3.4 that the decision-making process was not flawed.
- 2.4 KJL sent an email letter on 5 August 2020 to the Applicant, setting out the background to the First and Second Applications, confirming that both requests were to be considered concurrently and extending an invitation to provide further information to be taken into account in the review.
- 2.5 The Applicant provided, by email, a further submission on Friday 14 August 2020. This, largely, replicated the information set out in the First and Second Applications, aside from the contention that in making the decisions the subject of the review, the Council had not acknowledged the impact on the civil rights and



freedoms of residents and ratepayers and had not taken into account the *Siracusa Principles* in its decision making processes and policy positions.

2.6 The Applicant submitted that he had:

the expectation that the appointed reviewer conducting the IRCD [Internal Review of Council Decision] will, in applying procedural fairness/due process principles, apply those elements of these principles which are relevant when conducting the review. (Appendix 4).

- 2.7 Briefly, the Siracusa Principles provide that restrictions on human rights under the International Covenant on Civil and Political Rights (ICCPR) must meet standards of 'legality, evidence-based necessity, proportionality, and gradualism'. Specifically, limitations on rights must be 'strictly necessary', meaning that the limitations must be aimed at responding to a pressing public or social need and, proportionately, pursue a legitimate aim and are to be the least restrictive means required for achieving the purpose of the limitation.
- 2.8 We note that, despite being a signatory to the ICCPR in 1972 and ratifying the same in 1980, Australia has never adopted it into domestic law.
- 2.9 There is, accordingly, no statutory requirement for the Council to apply the Principles in its decision-making processes or, more specifically, in its decision-making process regarding temporary road closures. This is assuming, of course, that it could be said that the Principles have any relevance and application whatsoever, in circumstances where temporary road closures, notified to impacted residents more than six (6) months prior to the event, is a 'restriction' on human rights, that even falls for consideration under the ICCPR, a contention which, in the opinion of KJL, is tenuous at best.
- 2.10 Following receipt of the initiating letter of 5 August 2020 from KJL, the Applicant also raised a series of questions regarding the review process, over the course of 6, 9 and 10 August 2020. This correspondence has been considered and taken into account as part of this review (**Appendix 5**).
- 2.11 Pursuant to clause 6.4 of the Council's *Internal Review of Council Decisions Policy* (**Appendix 3**), as part of the review process, the Applicant had the opportunity to make a written submission, expressing his point of view and responding to issues raised, including the provision of any relevant information.
- 2.12 However, in addition to receiving and taking into account the materials and correspondence the Applicant had provided in response to the invitation of 5 August 2020 in the preparation of the draft Report, as a reasonable, transparent and accountable public authority, the Council instructed KJL to extend a further invitation to the Applicant on 30 September 2020, on account of the draft Report.
- 2.13 This invitation to provide a further submission on the draft Report was not an invitation 'at large', but rather, a discrete level of procedural fairness afforded to the Applicant, to make any further submission to be taken into account in the finalisation of the Report, limited to the facts as stated and the conclusions drawn.



- 2.14 Any further submission that the Applicant may have wished to make in this regard was requested to be received by close of business on Wednesday 7 October 2020. That is, one-week following receipt of the draft Report.
- 2.15 By email dated Monday 5 October 2020, the Applicant took issue with this timeframe, considering it to be 'manifestly unreasonable' and stating that he intended to provide a detailed response by Friday 23 October 2020.
- 2.16 While the Council was prepared to agree to an extension of time within which to respond, noting the historical nature of the Applications, and the public interest in finalising these matters, by email dated 8 October 2020, the Applicant was notified that while an extension had been granted, this was to 5:00pm on Friday 16 October 2020. This was 16 calendar days after the Applicant had received the draft Report.
- 2.17 The Applicant was specifically advised in this email exchange that if nothing further was received by way of further submission, then KJL would proceed to finalise the Report.
- 2.18 In this regard, it is also to be noted that the Council's *Internal Review of Council Decisions Policy* (Appendix 3) specifically provides at clause 6.3 that the Applicant will be advised in due course of the date the Report is to be presented to the Council. At that time, the Applicant will, again, be provided with an opportunity to provide a written or verbal submission in relation to the report, for the Council's consideration.
- 2.19 No further submission was received from the Applicant by close of business on Tuesday 20 October 20202 (being an additional four (4) days after the Applicant was requested to provide a response), following which, the Report has now been finalised.
- 2.20 Having considered all relevant information available to the Council at the time the decisions were made, as well as the further information provided by the Applicant as part of this review, this Report has now been prepared for the consideration of the Council.
- 2.21 The objective of this Report is to assist the Council in making a determination to finalise the review process. This Report sets out:
  - 2.21.1 the background facts which have given rise to the requests for review;
  - 2.21.2 a summary of relevant information obtained during the course of the review;
  - 2.21.3 the findings of KJL: in relation to the issues raised by the Applicant and the appropriateness of the Council decision; and
  - 2.21.4 the options now available to the Council.
- 2.22 The standard of proof applied by KJL in this review, is the balance of probabilities. In determining whether that standard has been met, in accordance with the High Court decision in <u>Briginshaw v Briginshaw</u> (1938) 60 CLR 336, we



have considered the nature of the allegations made and the consequence(s) if they were to be upheld.

### 3. THE APPLICANT'S COMPLAINTS

### 2018 Shannon's Adelaide Rally – The First Application

- 3.1 By letter dated 3 February 2019 (**Appendix 1**), the Applicant complained that the Council decision to consent to certain temporary road closures for the 2018 Shannon's Adelaide Rally, failed to take into account that:
  - 3.1.1 not all residents who ought to have been consulted or informed, had been consulted or informed:
  - 3.1.2 the event would entail speeding on a public road, which activity was in contravention of the law and contrary to road safety practices;
  - 3.1.3 there was 'no proper debate about such an important issue';
  - 3.1.4 there was no costs/benefits analysis considered by the Council in making its decision;
  - 3.1.5 there was no discussion of any alternative option to the proposed road closures;
  - 3.1.6 information was not received and considered from the Council's engineer regarding the event; and
  - 3.1.7 information had not been received from the Council Environment or Heritage Officer(s) regarding the impacts of the event.

### 2020 Shannon's Adelaide Rally - The Second Application

- 3.2 Further, by emails dated 12 July and 26 July 2020, the Applicant complained that there were 'serious deficiencies' in the Council's decision-making processes in Agenda item 12.4 Support for Road Closures 2020 Shannon's Adelaide Rally, in particular, that:
  - 3.2.1 the Council put private interests ahead of public interests, in determining to provide consent for certain road closures. Roads are public infrastructure maintained by public money and the Council prioritised private interests over the public interest by 'relegating the public's right of access' and use of its roads, without sufficient explanation';
  - 3.2.2 there was a lack of consultation regarding the proposal and a failure to apply what the Applicant described as the principles of 'social licence', when the Council resolved to facilitate road closures for an event that had the potential to adversely impact residents and ratepayers;
  - 3.2.3 the Council did not receive and consider a detailed 'cost/benefit, risk/beneft (sic) analysis' in making its decision;
  - 3.2.4 too much weight was placed on the submissions of the event organiser in the decision-making process;



- 3.2.5 the Council's *Festival & Events Policy, 'is flawed'* and has led to the Council making a decision that is contrary to the public interest; and
- 3.2.6 not enough weight was placed on the fact that the activities, the subject of the event, are contrary to the *Road Traffic Act 1961*.
- 3.3 Taken together, it is reasonable to construe that the concerns articulated by the Applicant are that, in resolving to endorse certain temporary road closures for the 2018 and 2020 Shannon's Adelaide Rally, the Council did not take into account, or did not sufficiently take into account, all relevant considerations.
- 3.4 If this were correct, the Council would not have been acting as a representative, informed and responsible decision maker in the interests of its community. Accordingly, the decision could be considered to be contrary to sections 6 and 8 of the Act and of the Guiding Principles at regulation 4 of the Local Government (Procedures at Meetings) Regulations 2013.
- 3.5 Having set out the basis of the Applicant's requests for review of decisions of the Council as above, it is useful to outline the statutory framework against which a request for a review is considered and determined.

### 4. STATUTORY FRAMEWORK

- 4.1 Subsection 270(a1) of the Act provides:
  - (a1) A council must develop and maintain policies, practices and procedures for dealing with -
    - (a) any reasonable request for the provision of a service by the council or for the improvement of a service provided by the council; and
    - (b) complaints about the actions of the council, employees of the council, or other persons acting on behalf of the council.
- 4.2 Subsection 270(1) of the Act provides:

Without limiting subsections (a1) and (a2), a council must establish procedures for the review of decisions of -

- (a) the council;
- (b) employees of the council;
- (c) other persons acting on behalf of the council.
- 4.3 The Council's *Internal Review of Council Decisions Policy* (**Appendix 3**) has been adopted by the Council in accordance with its obligations under section 270 of the Act. It outlines the manner in which requests for a review of a decision of the Council will be managed.
- 4.4 Subsection 270(4) of the Act sets out, as relevant in this matter, that a council, or a person assigned to consider the application, may refuse to consider an application for review if:



- (a) the application is made by an employee of the council and relates to an issue concerning his or her employment; or
- (b) it appears that the application is frivolous or vexatious; or
- (c) the applicant does not have a sufficient interest in the matter. (our emphasis)
- 4.5 Other than these limited exceptions, an application made under section 270 of the Act must be considered on its merits and dealt with accordingly. Indeed, the Ombudsman specifically noted, at page 29 in his audit report 'Right of Review' that:

On my reading of the provision, the Act does not enable councils to limit the types of matters it is prepared to accept for review of decision under section 270 unless it falls into category (a), (b) or (c), above.

- 4.6 It is the position of KJL that in reviewing the decisions, the subject of the First and Second Applications, it is important to note that the Council, as a public authority, has a legal obligation to act in the public interest and to ensure that it does not misuse or mismanage public resources.
- 4.7 In this regard, section 6 of the Act requires the Council to act as a representative, informed and responsible decision maker in the interest of its community which, necessarily, includes ensuring that its finite public resources are utilised in a responsible manner and in the interests of the community at large.
- 4.8 Accordingly, the following circumstances are relevant considerations, at the very least, in relation to the First Application:
  - 4.8.1 the 2018 event, the subject of the First Application, has been held;
  - 4.8.2 the effluxion of time results in the First Application becoming sufficiently dated (based on the Applicant's request to await the outcome of his application for access to certain documents under the FOI Act, culminating in the second external review), that it is difficult to proceed with it in any meaningful way; and
  - 4.8.3 there is limited public interest in committing finite public resources addressing the totality of the matters that are the subject of the First Application, there being no relevant outcome or recommendation to be applied.
- 4.9 Equally, there are relevant issues to be considered as part of this review, as to whether the Applicant's continued complaints to the Council regarding this event might be of such content and continuing nature to bring them within the public policy context of being considered as 'frivolous and vexatious', for the purposes of section 270(4) of the Act and clause 3 of the Policy and/or even whether the Applicant has a 'sufficiency of interest' in the matter.
- 4.10 Refusing a request (or part thereof) for a review of certain decisions on the basis that an application is *'frivolous or vexatious'*, has its genesis in the public policy



objective of avoiding waste or the unreasonable commitment or substantial mismanagement of limited public resources.

4.11 A 'frivolous' request for a review is defined under clause 3 of the Council's Internal Review of Council Decisions Policy (Appendix 3) as:

A frivolous request for a review of a decision includes, but is not limited to, requests that lack seriousness, sense or are submitted without an apparent purpose.

4.12 A 'vexatious' request for a review is defined under clause 3 as:

A vexatious request for a review of a decision includes, but is not limited to, requests made without sufficient grounds or that are submitted only to cause disruption, delay or annoyance.

- 4.13 Whilst the threshold for declaring a request for review as 'frivolous' and/or 'vexatious' is high, and an applicant should not be unfairly denied the opportunity to make genuine requests under section 270 of the Act, in all of the circumstances of this matter, it is incumbent on the reviewer to determine whether each aspect of the Applicant's request has any serious merit, purpose or value and, if not, whether it may, reasonably, be categorised as frivolous and/or vexatious.
- 4.14 This is particularly relevant when it is noted that, since the Applicant first raised the issues which are the subject of both Applications, they have been consistently framed as a series of questions and requests for information, as well as complaints about matters that have been dealt with under the Council's Complaint Handling Policy. It is evident from the correspondence that the Council has, in a comprehensive and thorough manner, already provided responses to most of the issues raised.
- 4.15 While we do not propose to explore the historical correspondence in any detail, it being outside of the scope of this review, by way of background information that informs the review, it is useful and relevant to annex the correspondence, as well as what, in our view, can be considered to be the reasonable, timely and appropriate responses that the Council has provided to the Applicant (Appendix 6).
- 4.16 In addition, a person without a 'sufficient interest' will usually lack standing to seek a review of the decision of concern.
- 4.17 *'Sufficient interest'* for the purposes of section 270(4)(c) is not defined under the Act, but is defined under and for the purposes of the Policy, as:

Sufficient interest means the applicant must have an interest in the subject matter, over and above that of the general public. (our emphasis)

4.18 It is, therefore, 'linked' to the legal concept of standing ('locus standi'), being the ability of a person to demonstrate a sufficient connection to and harm from the matter being challenged to support their participation in the consideration of the matter in dispute.

- 4.19 The Ombudsman commented at page 42 of his report, Right of Review, that his Office had undertaken research on the issue of the application of the sufficient interest test at law and was of the view that the question of 'standing' is aligned to the doctrine of procedural fairness and a complainant's right to be heard (the hearing rule).
- 4.20 There is relevant case law that supports the principle that an applicant must establish they have an interest in the subject matter, 'over and above that of the general public'.
- 4.21 The Ombudsman has, relevantly, cited the commentary of White J in <u>Clothier and Simper v City of Mitcham (1981) 45 LGRA 179</u>, which noted, as a general rule, that a resident would not have standing to challenge a council decision where the only basis for asserting standing is that he or she is a ratepayer of the shire (being a NSW case) and is affected no more or no less than other residents. Where, however, the resident lives in an area where they would, as a ratepayer, be likely to suffer the most if a particular action was taken by the council, they may then have standing, sufficient to challenge.
- 4.22 Accordingly, the Applicant, without any more than being a resident of some years in the Council area with an 'interest' in local government, is not likely to have an interest in the subject matter (i.e. the Shannon's Adelaide Rally's for 2018 and 2020) 'over and above' that of the general public for the matters complained of. The routes for these events did not, and will not, impact the Applicant's access to his property.
- 4.23 The proposed route for the 2020 Shannon's Adelaide Rally, which has been approved, subject to the organiser meeting certain conditions, proposes certain road closures around Lobethal Road on Saturday 28 November 2020 (**Appendix 7**).
- 4.24 While the Applicant is said to live

  (Appendix 8), evidence has been received to confirm the proposed route for 2020 will not impact the intersection of
- 4.25 However, the Applicant has been consulted regarding this event and has, likewise, been consulted for past events.
- 4.26 Noting the Ombudsman has stated this is not an unduly high test, having been consulted as part of the Policy process, we do find that the Applicant has 'sufficient interest' for the purposes of section 270(4)(c) of the Act.
- 4.27 Further, whilst it may be open to the Council to refuse to consider the review requests on the basis that the First and Second Applications could be characterised as frivolous and vexatious for the purposes of section 270(4)(b) of the Act, the Council has, reasonably, appropriately and consistent with its obligations to act as a responsible, accountable, public authority, determined to exercise its discretion to proceed with the review of the First and Second Applications at this time.



- 4.28 Notwithstanding this, noting that the First and Second Applications arise, substantially, from the same factual backgrounds, give rise to similar factual circumstances and relate to Council decision-making functions regarding the same community event, the Council has made it clear that it intends to, carefully, consider the merits of any future requests by the Applicant under section 270 of the Act, regarding the Shannon's Adelaide Rally event, in particular, to issues pertaining to temporary road closures, to determine whether there exists any public interest in undertaking further reviews.
- 4.29 Subject to the factual circumstances surrounding any subsequent requests for review, the Council's Unreasonable Complainant Conduct Policy may also have application.
- 4.30 Taking the above into account, we turn to the Applicant's requests for review.

### 5. 2018 SHANNON'S ADELAIDE RALLY

- 5.1 At a Special Meeting of Council on 14 August 2018, the Applicant addressed the Council at Agenda item 5 *Public Forum*, regarding the issue of road closures 'for the conduct of motor car racing activities, especially when much information required to for a considered decision was not yet to hand.' (Appendix 9).
- 5.2 At this time, the Applicant had also previously raised with the Council's Events Officer (formerly the Events Administrator), as well as the Director of Community Capacity, what he considered to be the 'shortcomings' of the Council's Festivals and Events Policy.
- 5.3 The Festivals and Events Policy ('the Policy) was first adopted by the Council at its meeting of 12 April 2016, following a public consultation process. The Applicant participated in that process by providing a submission, which was taken into consideration, together with other submissions received, in finalising the Policy (Appendix 10).
- 5.4 Whilst there was no obligation for the Council to receive information regarding road closures at a special meeting of Council, which had been specifically called for the purposes of dealing with the Council's nominations to the South Australian Regions of Councils, in its absolute discretion, the Council **did determine to receive** that information.
- 5.5 Following which, at its meeting of Tuesday 28 August 2018, the Council considered a report at Agenda item 12.1 Support for Road Closures Shannon's Adelaide Rally 2018 (Appendix 11).
- 5.6 Mr Tim Possingham, of Soon Marketing, in partnership with the Sporting Car Club of South Australia, was in attendance at that meeting, to answer questions from elected members regarding the proposed event.
- 5.7 The Agenda report specifically provided that, for the event to be held throughout the Adelaide Hills, a number of temporary road closures were required. The list of proposed closures was set out in the report, with indicative timings.
- 5.8 Several stages were proposed to be closed twice during the day for a maximum total duration of eight (8) hours with a 15 45-minute break for resident



- access/egress. No road closures were intended to run longer than 4.5 hours without a break for resident access/egress
- 5.9 Section 33 of the *Road Traffic Act 1961* provides that the responsible Minister, now the Minister for Infrastructure and Transport (the Minister), may declare certain events, to be events to which the section applies and then to declare road closures, part closures and exemptions to the Road Rules for that event.
- 5.10 The 2018 Shannon's Adelaide Rally had been declared an event to which section 33 of the *Road Traffic Act 1961* applied.
- 5.11 The Minister had delegated the power to close certain roads for the event, as well as to provide certain exemptions to the *Australia Road Rules* (the Road Rules) for the event, to the Commissioner of Police. This include the power to close, or partially close, Council roads in certain circumstances.
- 5.12 However, importantly, subsection 33(2) of the *Road Traffic Act 1961* provides that:

An order to close a road under subsection (1) can only be made with the **consent of every council** within whose area a road intended to be closed by the order is situated. (our emphasis)

- 5.13 Accordingly, in the case of the 2018 Shannon's Adelaide Rally (and any other similar event requiring temporary road closures), the Council was required to determine whether it consented to the proposed temporary road closures, prior to the Commissioner of Police, separately considering whether he intended to exercise his delegated authority to give effect to the same.
- 5.14 That is, the road closure orders and any associated exemptions under the Road Rules required for the event, were not (and are not) decisions made by the Council but, rather, by the Commissioner of Police, under delegated authority from the Minister.
- 5.15 While the CEO of the Council had (and has) a delegation from the Council to act under subsection 33(2) of the Road Traffic Act 1961, the Policy (both as in force at that time Appendix 10 and now Appendix 12) contains specific Guidelines for Competitive and Non-Competitive Motoring Events, which provide that events requiring full or partial road closures 'require a formal Council decision on every occasion'.
- 5.16 In addition, the Guidelines also provide that:
  - in making its decision, the council will take into account information provided by the organiser in relation to certain specified criteria, being; community impact, economic impact and environmental impact;
  - six (6) months' prior notice of the event is required from the organiser;
  - applications are to be supported by the provision of reasonable traffic detour information including maps;



- when applying for approval to hold such an event, the organiser must undertake consultation with affected residents (defined to also include businesses) at least three (3) months prior to the event, and must supply the results of this consultation to the council, before a decision will be made. The council may also require organiser to arrange a public meeting as part of this consultation; and
- if the event is approved, the organiser is to place standard warning and detour signage in appropriate locations at least two (2) weeks prior to the event.
- 5.17 An 'affected resident' is defined under the Policy (both former and current) to include any resident or business that will be denied road access to their property during the closure period, whether their access point is on the competition route itself or on an adjoining road rendered inaccessible by the closure.
- 5.18 Other residents with property boundaries adjoining or adjacent to the route may also be included in the consultation process, if they could, reasonably, expect to be inconvenienced by the road closure and/or the conduct of the event.
- 5.19 The Agenda report prepared for item 12.1 for the Council meeting of Tuesday 28 August 2018, contains detailed information from the event organiser regarding the proposed routes. This included indicative timings and maps, as well as addressing the specified criteria of community impact, economic impact and environmental impact.
- 5.20 It was also noted that the consultation process had been undertaken by this time, with residents and businesses on roads proposed to be closed, or on roads which had no other access but onto closed roads, being given an opportunity to provide feedback on the event.
- 5.21 The summary of the feedback contained in the Agenda report confirmed that:
  - 5.21.1 738 directly affected residents were contacted and 10 made an enquiry or provided a comment and, of these;
  - 5.21.2 five (5) negative responses were received (being 0.6% of participants in the community consultation process);
  - 5.21.3 three (3) responses requested further information about the event; and
  - 5.21.4 two (2) positive responses were received (**Appendix 11**).
- 5.22 Taking into account the feedback received, the organiser proposed that the route for the 2018 event would include a 50% amendment of the roads that had constituted the route for the 2017 event, which decision was based, in part, on ensuring that affected residents were not exposed 'year on year'.
- 5.23 There was also the expressed intent by the organiser to use short stages for the majority of the event, to provide increased detour opportunities for the community and the investigation of the possibility of shortening one of the routes, to halve the closure time required.



- 5.24 It was noted in the Agenda report that the Council's operational staff, including its technical staff from the Civil Service Team, had no general objections to the route proposed and that significant wear or damage was not expected to the sealed roads. Any significant, accidental damage to the roads, boundaries, public or private property was to be covered by the event insurance with the Confederation of Australian Motor Sport.
- 5.25 The event organiser also provided an undertaking that residents along any the closed road sections could seek access within the road closure times for legitimate, exceptional, circumstances.
- 5.26 Following consideration of the report for Agenda item 12.1 and noting the information that the Council had received from the Applicant at its special meeting of Council on Tuesday 14 August 2018, the Council resolved in accordance with the recommendation contained in the Agenda report for item 12.1, determining to consent to the proposed temporary road closures.
- 5.27 A Copy of the Minutes of the Council Meeting of 28 August 2018 are **Appendix** 13.
- 5.28 Following which, the Applicant indicated to the Council that he intended to lodge an application, requesting a review of that decision. The First Application was subsequently received some five (5) months later, on 3 February 2019 (**Appendix 1**), asserting the matters set out in 3.1 of this Report.

### 6. 2020 SHANNON'S ADELAIDE RALLY

- 6.1 In the intervening period, the Applicant made various approaches to the Council about the Policy and, generally, about temporary road closures. Following which, there was a Shannon's Adelaide Rally event held in 2019.
- 6.2 This event was held later that year, compared with previous events, over Wednesday 4 December to Saturday 7 December 2019.
- 6.3 As part of the consultation process by the organiser and in accordance with the Policy, the Applicant, as a person who lived in 'the vicinity' of certain proposed temporary road closures, the Applicant received notification. By letter dated 18 November 2019, the Applicant made a complaint to the Council about the event. This was received and managed in accordance with the Council's Complaint Handling Policy.
- 6.4 The Applicant did not make application under section 270 of the Act for a review of the Council decision regarding the temporary road closures for the 2019 event. He stated to a Council employee that one of the reasons for not doing so included the fact that the First Application was still pending (being on 'hold' at that time, in accordance with his request).
- 6.5 KJL has included this further correspondence, including the correspondence of the Council in managing the complaint, in **Appendix 6**, as part of the background information to the Applications.



- 6.6 Following the conclusion of the 2019 event, in early 2020, the organiser commenced discussions with the Council regarding the 2020 Shannon's Adelaide Rally and undertook the obligations required of it under the Policy.
- 6.7 At its meeting of Tuesday 26 May 2020, at Agenda item 8.2, the Council received a deputation from Mr Possingham, on behalf of the Sporting Car Club of South Australia, regarding the proposed 2020 event.
- 6.8 Following which, the Council considered a report at Agenda item 12.4 Support for Road Closures – 2020 Shannons Adelaide Rally & Gorge Rallysprint (Appendix 14).
- 6.9 The Second Application pertains to the Council decisions regarding temporary road closures for the Shannon's Adelaide Rally event, **not** the Gorge Rallysprint. For this reason, any decision made by the Council regarding the Gorge Rallysprint is outside of the scope of this review.
- 6.10 The Agenda report prepared for the Council, item 12.4, was comprehensive. In accordance with the Policy and based on information provided by the organiser, the report included the community, economic and environmental impacts of the event and the full list of proposed road closures.
- 6.11 The Council was required to consider this report and make a determination as to whether it consented to the proposed temporary road closures.
- 6.12 Again, in considering this Agenda item, it was important to note that the road closure orders were not to be made by the Council, the final decision maker remained the Commissioner of Police (or his delegate), with the report specifying that South Australia Police were separately assessing the event and negotiating logistical support.
- 6.13 The Agenda report further confirmed that the current Policy, adopted by the Council at its meeting of 27 August 2019, (**Appendix 12**), likewise, contained specific Guidelines for Competitive and Non-Competitive Motoring Events, including certain obligations for the organiser.
- 6.14 In addressing these obligations, the Agenda report set out detailed information provided by the event organiser regarding the proposed routes, including indicative timings and maps, noting that the organiser had been in contact with the Council since the conclusion of the event in 2019.
- 6.15 The Policy also provides (as did its predecessor) that the event organiser must undertake consultation with affected residents and businesses and provide the outcome of this consultation to the Council, prior to any decision being made.
- 6.16 The Report noted this consultation had occurred, with a Council approved consultation letter having been sent to affected residents and businesses in April 2020.
- 6.17 The feedback received was contained in the Agenda report for item 12.4, for the Council's consideration. By way of summary of the consultation process:



- 6.17.1 1003 directly affected residents were contacted, with 23 responses received;
- 6.17.2 six (6) negative responses were received;
- 6.17.3 two (2) responses requested further information about the event; and
- 6.17.4 15 positive responses were received.
- 6.18 One (1) Industry Association response had also been received from the Cherry Growers Association, which did not support the event.
- 6.19 The organiser had also, proactively, engaged two local (2) cherry growers, prior to consultation, one of whom had issues with the event the previous year, in order to work with them towards a solution.
- 6.20 Taking into account the feedback received, the proposed event date and location were selected to minimise any impact to residents, visitors and businesses, with the organiser moving the event from the December date it was held in 2019, to the proposed dates in late November for 2020.
- 6.21 It was noted in the Agenda report that the Council's operational staff, which included its technical staff from the Civil Service Team, had no general objections to the route proposed and no significant wear or damage was expected to the sealed roads. Any significant, accidental damage to the roads, boundaries, public or private property was to be covered by the event's insurance with the Confederation of Australian Motor Sport.
- 6.22 By way of addressing community impact, the Agenda report set out that the event organiser focused on developing a route with low or no resident impact and to the best of its ability, tried to use routes that had not received negative feedback in recent years.
- 6.23 The organiser also proposed to specifically accommodate two (2) residents in Cudlee Creek, who had responded to the consultation, by adjusting road closure times by 15 minutes and offering to coordinate access and egress to others who raised concerns.
- 6.24 The event organiser also provided an undertaking that residents along any of the closed road sections had the ability to seek access within the road closure times, upon application for legitimate, exceptional, circumstances.
- 6.25 It was noted in the Agenda report that the organiser provides the Council with a post event report each year. The 2019 report was attached as an Appendix to the report.
- 6.26 The post event report for 2019 stated that, on the day of the event, 15 calls were received regarding the Adelaide Hills road closures, ranging from people seeking information, to a resident offering his property for the photography crew. Three (3) calls were received post event in relation to road closures, with one (1) complaint leading to a signage strategy being implemented for future Chain of Ponds stages, by way of the provision of, additional, advance notice.



- 6.27 The Council had received complaints from five (5) people during the 2019 event. One (1) was resolved by Council staff and the other four (4), regarding the road closures, were forwarded to the organiser for action and consideration for the 2020 event.
- 6.28 Following its consideration of the report for Agenda item 12.4 at its meeting of 26 May 2020, as well as the information provided by Mr Possingham during the deputation received at item 8.2, the Council resolved, in accordance with the recommendation contained in the Agenda report for item 12.4, to consent to the proposed, temporary, road closures.
- 6.29 A copy of the Minutes is **Appendix 15**.
- 6.30 Subsequently, by emails dated 12 July 2020 and 26 July 2020, the Applicant complained that there were 'serious deficiencies' in the Council's decision-making processes for Agenda item 12.4 Support for Road Closures 2020 Shannon's Adelaide Rally, asserting the matters, as set out at 3.2 of this Report.

### 7. RELEVANT CONSIDERATIONS AND FINDINGS

7.1 We have carefully considered the above against the evidence received. We make the following findings in respect of each of the matters raised by the Applicant in the First and Second Complaints.

### The First Application

- 7.2 It is not clear on what basis that Applicant asserts that 'not all residents who ought to have been consulted or informed, had been consulted or informed' and, further, who the additional residents are.
- 7.3 The evidence received establishes that all 'affected residents', for the purposes of both the former Policy (Appendix 10), as in force at that time, were notified and invited to provide feedback.
- 7.4 For the 2018 event, this entailed notifying 738 directly affected residents, with only five (5) negative responses being received, representing 0.6% of participants in the consultation process.
- 7.5 Further, the event was well publicised and has been held for a number of years. There was and is, nothing preventing any resident in the Council area from making a submission regarding road closures for the event, including up to and after the event itself, as demonstrated by the post event reports that are prepared. This information is then used for the purposes of planning and designing routes for future events.
- 7.6 Accordingly, we **do not** find that there was any procedural or process deficiency in the consultation process for the 2018 Shannon's Adelaide Rally.
- 7.7 It has been submitted that the event entails speeding on a public road, which activity was (and is) in contravention of the law and contrary to road safety practices.



- 7.8 However, these are issues which, necessarily, fall to the Police Commissioner (or his delegate) to authorise, both by way of making road closure orders under the *Road Traffic Act 1961* (where consent is provided by the Council), as well as providing exemptions, where required, under the Road Rules.
- 7.9 If the Applicant takes issue with the decision-making processes regarding these matters, they are matters to be raised directly with the Commissioner of Police. We **do not** find that the Council's decision-making processes erred on these matters, it having no decision-making function in this regard.
- 7.10 It has been asserted that there was 'no proper debate about such an important issue'. However, it is evident from the reports received that, not only did the organiser of the event make a deputation to the Council at its meeting of 26 June 2018, but it also had before it, the information provided by the Applicant at its special meeting of Council on Tuesday 14 August 2018. Further, Mr Possingham, in partnership with the organiser, was in attendance at the Council meeting of Tuesday 28 August 2018, to answer questions from elected members regarding the proposed event.
- 7.11 It is also to be recalled that similar events had previously been held in the Council area and the organiser prepares and provides a post event report for the Council.
- 7.12 This information, in conjunction with the comprehensive Agenda report prepared for item 12.1, served to ensure that the Council had all relevant information before it and was in a position to make an informed, responsible decision regarding the item.
- 7.13 For these reasons, noting the subjective nature of the allegation with regard to what may constitute 'proper' debate, we **do not** find that the Council's consideration of this item at its meeting of Tuesday 26 August 2018 was deficient in any manner. Relatedly, we observe that it also had all relevant information it required, to make an informed decision on the matter.
- 7.14 **We find** that it is incorrect to submit that there was no costs/benefits analysis considered by the Council in making its decision. The Agenda report for item 12.1 (**Appendix 11**) canvasses the following matters:
  - Risk Management Implications;
  - Financial and Resource Implications;
  - Customer Service and Community/Cultural Implications; and
  - Environmental Implications.
- 7.15 It has been contended that there was no discussion of any alternative option to the proposed road closures. However, it is evident from a consideration of the Agenda report for item 12.1 (Appendix 11) that not only were alternative route considerations taken into account by the organiser as part of the consultation process, but alternative timings for road closures were also addressed. The Council was entitled to take these considerations into account, in its



determination of the matter. We **do not** find that the Council failed to take into account relevant considerations with regards to alternative routes.

- 7.16 We find that it is incorrect to submit that information was not received and considered from the Council's technical staff regarding the event. The Agenda report for item 12.1 for the Council meeting of Tuesday 28 August 2018, specifically notes that the Council's operational staff, which included its technical staff from the Civil Service Team, had no general objections to the route proposed and that no significant wear or damage was expected to the sealed roads. Further, that any significant, accidental damage to the roads, boundaries, public or private property was to be covered by the event's insurance, proof of which the organiser was required to provide to the Council.
- 7.17 In so far as it was submitted that information had not been received from the Council's Environment or Heritage Officer(s) regarding the impacts of the event, the Agenda report does canvas Environmental Implications. It is not clear on what basis the Council's Heritage Officers would have been consulted for such an event, or what relevant information they could provide to assist in the Council decision-making processes. The Council's decision was limited to whether it determined to provide consent for certain temporary road closures. For these reasons, we do not find that the Council erred in its consideration of these matters.

### The Second Application

- 7.18 We **do not** find that (i) the evidence establishes that the Council put private interests ahead of public interests, in determining to provide consent for certain road closures and (ii) that the Council prioritised private interests over the public interest by 'relegating the public's right of access' and use of its roads, without sufficient explanation'.
- 7.19 Rather, the evidence establishes that, based on the information it had received, as well as the matters it was required to take into account under the Policy, the Council considered all relevant information, including the outcome of a consultation process and a post event report from the organiser, following the 2019 event. Having regard to these matters, the Council was in a position to make an informed, responsible decision, in relation to the proposal to consent to temporary road closures for the 2020 event.
- 7.20 It was submitted that there was a lack of consultation regarding the proposal and a failure to apply what the Applicant described as, the principles of 'social licence'. However, it is evident that the Council carefully considered the issue of the potential impact for residents and business and had developed a specific policy position regarding these matters, as set out in its Policy.
- 7.21 The evidence establishes that the organiser met its obligations under the Policy, which, for the 2020 event, included contacting 1003 directly affected residents, with 23 responses being received. Of these, only six (6) were negative responses as well as one (1) Industry Association response from the Cherry Growers Association.



- 7.22 The organiser had also proactively engaged with two local (2) cherry growers, one of whom had issues with the event in 2019, in order to work with them towards a solution.
- 7.23 Taking it account the feedback received, both under the Policy, as well as that which was undertaken in addition to those requirements, the proposed event date and location was determined by the organiser, to minimise impact to residents, visitors and businesses. Indeed, the event was moved from a December date, as had been the relevant date in 2019, to the proposed dates in late November 2020.
- 7.24 By way of addressing community impact, it was also noted in the Agenda report that the event organiser focused on developing a route with low or no resident impact and, to the best of its ability, tried to use routes that had not received any negative feedback in recent years. It also took into account feedback received as part of the post event report from 2019.
- 7.25 The organiser specifically accommodated two (2) residents in Cudlee Creek who responded to the consultation, by adjusting road closure times by 15 minutes, and offering to coordinate access and egress to others who raised concerns.
- 7.26 Accordingly, we **do not** find that there has been a lack of consultation regarding the proposed road closures for the 2020 event.
- 7.27 In the Second Application, it was, again, submitted that the Council did not receive and consider a detailed cost/benefit, risk/benefit analysis in making its decision. However, the Agenda report for item 12.4 for the Council meeting of Tuesday 26 May 2020, specifically provided for the following:
  - Risk Management Implications;
  - Financial and Resource Implications;
  - Customer Service and Community/Cultural Implications; and
  - Environmental Implications.
- 7.28 Based on this information, we do not find that the Council failed to take into account these relevant considerations in making its decision on the proposed road closures.
- 7.29 In so far as it has been submitted that too much weight was placed on the submissions of the event organiser in the decision-making process, we **do not** find any evidence to support this assertion.
- 7.30 For the 2020 event, of the 1003 directly affected residents that were invited to provide feedback on the proposed road closures, only six (6) negative responses were received and it was noted that only 15 positive responses in total were received. That is, the evidence supports broad support in the community for the event, which, necessarily, includes the proposed road closures.
- 7.31 We **do not** find any evidence to establish that the Policy is 'flawed'. Indeed, we find that the Policy (both current and former) is robust and thorough, providing



- clear guidance to both organisers, as well as the community and has served to assist the Council in its decision making for such events.
- 7.32 For these reasons, it is not clear on what basis it is submitted that the Policy has led to the Council making a decision that is contrary to the public interest. Rather, we find that the Policy contains obligations to ensure that event organisers, in a timely manner, provide the Council with all relevant information that it requires, so that it may make an informed, responsible, decision with regards to events and festivals in its area.
- 7.33 With regard to the submission in the Second Application that not enough weight was placed on the fact that the activities, the subject of the event, are contrary to the *Road Traffic Act 1961*, we iterate our finding above. That is, these issues fall to the Police Commissioner (or his delegate) to authorise, both by way of making road closure orders under the *Road Traffic Act 1961*, as well as providing exemptions, where required, under the Road Rules.
- 7.34 If the Applicant takes issues with the decision-making processes regarding these matters, they will need to be taken up with the Commissioner of Police.
- 7.35 Lastly, for the avoidance of doubt, despite there being no statutory requirement for the Council to give effect to the *Siracusa Principles* in this matter, we do find that, at all times, it has afforded any '*impacted residents*' procedural fairness and there is evidence that the consultation process extended to those residents who were in the 'vicinity' of any proposed road closure, as well as those who may have made enquiries or complaints following prior events.
- 7.36 Further, the affected residents consulted were provided with more than the three (3) months notification allowed for under the Policy and, in many instances, were advised of the proposed event at least six (6) months prior and afforded the opportunity to provide feedback on proposed road closures.

### 8. CONCLUSIONS & RECOMMENDATIONS

- 8.1 Taking the above into account:
  - 8.1.1 we find that the Council did have sufficient information available to it at its meetings of 28 August 2018 and 26 May 2020, to make informed, responsible and accountable decisions, affording all due process, prior to determining to provide consent to the Police Commissioner, for the temporary road closures, to facilitate the Shannon's Adelaide Rally in 2018 and 2020; and
  - 8.1.2 based on the above findings, **it cannot be said** that the actions and behaviours of any employee or elected member, have been in breach of their public officer obligations.
- 8.2 Taking the above into account, **we find** that the processes surrounding the Council's consideration and subsequent decisions, pertaining to providing consent for temporary road closures for the 2018 and 2020 Shannon's Adelaide Rally events, were valid and appropriate.

- 8.3 The decisions made by the Council were open for it to make and were reasonable in the circumstances, were based upon all of the available evidence and able to be made on the facts available and in the public interest. That is, they were reasonable decisions, made in a reasonable manner, by a reasonable and responsible public authority.
- 8.4 Decisions made by the Council, may not (and indeed are unlikely) to ever be decisions that all residents and ratepayers in the Council area may agree upon. In fact, councils are often required to make decisions that a majority, if not all, of the ratepayers and residents, may not favour (for example, an increase in rates). However, that does not mean that such decisions are not able to be made or reasonable decisions to make in the circumstances, based on all of the available evidence.
- 8.5 Accordingly, based on our findings in this review, nothing further is required of the Council.
- 8.6 Irrespective of the manner in which the Council resolves to determine this matter, it is acknowledged that the Applicant and/or other residents have recourse to the Ombudsman if they remain dissatisfied.

**KELLEDYJONES LAWYERS** 

TRACY RIDDLE

Direct Line: 08 8113 7106 Mobile: 0431 867 523

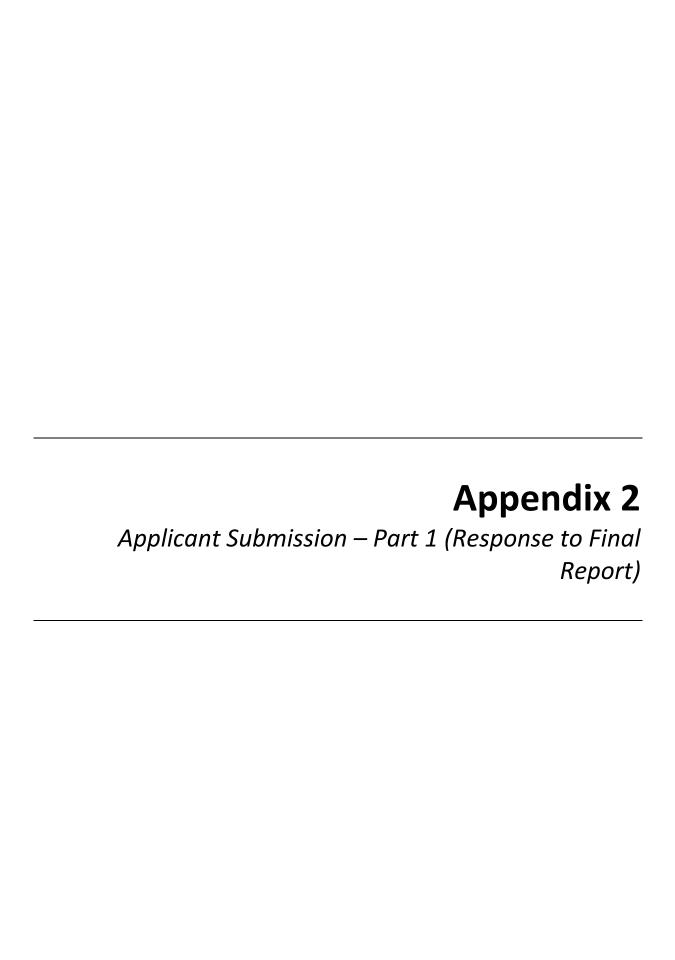
Email: triddle@kelledyjones.com.au

**KELLEDYJONES LAWYERS** 

MICHAEL KELLEDY Direct Line: 08 8113 7103 Mobile: 0417 653 417

Email: mkelledy@kelledyjones.com.a

### **APPENDICES**



RECEIVED

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Mr A Aitken CEO AHC PO Box 44 Woodside SA 5244



Dear Sir

I am forwarding my response to the AHC's email relating to the Investigation and Report of Kelledy Jones Lawyers. I understand they have been engaged by the AHC to carry out this task assigned to them, at AHC ratepayer's expense.

I am also including my response to K J L Draft Report which they received on 23/10/2020 but did not use to inform them in any way as far as the Draft Report is concerned. I know this because I received the email from AHC with the K J L Final Report as an attachment, on October 22 2020

I have clearly been denied procedural fairness or due process or fair treatment by not having my response recognized in any way. There is no valid reason for this.

I hold you, as CEO of the AHC, personally responsible for this. K J L has set me quite unreasonable deadlines by which to respond to its communications. I have to assume that this has been done with your tacit support, even instruction.

The first example is the date of August 14 2020 when it was known by all parties that SATAC finalized its assessment relating to my FOI matter linked to my IRCD matter on August 13 2020.

The next instance is the deadline of October 9 2020 to material received by me on September 30 2020. I responded by advising that my material would be to them by October 23 2020. They indicated they "received instructions" to provide the date of October 16 2020 by which I needed to forward my material to have it considered. They had from August 14 2020 until September 30 2020 to deal with my input. I was afforded September 30 2020 to October 9 which is manifestly inadequate.

I hold you, as CEO of the AHC personally responsible for issuing those "instructions" thereby nullifying any material I provided after October 16 2020. In the past, the AHC has never been concerned in meeting its deadlines for whatever valid or other reasons that prompted this. Yet I am denied the rights afforded me under the AHC's own policies, for reasons not provided to me. I now await **your** explanation for this state of affairs.

I now request that my material, delivered to K J L on October 23 2020, is made available to the Mayor and each of the elected councillors well before the Council meeting of November 24 so that they can balance the K J L Investigation Report and my unused or disregarded input. I also request that each of the above listed also receive a copy of my response to the AHC's email and attachment received by me on October 22 2020. I trust this is not too burdensome.

I am also enclosing copies of some items that are directly relevant and ask that they be brought to the attention of the Mayor and councillors before November 24, 2020. Thank you.

Kind regards

JOE FRANK

6/11/2020

Mr A Aitken CEO AHC PO Box 44 Woodside SA 5244

Dear Sir

I acknowledge receipt of the AHC's email of October 22, 2020 together with the attachment comprising a report prepared for the Council by Kelledy Jones Lawyers (K J L).

I thank the Council for the opportunity to provide a written or verbal submission in response to the K J L Report which Council will consider at the November 24 meeting.

I shall not be availing myself of the opportunity to provide a verbal response as the 10 minutes afforded me is manifestly inadequate to present all the issues that need to be presented. Apart from that, I have absolutely no confidence in the group (apart from 3 councillors mentioned in previous correspondence) giving me an unbiased hearing since none of them clarified their positions to me over the matter of the Gill email.

I am also guided by the occasions when I went to the trouble of requesting a deputation to address the Council and found the 10 minutes allowed wasted my time and that of the Council as I never received any feedback or contact from any of the 12 councillors nor the Mayor to my input, nor was I questioned by any of them on the content and arguments put in my presentation.

Clearly the "perception of bias" problem is not removed with a written submission, but at least with this, I do not have to deal with presenting to a group who have ignored my past inputs, both spoken and written as well as the pressure of a time limit.

I am informed by the October 22 email that K J L undertook an investigation related to my request for an IRCD taken on 28/8/2020. The "investigation", it seems to me after reading their report, involved nothing more than examining written communication that occurred between the AHC and me. I understand further that they were engaged to do this because there was no person, or persons on the staff of the Council who could undertake this task. This is a sorry indictment of my local council. The matter was in no way complex.

I would have thought an investigation would have involved K J L making contact with the relevant Council staff or at least a sample of them who were involved in any way with the matter of the Shannon's 2018 Adelaide Rally. I would have expected an investigation to closely look at the role of the IRCO from the time I submitted my request for IRCD.

I expected the investigation to examine closely the Agenda Report Item (ARI) that dealt with the Temporary Road Closure (TRC) decision, particularly the fact that the ARI did not make any references to commonly understood purposes of public roads, conditions of use of public roads, legal implications of misuse of public roads, the right of access to and use of public roads.

I expected the investigation to consider whether the ARI provided the councillors with sufficient relevant and appropriate information related to the suitability of the selected roads, including the manner of their selection, to be designated as race tracks for high speed motoring when the regulated limit was not more than 80 kph.

I expected the investigation to demonstrate, beyond any reasonable doubt and consistent with public perception, that **using public roads as race tracks** was in the **public interest** and the manner in which the public interest was served when public roads are denied to the entitled road users to enable a 'private interest group' to make exclusive use of a public infrastructure. I found no such demonstration in K J L Report.

I expected the investigation by K J L to involve some contact with some of the elected representatives who were in Council at the time the decision of 28/8/2018 was taken to determine how they perceived or were able to conclude that not only was the *public interest* best served by TRC's, but that the best interests of the constituents within the AHC area, were also served by this. There are nine people serving in the present council who were in attendance on 28/8/2018. It would not have been difficult to make some contact.

I expected the investigation by K J L to examine the AHC's Festival and Events Policy (F&E P) to adjudicate if it served the purpose of *the public interest*, of serving all parties who are affected by the way it deals with Competitive Motor Sports and if our public roads are appropriate venues for racing car events, and the criteria that are used to determine which roads should properly be designated *suitable for racing* and why and which are deemed *unsuitable for racing* and why. Such an investigation should also have examined the number of times consent for TRC should be approved in any one year for motor vehicle racing activities, how many days in total these events should entail, what the maximum daily time period of closure should be, what period of time of the day should be acceptable, how long the stretches of temporary closed roads should be and who should determine these.

I expected the investigation by K J L to determine why the AHC's Director of Community Capacity is on record stating the Shannon event is the most "controversial event" on the Council's calendar. Surely such a statement warrants checking why it is controversial. Is it because public roads are used as race tracks, is it because roads are closed to those who have a right to the roads, is it because it *cannot be justified in the public interest*, is it because a public infrastructure is "temporarily privatized" is it because the AHC is placing "private interests ahead of public interests, is it because the Stirling Business Association and the people controlling the Uraidla Oval were not supportive of the event, is it because the claimed "benefits" that are derived from the event do not exist as claimed or do not accrue to people and businesses located on TCR stretches. Clearly a thorough investigation would have shed some light and provided relevant information.

I expected the investigation by K J L to examine the role of the IRCO assigned to this IRCD an how effectively or otherwise this was performed, in accordance with the Council's policy. A proper investigation would have confirmed a conflict of interest for the person assigned to be IRCO and the staff member who is Director of Governance and Performance. This conflict of interest came to the fore with the contents of communications from Feb and March 2019 and a communication dated December 3, 2019.

A proper and thorough investigation by K J L would have directed itself at the contradiction that seems to exist with the values by which Council determines matters. The Council has demonstrated that at least once a year there is a need to TCR's to enable learner drivers to develop knowledge and skills to be safe and responsible drivers. This is a commendable action because a **need has been demonstrated**. This exercise is controlled by the AHC. Yet the same council TCR 's to support an activity that has not been demonstrated to be *in the public interest*, for which there is no demonstrated **need** and for which there has been no demonstrated support from any community or township group within the AHC area.

I would have expected the investigation by K J L to come up with evidence supporting the concept of using public roads as motor vehicle racetracks by citing instances where communities within the AHC area approached the Council requesting that the public roads in their neighbourhood, that their locality, and that their particular facilities be accorded preference for the racing events, euphemistically referred to as "Rallies" to detract from their offensive intrusion into our lives. I would have expected K J L in their Report to show that the very councillors who over many years have provided their support for TRC's would also have spoken in support of the communities within their respective wards to be allocated sections of the racing event. No such evidence was provided.

I would have thought KJL in their Report would pointed to the contradiction that the more densely settled areas would benefit the greatest from such events and would provide the greatest level of support to get the social and other benefits. But this is not so. It is the least settled areas that are selected, in almost all instances where there no businesses to gain any benefits. The Report should have pointed this out but, by omission it sidestepped this.

The Report does not address the anomaly inherent in the process. The State government supports the use of public roads as race tracks because its Tourism Commission, Tourism Minister, and PTIR Minister combine to enable this. These bodies plus SAPOL leave the decision to local government which somehow feels duty bound to provide consent, instead of putting the interests of its constituents and the wider road using public to the fore.

The Report neglects to make comment about the fact that there is no proper consultation process with all the impacted people. Event organizers provide information only to those deemed entitled to receive it. Responses are sought so that organizers can meet the requested feedback. But feedback is not responded to, in writing or in practice. Those receiving the information, a small percentage of all who should be contacted, rarely bother to respond because they correctly suspect that they will be ignored. Those responses that are received are forwarded to the Council which uses this totally unrepresentative information to gauge what it terms "high level of support" and "low level of opposition.

No person, citizen, road user should ever be required to inform officialdom that they want their rights and freedoms respected at all times, and only be limited when a **genuine need** can be demonstrated. (e.g. COVID 19 restrictions)

The Report does not clarify what is meant by "competitor" participants in the motor sport event, and those referred to as "touring" participants and why both groups need roads to be closed.

All the Report does is regurgitate the responses in more legal-type language that have been provided to me to date which fail to address the matter of public roads being declared as official race tracks and the denial to the public the right to use its roads.

The Report fails to address the fact that the Council has had at least twenty years to engage with its public and develop a road purposes policy which sets out clearly what road uses it will support and what it will not support and why.

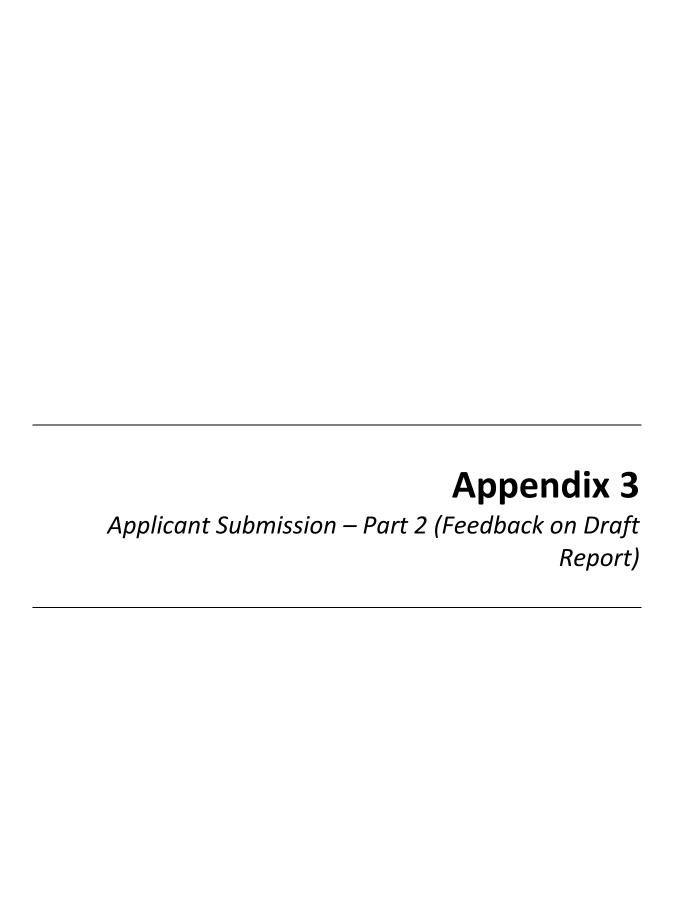
It is quite clear from what has been put by me here and in correspondence to the Council over the past 15 years that the Council has never gathered the information to enable it to make evidence-based decisions relating to TRC's for the purposes of motor vehicle racing. All K J L has achieved, at particular expense to the AHC ratepayers is the fact that the Road Traffic Act Section 33 makes it legal to close roads for racing purposes. K J L have not addressed the more fundamental issue — is the right thing to do — is it consistent with the democratic values that we subscribe to, and need to uphold at all times.

I conclude by pointing out that my submission in response to K J L "Draft Report" (delivered to them on 23/10/2020 as I advised would be the case) was totally ignored since I received the "Final Report" (identical to the Draft) from the AHC on 22/10.2020. Does this amount to due process and fair treatment? Further I reject the Report because it conflates my submitted request, an actual request for IRCD relating to 28/8/2018, with an assumed request I might be exercising relating to the decision o 26/5/2020. I have intentionally not proceeded with an IRCD which relates to the 2019 decision because I believed the 2018 matter needed to be finalized first. Similarly I have withheld my request for IRCD relating to 2020.

I am perturbed that the majority of councillors who will deal with my submission and the K J L Report have demonstrated by their association with the Gill email that they cannot make a just and fair ruling.

Kind regards Joe Frank

6/11/2020



Ms Tracey Riddle, Mr Michael Kelledy, lawyers Kelledy Jones Lawyers 6/19 Gilles Street Adelaide SA 5000



### Dear Lawyers

I respond to the email, attachments and appendices received by me on September 30, 2020. In keeping with my response to that email, you will receive this by October 23, which was the undertaking I provided to you in an earlier reply.

Let me state quite clearly and unambiguously that I reject the entire 21 pages of the report because it refers to Application 1 and Application 2. There has only ever been one application submitted by me to the Adelaide Hills Council (AHC) for an Internal Review of Council Decision (IRCD) relating to a decision made to provide consent for temporary road closure to allow a racing car activity to take place on some public roads within the area of the Adelaide Hills Council. There is no evidence that I have made a second such application and there is no legal or other basis for KJL or anyone else to make such a claim.

In the interests of reaching a fair and just outcome for all parties that have a stake in resolving this matter, which could have been easily resolved before it reached the stage it has now, I will forward a reply. I need it to be understood that my reply relates **only to those statements and remarks that are clearly identified and understood to apply to my one application** made in early 2019 and relating only to a decision made on August 28, 2018.

When I read the Section 270 Report comprising some 21 pages I became quite dismayed and depressed for three reasons.

Firstly, I asked myself what has become of the South Australia that was founded on the high ideals of free people escaping the strictures of a Europe which stifled their progressive ideas, particularly those dealing with individual and collective freedoms and rights. We were not a convict state, but one founded for free people and free enterprise. To begin with, we did not even have any police because everyone was expected to be motivated by good and just intentions. We just forgot about according those freedoms and rights to our fellow humans, the aborigines.

Secondly, my depression resulted from the fact that I was not presented with anything "new" apart from reference to some decision made in the High Court some time ago. My issue with the AHC is an Internal Review of a Council Decision which should have been duly and properly managed by that organization. It is not a court matter or even a matter which, at this stage, involves the Office of the Ombudsman or the SACAT. For a law firm to be involved over the matter I initially raised as a matter of concern with the AHC in the hope that improved decision making could be achieved, is most disturbing since it calls into question the administrative competence of the senior management of the Council.

Thirdly, my depression struck when I estimated the possible cost to the Council of legal fees, which in effect are a cost to ratepayers. I am regularly informed by the Council that its resources are finite and that it needs to spend its funds judiciously. I recall an item in *The Advertiser* of September 30 this year of the large legal bills which named Councils, including the AHC, had amassed. I just wonder which sorely needed services could not be met because of these costs.

Since this response will form part of some public record, let me state quite clearly that I have not been motivated by any personal material gain in pursuing my course of action. From the very outset I have made it clear in what I have stated, either verbally, or in writing, that the Council should make the best possible decisions, using the best available evidence and ensuring that freedoms and rights are protected at all times, on every occasion. This entails, in my view, involving the constituents, as far as is practicable, in the processes of participatory decision-making. At the very least, the people need to be informed, consulted and or surveyed and have their views and opinions valued.

Kelledy Jones Lawyers have a primary vested interest in being commercially viable and also in providing the best advice to their client, the AHC, to ensure that its interests are best served. I have read nothing in the Section 270 Report prepared by K J L which suggests to me that they are in any way concerned with the rights and freedoms of the road using public of the Adelaide Hills Council area, let alone the wider road using public comprising other South Australians, interstate people, and overseas visitors.

Since public roads are the medium or facility or infrastructure used by the vast majority of people in every country by which they can exercise their right of freedom of movement, it is self-evident that roads need to be accessible at all times, otherwise that right is denied. It is obvious there are times when the right of access to and right of use of roads must be restricted, even denied. The COVID-19 measures are an example of this, as were restrictions imposed during the past summer's bushfires.

These and many other instances of restriction to road access and use that are implemented by the relevant authorities in the public interest. The public accepts these burdens because it understands the **need** and because the authorities have provided evidence-based **reasons** for the measures. They have not been an arbitrary or some expedient action to satisfy some whim.

The AHC has never established the <u>public interest case</u>, nor has it demonstrated a <u>need</u> to deny the road using public access to a range of selected public roads at certain times during the past twenty years or so, to become venues or tracks, for the purpose of motor vehicle racing. These roads, which normally have posted speed restrictions of 80 kph or lower, by the decision of the AHC, become race tracks on which speeds without limit are permitted. No modifications or particular safety structures are made or installed to the roads selected for racing, as is the case of the Super 500 Event which is located on roads to the east of the Adelaide CBD.

K J L report does not make reference to any of this. This is in itself disturbing because as individuals who are, in all probability, road users on most days, they have failed to focus, in the report, on this. The focus has been centered narrowly on the delegated powers which the Council has, namely to receive applications or requests for it to consent to temporary road closures, and then, after due consideration, to grant or withhold that requested consent. That power is not in dispute by me. Why I am expressing my concerns and why I submitted an IRCD application is that the decision to consent to temporary road closure is ill-informed. Just being empowered to act or decide in a certain way does not exempt the authority from the exercise of **due diligence**, of wide consultation, of carefully analyzing much gathered data, of assessing the relevance of that, and of applying it in a manner to ascertain costs (not necessarily only monetary or economic costs) and benefits (again not necessarily only monetary or economic benefits). There is no evidence that the AHC, nor K J L in this report, have done this.

Ever since the first time the AHC received a request for consent for temporary road closure (trc) for a racing car event, in the late 1990's, it provided what was the event proponents sought. It has never sought input from the community comprising the AHC area, either by surveying the total population (even by way of a random selection process) or by ward by ward survey. (Only those designated as "impacted or affected residents" received letters of information telling them what would happen. This was referred to as "consultation". The issue was already a 'fait accompli' because the few who had the opportunity to respond did not have their responses taken sufficiently into consideration to affect the decision (already determined by Council staff) when it came before the elected councillors to provide their stamp of approval.

The AHC's interpretation of responses which were received was to categorize them as "negative" (not in support of public road closures for the conduct of racing car events on the roads – that is, opposed) or "positive" (in support of the closure – that is, amenable). The vast majority of those 'invited' or 'entitled' to respond chose not to do so. The AHC interpreted this to mean that these people were not opposed, or possibly did not care enough to respond. The AHC has a duty to determine more accurately the level of support or opposition than the crude approach it employs.

A correct and valid interpretation entails what can be regarded to be the "default position" of the non-responders. These people, quite correctly, hold and affirm the view that it is their right to exercise their freedom of movement and public roads are their means of doing this. They should not be expected to assert this right whenever the AHC decides to make a road a temporary racetrack for racing vehicles. Their 'no response' needs to be interpreted as being opposed to the trc. These people do not respond because they quite correctly do not have to say "we want our right to use our roads respected by the Council." The AHC is obligated to establish the need to deny the right to access and the right to use a public road. It needs to demonstrate, unequivocally, that when there are two competing groups that claim a **need** to use a particular road to exercise their freedom of movement right, one group's claim is more legitimate than that of the other.

To date the AHC has not provided any explanation how it determines granting preferential treatment to those wanting to use public roads as racetracks, (using the roads for speeding)

thereby denying those who have the legitimate right to use that road. It has not made public the information on which to base this decision. The existing rights of all road users are never considered in its deliberations or its decisions when it comes to consenting to trc. This becomes obvious to anyone who familiarizes themselves with the agenda reports or the Festival and Events Policy (F&E).

It seems to me that the AHC fails in understanding that the **procedural** rights which applicants, who seek consent for trc, need to avail themselves of to pursue their selfish interests of using public roads as racetracks have a lesser force than the **substantive** rights to which all road users are entitled. The AHC seems to regard the <u>car racing group</u> to have a greater right to the public roads they select for racing than <u>all other road users</u> who are always prepared to share equality of road access and usage. That is the only way any reasonable person can understand the Councils decision.

Both the AHC and K J L fail to come to terms with, and therefore fail discuss **the real issue** that is at stake here. The <u>real issue</u> is whether public roads should ever be used as racing car tracks or venues and if that is ever in the public interest.

The fact that the Council <u>can</u> legally consent to trc for a range of purposes is not a matter in dispute. That reality is well-established. The question is whether it <u>should</u> provide such consent when it involves roads becoming race tracks?

The answer to what is questioned above has to be based on ethical principles; namely the application of value judgements. Is it ever right, morally, to deny a people their freedoms and rights so that another people can indulge themselves in their selfish and hedonistic pursuits? Is it ever in the <u>public interest</u> to do this? To the best of my knowledge and research I am not aware of the values and principles that guide the AHC. What is patently clear is that the issue of **should** as opposed to that of **can** has never been addressed with respect to roads becoming racing tracks and consent for trc being a necessary consequence of this. The F & E policy and the relevant agenda reports do not attempt to consider this. In fact, the F&E policy is purposefully tailored to enable the AHC to ignore ethical constraints and to ignore the inherent absurdities that need to be overcome when justifying consent for trc using the Local Government Act (LGA) and the Road Traffic Act (RTA).

I am guided by a response I received from the SA A-G on August 17 2020. I quote: The local government system in South Australia is underpinned by the principle that councils are primarily accountable to their communities in carrying out their roles and functions and achieving their objectives. When it comes to the matter of consenting to public roads to be utilized as race tracks the Council has failed the accountability test; the one set by ethical principles and the one using the applicable laws.

It is clearly absurd for the Council to maintain that a greater good or utility is achieved by allowing, what amounts to, at best, a couple of hundred racing car people taking over a number of public roads over a number of days to indulge themselves in racing whilst denying an unknown number (the AHC has never attempted to determine this) which can be many times that of the racers, their legitimate freedoms and rights. This is

unquestionably putting **private interests** ahead of **public interests** and making a **public infrastructure** available for private purposes to the exclusion of the public's right of use.

A close analysis and understanding of the entire process is necessary and neither the AHC or K J L have attempted to do this.

The process entails the Commissioner of Tourism ensuring that the SA has a calendar of events spread through the course of the year. Most of these are focused on the metropolitan or near metropolitan areas. Where there is a "gap" funds are provided for organizations, private and public to come up with proposals for events.

In the case of Car Rally Events (note the euphemism) which involve racing on public roads several 'obstacles' need to be overcome. The most obvious is that public roads are not race tracks and have never been designed or been constructed to serve the purpose of race tracks. The other obvious 'obstacle' is that society has determined, in the public interest, that there must be limits to the speed that is allowed for motor vehicles when driven on public roads. In SA that ranges from 110 kph to 50 kph and less in some urban built-up areas. The conundrum then is how do you allow racing at speeds well in excess of the legal limits and driving outside of designated lanes without the racers being subjected to the controls of the law?

The solution, as far as the AHC is concerned, the Minister is concerned, the Commissioner of the Police is concerned is to deny all road users their legal rights (by law!) and grant exemptions from prosecution to those privileged to be the sole users of the closed road sections. The Minister issues the order for trc, delegates the task of putting this into effect to the Commissioner of SAPOL and then wipes his hands of the matter, but not before ensuring that someone addresses the public interest that is at stake here.

That task is left to the local government body which supposedly has the "best feel" of what is just, fair and right as far as the vast body, the road using public, is concerned. It the council which must provide consent for trc to enable the police commissioner to act.

The Council, even though it has delegated and not absolute authority, then delegates further (which to my mind is highly questionable) and leaves it to the event organizers, those who submitted the proposal to use roads for racing, to deal with all essential matters. This act shows that the Council does not understand, the requirement be accountable to its constituents.

The question is now raised: **Whose event is it?** Is it the Comm. Of Tourism, the Minister for Tourism, the Minister who issues the order for trc, the Comm of SAPOL, the AHC, the Event Organizer or the people of the Adelaide Hills Council area? That needs to be made quite clear so that a just resolution of the denial of rights can be properly addressed and resolved. Some authority must bear <u>ultimate responsibility</u> for allowing the peoples' public roads to become racetracks. K J L report has not addressed this and needs to do so if it is to have any value.

If it is not the AHC then this whole exercise becomes a waste of time.

The *three-step* process involving the Minister (to issue the Order), the Police Commissioner(to put the Order into effect) and the local government, in this case the AHC, (to ensure that the democratic principles of participatory decision-making and rights and freedoms are not denied) is intentional.

Neither the Minister, nor the Commissioner concerned themselves with *should public roads* be used as venues for motor vehicle racing. They know that legally they can and they know their respective roles in this. The police Commissioner is, however, conflicted, since he is responsible for ensuring that public roads are safe places for all to use and that speed limits need to be observed. Allowing racing on the roads is contrary to this.

Since he is required to meet the Order his only recourse is to exclude the rightful users from that road at that time so that the racers have exclusive use to race with the knowledge that no prosecutions for infringements will be issued. Before he can do that he needs to obtain the consent for trc from the Council.

The Council has never, in its agenda reports, meeting minutes or elsewhere, provided information to its public, let alone the wider public if it has undertaken consultation with the Minister or any of his departmental officers if roads **should** be used as race tracks. The same applies to the Commissioner.

The Council, likewise, has not commissioned or otherwise obtained reports or advice which was then made available to the public, from qualified, experienced and competent people (civil engineers, road builders and maintenance contractors/workers, road safety personnel, the RAA) if any of the roads that are selected for use as race tracks actually meet a predetermined standard which makes them appropriate venues for racing.

I, personally have serious doubts if the Council has the qualified personnel who can make responsible decisions about which roads meet its standards (does it have these?) to be used as race tracks. It has never made available to the public, a set of criteria, which guides it in its decisions which roads, within its area are conducive to racing and which are not, and the reasons why.

The choice of roads to be used for racing has been left entirely to those who want to race on them. The Council has not provided applicants with a list which classifies the roads as suitable or unsuitable, acceptable or unacceptable, safe or unsafe for use as race tracks. It has had at least twenty years to determine this. It has repeatedly made decisions without such fundamental information or knowledge. Neither Council staff, nor the elected councillors, both groups which make decisions about this, have the knowledge or detailed information to make informed, let alone good decisions when it comes to roads for racing. It is a matter of simply acquiescing to the demands of the racers and their "spin" of so-called benefits, the demands of Tourism SA and the Tourism Minister and the demands of the Minister who issues the Order.

Not a single councillor to date has presented material, which has been made public, which supports the use of roads in their neighbourhoods to be used as racetracks, or named particular roads to be used. No requests, no petitions, no presentations have come from

community representatives, other than councillors, asking the Council to support their community by selecting roads in their area for the purpose of motor vehicle racing. Yet the Council presents these events as having public support. This demonstrates a dearth of accountability let alone integrity as far as this matter is concerned. There is a stark absence of responsible leadership.

If K J L are going to prepare and provide material that will be useful in arriving at good decision-making and ensuring that all issues that need to be considered are well and truly considered in any decisions relating to granting consent for trc to allow public roads to be used as racetracks, it needs to itemize the information Council needs to have.

In particular, K L J needs to make Council aware of its duty of care towards its constituents. Every time a road is closed for any purpose not based on a **justifiable need** to do this, it fails in its duty of care and is therefore negligent. Every time it treats its constituents unequally without justification for this, it fails in what it is required to do under its mandate. Every time it fails in honouring the principle that it is <u>primarily accountable</u> to its communities and puts other considerations higher, it fails.

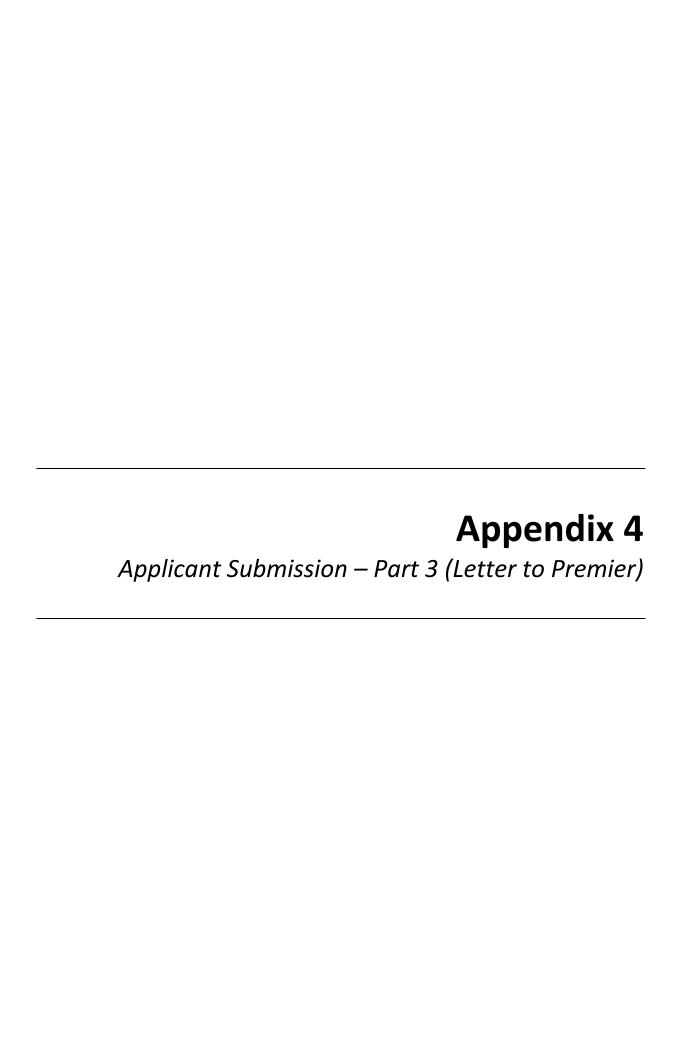
I have intentionally not addressed each of the items presented by K J L in its 21 page report. I saw no point in doing this because it is the same material that Council has put to me in a less 'legalese' way when we exchanged communications.

I am prepared, if it is desired, to give up my time and sit with a K J L staff member and go through that report point by point should it be considered as being helpful. Please advise.

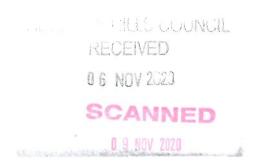
I thank K J L for affording me the opportunity to respond to its report.

Eberhard Frank 22/10/2020





Hon Steven Marshall Premier of SA State Administration Centre Victoria Square Adelaide SA 5000



Dear Premier

You might recall I wrote to you earlier this year about your government's support of using public roads as temporary racetracks. I specifically pointed to the use of roads within the Adelaide Hills Council area for this purpose.

Let me now thank you and commend your government and the team of advisors for having taken the first step in recognizing that the **public interest** is not served when our roads are given over to sanctioned racing.

Ending the imposition of the Super 500 car racing on the east side of Adelaide, was obviously a carefully considered decision. It would have been arrived at because, plainly, all costs outweighed all benefits. There is now The Bend Motor Park where such activity can be properly held if a demand exists.

It removed the sheer absurdity of using roads for car racing, made possible by applying a law which empowered the government to declare, what were roads, not to be roads!

I urge you now to take the next step by making 2020 the last year in which public roads elsewhere in SA can be turned into temporary racing car venues. Your government needs to withhold financial and other support from anyone making an approach to conduct car racing on our public roads. We should remove the contradictory situation where SAPOL has to police bad on-road behaviour and use its resources to support sanctioned car racing.

Further, your ministers need to be advised they are not to issue orders for temporary road closures for the purposes of using roads as race tracks. If that occurred, local governments would be unlikely to apply Section 33 of the RTA to support requests for temporary road closures to make public roads venues for car racing. That too is in the **public interest**.

Thank you for attending to this matter. I keenly await your reply.

Yours sincerely

Eberhard Frank

6/11/2020

### PUBLIC INTEREST

Most will never have reason or occasion to engage with the public interest in an official sense; we leave that to politicians, officials, judges, heads of inquiries, and so on. Wheeler places the onus squarely on their shoulders:

Public officials have an overarching obligation to act in the public interest.

### Public interest is about more than compliance

Monday night's Four Corners program put the Gold Coast City Council and its "developers, donations and big decisions" under a public interest spotlight. Norday was 18.9.2017

What was intriguing about the program was the <u>conflation of the public interest</u> with <u>"real or perceived conflicts of interest"</u> as relating to development issues.

Gold Coast Mayor Tom Tate and his deputy, Donna Gates, both described staying in council chambers to participate in discussion and vote on development issues citing the "public interest" as holding overriding importance.

Giving evidence before the Crime and Corruption Commission, Gates said:

I have, in the main, stayed in the room to vote in the public interest because I firmly believe that that's what I need to do.

Watch Video At: https://youtu.be/Z z2R33AYfVY

ABC Four Corners program All That Glitters.

Journalist Mark Willacy and Tate pointed out that all behaviour is <u>legally compliant</u>. Willacy concluded:

What's happening with development here is well within the law and to many that's the problem.

But (despite its lack of definition) the <u>public interest should mean more than legal compliance</u> – it is as much about process and procedure as it is outcome. It's also about governance and ethics.

- \* Wheeler lists seven elements that better round out the full process that should take place:
  - complying with applicable law (both its letter and spirit);
  - carrying out functions fairly and impartially;
  - complying with the principles of procedural fairness/natural justice;
  - acting reasonably;
  - ensuring accountability and transparency;
  - exposing corrupt conduct or serious maladministration;
  - · avoiding or properly managing private interests conflicting with official duties; and
  - acting apolitically in the performance of official functions.

There's no rule book for working in the public interest and, despite arguments that it is too loose, ambiguous and easy to hide behind, it is an integral part of the discourse, law, regulation and governance of modern democracies.

Some professions, such as the Institute of Chartered Accountants in England and Wales, have tackled it head-on. This would seem a prudent measure for all professions in the future.

\* Wheeler was deputy NSW Ombudsman in September 2017 at the time he produced this.

nterpreted by that the recing closed for the it. There is no riented

## Council equates low level of opposition high level of support. It does not define , thigh level of support entails.

"The Shannons Adelaide Rally is traditionally had many benefits for Road closures approved for Adelaide Rally by Anna Christian of affected residents have been traditionally bad many han

meals and fuel by event participants run predominantly in the Adelaide which builds brand awareness' for "Direct benefits come through and spectators, while some local donations to local community groups that support the event Hills and is televised nationally spending on accommodation, businesses run rally events. the Adelaide Hills," he said. "The event also makes

> about repeated road closures for "In 2013 the council received

"in response, the council adopted a policy that requires organisers to vary the routes from year to year. motorsport events.

"Repeated closures of the same demonstrated through resident road are only approved where high levels of support can be Stir veys. and written confirmation that they will put up signs advising of road

The organisers must also notify closures three weeks in advance. closures and that the concerns council that affected business owners are aware of the road

Martin and BMW showcase brand

"The likes of Ferrari, Aston

drivers.

new models through the event."

David added that the rally has

enthusiasts with the chance to get

on December 1 provides local

up close to the vehicles and their

"The lunch stop at Stirling oval

with volunteers.

Adeiaide Rally in the 1990s," David Council Director of Community has been opposition to the rally in Capacity David Waters said there since the inception of the Classic "The rally has run in various formats in the Adelaide Hills a number of representations addressed. the past. which has been running through The Shannons Adelaide Rally.

conditions requiring the organisers has had road closures approved by which may occur during the rally to provide evidence of insurance covering any damage to property the city and the Hills for decades, the closures but council decided the Adelaide Hills Council again The road closures come with A concerned resident made a deputation to council about planning could address the resident's concerns. this year.

### Geraldine

From: Sent: To: Subject:

Thanks Jen!

David Wate Director Co Adelaide Hi

On 15 Mar :

Hey

Jen

Ext

The winding roads of the Adelaide Hills will host millions of dollars' worth of rare and desirable cars next week as the Adelaide Rally returns for 2018.

Almost 300 entrants will take on some of the region's most challenging roads over four days.

Some, like those in the classic and modern competition categories, are seeking glory and silverware for the mantlepiece, others take a more sedate approach, enjoying the closed road stages in the many touring categories.

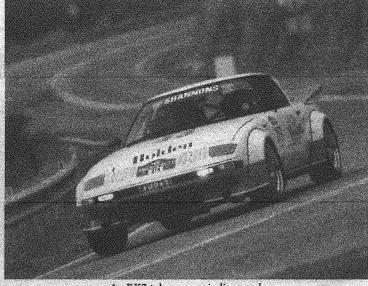
Competition cars run for the full four days, taking in 32 closed-road stages covering almost 140km through the Hills, McLaren Vale, Fleurieu Peninsula and the Murray Mallee.

Competition cars range from Ph: +618841 the brutal modern all-wheel-drive turbo models such as the Subaru WRX STI and Mitsubishi Lancer Evolution to classic survivors from the 60s and 70s.

> "South Australia, and the Hills in particular, has some of the gbest driving roads you will find Che anywhere, event director Tim Possingham said.

"This year we have included some longer stages - up to 14km - and retained the tight, technical stages Jen such as Corkscrew and Basket Coc Range that really test drivers and cars." t "Maring mode

At the other end of the spectrum is the Prima Tour, a one-day



An RX7 takes on a winding road

category within the event that is non-competitive and open to just about any type of car and driver.

This element has become increasingly popular," Tim said.
"Entrants get to enjoy some of

the same closed-road stages as the competitive drivers, plus get a bit of an adrenaline rush on the track at The Bend Motorsport Park.

We have a few well-known drivers taking part, including this year's Bathurst winner Craig Lowndes, ex Formula 1 driver David Brabham and Scotsman Alister McRae."

The rally concludes on Saturday

December 1, with a lunch stop that day on the Stirling Oval from 11.30

"This is the best opportunity for the public to see the cars and drivers," Tim said.

"With around 250 vehicles coming through on that day, it's a chance to get up close to some of these amazing machines, talk to the drivers and get a taste of what the event is all about."

The Adelaide Hills Rally is on from Wednesday, November 28 to Saturday, December 1.

For more information phone 8373 4899.

### ADELAIDE HILLS WEEKEND HERALD 15-11-2018

From: David Waters

Sent: Thursday, 15 March 2018 3:12 PM

To: Jennifer Blake

Subject: FW: Adelaide Rally 2018

Hil Jen

I noticed this email went to Ebony and Anisa. I thought I'd bring it to your attention in case you are not aware.

Because the rally is the most controversial event we deal with each year, I'd love a half hour catch up with whoever is managing this one this year to share some of my thoughts on how we should approach it. For instance, we do need to consider the proposed routes and identify any unacceptable disruptions. For instance access to the Heathfield waste transfer station will be completely blocked by a stage being run twice on the Saturday - this is not going to be acceptable.

Cheers

**David Waters** 

**Director Community & Customer Service** 

Ext. 557

The Adelaide Hills Herman Pages

### REGIONAL SPEED CAMERAS CAT

Battunga Road in Meadows earned the state government \$1,685,504 through 3,951 fines in the past five years according to police figures obtained by the RAA.

In the past five financial years 431,557 vehicles have been caught speeding by mobile speed cameras, of which 24 per cent, or 105,085, were on regional roads.

Other Hills hot spots included Alexandrina Road, Mount Barker where speed cameras brought in \$563,021 in

fines from 1.597 reports; Mount Barker Road, Bridgewater where 1,472 speeders brought in \$524,437; Long Valley Road, Strathalbyn where 1,424 brought

in \$614.135; Langhorne Creek Road, Strathalbyn where 1,296 brought in \$536,528; and Piccadilly Road, Crafers where 1,260 brought in \$486,224

The fines generated by mobile speed cameras in regional locations have cost motorists more than \$42.4 million in that same period.

RAA Senior Manager Safety and Infrastructure Charles Mountain said motorists risked much more than a fine if they exceed the speed limit.

"Speeding - especially on roads with limits of 90-110kmh - can put not only you and your loved ones, but also other roads users at increased risk of death or serious injury," he said.

"Motorists must also be aware of speed limit changes as they near towns or approach road works and adjust their speed accordingly.

Police figures show in the past five financial years the highest number of speeding

offences caught on mobile speed cameras were recorded in the Adelaide Hills (35,460), followed by the Barossa, Light and Lower North (18,160). Fleurieu and Kangaroo Island (16,772),

Murray Mallee (11,447), Limestone Coast (10,026), Yorke Peninsula and Mid North (8613), Western and Eyre Peninsula (8613) and Far North

cameras included roads in the Adelaide Hills with a 100km/h limit and a residential street in Mount Barker with a 50km/h limit.

a significant increase between five years to date, there has been the months of October and continued from bage U "Looking back over the past

serious injury in traffic accidents shows that a there are a higher reasons for loss of life and According to SAPOL, data Speeding is one of the main

arch their speed, or they may be picked up as part of y Oliver Brown

Drivers in the Adelaide Hills are being cautioned to

POUs Operation Safe Hills Campaign.

eeding offences in the Hills has increased in recent perintendent Bob Gray said the number of

(continued on page 16,

th the Hills. It is intended to run until April 2021. irthern, Eastern and Southern Districts associates

unieu and Barossa Local Service Areas as well a te operation is being conducted in the Hills

number of motorcycle fatalities

and serious injuries over this

same time frame.

by motorcyclists in the Hills

Furthermore, dangerous speeds

between October and April. were found to mostly occur also

according to Bob, the operation

The Adelaide Hills Herald - October 15, 2020 - page 16

he Officer in Charge of the Traffic Services Branch

bad behaviours as we possibly have to try and change as many per cent of the people, but to "You're never going to get 100 lave a significant impact, we

Top locations for mobile speed

and there were likely many said 104 violations were recorded over the long weekend weekend of the campaign - Bob SAPOL was busy in the first

Mount Barker man died at the On the evening of October 5, a

down. We do not wish to see any using the roads and to slow

online platforms

can receive a significant fine or safety cameras. Those charged even lose their license or vehicle

ongoing, though even if the their shared responsibility wher change at all," he said. think there would have been any operation started earlier, I don't "I urge everyone to remember "The investigation was still annual road death toll this year tree at Petwood, taking the scene of an accident after

can be easily avoided.

Bob said data collected from

something such as speed which

HOLE TIMES TOST DECAUSE OF

Operation Safe Hills had begun gated, but he doubted it would accident is still being investilave been prevented if the Bob said the cause of this Operation Safe Hills will confinue to be released by

safely exceed the speed limit. drivers who think they can SAPOL on a weekly basis. advertising campaign aimed at Road Safety Unit of SAPOL has Operation Safe Hills, the Media aunched a new mass media Running concurrently with

March 2021 and June 2021 launching across TV, radio throughout October as well as The media campaign will run

# 

support road closures for the Shannons Adelaide reviewer to review a decision made by the council into a decision made by the council last year to Resident Joe Frank requested an internal review The Adelaide Hills Council will appoint a new

However, the council will find a new reviewer after

The council appointed Ray Pincombe to undertake

Mr Frank raised concerns about Mr Pincombe's

the review.

appointment.

PAGE 16 - The Courier . Wednesday July 3, At a meeting last week the council decided that, conducted a previous internal review initiated by Mr was previously employed by the council and has interest of the council be beyond any suggestion of Pincombe, it would appoint a new reviewer in the though it had done nothing wrong by appointing Mr He said Mr Pincombe may be biased because he poscoption o からのからかんのでき RUCONDO THE

Trada シスタの大や大田のな SES SES 293 , 2019 The non-receipt of a reply to a notice received is erroneously interpreted by the event organizer and the Council that the recipient is not opposed to the road being closed for the purpose of a racing car event. There is no reasonable or logical basis for this understanding or interpretation. No freedom and rights oriented person needs to infor any authority that they expect their rights to be at all times

### Public interest

ENTERTAIN the optimistic ssumption that readers of The Courier now that each of our three levels of overnment exists to govern in the ublic interest.

This implies that governments do ot have private interests and should ircumstances arise requiring a policy, a ecision or an action, the public interest just always prevail over any private iterest.

We have now been made aware of the act that the Minister for Transport and ocal Government has put his personal, rivate interests or values, ahead of hose of the public.

The offer to repay any monies received s a result of dubious claims highlights conflict of interests.

It raises concerns and questions of

rivate and public integrity.

The same Minister issued an order for oad closure to allow stretches of public oads to be effectively privatised for ertain periods to enable car racing to ake place.

Our Adelaide Hills Council provided ne required consent for this.

Both actions have given private iterests a priority over public interests thich is contrary to what governments re mandated to do.

Once again our freedoms and ghts, and our trust in good public dministration have taken a serious low. The courier

Joe Frank Basket Range



## ADELAIDE HILLS COUNCIL ORDINARY COUNCIL MEETING Tuesday 24 November 2020 AGENDA BUSINESS ITEM

Item: 12.2

Responsible Officer: Natalie Westover

**Manager Property Services** 

**Corporate Services** 

Subject: Road Exchange – Pomona Road Stirling

For: Decision

### **SUMMARY**

The purpose of this report is to seek a resolution of Council to endorse a road exchange for a portion of the footpath section of Pomona Road Stirling, adjacent to 21 Pomona Road Stirling, refer *Appendix 1*.

A recent survey undertaken by the owner of 21 Pomona Road has identified that a portion of the footpath area encroaches onto 21 Pomona Road in one section, and that the boundary of 21 Pomona Road adjacent to the kerb edge does not allow sufficient width for a footpath in another section. The plan attached an *Appendix 2* identifies the area of road in red that encroaches onto 21 Pomona Road and identifies the area in green that is proposed to be opened as road.

The Preliminary Plan lodged with the Surveyor-General is attached as **Appendix 3**.

### **RECOMMENDATION**

### Council resolves:

- 1. That the report be received and noted
- 2. In accordance with sections 12 and 15 of the Roads (Opening and Closing) Act 1991, enter into an Agreement for Exchange with the owner of the land of 21 Pomona Road Stirling and issue a Road Process Order to open as public road the area identified as "Road to be opened 1" on the Preliminary Plan No 20/0038 and in exchange to close a portion of Pomona Road as identified on the Preliminary Plan No 20/0038 as "Public Road A", subject to the owner of the land at 21 Pomona Road Stirling agreeing to pay all costs associated with the road exchange process including but not limited to all survey, valuation and reasonable legal costs
- 3. The closed road be excluded as Community Land pursuant to the *Local Government Act* 1999.
- 4. The Mayor and Chief Executive Officer be authorised to sign all documents necessary, including affixation of the common seal, to give effect to this resolution.

### 1. GOVERNANCE

### Strategic Management Plan/Functional Strategy/Council Policy Alignment

Strategic Plan 2020-24 – A brighter future

Goal A functional built environment

Objective B1 Our district is easily accessible for community, our business and visitors Priority B1.5 Provide accessibility for the full range of users by ensuring Council's

road, footpath and trails network is adequately maintained and service

levels for all users are developed and considered

Whilst the current area available for the public to traverse the side of Pomona Road in this area is not formalised, the current boundary between 21 Pomona Road Stirling and the edge of the kerb of the made section of the road would not allow for continued informal walking space or a more formalised future footpath to be installed.

### Legal Implications

The road exchange is undertaken in accordance with the requirements of the *Roads* (Opening and Closing) Act 1991 and ensures that Council's infrastructure is located on public road owned by the Council.

### Risk Management Implications

The road exchange process will assist in mitigating the risk of:

Pedestrians traversing across private land in the belief that it is a public road verge and footpath leading to increased risk and liability to the landowner.

Inherent Risk	Residual Risk	Target Risk
Low (2D)	Low (2E)	Low (2E)

This is an existing control with associated mitigation action.

### Financial and Resource Implications

The land owner has agreed to pay all costs associated with the road exchange process and the administrative requirements of Council will be managed within existing resources.

The land owner has obtained a valuation report which has determined that the value of the land to be exchanged is of equal value and there is neither party to the road exchange process is required to pay consideration for the land being exchanged.

### Customer Service and Community/Cultural Implications

The road exchange process will ensure that there is the appropriate width of road verge to enable pedestrian traffic to traverse the road verge informally or as a made footpath at some time in the future.

### Sustainability Implications

Not Applicable

### Engagement/Consultation conducted in the development of the report

Consultation on the development of this report was as follows:

Council Committees: Not Applicable

Council Workshops: Not Applicable

Advisory Groups: Not Applicable

Administration: Director Development & Regulatory Services

Senior Civil Engineer, Civil Services

Senior Statutory Planner, Development & Regulatory Services

External Agencies: Not Applicable

Community: Public notification was undertaken in accordance with the

requirements of the *Roads (Opening & Closing) Act 1991*, the Surveyor-General's guidelines and Council's *Public Consultation* 

Policy

### 2. BACKGROUND

The owner of 21 Pomona Road Stirling is undertaking a medium density land division and residential dwelling development which has received planning approval. As part of the development process, a survey was undertaken which detailed that the area between the legal boundary of 21 Pomona Road and the kerb of the made public road was not sufficient for the retention of informal pedestrian traffic or would allow the construction of a more formal footpath at some time in the future.

The land owner approached Council with a proposal for an exchange of land that would see a portion of the land owner's land vest in Council as public road to ensure appropriate road verge/footpath width is retained in one section in exchange for the closure of a section of unmade public road verge that would merge with the land owner's land whilst retaining sufficient width for pedestrian traffic.

The road exchange proposal has benefit to both the Council and the land owner.

### 3. ANALYSIS

The Council's Roads Officer has consulted with Council's Senior Civil Engineer to confirm that the road exchange results in appropriate width of road verge being obtained and retained by Council to facilitate informal pedestrian traffic (where topography allows) and would enable a more formal footpath in the future if considered appropriate.

Public notification was undertaken in accordance with the requirements of the *Roads* (Opening and Closing) Act 1991, the Surveyor-General's guidelines and Council's Public Consultation Policy. The Council did not receive any submissions objecting to the proposal nor seeking an easement over any portion of the road exchange land during the public notification period.

The proposed road exchange provides benefit to the Council in ensuring that there is appropriate width of road verge to facilitate informal pedestrian traffic where suitable and provides benefit to the land owner in increasing the allotment size suitable for development. It is noted that the current planning approval for the land owner's development does not include the proposed road exchange and will require a minor variation.

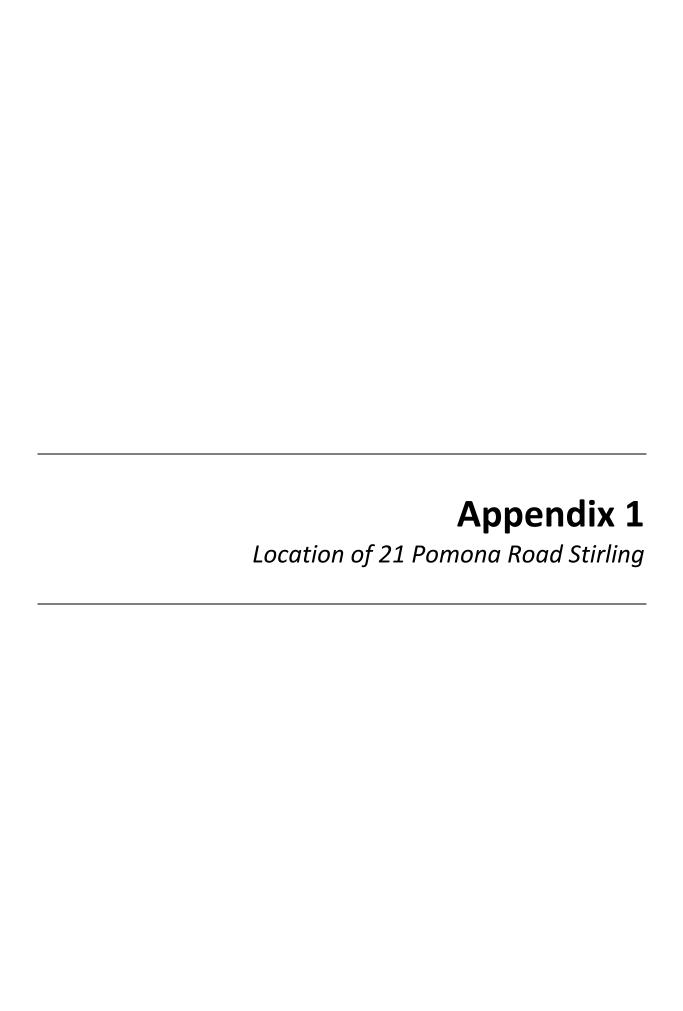
### 4. OPTIONS

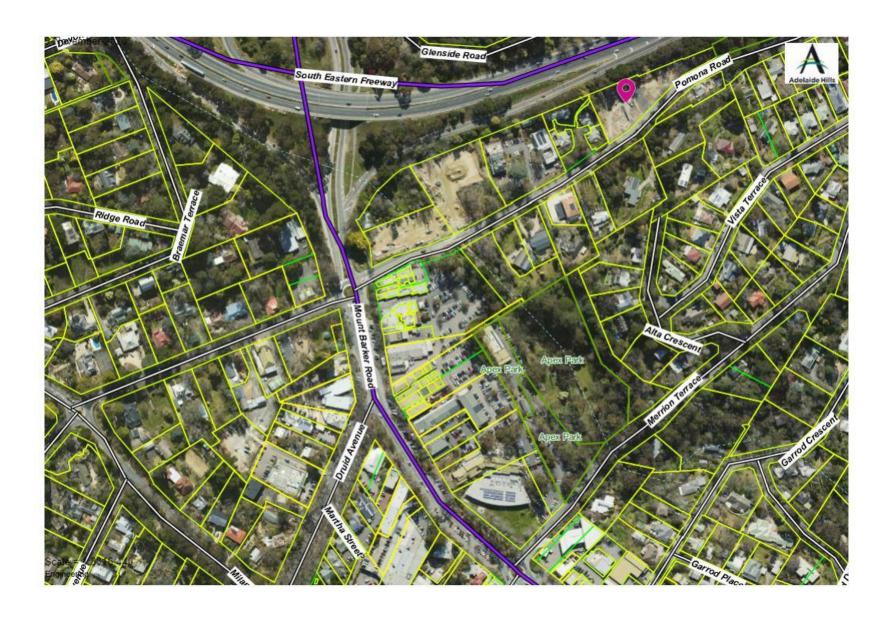
Council has the following options:

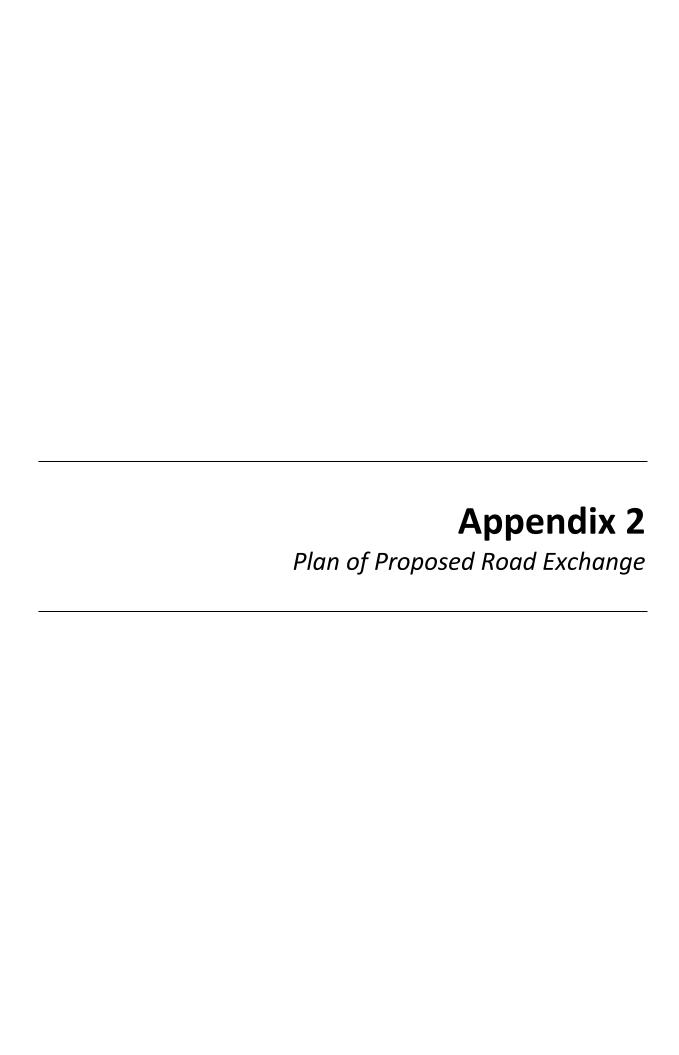
- I. Resolve to issue a Road Process Order for the road exchange (Recommended)
- II. Resolve not to issue the Road Process Order which would result in a section of Pomona Road not retaining an appropriate width of road verge for informal pedestrian traffic (Not Recommended)
- III. Resolve to issue a Road Process Order for the opening of road for the land coloured Green on Appendix 1 which would result in Council needing to purchase this land from the land owner in accordance with an independent valuation (Not Recommended)

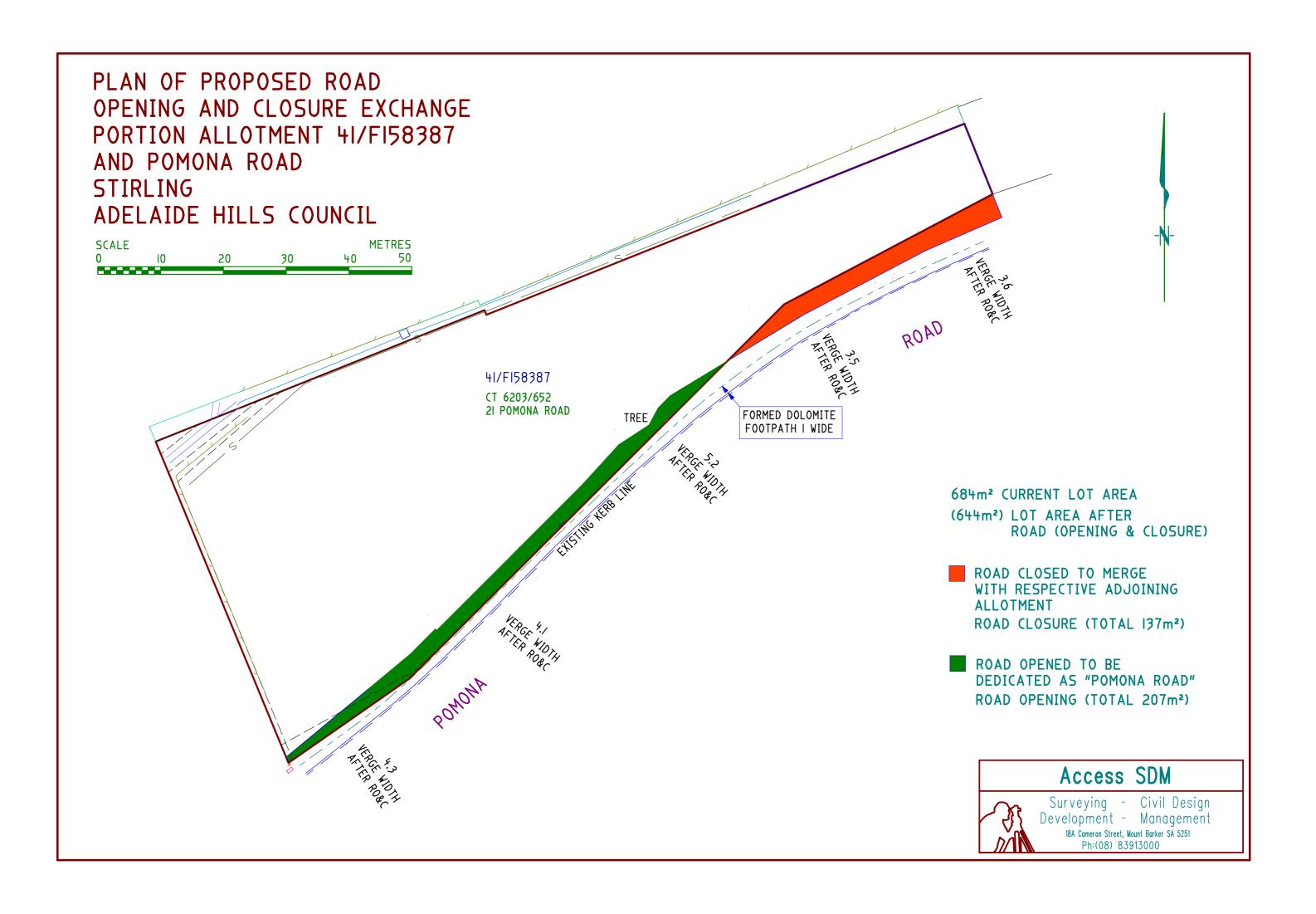
### 5. APPENDICES

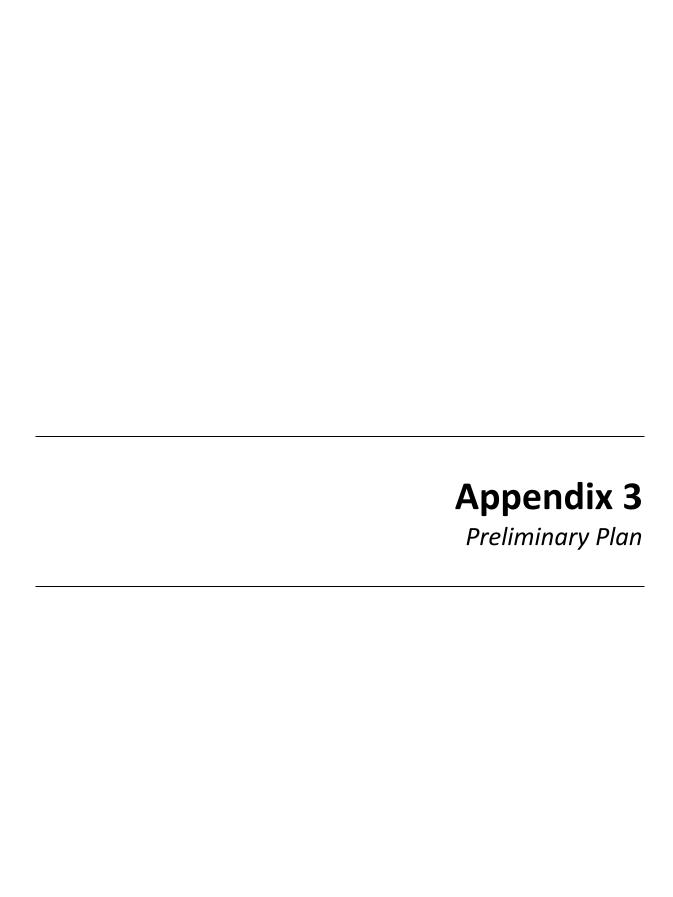
- (1) Location of 21 Pomona Road Stirling
- (2) Plan of Proposed Road Exchange
- (3) Preliminary Plan

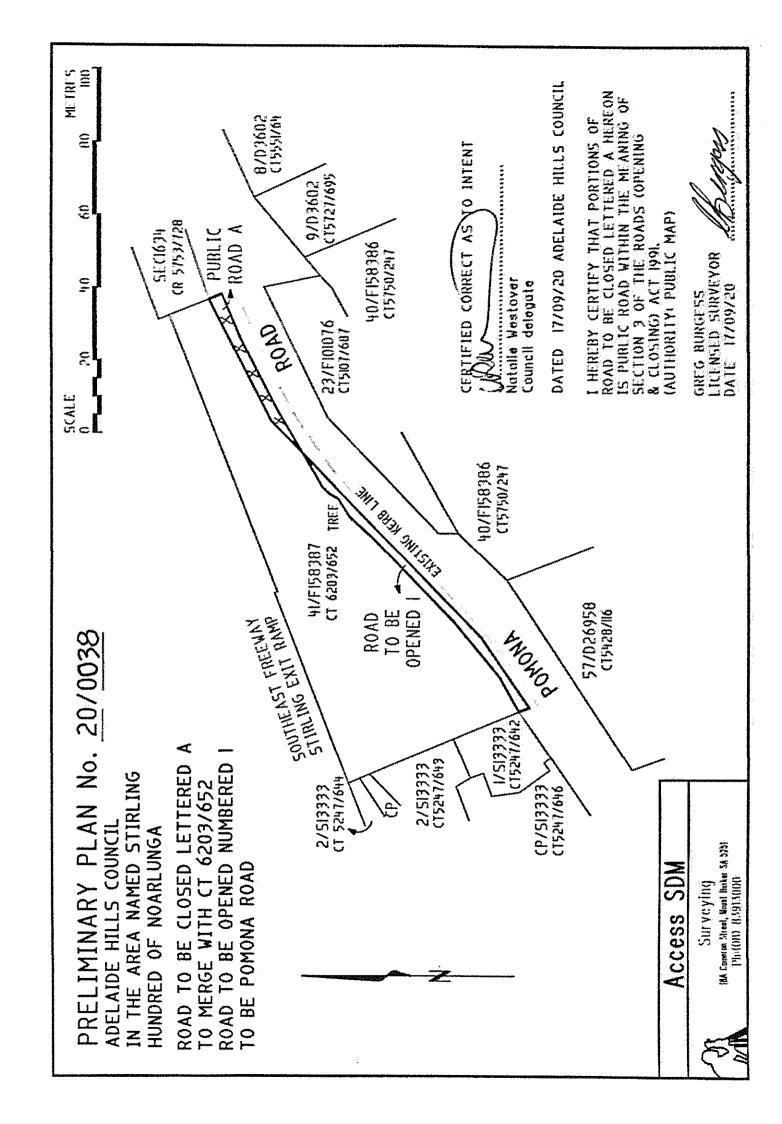












# ADELAIDE HILLS COUNCIL ORDINARY COUNCIL MEETING Tuesday 24 November AGENDA BUSINESS ITEM

Item: 12.3

Responsible Officer: Kira-marie Laverty

**Corporate Planning & Performance Coordinator** 

Office of the Chief Executive

Subject: Draft 2019-20 Annual Report

For: Decision

#### **SUMMARY**

The purpose of this report is to provide the *draft 2019-20 Annual Report* (the Annual Report) for the Council's consideration and adoption.

The preparation and adoption of an Annual Report is a legislative requirement under s131 of the *Local Government Act 1999*. Notwithstanding its compliance roots, the Annual Report provides a good opportunity to demonstrate to the community, in a transparent and accountable manner, the level of achievement against the Council's *Your Adelaide Hills Strategic Plan* (2016-20), Corporate Plan and *2019-20 Annual Business Plan and Budget*.

#### **RECOMMENDATION**

#### **Council resolves:**

- 1. That the report be received and noted.
- 2. The 2019-20 Annual Report, as contained in Appendix 1, be adopted.
- 3. That the Chief Executive Officer be authorised to make minor content, formatting or design changes necessary for publication purposes.

#### 1. GOVERNANCE

#### > Strategic Management Plan/Functional Strategy/Council Policy Alignment

Strategic Plan 2020-24 – A brighter future

Goal A progressive Organisation

Objective O5 We are accountable, informed, and make decisions in the best

interests of the whole community

Priority 05.3 Demonstrate accountability through robust corporate planning and

reporting that enhances performance, is relevant and easily accessible

by the community

The production of the Annual Report is fundamental to demonstrating the transparency and accountability of local government.

#### Legal Implications

Section 131 of the *Local Government Act 1999* (the Act) requires councils to produce Annual Reports. It must be prepared and adopted by the Council by 30 November.

Schedule 4 of the Act and associated Regulations set out the material that must be contained in the Annual Report. An extract of schedule 4 has been included in *Appendix 2* to highlight the alignment to the sections of the draft 2019-20 Annual Report.

Regulation 35 of the *Local Government (General) Regulations 2013* (the Regulations) sets out the required elements needed for the report on confidentiality orders under Section 90(2) and 91(7) of the Act. These requirements have been addressed with a report included within the "Our Governance" section of the draft Annual Report.

#### **Risk Management Implications**

The review of the draft Annual Report will assist in mitigating the risk of non-compliance with statutory requirements leading to a loss of confidence in the Council.

Inherent Risk	Residual Risk	Target Risk
High (4C)	Medium (3C)	Medium

#### Financial and Resource Implications

There are no financial implications arising from considering the draft Annual Report.

Production of the Annual Report has involved mainly existing staff resources and the printing of a small number of hard copies. Small external costs are associated with design of the final copy.

#### Customer Service and Community/Cultural Implications

The Annual Report contains information of the provision of services and facilities to the Adelaide Hills community in the financial year. It also provides an overview of performance against targets including for Council's Customer Service Standards. It highlights potential areas for improvement in addition to those performing well.

#### Sustainability Implications

The Council's sustainability (financial, social and environmental) is reflected within the statistics and results discussed within the Annual Report.

#### > Engagement/Consultation conducted in the development of the report

Consultation on the development of this report was as follows:

Council Committees: Audit Committee were presented with the draft 2019-20 Annual

Report at their 16 November 2020 Meeting.

Council Workshops: Not applicable

Advisory Groups: Not applicable

Administration: Council's Executive Leadership Team, relevant Managers, and

Officers were consulted during preparation of the draft Annual

Report.

External Agencies: Annual reports were supplied by all Council Subsidiaries: Adelaide

Hills Region Waste Management Authority; East Waste

Management Authority; Gawler River Floodplain Management Authority; and Southern & Hills Local Government Association

Community: Engagement with the community is not applicable for the

development of the Annual Report. However, the Annual Report itself, once finalised, is one way of communicating key

achievements and Council performance to the community.

#### 2. BACKGROUND

The draft Annual Report has been prepared with an emphasis on reporting achievements against the Council's *Your Adelaide Hills* Strategic Plan (2016-20), *Corporate Plan* and *2019-20 Annual Business Plan and Budget*. The financial statements are also included as Appendix 1 of the *2019-20 Annual Report*.

The Audit Committee considered the draft Annual Report at its meeting on 16 November 2020 per their terms of reference:

- 3.1.1 (part) Review and provide advice to Council on the degree to which the annual financial statements present fairly the state of affairs of the Council
- 3.1.2 The committee shall monitor the integrity of the financial statements of the Council, including its annual report, reviewing significant financial reporting issues and judgements which they contain.

#### 6.1. Draft 2019 - 2020 Annual Report

Moved Paula Davies S/- Cr Leith Mudge

56/AC20

The Audit Committee resolves:

- 1. That the report be received and noted
- 2. To advise Council that the Committee has reviewed the Draft 2019-20 Annual Report, as contained in Appendix 1, in terms of the report's adequacy in meeting its legislative requirements.
- That, on the basis of the Committee's review and with minor suggested edits to recommend the Annual Report to Council for adoption.

Carried

#### 3. ANALYSIS

The draft Annual Report, contained in *Appendix 1*, provides an overview of Council's achievements and activities during the 2019-20 reporting year.

The Report provides a summary of achievements against commitments made in the 2019-20 Annual Business Plan and Budget. It also contains highlights of other activities of note.

Much of the additional content in the Annual Report addresses statutory requirements, particularly those set out in Section 131 and Schedule 4 of the Act and Regulation 35 of the Regulations.

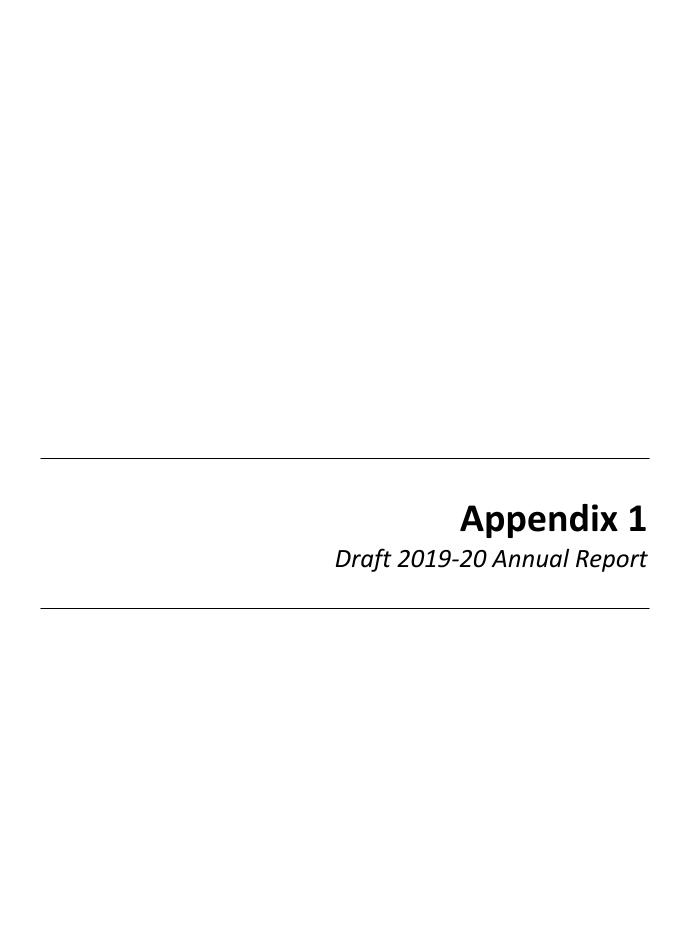
#### 4. OPTIONS

Council has the following options:

- I. Resolve to adopt the 2019-20 Annual Report as presented (*Recommended*)
- II. Resolve to adopt the 2019-20 Annual Report with amendments (*Not Recommended*). Given the requirement to finalise the Annual Report by 30 November, significant amendment may result in the Council not meeting its legislative obligations.

#### 5. APPENDIX

(1) Draft 2019-20 Annual Report





# Welcome

This is our Annual Report for 2019-20 which provides an account of our performance over the financial year 1 July 2019 to 30 June 2020 and highlights our achievements against the goals we set in *Your Adelaide Hills* Strategic Plan and Annual Business Plan 2019-20.

The Annual Report meets the requirements of the Local Government Act 1999, and is provided for our ratepayers, residents, business operators, visitors, government agencies and other interested parties.

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Cover photo: Peramangk Shield carving, Woorabinda Bushland Reserves. Credit: Lynne Griffiths.

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Council acknowledges that we undertake our business on the traditional lands and waters of the Peramangk and Kaurna people.

We pay our respects to Elders past, present and emerging as the Custodians of this ancient and beautiful land.

An online version of this Annual Report can be downloaded at ahc.sa.gov.au or request a copy by contacting us:

(08) 8408 0400 mail@ahc.sa.gov.au PO Box 44, Woodside SA 5244

We welcome your feedback on this Report or any other Council matter.



# From the Mayor

We want our community to feel safe and supported; to connect with each other; to enjoy our unique natural environment and local culture; to feel pride of place; and to be ambitious for a brighter future.

The 2019-20 financial year brought a unique set of challenges. Together, we continue to navigate the challenging road to recovery from the Cudlee Creek Bushfire in December 2019 and the ongoing impacts of the 2020 global Coronavirus (COVID-19) pandemic. Like others across the world we are having to adapt to a new reality of changing cultural norms and the ongoing impact of climate change and Council's role is to provide the community with the necessary tools and environment to survive and thrive in this new world without surrendering the community values that unite us.

Our new 'Strategic Plan 2020-24: A brighter future' maps out initiatives, goals and priorities that balance the four pillars of recovery: our community, natural environment, local economy, and built environment and infrastructure.

This Annual Review, with our Long Term Financial Plan, demonstrates how we are delivering on our strategic vision through essential services and infrastructure necessary for a healthy and safe community.

Unlike many other Councils, 85 per cent of our revenue comes from rates. The average general rate increase of 2.95 per cent aligns with current State and Local Government economic advice. It will allow us to maintain financial sustainability as well as fund our initiatives to support businesses and community members impacted by the bushfire and COVID-19, while also stimulating the local economy.

Australia in general, and South Australia in particular, have done well to avoid the repeat national and regional COVID lockdowns causing dismay and unrest elsewhere in the world but we must not lapse into complacency. Climate change continues to impact weather patterns as we go into another bushfire season, and as with the coronavirus, everyone needs to stay vigilant to stay safe. As your Council we are committed to helping you through these crises with actions such as those outlined in this review.

Congratulations and thank you once more to everyone who has supported our community through the trials of the bushfire, lockdowns and our ongoing recovery journey. We are emerging stronger and more connected each day as we look towards a brighter future.



# From the CEO

The service we in local government provide has been more essential than ever during this difficult and restricted period.

The first half of the past financial year was vastly different to the second. Council experienced a dramatic shift in focus from delivering on our strategic goals to emergency response and recovery, as a result of the Cudlee Creek Bushfire and ongoing impacts of the global pandemic.

An Incident Management Team (IMT) of staff was formed in the days leading up to the bushfire that started on 20 December 2019 (a day forecast to be catastrophic). This team was prepared for an emergency response to bushfire, with many of our staff directly involved and personally impacted by the eventual disaster.

In recovery mode, an IMT was then formed in mid-March 2020 to address the COVID-19 crisis. Council staff and volunteers were committed to providing as many of our services as possible, to as many people as possible, for as long as we could.

In order to deliver services safely and appropriately we needed to be innovative, agile, and work closely with emergency response agencies and local community groups. This allowed us to react rapidly and effectively to an ever-changing set of emergency circumstances, and provide much needed support to community members and local businesses.

Over 280 care packages were delivered to our Positive Ageing Centre clients during lockdown, and 135 priority development applications for bushfire affected residents were approved. We also maintained our commitment to essential service delivery, environmental sustainability, and community development. We established a 'click and collect' library service, delivered programs online, and ensured our range of parks and infrastructure maintenance could continue with social distancing protocols. Road works to the value of \$4.2 million were completed, over 50 per cent of waste collected was diverted from landfill as recyclable material, and 18 community and recreation facility grants were awarded totalling \$105,000.

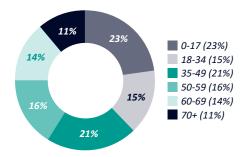
I thank our Mayor and Council Members for their strength and support. I'm also incredibly proud of the way our staff swiftly established and embraced the changes needed to deliver our diverse range of essential services in the past 12 months. It's because we care - for each other; our volunteers; and for the people we serve.

## Our District

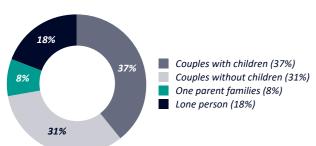
#### Number of registered businesses by Industry



#### Age Profile of Adelaide Hills Council



#### **Household Types**





83%

own or are buying a home

Households

*15,478* 

Median

Age

3%

need help

at home

**District Area** 

795km<sup>2</sup>

**Total Population** 

222

Townships & Localities 57

39,793





















**29%** have a university education

**19%** have a trade qualification



There are 4058 businesses in total and 98% of them have less than 20 employees

Data source: ABS Quarterly Population Estimates 2019

### Our Council Members

Council elections were held in November 2018 with a popularly-elected Mayor and 12 Councillors elected under two wards: the Valleys Ward and the Ranges Ward.

#### Mayor

Dr Jan-Claire Wisdom

#### Ranges ward

Councillor Ian Bailey Councillor Kirrilee Boyd Councillor Nathan Daniell Councillor John Kemp Councillor Leith Mudge Councillor Mark Osterstock Councillor Kirsty Parkin

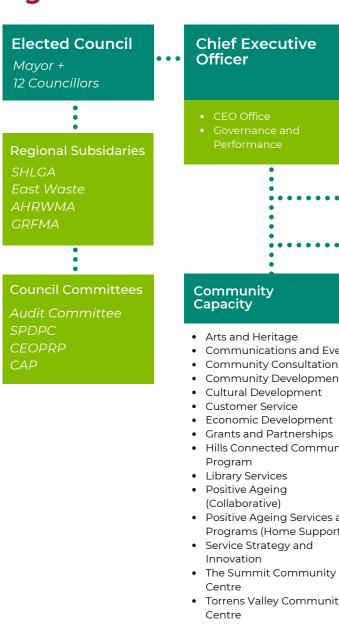
#### Valleys ward

Councillor Pauline Gill Councillor Chris Grant Councillor Linda Green Councillor Malcolm Herrmann Councillor Andrew Stratford

Image (from left to right): Cr Malcolm Herrmann, Cr Andrew Stratford, Cr Ian Bailey, Cr Leith Mudge, Cr Pauline Gill, Cr Mark Osterstock, Mayor Jan-Claire Wisdom, Cr Nathan Daniell (Deputy Mayor), Cr Kirsty Parkin, Cr Kirrilee Boyd, Cr John Kemp, Cr Chris Grant, Cr Linda Green



# Our Organisation



# 1 -

- Arts and Heritage
- · Communications and Events
- · Community Development
- Cultural Development
- · Customer Service
- Economic Development
- Grants and Partnerships
- Hills Connected Community Program
- Library Services
- Positive Ageing (Collaborative)
- Positive Ageing Services and Programs (Home Support)
- Service Strategy and Innovation
- The Summit Community
- Torrens Valley Community Centre
- Volunteering
- Youth Development

#### Development and Regulatory Services

- Animal Management Fire Prevention
- Mount Lofty Waste Control

•••••

- Project
  - Parking and By-laws
  - Planning and
  - Development
  - Policy Planning Public Health

Committee

#### Infrastructure and Operations

Civil Services

ealth and Safetv

- Community Wastewater Management System (CWMS)
- · Emergency Management
- Open Space Biodiversity
- Open Space Operations
- Open Space Sport and Recreation Planning
- Sustainability
- Sustainable Assets
- Waste

#### Corporate Services

- Adelaide Hills Business and Tourism Centre (AHBTC)
- Cemeteries
- Corporate Planning
- · Financial Services
- General Property
- Information and Communications Technology
- Information Systems
- Rating
- Retirement Villages
- Organisational Development
- Work Health and Safety

# Our Organisation

#### **Council and Committees**

The Elected Council's role is to provide for the governance and management of the Council area. It does this through:

- representing the interests of the community
- providing and coordinating public services and facilities
- encouraging and developing initiatives to improve the community's quality of life, and
- undertaking its responsibilities and functions as prescribed in legislation and strategic management plans.

A number of committees have been established in accordance with legislation to assist the Council to discharge its responsibilities in specific areas. These are the Strategic Planning & Development Policy Committee (SPDPC), the Audit Committee, the Chief Executive Officer Performance Review Panel (CEOPRP), the Council Assessment Panel (CAP), the Building Fire Safety Committee and the Health & Safety Committee.

#### **Regional Subsidiaries**

CCouncil is a member of four regional subsidiaries which are responsible for certain functions and duties assigned to them through their charters. The subsidiaries are the:

- Southern and Hills Local Government Association (SHLGA)
- Eastern Waste Management Authority (East Waste)
- Adelaide Hills Region Waste Management Authority (AHRWMA), and
- Gawler River Floodplain Management Authority (GRFMA).

#### Administration

The Council's Administration is led by a Chief Executive Officer appointed by the Council.

The Chief Executive Officer appoints staff to carry out the functions and duties delegated to them and to implement Council decisions. The Administration is organised into directorates with specific areas of focus (see diagram, page 6), that are led by an executive leadership team consisting of four directors and two executive managers. The arrangement of the directorates provides for the separation of the regulatory activities (into the Development and Regulatory Services Directorate) from the other activities of the Council.

# Our 2019-20 Performance Highlights

# Helping our community

135 priority development applications approved for bushfire affected residents



300+ check-in calls made to vulnerable clients following the Cudlee Creek Bushfire



18 Community and recreation facility grants were awarded totalling



# Aged home support







6,188 hours of in home

hours of social

1,392 transport trips

# **Community programs**

28,499

attendees a



attendees at Fabrik and workshops

# **Community Online Engagement**



Library program participants 3 times higher since providing online programs.



support

93% growth in Social media followers

1,073 people participated 34,385 project page views

# **Economy** O

1.19m



\$170m spent by visitors



volunteer hours provided across libraries, community centres, assisting in aged

### **Arts activities and events**



*10* 







54

# Our 2019-20 Performance Highlights

# Library





229,649



542,383



**Digital loans** *230,472* 



98.2%

of all Council decisions were made in meetings open to the public

# **Animal management**



Dog registrations 8,658

**28** Bush for life

(8.6% increase since 2018-19) (59.6% increase from 2018-19)



Cat registrations 415

# Biodiversity, environment and sustainability

31ML =

**Volume of** recycled water

Replaced 900 public street lights with LED reducing emissions by 98 tonnes of CO2 per year





sites (95.3 ha) where volunteers have contributed over **2,000** hours of work







**Inspected almost 7,500** private properties as part of the annual bushfire prevention activities

**51%** of waste collected was diverted from landfill as recyclable material



Collected **107kg** of Mobile phone components at our recycling depot and drop off points. Received the "Top Recycler Award for South Australia in MobileMuster's Local **Government Awards 2020"** 



# Customer Service Standards

# 41,544 incoming calls 70% answered within



30 seconds







387 European

wasp reports

99% investigated

and actioned

within 7 days

23 Dog attack reports 91% responded to within 24 hours







446

customer details

25 new event applications 84% acknowledged within 5 days of receipt







955 development

applications received

Average consent time 13.9

weeks. 73 Fast track

development application

received 100% fast track

applications approved within 28 days



40 illegal burning complaints 95% investigated within 24 hours



2480 bin repair

or replacement

95% actioned

within 7 days



7 public health complaints 86% investigated and responded within 24 hours



1 missed bin

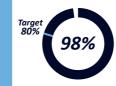
complaint

100% collected

within 2 days













2,057 Footpath, stormwater and road requests. 2 hazardous road/footpath repair reported 100% hazardous reports made safe within 24 hours

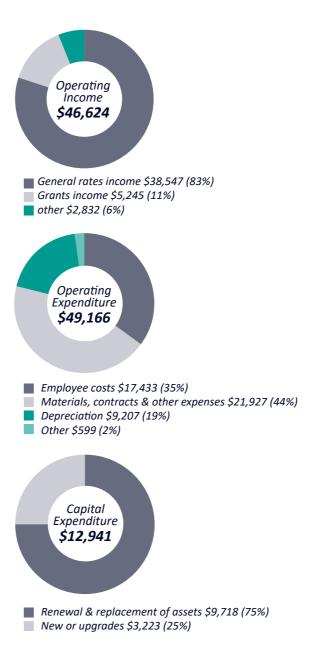




2.064 Tree and environment requests 284 Hazardous trees reported 94% hazardous tree reports made safe within 24 hours



# Financial Performance Highlights



#### **Expenditure Highlights**



# 2019-20 Capital Works Program



- 26 unsealed roads re-sheeted 20.5km • 183m of new sealed roads completed
- 11.4km of road renewed





- 529m of new stormwater
- 314m of stormwater renewed

#### Buildings \$1,067,000

- Public toilet upgrades at Lenswood Park, Stonehenge Reserve and Crafers Hall
- New shelter and new lawn burial section at Kersbrook Cemetery
  Upgrades to number of community halls including Longwood Institute Hall, Mylor Hall and Crafers Hall.



- Pedestrian crossing added to Milan Terrace6 new or upgraded bus stops



Birdwood and Stirling.



 2 playspaces upgraded at Birdwood and Paracombe

# Our Major Events and Awards

The Adelaide Hills remains a destination of choice for arts and community events. In 2019-20 we supported 104 community events including music festivals, markets, Stirling Fringe, and the Santos Tour Down Under, and supported even more through the challenges of responding to the Cudlee Creek Bushfire and COVID-19 pandemic.



Paracombe, Stirling, Woodside

19-26 January 2020

The 2020 Women's race returned to excitement, colour and even bigger crowds in Birdwood and Stirling. The Men's race featured more of the Adelaide Hills than ever before, with a Woodside start, and finishes in Stirling and Paracombe. The district showed its true colours winning ten Best Dressed Awards.



Stirling 2-12 March 2020

Kicking off with a massive opening night full of free family entertainment, the fourth Stirling Fringe featured 60 shows across ten days.



Council supported the establishment of a new community market featuring unique handcrafted goods.

**BMX, Skate and Scooter Series** Woodside, Gumeracha, Stirling 3, 10, 24 November 2019

This three-part event saw Adelaide Hills children out on all kinds of wheels with workshops demonstrations, and free rides alongside food and music.



# Delivering on our plans

Our strategic plan, *Your Adelaide Hills*, was formally adopted in October 2016 with the vision of making the Adelaide Hills "a place for everyone".

Your Adelaide Hills is supported by the Long Term Financial Plan, Infrastructure and Asset Management Plan, and Corporate Plan, all of which are critical to ensuring Council's long-term sustainability. The following performance information in this Annual Report is aligned with the 2016-2020 Strategic Plan and the 2019-20 Annual Business Plan (ABP) strategy and goals.

Goal 1
People and
business prosper

Outcome: Thriving businesses that uniquely say 'Adelaide Hills'. Healthy and happy people.

Goal 2
Activities and opportunities to connect

Outcome: A welcoming and inclusive community where people support, respect and celebrate each other for their differences as much as for their shared values.

Goal 3
Places for people and nature

Outcome: Vibrant places which contribute to increased wellbeing. Thriving ecosystems. Goal 4
Explore ideas and work with others

Goal 5
Open, transparent and responsive

Outcome: Council working with our community and others to pursue new ideas and address emerging needs.

Outcome: We strive for accountable and strategic decision-making and pursue excellence and equity in service delivery.



Goal 1
People and
business prosper

#### What success looks like

Thriving businesses that uniquely say "Adelaide Hills". Healthy and happy people.

#### What we have achieved

Strategy 1.1 We will pursue World Heritage Listing for the Mount Lofty Ranges as a working agricultural landscape.

- Completed the Digital Knowledge Bank Project and associated website in December 2019.
- Conducted an Expert review which concluded we have a case for World Heritage Listing and provided a road map for additional research to be undertaken.
- Explored the opportunity to collaborate with the City of Adelaide on a joint hid

Strategy 1.2 We will work with Governments and industry to achieve Pest Free Area Status for the Adelaide Hills' primary production area.

 Consulted with the Apple and Pear Growers Association of South Australia who advised that no action was required at this stage as pest free status within the region has not yet been achieved.

Strategy 1.3 We will work towards making the Adelaide Hills the favoured tourism destination in the state.

- Worked with operators to build their digital capacity:
- 120 operators involved in training resulting from online digital assessments

- 20 operators involved in digital audits and mentoring.
- 6 bushfire recovery workshops and mentoring for operators.
- 50 digital audits of wineries, 35 one-on-one Adelaide Hills Tourism visits to wineries, experience development workshops and mentoring.
- Developed a mobile-first regional tourism website (www.visitadelaidehills.com.au) that is fully integrated with the Australian Tourism Data Warehouse, and that aligns motivational content with interactive maps.
- Engaged with more people online with more than:
- 15,100 total fans/page likes on Facebook reaching more than 1.4 million people.
   An increase of 34% in fans/page likes and 16% in reach over the previous financial year.
- 28,500 followers on Instagram reaching more than 2.1 million people. An increase of 44% in followers and 120% in reach over the previous financial year.

Strategy 1.5 We recognise that small and micro business is the backbone of our regional economy and will work with stakeholders to make it easier to do business in the Hills.

• May Business Month 2020 was cancelled due to COVID restrictions.

Strategy 1.6 We will work with other levels of government to address transport needs for business.

• Continued to advocate and promote the transport needs of the region to all levels of government.

Strategy 1.7 We will connect key walking trails and cycling routes to make it easier for people to keep active in the Hills.

- Undertook an audit of all existing and proposed walking and cycling routes throughout the region to inform future trails and cycling policy, service levels, and help us understand maintenance requirements.
- Developed an "assessment tool" that will allow staff to assess and respond to trail and cycling enquiries better.
- Completed the connection of the Amy Gillett Bikeway in Woodside.

Strategy 1.8 We will amend the Development Plan to make farming in the Hills easier.

 Made a submission to the State Government on the draft Planning and Design Code to advocate for changes which would provide value adding opportunities for primary producers in the district.

Strategy 1.9 We will work to make the district more age-friendly.

- Continued to provide a range of services and opportunities including home support, shopping access, social events, advocacy and information.
- Increased basic home maintenance Home support services in line with additional government funding.
- Improved our website presence and developed a bi-monthly digital newsletter.
- Ran classes and groups focussed on memory loss and brain health.
- Adjusted our services during the bushfires and COVID-19 disruptions to provide support, contact and information to vulnerable residents.
- Delivered wellbeing and reablement training to aged care service providers across the region through our funded sector support program.

Strategy 1.10 We will use the amended Development Plan to encourage more housing opportunities for first home buyers and those wishing to age in our community.

 Approved developments which will see increased provision of housing opportunities in the district, and commented on the State Government's proposed zoning changes as part of the roll out of the new Planning and Design Code.

Strategy 1.11 We will embrace nature play concepts in play space developments.

 Upgraded play spaces at Birdwood and Paracombe to include equipment that complements that natural environment and surroundings, as well as providing opportunities for open ended and unstructured play on elements like rocks, logs, walls and in trees.

Strategy 1.12 We will seek opportunities to increase the wellbeing and resilience of our community to withstand, recover and grow in the face of challenges.

- Facilitated more than 300 check-in calls to vulnerable clients living in the bushfire area following the Cudlee Creek Bushfire.
- Adjusted Council services to ensure accessibility and support to our community through the Cudlee Creek Bushfire and COVID-19 pandemic.
- Secured a \$50,000 grant to progress the development of community wellbeing indicators.
- Progressed the Community Wellbeing Alliance Pilot to provide a regional approach to wellbeing initiatives and opportunities.
- Commenced the incorporation of new public health data into our public health planning.
- Undertook food safety training with local businesses to ensure compliance.
- Supported the establishment of the Bushfire Recovery Centre at Fabrik
  in Lobethal, and continued to identify and progress key bushfire recovery
  initiatives in collaboration with federal and state governments.
- Established development application priority processing for bushfire-affected residents rebuilding homes and damaged structures.

- Reviewed how Council provides support to the community and emergency services during natural disasters such as bushfires. As a result, Council adopted an 'Incident Operations Manual' in October 2019. The manual was utilised for the first time to guide the response activities undertaken by Council for the Cudlee Creek Bushfire and later the COVID-19 pandemic.
- Modified our service provision six times in response to forecasts of extreme and catastrophic fire danger days to ensure the safety of our community and staff.
- Engaged 200 registered AHC volunteers in more than 13,000 hours of community support.
- Undertook a targeted approach to inspecting on-site waste water systems to ensure that they are not polluting the environment and water catchment.

Strategy 1.13 We will work with other levels of government to improve safety for road users (including pedestrians and cyclists).

- Obtained funding under the State Road Black Spot Program for Morgan Road and Paracombe Road. Morgan Road shoulder sealing and delineation improvement were completed while Paracombe Road widening and reconstruction commenced in June.
- Completed an assessment of the current road rent arrangements and, where applicable, entered into new agreements.

#### **Performance Measures**

MEASURE	TARGET	ACTUAL
Percentage of businesses in the Adelaide Hills supported	Baseline to be established from first quarter 2019-20 onwards	No data is currently available
Growth in attendees at May Business Month	12.5%	May Business Month cancelled
Percentage rating of applicants of the overall level of service received for the development application process.	85% excellent or good	80%
Adelaide Hills self- reported wellbeing	Measure to be developed (community perception survey dependent)	Measure to be developed
Positive ageing wellbeing score	Average of at least 7 across the client group	6.09*

<sup>\*</sup>COVID-19 has had a severe impact on the average level of self-determined wellbeing (on a scale of 1-10).



# Connect

Goal 2
Activities and opportunities to connect

#### What success looks like

A welcoming and inclusive community where people support, respect and celebrate each other for their differences as much as for their shared values.

#### What we have achieved

Strategy 2.1 We recognise and respect Aboriginal culture and the descendants of our First Nations People. We will implement a Reconciliation Action Plan.

- Established the Adelaide Hills Reconciliation Working Group in partnership with Mount Barker District Council to provide support and advise as we work towards the development of an Innovate Reconciliation Action Plan.
- Offered activities celebrating Aboriginal culture, and recognising National Reconciliation
  Week in a way that also responded to the changing needs of the pandemic. These
  included online workshops, Indigenous radio programs and online art exhibitions and
  public art projects.

Strategy 2.2 We recognise diversity in the community is one of our greatest strengths and we will support and promote opportunities for social inclusion.

- Offered activities and workshops at libraries and community centres to encourage learning and social inclusion. These events were impacted by the COVID-19 restrictions in limiting face-to-face interactions, however, where possible, the events continued by utilising online options instead.
- Commenced the development of the Library Services Strategic Plan, which is considering how learning and community engagement can be incorporated into future planning.



- Undertook a volunteer engagement survey, which showed high levels of satisfaction from volunteers across council and has assisted in making improvements to our volunteer management systems.
- Collaborated with Mount Barker District Council to progress the volunteer connect platform, which is in place to support groups, organisations and volunteers to connect in the hills.

Strategy 2.3 We will establish a community leadership program to help unlock the potential of people in the community to improve the community.

- Provided a series of Community Leadership workshops and seminars as well as the Youth Leadership Program.
- Incorporated community leadership programs into community centre offerings in line with community feedback, and developed a webpage to support community groups in obtaining information to run a group effectively.

Strategy 2.4 We will implement the Adelaide Hills Business and Tourism Centre (Old Woollen Mill) Masterplan to stimulate local job creation, boost tourism and create a vibrant cultural hub.

- Presented a wide range of programs throughout the Fabrik site, welcoming more than 12,000 visitors to exhibitions, workshops, markets and events. More than 300 artists exhibited, offered work for sale or participated in business development opportunities.
- Supported bushfire-affected community by offering space to the Bushfire Recovery Centre within Fabrik and expanding activities to include Creative Recovery activities.
- Produced a Facilities Development Plan to create a vision for the physical redevelopment of the site.

Strategy 2.5 We will support opportunities for learning in our community to increase the confidence, wellbeing and health of our citizens.

- Increased our digital content of eAudio and eBook loans, film streaming downloads and language learning logins through increased donations.
- Moved children's programs and school holiday activities online to allow continued access during the COVID restrictions.
- Increased local history content online through the continued digitisation by the Mount Lofty Districts Historical Society of their collection.
- Introduced 'click and collect', and increased home services to ensure safe access to our physical collection for those with less access to technology.

Strategy 2.6 We will seek to bring events to our district that have social, cultural, environmental and economic benefits.

 Supported 104 community events to promote arts, heritage and culture including music festivals, markets, Stirling Fringe and the Santos Tour Down Under.

Strategy 2.7 We will seek opportunities to improve transport options for those who need it most.

- Worked with neighbouring councils to maintain the provision of transport assistance through the Hills Community Transport program.
- Obtained State Government funding to review our social support transport
  offerings with a view to increasing availability and achieving best practice for driver
  and vehicle accreditation.

Strategy 2.8 We will improve the engagement and participation of younger people in our district.

- Celebrated the graduation of youth leaders from the inaugural Youth Leadership Program. Young people reported a high level of satisfaction with the learning and development they gained, with some showing interest in becoming program mentors for the next group who commenced in June 2020.
- Provided a modified suite of youth opportunities via an increase in our online offerings.
- Undertook a range of youth engagement activities to help us develop future offerings.

#### **Performance Measures**

**MEASURE** 

Percentage of staff training participants who have increased appreciation of Aboriginal heritage and culture	Baseline to be established during 2019-20	No staff training completed
Percentage of residents who view the Adelaide Hills as a welcoming and inclusive community	Measure to be developed (community perception survey dependent)	Measure to be developed
Library service visits per captia compared with the state average	30% above	No data available yet, state statistics come out in March
Library loans per capita (state average for 2017-18 was 8.41%)	Above 13% per year	No data available yet, state statistics come out in March
Overall satisfaction with library service	90% satisfied or very satisfied	95%
Community Program attendance (including Library, Community Development/Youth)	Baseline to be established	28,499
Percentage of participants who agree that Council's community development programs/events have increased their feeling of community connection	80%	88%
Attendance at programs, events, and workshops at Fabrik Arts + Heritage (target increases over first six years of establishment)	50%	80%

**TARGET** 

**ACTUAL** 





Goal 3
Places for people and nature

#### What success looks like

Vibrant places which contribute to increased wellbeing. Thriving ecosystems.

#### What we have acheived

Strategy 3.1 We will work with our community to encourage sustainable living and commercial practices.

- Conducted workshops to explore approaches to sustainable living.
- Continued to explore water reuse for irrigation at Woodside Recreation Ground.
- Inspected almost 7500 private properties as part of the annual bushfire prevention activities.

SP3.2 We will strive for carbon neutrality as an organisation and encourage our community to do likewise.

- Adopted the Corporate Carbon Management Plan which includes the goals of Council using 100% renewable energy by 2024 and continuing to strive toward carbon neutrality.
- Installed solar PV panels on the Summit Community Centre as part of the ongoing energy efficient program.
- Replaced vehicles in Council's fleet with hybrid vehicles that were 5-star safety rated to maximise fuel efficiency.

SP3.3 We will complete the road reserves and reserve assessments Native Vegetation Marker System (NVMS), leading the nation in conservation and biodiversity management practices.

- Completed 363 baseline surveys (Bushrat surveys) out of a total of 461 NVMS sites as part of the ongoing program which aims to survey 75 sites per year.
- Monitored approximately 10 reserves through environmental consultants as part of our ongoing Reserve Monitoring Assessment Program.



• Adopted the Biodiversity Strategy to help secure improved outcomes for the community.

SP3.4 We will work with State Government to complete the Amy Gillett Bikeway.

 Completed the connection of the Amy Gillett Bike track in Woodside to provide walkers and cyclists with a safer journey. The new track runs between Onkaparinga Valley Road and Tiers Road along the old rail corridor.

SP3.5 We will take a proactive approach, and a long-term view, to infrastructure maintenance and renewal.

- Continued to develop the Enterprise Asset Management System which provides better understanding of the asset condition, and plans for future maintenance and renewal.
- Expanded the Kersbrook Cemetery to ensure certainty for the community regarding burial capacity.
- Secured grant funding of approximately \$1 million for projects such as the Heathfield Oval change room and Cricket Net Project to enable upgrades to facilities.
- Adopted a Community Land Register and new Community Land Management Plan.

• Undertook initial stages of community consultation on the Community and Recreation Facility Framework. Results are being analysed and draft service levels developed for consideration.

SP3.6 We will reduce the impact of cats on native flora and fauna.

- Prepared community education and awareness material regarding cat confinement.
- Engaged a consultant to design cat cages at the Heathfield Depot with expected completion in late 2020.
- Commenced planning for feral cat study anticipated to be undertaken in late 2020.

SP3.7 We will drive further reduction in waste consigned to landfill.

- Procured a polystyrene recycling machine for Heathfield Resource Recovery Centre to fill the gap identified via a reassessment of soft plastic recycling services.
- Completed four kerbside bin audits.
- Undertook public place recycling trials to explore additional recycling opportunities. Results considered alongside information from industry partners have led to no further action at this time.
- Opened the free Household Chemical and Paint Drop-off Facility at the Heathfield Resource Recovery Centre.

SP3.9 We will encourage community-led place making approaches to enhance townships and public spaces.

- Finalised the detailed design for the streetscape upgrade in close consultation
  with the Gumeracha Main Street Group. Undergrounding of power lines design
  was finalised and SAPN engaged local contractor Schwarz Excavations for major
  works. Due to COVID-19 restrictions, construction commenced in June.
- Completed the Stirling Village Mainstreet Design Guidelines.

#### Performance Measures

MEASURE	TARGET	ACTUAL
Energy usage: decrease Council's kilowatt hour use and increase solar PV generation	Kilowatt hour use - 5% below the 2010 baseline	39.5%
Diversion rate of recyclable material away from landfill	>48%	51%
Percentage delivery of Arboriculture (Tree) Zone Maintenance Program	90%	64% Southern Program* 67.9% Northern Program*
Availability of Council-owned sports grounds (condition assessment)	95%	100%
Percentage delivery of civil capital works program	90%	77%
Percentage operational tasks completed within the Civil Zone Maintenance Program	80%	52.5%

\*Delivery impacted by Cudlee Creek Bushfire and COVID-19 restrictions.

# Explore

Goal 4
Explore ideas and work with others

#### What success looks like

Council working with our community and others to pursue new ideas and address emerging needs.

#### What we have achieved

Strategy 4.1 We will embrace contemporary methods of engagement so it's easy for everyone to have their say.

- Increased our social media audience by 93%, which included the addition of several Facebook and Instagram platforms, and YouTube for Council and Libraries.
- Increased subscribers to e-communications by 83%, bringing the total increase in our digital community to 87%.
- Updated the Public Consultation Policy and planning commenced to produce a Community Engagement Framework.
- Utilised video throughout the year as an effective and integral part of Council communications.

Strategy 4.2 We will explore the opportunities that emerging technologies present to people living, working, visiting or doing business in our district.

Progressed with procurement of 'Internet of Things' gateways and undertook location assessments in key areas of the district to maximise network coverage.

Prepared for the 2020-21 implementation of the state's new Planning System.

Rolled out an updated Geographical Information System (GIS) platform for field and planning staff to access more real-time Council data.



Strategy 4.3 We will offer greater access to services and realise business efficiencies through online services.

- Continued integration of the Customer Relationship Management
   System with our Enterprise Asset Management System to improve how we are interacting with customers.
- Improved the task management and responses to customers through the progressive roll-out of devices to field teams.
- Developed an end-to-end electronic development assessment process incorporating the online payment portal. This provides the ability to lodge development applications, pay associated application fees and search through applications quickly and easily.
- Provided Food Safety Training program using an online platform through Council's website, enabling owners of food businesses to learn about best practice food handling and preparation.

Strategy 4.4 We will foster creativity in the community and embrace it as an organisation.

 Offered a wide range of Arts activities including online and COVID-safe alternatives to support creative recovery in relation to the Cudlee Creek bushfires at Fabrik, Community Centres and Libraries.

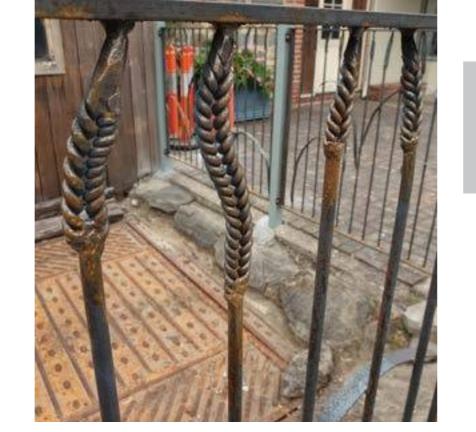
- Adopted an Arts and Heritage Collection Policy.
- Completed the Birdwood Weighbridge project, which included the creation of a handcrafted art barrier.
- Undertook a significant public art project in Gumeracha recognising the Aboriginal heritage of our area.
- Delivered Raining Poetry in the Hills in partnership with Adelaide University.

Strategy 4.5 We will work with neighbouring councils and stakeholders to ensure Council boundaries best serve our communities.

- Completed a Council Boundary Change Proposal Survey of residents and ratepayers in Rostrevor (AHC) and Woodforde.
- Engaged a consultant to undertake a high-level review of Council's boundaries to identify boundary reform options. The final report is anticipated to be presented in late 2020.
- Developed a draft Strategic Boundary Review Report which was workshopped with Council and discussed with neighbouring councils to review the suggested outcomes. The final report is anticipated to be presented in late 2020.

#### **Performance Measures**

MEASURE	TARGET	ACTUAL
Percentage satisfaction with Council's consultation and engagement efforts	Measure to be developed (community perception survey dependent)	Dependent on the community perception survey, which has been deferred to 2020-21
Percentage growth in Council's social media community	20%	93%



# Organisational Sustainability

Goal 5
Open, transparent and responsive

#### What success looks like

We strive for accountable and strategic decision-making and pursue excellence and equity in service delivery.

#### What we have achieved

#### Leadership

Provided training to further develop People Leaders' Work Health and Safety knowledge.

#### People

- Implemented a work from home strategy that allowed 140 staff to continue working, while
  creating a safe environment for those remaining on site, including field teams, in response
  to COVID-19 restrictions. This incorporated the development and implementation of a
  working from home e-learning resource.
- Reviewed Performance Management process incorporating internal and external feedback.
   Results and improvements are being considered for implementation in 2020-21 financial year.

#### Strategy and Policy

- Adopted our Strategic Plan 2020-24: A brighter future and Long Term Financial Plan (2020-2030) to shape our future direction.
- Developed and implemented an Incident Operations Manual, which drove Council's response to the Cudlee Creek Bushfire and supported our COVID-19 response. This manual has been used as a leading example by other councils and states.
- Implemented a Procurement Framework and associated procedures which was delivered to staff through group and targeted training sessions.
- Developed a draft Project Management Framework in readiness for consultation and progression in the 2020-21 financial year.



#### Partnerships and Resources

- Utilised electronic solutions such as Skytrust for storing and managing Work Health and Safety procedures and documents, and providing better access across the organisation.
- Migrated data from retired systems into the Organisational Information Management System, known internally as Records Hub, in a phased approach, with further work continuing in the 2020-21 financial year.
- Obtained a new Legislative Delegations Management System to improve record keeping and user experience in the delegation management process.

#### Processes, systems and customer service

- Improved our internal systems for better integration of customer requests and actions.
- Implemented customer experience surveys at first point of contact and after enquiry. resolution to assess customer sentiment and level of satisfaction. Survey response has been positive with an average response rate of 15%.

#### Results

 Developed and implemented quarterly performance reporting aligned with Strategic and Annual Business Plans to ensure improved transparency and accountability to the community.

#### **Performance Measures**

MEASURE	TARGET	ACTUAL
Employee turnover	7-15%	8.29%
Number of Lost Time Injuries	0	2
Operating Surplus Ratio	0-10%	-5.5%
Net Financial Liabilities Ratio	0-100%	43%
Asset Renewal Funding Ratio	90-110%	106%
Technology: serviceability rating (performance against response service standards)	90%	85.7%
Overall Customer Satisfaction	75%	74%
Overall Net Ease Score	50	No data - every two years
Percentage of decisions considered in open session by Council	95%	97.4%
Percentage of attendance of Council Members at Ordinary Meetings	95%	91%

### *Our Focus in 2020-21*

In April 2020 we adopted the new Strategic Plan 2020-24, A Brighter Future. In addition to continuing our day to day services and programs, we are implementing strategic initiatives to further develop and support our region to recover and grow. Some highlights are included under each of the following long-term goals.

# A functional Built

We aim for all decisions regarding the built environment to recognise our unique character and natural environment, to maintain and enhance liveability for our community. This includes:

- Continuing to implement our Corporate Carbon Management Plan
- Implementing the state's new Planning Code
- Implementing a new Cemetery Management System
- Delivering our road safety program, including addressing known problem areas via the Australian Government Black Spot funding program, and
- Preparing revised Asset Management Plans.



We want to build an inclusive and prosperous community with the capacity to flourish and fulfil their potential through opportunities to engage, connect, participate and enhance wellbeing. This includes:

- Implementing the Bushfire Recovery Action Plan
- Providing support for community events related to both the Cudlee Creek Bushfire and COVID-19 recovery efforts
- Implementation of the Multicultural Action Plan
- Development of a Disability Access and Inclusion Plan, and
- Progressing the Community and Recreation Facilities Framework.



Our goal is for our region's economy to be diverse and sustainable with a reputation for quality, niche products, services and experiences underpinned by a culture of creativity and innovation. This includes:

- Funding and supporting preparation for tourism restart across the region
- Financial support to assist the business and community to recover from bushfires and/or COVID-19
- Updating the Economic Development Plan, and
- Progressing our World Heritage Bid.

# A valued Natural

Our plan is to continue to shape and support our natural environment which contributes significantly to the character of the region and is greatly valued by our local community and visitors. This includes:

- Developing a masterplan for Lobethal Bushland Park
- Continuing the review of our Roadside Marker Program
- Conducting a Feral Cat Study and implementation of an action plan
- · Continuing our focus on property inspections and education as part of bushfire prevention strategies, and
- Further enhancing our emergency management response.

# A progressive Organisation

We want Council to be recognised for its skilled and agile workforce, for its representative and accountable governance, its commitment to cost effectiveness and efficient service delivery. This includes:

- Undertaking a cyber security audit to assess whether the necessary systems and strategies are in place to mitigate the threat of cyber attacks
- Broadcasting Council meetings and exploring additional opportunities for community access
- Undertaking a review of the Corporate Plan, and
- Changing our services and the way we do things to accommodate COVID-19 impacts.

#### Our Governance

Governance refers to the rules, practices and processes by which Council is directed and controlled. Adelaide Hills Council continuously strives for best practice in Governance by being:

- Accountable, transparent and responsive
- Effective and efficient
- Participatory, equitable and responsible, and
- By meeting legislative obligations.

The following information reports on our governance activity during 2019-20.

Good Governance is accountable, transparent and responsive

#### **Council Meetings**

Council is the ultimate decision-making body of the organisation; it consists of the Mayor and 12 Council Members. Council meetings were held on the fourth Tuesday of every month. All Council and Council Committee meetings are open to the public unless specific provisions in the Local Government Act 1999 are satisfied to require the closing of the meeting under a confidentiality order.

Council meetings held in 2019-20:

- 12 ordinary meetings
- Three special meetings

Council Committee meetings held in 2019-20:

- Four Special SPDPC meetings
- Five Audit Committee meetings
- Six Council Assessment Panel meetings
- Five CEO Performance Review Panel meetings

The attendance of the Mayor and Councillors at 2019-20 Council and Committee meetings is detailed in the table, pictured right.

Council Meeting Type		nary		cial incil		cial OPC		dit nittee	САР		CEO PRP	
Takal Maraka and an Halid	1	2	3		4		5		6		5	
Total Meetings Held	Р	А	Р	А	Р	А	Р	А	Р	А	Р	А
Mayor Jan-Claire Wisdom	10	2	3	0	1	3	-	1	1	-	4	1
Cr Nathan Daniell	12	0	3	0	4	0	-	-	-	-	3	2
Cr Ian Bailey	11	1	3	0	4	0	-	-	-	-	-	-
Cr Kirrilee Boyd	8	4	3	0	2	2	-	-	-	-	-	-
Cr Pauline Gill	12	0	3	0	4	0	-	-	-	-	-	-
Cr Chris Grant	11	1	3	0	3	0	-	-	-	-	-	-
Cr Linda Green	12	0	3	0	4	0	-	-	5	0	-	-
Cr Malcolm Herrmann	11	1	3	0	4	0	5	0	-	-	-	-
Cr John Kemp	9	3	3	0	4	0	-	-	1	0	-	-
Cr Leith Mudge	12	0	3	0	4	0	5	0	-	-	-	-
Cr Mark Osterstock	11	1	3	0	3	1	-	-	-	-	4	1
Cr Kirsty Parkin	12	0	3	0	2	2	-	-	-	-	4	1
Cr Andrew Stratford	11	1	3	0	3	1	-	-	-	-	-	-

P = Present (number of meetings attended)
A = Apology (number of meetings not attended)
CAP = Council Assessment Panel
SPDPC = Strategic Planning & Development Policy Committee
CEO PRP = CEO Performance Review Panel

#### Good Governance is effective and efficient

#### **Council Member training and development**

Council is committed to providing training and development activities for Council Members and recognises the responsibility to develop and adopt a policy for this purpose under Section 80A of the Local Government Act 1999.

Professional development training sessions have been held periodically for Council Members. Professional development sessions conducted in-house are Closed Informal Gatherings for the purposes of the Informal Gatherings and Discussions Policy. The dates and venues for these sessions are publicly documented in agendas for Ordinary Council meetings. Some Council Members also attended sessions held by the LGA. Training topics available included:

- Duties of Public Officers for the Public Interest Disclosures Act 2018
- Fabrik Overview and Tour
- Public Interest Disclosure Act 2018
- Asset Management, and
- Local Government Risk Services Due Diligence Training.

Good Governance is participatory, equitable and responsible

#### **Allowance paid to Council Members**

Council Members are entitled to receive an annual allowance, as determined by the Remuneration Tribunal pursuant to Section 76 of the Local Government Act 1999 (the Act) for performing and discharging their official functions and duties.

Pursuant to the Remuneration Tribunal's determination, the following amounts were prescribed for Council Members for 2019-20.

Period	01/07/2019 - 08/11/2020	09/11/2020 - 30/06/2020
Mayor/Principal Member	\$69,080	\$71,768
Deputy Mayor/Presiding Member of a Prescibed Committee*	\$21,587	\$22,390
Other Council Members	\$17,270	\$17,912

<sup>\*</sup>Council's Prescribed Committees are the Strategic Planning and Development Policy Committee, Audit Committee, and the CEO Performance Review Panel.

In addition to the allowance paid under section 76 of the Local Government Act 1999, Council Members were entitled to receive the following under the Council Member Allowances and Benefit Policy.

- Reimbursement for travelling within/outside the area of Council and child/ dependent care expenses associated with attendance at a Prescribed Meeting or undertaking a function or activity on the business of Council.
- Provision of an annual Travel Time Payment for Members residing greater than 30km from the Principal Office.
- Reimbursement of other expenses including:
  - Phone costs (call charges only), and
  - Conference, seminar and training course fees and associated travel expenses.
- Provision of the following to assist Members in performing their official functions:
  - An iPad (or similar tablet computer), associated software and 4G connection for document management (including Council Agenda and Minutes), communication and research (both Council workspace and internet)
  - A Council email address
  - Provide reimbursement for mobile phone costs
  - Reams of paper for printing
- Stationery (such as pads, pens, diaries, etc.), and
- Meals and beverages provided in association with attendance at prescribed meetings.

In addition to these, Council resolved to make available to the Mayor (or Deputy Mayor during the Mayor's absence) the following additional facilities and support to assist them in performing and discharging their official functions and duties:

- Laptop computer with appropriate software
- Supply and maintenance of a motor vehicle
- Mayoral Office accessible 24/7 providing desk and meeting facilities
- Provision of media and communications support, and
- Access to administrative officer services.

The Chief Executive Officer maintains a Register of Allowances and Benefits provided to Council Members which is available to the public online or in our service centres.

#### **Local Government Act 1999 Section 41 Committees**

The Adelaide Hills Council has three Section 41 (Council) Committees which operate under Terms of Reference determined by Council.

- 1. The Strategic Planning and Development Policy Committee.
- 2. The Audit Committee.
- 3. The CEO Performance Review Panel.

#### Audit Committee

The Audit Committee was established by Council in 2005 in accordance with Section 126 of the Local Government Act 1999 (the Act).

The Audit Committee's role is to assist Council in the discharge of its responsibilities for financial reporting, maintain a reliable system of internal controls, risk management and asset management, liaise with the external auditor, and foster the Organisation's ethical development.

There are five members of the Audit Committee, three independent members and two Council Members. Membership at 30 June 2020 was:

- Cr Malcolm Herrmann (Presiding Member)
- Cr Leith Mudge
- Peter Brass (Independent member)
- Paula Davies (Independent member)
- David Moffatt (Independent member)

Five ordinary meetings were held during 2019-20. The Presiding Member receives an allowance equivalent to that received by Presiding Members of Prescribed Committees in accordance with the Remuneration Tribunal's determination. Sitting fees were paid to independent members of the Audit Committee at \$400 per meeting.

#### Strategic Planning and Development Policy Committee

The Strategic Planning and Development Policy Committee (SPDPC), formed pursuant to Section 101A of the Development Act 1993, includes all Council Members.

The legislated role of the SPDPC is to develop land-use planning policies and initiate projects for the orderly and sustainable development of the district.

No ordinary meetings of the SPDPC were held in 2019-20, but four special meetings were. The Presiding Member received an allowance equivalent to that received by Presiding Members of Prescribed Committees in accordance with the Remuneration Tribunal's determination. There are no sitting fees payable to members of the Strategic Planning and Development Policy Committee.

#### Chief Executive Officer Performance Review Panel

The Chief Executive Officer Performance Review Panel (CEOPRP) was established to provide advice to Council on matters related to the Chief Executive Officer (CEO) and their performance.

In 2019-20 an internal process was undertaken to review the CEO's performance against the position description requirements and the agreed set of key performance indicators for the year. External advice was also received on the remuneration package payable.

Membership of the CEOPRP at 30 June 2020:

- Cr Mark Osterstock (Presiding Member)
- Mayor Jan-Claire Wisdom
- Cr Nathan Daniell
- Cr Kirsty Parkin
- Ms Paula Davies (Independent Member)

Five ordinary meetings were held in 2019-20. The Presiding Member receives an allowance equivalent to that received by Presiding Members of Prescribed Committees in accordance with the Remuneration Tribunal's determination.

Sitting fees were paid to the Independent Member of the CEOPRP at \$400 per meeting.

#### **Council's Assessment Panel (CAP)**

As a result of the State Government's rollout of the Planning Reform for South Australia, Adelaide Hills Council established a Council Assessment Panel (CAP) as required by Sections 82 and 83 of the Planning, Development and Infrastructure Act 2016 (PDI Act). This CAP replaced the former Council Development Assessment Panel and membership comprises one Council Member, four Independent Members (which includes an Independent Presiding Member) and a Specialist Independent Member.

Members at 30 June 2020 were:

- Geoff Parsons (Independent Presiding Member)
- Ross Bateup (Independent Member)
- David Brown (Independent Member)
- Piers Brissenden (Independent Member)
- Karla Billington (Specialist Independent Member)
- Cr John Kemp

The Panel considers certain development applications (i.e. requests from people wishing to construct buildings or undertake other developments in the area) which cannot be decided upon by staff under delegation. It also hears submissions lodged in relation to publicly notified development applications. CAP meetings are generally held in Stirling on the second Wednesday of each month from 6:30pm. In 2019-20, six meetings of the Panel were held.

Sitting fees paid to independent members of the CAP were:

- Independent Presiding Member: \$500 per meeting
- Independent Ordinary Member: \$380 per meeting.
- Council Member: \$190 per meeting

#### **Council's Advisory Groups**

Advisory Groups, operating under their own terms of reference, provide advice and support to Council's Administration.

Adelaide Hills Council's Advisory Groups are:

- Biodiversity
- Bushfire
- Cemetery Advisory Group
- Property Advisory Group
- Rural Land Management
- Stirling Linear Park
- Sustainability
- Community and Recreation Facility Framework Internal Working Group
- AHR Reconciliation Working Group

These Groups do not report directly to Council.

#### **Building Fire Safety Committee**

Council's Building Fire Safety Committee is comprised of the following members:

- Peter Harmer (Building Surveyor)
- Julian Aggiss, (CFS Representative)
- Jeff Grinnell, Council staff
- Deryn Atkinson, Council staff
- Darren Chapman (Deputy CFS Representative)

The Committee held five (5) meetings during the year to review the adequacy of fire safety for large buildings in the district.

The Committee conducted 11 inspections and considered 18 buildings during the year, working with building owners to improve their buildings in relation to fire exits, emergency lighting, fire-fighting equipment, water supply, hydrant coverage, access for fire services, and bushfire survival plans. Three Notices of Fire Safety Required Works were issued.

#### **Informal Gatherings**

Informal Gatherings (workshops, briefings, and professional development sessions) are held with Council Members twice a month and provide a valuable opportunity to enhance the decision-making process. Council and Committee Members use the gatherings to become better informed on issues, seek further clarification, or explore a topic further in an informal environment. Informal Gatherings are not used to make decisions; all decision-making is conducted at Council and Section 41 Committee Meetings.

A 'designated' Informal Gathering is one that involves the discussion of a matter that is, or is intended to be, part of a formal agenda of a Council or Council Committee Meeting. These gatherings are open to the public and are advertised on Council's website.

#### Informal Gatherings held in 2019-20

CDIG = Closed Designated Informal Gathering
ODIG = Open Designated Informal Gathering
CIG = Closed Information Gathering
OIG = Open Information Gathering
CF = Community Forum

Date	Торіс	Туре		
	Department for Infrastructure and Transport (DPTI) Planning Reforms Overview and Update	ODIG		
09/07/2019	Customer Relationship Manager (CRM) Integration			
09/07/2019	CEO Update and LED Street Lighting	CDIG		
	CEO Briefing on CEO Performance including Targets for July 2019 - June 2020	ODIG		
	Duties of Public Officers for the Public Interest Disclosures Act 2018	CDIG		
16/07/2019	Festivals and Events Policy	ODIG		
16/07/2019	Unreasonable Complaints	ODIG		
	CEO Update	CDIG		
	Community Energy Program	ODIG		
12/09/2010	Heathfield Oval Masterplan	ODIG		
13/08/2019	Overview of the Planning Reforms	ODIG		
	CEO Update	CDIG		
	Fabrik Overview and Tour	CDIG		
	Old Stirling School	CDIG		
20/08/2019	Asset Management	ODIG		
	Fabrik Development Proposal	CDIG		
	CEO Update	CDIG		

Date	Topic	Туре
03/09/2019	Community Forum - Boundary Reform Process	ODIG
	Catch-up Training Session - Public Interest Disclosure Act 2018	CDIG
	Public Forum	OIG
	AHC submission to Bird in Hand mining lease application	ODIG
10/09/2019	Stirling Urban Design and Development Guidelines	
	Information session on EPA Minor Review of the Local Nuisance & Litter Control Act	ODIG
	Circular Procurement Pilot Project	ODIG
	CEO Update	CDIG
	Reforming Local Government submission	ODIG
	Strategic Plan – Status Update	ODIG
17/09/2019	Boundary Reform	CDIG
	Asset Management	ODIG
	CEO Update	CDIG
	Crafers Urban Design Framework and Key Site Feasibility Analysis	ODIG
02/10/2010	CEO Update	CDIG
02/10/2019	The Hut - Presentation	ODIG
	Stirling Library Lawn Rotunda Replacement	ODIG
	Council Borrowings to assist capital renewal escalation	ODIG
00/10/2010	Public Forum	OIG
08/10/2019	Wine Capital Cycle Trail Project	ODIG
	Draft Local Heritage Grant Fund	ODIG

Date	Торіс	Туре
00/10/2010	Stage 2 Local Heritage Development Planning A	CDIG
08/10/2019	CEO Update	CDIG
	Asset Management	ODIG
45/40/2010	Trails Strategy Review - Update	ODIG
15/10/2019	Local Government Risk Services Due Diligence Training	CDIG
	CEO Update	CDIG
	Strategic Plan - Priorities Development	CDIG
12/11/2019	Strategic Asset Management Update	CDIG
	CEO Update	CDIG
	Code of Practice for Meeting Procedures Review	ODIG
19/11/2019	Crafers Main Street Urban Design Framework and Key Site Feasibility Analysis	ODIG
13/11/2010	Planning and Design Code - Briefing (1/3)	ODIG
	CEO Update	CDIG
	Youth Action Plan	ODIG
10/12/2019	Planning and Design Code Briefing (2/3)	ODIG
	CEO Update	CDIG
	Cudlee Creek Bushfire - briefing on AHC response efforts	CDIG
14/01/2020	Red Cross Disaster Recovery Training	CIG
	Cudlee Creek Bushfire - community recovery efforts	CDIG
	Planning and Design Code - Briefing (3/3)	ODIG
11/02/2020	Strategic Plan Consultation Feedback and Budget Development Options	ODIG

Date	Торіс	Туре
11/02/2020	CEO Update	CDIG
10/02/2020	Emergency Resilience Partnership Program	OIG
18/02/2020	CEO Update	CDIG
	Art and Heritage Collection Report	ODIG
	Community Perception Survey	ODIG
10/03/2020	Stirling Cemetery	ODIG
	SA 2019/2020 Bushfire Review	ODIG
	CEO Update	CDIG
	Strategic Boundary Review - draft proposals	ODIG
47/02/2020	Cudlee Creek Bushfire(CCBF) Community Recovery Update	ODIG
17/03/2020	COVID-19 Update	ODIG
	CEO Update	CDIG
	AHRWMA 2020/2021 Annual Plan and Budget	ODIG
21/04/2020	East Waste 2020/2021 Annual Plan and Budget	ODIG
	CEO Update	CDIG
42/05/2020	Annual Business Plan Development	CDIG
12/05/2020	CEO Update	CDIG
19/05/2020	Acknowledgement of Country	ODIG
	COVID-19 Economic and Community Recovery	CDIG
	CEO Update	CDIG
09/06/2020	Local Roads and Community Infrastructure Program	CDIG

Date	Торіс	Туре	
09/06/2020	Discuss proposed 2020-2021 CEO Performance Targets		
	Crafers Village Mainstreet Design Guidelines		
	CEO Update	CDIG	
16/06/2020	AHRWMA Charter Review	ODIG	
	Financial support to assist business and community recover from bushfires and COVID-19	CDIG	
	ABP Feedback (received to date)	CDIG	
	Corporate Performance Indicators	CDIG	
	CEO Update	CDIG	

Ordinary Council Meeting agendas publicly document the dates and venues of regular workshops and professional development sessions. The professional development sessions are reported under Council Member Training and Development and are run as Closed Informal Gatherings.

#### **Agendas and Minutes**

All Council, Committee and CAP meeting agendas are placed on public display at least three days prior to the holding of these meetings.

Minutes are placed on display within five days of meetings. Copies of agendas and minutes are available at Council's service centres and libraries, and can be downloaded from Council's website.

#### Section 90(2) and 91(7) Requirements - confidentiality orders

During 2019-20, 24 items were considered in closed session in accordance with Section 90(2) of the Local Government Act 1999. Of these, 13 items were released in full and 11 remained in confidence, in accordance with Section 91(7) of the Act. Details below and overleaf.

Date	Council/Committee	Item No.	Title	LGA 1999 Section	New confidentiality recommendation/ Date released	Status as at 30 June 2020
22/04/2014	Council	18.2.1	AHRWMA	90(3)(b,d,i)		Retained in confidence
25/10/2016	Council	19.1	CWMS Expression of Interest	90(3)(d)		Retained in confidence
28/02/2017	Council	19.1	Community Wastewater Management Systems Review	90(2)(b)		Retained in confidence
22/08/2017	Council	19.1	Adelaide Hills Region Waste Management Authority Tender Landfill Compactor	90(3)(d)		Retained in confidence
26/09/2017	Council	19.2	Community Wastewaater Management Systems Review	90(3)(b)	Partially released 13 February 2017	Partially released; partially retained in confidence
27/02/2018	Council	19.2	Adelaide Hills Swimming Centre Shade Sail	90(3)(i)		Retained in confidence
19/06/2018	Special Council	6.1.1	Community Wastewater Management Systems (CWMS) Expression of Interest Outcomes	90(3)(b)	Partially released 5 July 2018	Partially released; partially retained in confidence
01/08/2018	Special Council	7.2.1	Retirement Village Review	90(3)(b)		Retained in confidence
07/05/2019	Special Council	19.1	Unsolicited Approach to Purchase Community Land	90(3)(d)		Retained in confidence
08/08/2019	CEO Performance Review Panel	10.1	2018-2019 CEO Performance Review	90(3)(a)	Released 16 September 2019	Released
08/08/2019	CEO Performance Review Panel	10.2	2019 CEO Remuneration Review	90(3)(a)	Released 16 September 2019	Released
27/08/2019	Council	19.1	CEO Performance and Remuneration Review	90(3)(a)	Released 16 September 2019	Released

Date	Council/Committee	Item No.	Title	LGA 1999 Section	New confidentiality recommendation/ Date released	Status as at 30 June 2020
27/08/2019	Council	19.2	Roundabout Landscaping Upgrade	90(3)(d)	Released 22 October 2019	Released
22/10/2019	Council	19.1	19.1.2 Electricity Procurement Contract Post 31 December 2019 for below 160 MWh sites	90(3)(d)	Released 10 January 2020	Released
26/11/2019	Council	302/19	Appointment of Audit Committee Independent Members	90(3)	Released 19 February 2020	Released
17/12/2019	Council	331/19	Citizen of the Year Award 2020	90(3)(a)	Released 19 February 2020	Released
17/12/2019	Council	19.2.3	Appointment of East Wast Chair	90(3)(a)	Released 19 February 2020	Released
28/01/2020	Council	19.1.1	Open Office Pty Ltd Contract Navation Deed	90(3)(d)		Retained in confidence
04/06/2020	CEO Performance Review Panel	10.1.1	Advice on preferred Consultant to undertake CEO Performance and Remuneration Review	90(3)(d)	Released 4 June 2020	Released
23/06/2020	Council	18.1.1	Event Opportunity	90(3)(j)		Retained in confidence
30/06/2020	Special Council	8.1.1	Sealed Roads Renewal Contract	90(3)(k)	Released 7 September 2020	Released
28/07/2020	Council	18.2	Appointment of Independent Member to Council Assessment Panel	90(3)(a)	Released 7 September 2020	Released
03/09/2020	CEO Performance Review Panel	10.1.2	CEO Performance Review and Remuneration Review - Confidential	90(3)(a)	Released 16 October 2020	Released
22/09/2020	Coucnil	18.1.1	2020 CEO Performance and Remuneration Reviews	90(3)(a)	Released 16 October 2020	Released

#### **Public involvement in Council business**

Members of the public may put forward their views to Council in a number of ways.

#### **Public Forum**

A 10-minute segment at each Council and SPDPC meeting is allocated to enable members of the public to address the Members with comments or questions.

#### **Deputations**

With the permission of the Mayor or Committee Presiding Member, a member of the public can address a Committee or the Council personally or on behalf of a group of residents as a deputation. Each deputation is usually limited to a maximum of 10 minutes. People wishing to access this opportunity should make prior arrangements through the Mayor's Office on (08) 8408 0438.

#### Petitions

Written petitions can be addressed to Council on any issue within the Council's jurisdiction and these are presented at the next meeting of Council following receipt. Petitions must be in the format set out in legislation; Council's Petitions Policy provides guidelines on these requirements as well as on submission.

#### Written Requests

A member of the public can write to the Council about any Council service, activity or policy via post or email.

Chief Executive Officer Adelaide Hills Council PO Box 44, Woodside, SA 5244 mail@ahc.sa.gov.au

#### Community Engagement

The Adelaide Hills Council engages with local residents about many issues that may affect their neighbourhoods. Formal consultations are guided by Council's Public Consultation Policy which was renewed and adopted on 10 February 2020. Anyone can have their say using the Your Say website at engage.ahc.sa.gov.au, by emailing engage@ahc.sa.gov.au, post, calling 8400 0400 or attending online or face-to-face drop in sessions. Over the last financial year there were 11,600 visits to the Your Say website and 41 community engagement projects for contributions.

#### **Community Forums**

Local community members and groups are invited to attend Community Forums across the district and to address Council on new initiatives or topics of concern. Holding the forums in different townships in the Council area is an important method of providing residents with opportunities to speak in person with Council Members and senior staff.

Three Community Forums were held in 2019-20 (separate from Ordinary Council Meetings):

- 30 July 2019 in Gumeracha
- 3 September 2019 at Woodforde
- 29 October 2019 in Norton Summit

Forums scheduled for early 2020 were cancelled due to COVID-19 and will be re-scheduled for 2021.

#### **Internal review of Council decisions**

At the beginning of 2019-20 Council had four applications in progress for internal review of a Council decision. These were in relation to road closures, roadside rubbish collection, removal of a street tree, and relocation of stormwater pipes. The review regarding road closures was paused pending the outcome of a Freedom of Information application and has been carried forward to the 2020-21 financial year. The review regarding roadside rubbish collection was completed during the year. The decision was not upheld and several recommendations were identified and agreed to through the review process. The request for tree removal review was completed during the year and the decision was upheld. The review regarding the relocation of stormwater pipes was carried forward to the 2020-21 year.

Council received three applications during the year. Applications regarding the contents of an officer's report to the Council Assessment Panel and the issuing of a permit for a community event were refused as they were deemed frivolous and/or vexatious. A request for review of a decision that a certain activity did not require development approval was withdrawn by the applicant and was not proceeded with following requests by Council for further information.

At the conclusion of the financial year, two applications remained in progress relating to road closures and the relocation of stormwater pipes.

Internal Review of Council Decisions	Number
Outstanding from previous period	4
New applications	3
Reviews completed	2
Refused	2
Withdrawn	1
In progress	2

#### Freedom of Information requests

Seventeen requests for information were made under the Freedom of Information Act 1991 in 2019-20; a decrease from 21 received in the previous year.

Freedom of Information (FOI) applications can be submitted using an FOI Application form, available from the State Records website, Council's website, or any of Council's Service Centres. An application fee (in accordance with Council's Fees and Charges Policy) must accompany the application.

The State Records website provides detailed information on the FOI process or you can contact Council's FOI Officer. Requests should be forwarded to:

Freedom of Information Officer Adelaide Hills Council PO Box 44 WOODSIDE SA 5244

The Freedom of Information Statement is reviewed and published annually on our website in accordance with the requirements of the Freedom of Information Act 1991.

FOI Requests	Number
Outstanding from previous period	2
New applications	17
Total to be processed	19
Transferred in full	0
Determined - Full release	11
Determined - Partial release	6
Determined - Refused	0
Outstanding at the end of the period	2
External review pending	2

#### **Amendment to Council Records**

Any member of the public may inspect Council documents relating to their personal affairs with a request under Part 4 Division 2 of the Freedom of Information Act 1991. Access to the records is possible through the completion of a Freedom of Information Request Form.

A member of the public may then request a correction to any information about themselves that is incomplete, incorrect, misleading or out-of-date. Amendments to Council records must be requested using a Freedom of Information Amendment of Records Form.

#### Fraud and corruption prevention

Council recognises that fraud and corruption have the potential to cause significant financial and non-financial harm, and that the prevention and control of fraud and corruption should feature predominantly within the systems and procedures of a responsible council.

Council is committed to acting in the best interest of the community and to upholding the principles of honesty, integrity and transparency; the key components of good governance. A Fraud and Corruption Prevention Policy has been adopted by Council to provide guidance in managing these risks.

Council adopted a Public Interest Disclosure Policy to facilitate the disclosure of public interest information and provide guidance on the management and investigation of disclosures. This Policy and associated procedures have been developed in accordance with the Public Interest Disclosures Act 2018 which replaced the Whistleblowers Protection Act 1993 from 1 July 2019.

#### **Delegations and sub-delegations**

The Chief Executive Officer and other officers have the delegated authority from Council (in accordance with Section 44 and 101 of the Local Government Act 1999) to make decisions on a number of specified administrative and operational matters.

The Register of Delegations reflects the delegated authority from Council to the Chief Executive Officer (and subsequently any sub-delegations) and this is visible on Council's website. Delegations are reviewed in accordance with the legislative requirements being within 12 months of a general election.

#### **Council's Representation Quota**

The Adelaide Hills Council's total representation quota (the number of electors for each Council Member including Mayor) in 2019-20 is 1 for every 2294 electors. The total number of electors is 29,807.

The Adelaide Hills Council's representation quota is comparable with councils of similar populations (albeit different numbers of Council Members).

- City of Holdfast Bay (electors 27,899) = 1:2,146
- City of Norwood Payneham and St Peters (electors 25,344) = 1:1810
- Burnside (electors 31,624) = 1:2432
- City of Unley (electors 27,247) = 1:2095.

Information provided by the Electoral Commission of SA, current as at February 2020

The next representation review is scheduled to commence April 2024, at which time electors will be advised of the process to make submissions on representation under the Local Government Act 1999.

#### Good Governance involves meeting our legislative obligations

#### Registers, codes and policies

Documents available for public inspection are as follows.

#### Registers

- LG Act Section 63 | Gifts and Benefits Register Council Members and Staff
- LG Act Section 68 | Members' Register of Interests
- LG Act Section 79 | Members' Register of Allowances and Benefits
- LG Act Section 90 | Confidential Items
- LG Act Section 105 | Officers' Register of Salaries
- LG Act Section 188 | Fees and Charges
- LG Act Section 196 | Community Management Plans
- LG Act Section 207 | Community Land
- LG Act Section 231 | Public Roads
- LG Act Section 252 | By-laws
- Development Regulations 2008 Section 98 | Development Applications Register

#### **Codes and Policies**

#### Administration

 Mandatory Code of Conduct for Council Employees (LG Act section 110)

#### Community

- Arts and Heritage Collection
- Cemetery Operating
- Burials Outside Cemeteries
- Community Group Use of Photocopiers
- Community Information Display
- Community Loans

- Festivals and Events
- Flags
- Grant Giving
- Liquor Licensing
- Outdoor Dining
- Play Space
- Public Consultation (LG Act section 50)
- Public Transport
- Roadside Trading
- Safe Environments
- School Parking and Associated Facilities
- Sport and Recreation

- Tributes for Commemorative Services Petitions
- Volunteer Engagement
- Wastewater System Application Fee Refunds

#### **Corporate Governance**

- Advisory Group Operation and Conduct
- Caretaker (LG Election Act section 91A(1))
- Code of Practice for Access to Council and Council Committee Meetings and Documents (LG Act section 92)
- Code of Practice for Meeting Procedures (LG Act Regulation 6)
- Complaint Handling (LG Act section 270(a1)(b))
- Enforcement
- Freedom of Information Statement (LG Act Schedule 4, 1(gb)
- Fraud Corruption Misconduct and Maladministration
- Informal Council and Committee Gatherings and Discussions (LG Act section 90(8a))
- Internal Audit (LG Act section 125)
- Internal Review of Council Decisions (LG Act section 270(1))
- Order Making (LG Act section 259)

- Public Interest Disclosure (Public Interest Disclosure Act section 12(4), LG Act section 50)
- Public Interest Disclosure Procedure
- Procurement (LG Act section 49)
- Prudential Management (LG Act section
- Records and Information Management
- Request for Services (LG Act section 270 (a1) (a))
- Risk Management
- Unreasonable Complainant Conduct

#### **Council Member**

- Council Member Conduct (LG Act section
- Council Member Training and Development (LG Act section 80A)
- Council Member Allowances and Support (LG Act section 77(1) (b))
- Mayor Seeking Legal Advice
- One Team Communication Protocols

#### **Development and Engineering**

- Accredited Professionals
- Buffers
- Building and Swimming Pool Inspection (Development Act section 71A(1))

- Delegations Policy for the **Determination of Development** Applications by CAP
- Development Application Fee Refunds • Development Application Fee Waiver
- Development Applications Involving Regulated Tree(s)
- Development Application Document Reproduction
- Management of Built Heritage
- Public Place and Road Naming (LG Act section 219(5))
- Privately Funded Development Plan Amendments
- Provision of Physical Models for Major **Development Proposals**
- Unsealed Roads

#### **Environment and Open Space**

- Directional Signage
- Burning Permit
- Genetically Modified Crops
- Telecommunications Installation Small Cell Stobie Pole Mounted Antennae
- Tree Management
- Waste and Resource Recovery Service

#### Finance

- Acceptance of External Funding Policy
- Debt Recovery (inc. CWMS Customer Hardship Policy) (LG Act section 144)
- Disposal of Assets (LG Act section 49(1d))
- Rating
- Treasury

#### Infrastructure and Assets

- Asset Management
- Occasional Hiring of Council Meeting Rooms
- Road Rents
- Street Lighting

The policies, codes and registers detailed are available at Council's Service Centres for inspection and/or purchase by members of the public for a fee as set out in Council's Fees and Charges Policy.

Many of these documents can be accessed on Council's website for no charge.

#### **Community Land Management Plans**

A new Community Land Management Plan was adopted by Council on 24 September 2019. The plan has been prepared for each category of community land, defining ownership details, location, area, principal usage and user groups.

Data verification of community land has been completed with all community land assigned to the appropriate category in the new Community Lands Register. The register will be reviewed on an annual basis. It lists community lands and does not include any lands revoked or excluded under the Local Government Act 1999.

#### **Competitive tendering**

In 2019-20 Council determined that a number of services it provides could be more efficiently provided by external contractors. Where services are outsourced a tender process is used to achieve best value for Council.

Details of the tendering process can be found in Council's Procurement and Purchasing Policy. In 2019-20, 63 services were subjected to a competitive bidding process.

#### Purchase of local goods and services

The Procurement Policy Framework takes into consideration local economic benefit. When goods and services are required by Council, local suppliers are encouraged to tender.

All tenders are considered on an equal basis in accordance with the principles of fair trading and the requirements of National Competition Policy and the Competition and Consumer Act 2010.

#### **National Competition Policy**

Principles of competitive neutrality are designed to neutralise any net competitive advantage that a government or local government agency engaged in significant business activities would otherwise have, by virtue of its control by the government or local government, over private businesses operating in the same market.

Council has a complaints mechanism in place and in 2019-20 no complaints were received with regard to competitive neutrality.

#### Our people

Council's success relies on the experience and skills of staff to provide services to the community. As at 30 June, Council's workforce consisted of 194.04 FTE (full-time equivalent) people managing a diverse range of services and programs.

Employee turnover levels remain within a healthy range between 7-15 percent, with a turnover during 2019-20 of 8.3 percent.

Employees continue to focus on customer experience and service improvement across the organisation and continually review and refine processes to enable a better experience for our community.

#### **Employee Performance**

By enabling our people to be skilled, knowledgeable and capable, we empower them to undertake their roles effectively. Support and guidance is offered by People Leaders, helping employees manage the requirements of their role through sixmonthly performance discussions where conversations are held with each staff member to:

- Identify priority goals
- Improve personal performance
- Take responsibility for improving their work health and safety, and
- Undertake development opportunities, either through on-the-job activities working with others or attending formal training.

#### Leadership Development

Leadership Development sessions are provided to our People Leaders who is anyone who manages employees as part of their role.

Over the past year, with many COVID restrictions reducing the ability to run live training sessions, the focus has been on working with People Leaders on different ways to engage with their people, how they provide support with people they're in limited physical contact with, and how to care for their people working outside of their normal environment. Supporting People Leaders in managing a more flexible workforce as an ongoing practice has been undertaken as more people returned to an AHC site.

#### **Diversity and inclusion**

Council has continued its journey towards being a diverse and inclusive organisation. Processes continue to be reviewed with the aim of improving our ability to be responsive to individual needs while managing expectations and successful outcomes for each role.

#### Our Recruitment Processes

Council facilitates merit-based selection processes to ensure that it provides equal opportunity for people to be employed. This includes ensuring that our positions are advertised through Disability Employment Service providers to enable better access to those people living with a disability.

Council recognises that selecting the right person for each role has a significant impact on their team, the effectiveness of work undertaken, and services provided to our community. Effective and fair recruitment is critically important.

#### Work Health and Safety and Injury Management

Work Health and Safety (WHS) and Injury Management (IM) will always be of high importance and therefore many activities and improvements are undertaken regularly to ensure Council is managing its due diligence requirements and maintaining safe systems of work.

The Executive Leadership Team, with the Health and Safety Committee, promotes safe work practices that focus on delivering and maintaining a work environment that is safe, risk-averse and injury free.

Council's safety management system performance is monitored by the Local Government Association Workers Compensation Scheme through regular audit processes. These audits allow for the development of action plans and organisational improvement, and are managed through the Organisational Development Team. An annual rebate is available for assessed completion of activities through the Action Plan.

#### **Executive Leadership Team Arrangements**

Council has an Executive Leadership Team that operates under the direction of the Chief Executive Officer.

The Chief Executive Officer, four Directors, and two Executive Managers have salary packages that incorporate compulsory superannuation and may include the provision of a motor vehicle for business and private use. Other benefits may include the provision of ICT equipment (a mobile telephone and tablet) and paid memberships for up to two professional bodies. No other bonuses or allowances are paid to the Chief Executive Officer, Directors, or Executive Managers.

The Salary Register is available at Council's Service Centres and on our website.

#### Remuneration payable to Council's auditor

Remuneration payable for the annual audit of the Adelaide Hills Council Annual Financial Statements, the Internal Financial Controls for 2019-20, and a number of grant acquittals and declarations was \$23,930.

# Appendix One Financial Statements

# Adelaide Hills Council

GENERAL PURPOSE FINANCIAL STATEMENTS for the year ended 30 June 2020



#### Adelaide Hills Council

# General Purpose Financial Statements for the year ended 30 June 2020

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## General Purpose Financial Statements

for the year ended 30 June 2020

### 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 2020 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.

Andrew Aitken

**Chief Executive Officer** 

Date 27/10/2020

Nathan Daniell
Acting Mayor

## Statement of Comprehensive Income

for the year ended 30 June 2020

\$ '000	Notes	2020	2019
Income			
Rates	2a	38,547	36,915
Statutory Charges	2b	1,180	1,172
User Charges	2c	704	1,007
Grants, Subsidies and Contributions	2g	5,245	5,123
Investment Income	2d	42	41
Reimbursements	2e	228	516
Other income	2f	605	648
Net Gain - Equity Accounted Council Businesses	19	73	138
Total Income		46,624	45,560
Expenses			
Employee costs	3a	17,433	15,923
Materials, Contracts and Other Expenses	3b	21,927	19,231
Depreciation, Amortisation and Impairment	3c	9,207	8,826
Finance Costs	3d	589	623
Net loss - Equity Accounted Council Businesses	19	10	6
Total Expenses		49,166	44,609
Operating Surplus / (Deficit)		(2,542)	951
Physical Resources Received Free of Charge	2h	970	1,982
Asset Disposal & Fair Value Adjustments	4	(1,757)	(95)
Amounts Received Specifically for New or Upgraded Assets	2g	556	425
Net Surplus / (Deficit)		(2,773)	3,263
Other Comprehensive Income			
Amounts which will not be reclassified subsequently to operating result			
Changes in Revaluation Surplus - I,PP&E	9a	(4,485)	59,526
Share of Other Comprehensive Income - Equity Accounted Council	19	(1,100)	,
Businesses		_	240
Impairment (Expense) / Recoupments Offset to Asset Revaluation Reserve	9a	_	(184)
Other Equity Adjustments - Equity Accounted Council Businesses		78	139
Total Amounts which will not be reclassified subsequently to			
operating result		(4,407)	59,721
Total Other Comprehensive Income		(4,407)_	59,721
Total Comprehensive Income		(7,180)	62,984

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

## Statement of Financial Position

as at 30 June 2020

\$ '000	Notes	2020	2019
ASSETS			
Current assets			
Cash & Cash Equivalent Assets	5a	518	2,025
Trade & Other Receivables	5b	2,761	2,541
Inventories	5c	18	19
Non-Current Assets Held for Sale	20b(ii)		1,530
Total current assets		3,297	6,115
Non-current assets			
Equity Accounted Investments in Council Businesses	6	1,491	1,350
Infrastructure, Property, Plant & Equipment	7a	422,745	424,101
Total non-current assets		424,236	425,451
TOTAL ASSETS		427,533	431,566
LIABILITIES Current Liabilities Trade & Other Payables Borrowings Provisions	8a 8b 8c	5,254 7,285 3,588	5,446 62 3,048
Total Current Liabilities		16,127	8,556
Non-Current Liabilities			
Borrowings	8b	5,446	10,000
Provisions	8c	1,528	1,398
Total Non-Current Liabilities		6,974	11,398
TOTAL LIABILITIES		23,101	19,954
Net Assets		404,432	411,612
EQUITY			
Accumulated surplus		138,645	141,348
Asset revaluation reserves	9a	265,206	269,691
Other reserves	9b	581	573
Total Equity		404,432	411,612
<del></del>		101,102	111,012

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 2020

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2020					
Balance at the end of previous reporting period		141,348	269,691	573	411,612
Net Surplus / (Deficit) for Year		(2,773)	_	_	(2,773)
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	_	(4,485)	_	(4,485)
- IPP&E Impairment (Expense) / Recoupments			(1,100)		(1,100)
Offset to ARR	7a	_	_	_	_
- Share of OCI - Equity Accounted Council					
Businesses	19	_	_	_	_
- Other Equity Adjustments - Equity Accounted					
Council Businesses	19	78	_		78
Other comprehensive income		78	(4,485)	_	(4,407)
Total comprehensive income		(2,695)	(4,485)	_	(7,180)
Transfers between Reserves		(8)	_	8	_
Balance at the end of period		138,645	265,206	581	404,432
2019		407.004	040 404	4.400	0.40.000
Balance at the end of previous reporting period		137,081	210,121	1,426	348,628
Net Surplus / (Deficit) for Year		3,263	_	_	3,263
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	_	59,526	_	59,526
- IPP&E Impairment (Expense) / Recoupments Offset to ARR	7-		(404)		(404)
- Share of OCI - Equity Accounted Council	7a	_	(184)	_	(184)
- Share of OCI - Equity Accounted Council Businesses	19	12	228		240
- Other Equity Adjustments - Equity Accounted	13	12	220	_	240
Council Businesses	19	139	_	_	139
Other comprehensive income	.0	151	59,570	_	59,721
Total comprehensive income		3,414	59,570	_	62,984
Transfers between Reserves		853		(853)	
Balance at the end of period			260.604		414 640
Dalance at the end of period		141,348	269,691	573	411,612

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 2020

\$ '000	Notes	2020	2019
Cash flows from operating activities			
Receipts			
Rates Receipts		38,288	37,094
Statutory Charges		1,180	1,172
User Charges		704	1,007
Grants, Subsidies and Contributions (operating purpose)		5,121	5,183
Investment Receipts		42	41
Reimbursements		228	516
Other Receipts		929	622
Payments			
Finance Payments		(589)	(623)
Payments to Employees		(16,703)	(15,723)
Payments for Materials, Contracts & Other Expenses		(22,410)	(18,950)
Net cash provided by (or used in) Operating Activities	11b		
Net cash provided by (or used in) Operating Activities	115	6,790	10,339
Cash flows from investing activities			
Amounts Received Specifically for New/Upgraded Assets		556	425
Sale of Replaced Assets		714	497
Sale of Surplus Assets		117	7,942
Sale of Investment Property		1,530	1,204
Repayments of Loans by Community Groups		_	72
Payments			
Expenditure on Renewal/Replacement of Assets		(9,718)	(10,090)
Expenditure on New/Upgraded Assets		(3,223)	(3,877)
Net cash provided (or used in) investing activities			
Net cash provided (or used in) investing activities		(10,024)	(3,827)
Cash flows from financing activities			
<u>Payments</u>			
Repayments of Borrowings		(62)	(77)
Repayment of Lease Liabilities		(211)	_
Repayment of Bonds & Deposits			(1)
Net Cash provided by (or used in) Financing Activities		(273)	(78)
Net Increase (Decrease) in Cash Held		(3,507)	6,434
plus: Cash & Cash Equivalents at beginning of period		2,025	(4,409)
	11a		· · · ·
Cash and cash equivalents held at end of period		(1,482)	2,025
Additional Information			
Additional Information:	01		
plus: Investments on hand – end of year	6b		
Total Cash, Cash Equivalents & Investments		(1,482)	2,025
-			

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

# Notes to and forming part of the Principal Financial Statements for the year ended 30 June 2020

## Contents of the Notes accompanying the General Purpose Financial Statements

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### Notes to the Financial Statements

for the year ended 30 June 2020

## Note 1. Summary of Significant Accounting Policies

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).

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

Adelaide Hills Council is incorporated under the South Australian Local Government Act 1999 and has its principal place of business at 63 Mount Barker Road, Stirling. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

Other entities in which Council has an interest but does not control are reported in Note 19.

#### (3) Income Recognition

Income Recognition

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

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 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.

### Notes to the Financial Statements

for the year ended 30 June 2020

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

In recent years the payment of untied financial assistance grants has varied from the annual allocation as shown in the table below:

	Cash Payment Received	Annual	Difference
2017/18	\$1,597,298	\$1,520,627	+ \$76,671
2018/19	\$1,526,078	\$1,537,852	- \$11,774
2019/20	\$1,640,046	\$1,564,152	+\$75,894

In addition, the 2019/20 and 2020/21 Supplementary Local Road Grants of \$690,138 was paid in advance in June 2019.

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.

#### **Construction Contracts**

Construction works undertaken by Council for third parties are generally on an agency basis where the third party reimburses Council for actual costs incurred, and usually do not extend beyond the reporting period. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as "payments received in advance".

For works undertaken on a fixed price contract basis, revenues are recognised over time using the input method, with costs incurred compared to total expected costs used as a measure of progress. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

#### (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) Inventories

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

#### **5.1 Real Estate Assets Developments**

Real Estate Assets developments have been classified as Inventory in accordance with AASB 102 and are valued at the lower of cost or net realisable value. Cost includes the costs of acquisition, development, borrowing and other costs incurred on financing of that acquisition and up to the time of sale. Any amount by which cost exceeds the net realisable value has been recognised as an expense.

Revenues arising from the sale of property are recognised in the operating statement when settlement is completed.

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision.

### Notes to the Financial Statements

for the year ended 30 June 2020

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

#### 5.2 Other Real Estate Held for Resale

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision.

Certain properties, auctioned for non-payment of rates in accordance with the Local Government Act but which failed to meet the reserve set by Council and are available for sale by private treaty, are recorded at the lower of the unpaid rates and charges at the time of auction or the reserve set by Council. Holding costs in relation to these properties are recognised as an expense when incurred.

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

#### 6.1 Initial Recognition

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

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

#### **6.2 Materiality**

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

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

Office Furniture & Equipment	\$1,000
Other Plant & Equipment	\$1,000
Park & Playground Furniture & Equipment	\$2,000
Buildings - new construction/extension	\$5,000
CWMS extensions & household connections	\$5,000
Paving & footpaths, Kerb & Gutter	\$5,000
Road construction & reconstruction	\$5,000
Stormwater, gravity mains and culverts	\$5,000

Artworks \$5,000

#### 6.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. 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.

### 6.4 Depreciation of Non-Current Assets

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

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

Major depreciation periods for each class of asset are 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.

continued on next page ...

### Notes to the Financial Statements

for the year ended 30 June 2020

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

#### Plant, Furniture & Equipment

Office Furniture and Equipment	5 to 10 years
Vehicles and Heavy Plant	5 to 10 years
Other Plant & Equipment	5 to 10 years

#### **Building & Other Structures**

Buildings – masonry	50 to 100 years
Buildings – other construction	20 to 40 years
Benches, seats, etc	10 to 20 years
Park Structures – masonry	50 to 100 years
Park Structures – other construction	20 to 40 years
Playground equipment	5 to 15 years

#### Infrastructure

Bores	20 to 40 years
Bridges	80 to 100 years
Culverts	50 to 75 years
CWMS Pipes	70 to 80 years
Dams and Lagoons	80 to 100 years
Flood Detention Systems	80 to 100 years
Irrigation Pipes and Systems	25 to 75 years
Paving & Footpaths, Kerb & Gutter	80 to 100 years
Pumps & Telemetry	15 to 25 years
Road Pavement	65 to 180 years
Sealed Roads – Surface	15 to 25 years
Stormwater and Gravity Mains	80 to 100 years
Unsealed Roads	10 to 20 years

#### Other Assets

Artworks indefinite Right-of-Use Assets 2 to 5 years

#### 6.5 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).

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

#### **6.6 Borrowing Costs**

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

### (7) Payables

#### 7.1 Goods & Services

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

### Notes to the Financial Statements

for the year ended 30 June 2020

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

#### 7.2 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.

#### (8) Borrowings

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

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"

### (9) Employee Benefits

#### 9.1 Salaries, Wages & Compensated Absences

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

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

#### 9.2 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. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

#### (10) Provisions for Reinstatement, Restoration and Rehabilitation

Close down and restoration costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation and rehabilitation of disturbed areas. Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs and are carried at the net present value of estimated future costs.

Although estimated future costs are based on a closure plan, such plans are based on current environmental requirements which may change. Council's policy to maximise recycling is extending the operational life of these facilities, and significant uncertainty exists in the estimation of the future closure date.

#### (11) Leases

#### Accounting policy applicable from 01 July 2019

The Council 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.

#### 11.1 Council as a lessee

The Council recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### i) Right-of-Use-Assets

The Council recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the

### Notes to the Financial Statements

for the year ended 30 June 2020

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

leased asset. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Computers & IT Equipment 3 to 5 years
Building Occupancy Up to 3 years

The right-of-use assets are also subject to impairment. Refer to the accounting policies above - Impairment of non-financial assets.

#### ii) Lease Liabilities

At the commencement date of the lease, the Council recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Council uses its incremental borrowing rate or the interest rate implicit in the lease.

#### iii) Short-term leases and leases of low-value assets

The Council applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### (12) 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.

#### (13) 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.

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

In the current year, Council adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to Council's accounting policies.

Adelaide Hills Council has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective.

#### Adoption of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities

Adelaide Hills Council early adopted AASB 15 and AASB 1058, from the year ended 30 June 2018 and as such the application of these are included in the preparation of this financial report as well as that for the previous year.

#### **AASB 16 Leases**

The Council applied AASB 16 Leases, for the first time from 1 July 2019. This standard requires that the right of use conveyed by leasing contracts (except leases with a maximum term of 12 months and leases for low-value assets) be recognised as a form of Infrastructure, Property, Plant and Equipment, and that the lease liability be disclosed as a liability. At 30 June 2019, Council has no leases to which this treatment will need to be applied."

#### Adoption of AASB 16 Leases (AASB 16)

AASB 16 supersedes AASB 117 Leases, Interpretation 4 Determining whether an Arrangement contains a Lease and other related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet under a single on-balance sheet model. The

### Notes to the Financial Statements

for the year ended 30 June 2020

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

Council has lease contracts for various items of plant, equipment, and computers. Before the adoption of AASB 16, the Council classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

The Council adopted AASB 16 using the modified retrospective method of adoption. Under this method, the standard has been applied retrospectively with the cumulative effect of initially applying the standard recognised as at 1 July 2019 and comparatives have not been restated.

The Council recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases with lease terms that end within 12 months of the date of initial application and leases of low-value assets. The right-of-use assets for all leases were recognised based on the amount equal to the lease liabilities. No adjustments were needed for any previously recognised prepaid or accrued lease expenses as there were none. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The effect of adoption AASB 16 as at 1 July 2019 (increase/(decrease)) is, as follows:

	\$'000
Assets	
Infrastructure, Property, Plant and Equip.	
- Right-of-Use-Assets	239
Total Assets	239
Liabilities	
Interest-bearing loans and borrowings	239
- Other	239

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

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2020, 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.

The Standards are not expected to have a material impact upon Council's future financial statements

#### Effective for NFP annual reporting periods beginning on or after 1 January 2020

- AASB 1059 Service Concession Arrangements: Grantors
- AASB 2018-6 Amendments to Australia Accounting Standards Definition of a Business
- AASB 2018-7 Amendments to Australian Accounting Standards Definition of Material
- · AASB 2019-3 Amendments to Australian Accounting Standards Interest Rate Benchmark Reform

#### Effective for NFP annual reporting periods beginning on or after 1 January 2021

• AASB 17 Insurance Contracts

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

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

### Notes to the Financial Statements

for the year ended 30 June 2020

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

#### (15) COVID-19 Pandemic

The COVID-19 pandemic has impacted the 2019-20 financial statements, which may impact on the comparability of some line items and amounts reported in these financial statements and/or the notes. The financial impacts are a direct result of either Councils response to the pandemic or due to the mandatory shut downs as directed by the Australian Government and the advice from the Australian Government Department of Health and SA Health.

#### This included:

- · Reduced revenue from Events and venue hire
- Waiving of outdoor dining fees
- · Business support in the form of temporary suspension of:
  - · Fines & Interest
  - Penalties
  - · Debt recovery actions
- · Additional costs for
  - Cleaning
  - Equipment hire to maintain social distancing
  - · Health and Safety initiatives
  - · Hibernation costs for Council Venues

COVID-19 is not expected to have a significant financial impact on Council. Council estimates that the reduction in revenue and the increase in expenditure resulted in a decrease of approximately \$112k in the 2019-20 net result. It is expected further financial impacts will flow into the 2020-21 financial year. However, Council had determined that there is no material uncertainty that casts doubt on Council's ability to continue as a going concern.

#### (16) Cudlee Creek Bushfire Impact

The Cudlee Creek Bushfire recovery effort undertaken by Council also has impacted the 2019-20 financial statements with the fire directly impacting some 30 per cent of the Adelaide Hills Council district.

Council infrastructure has had minimal damage, with the most serious impact to land including Lobethal Bushland Park.

As a result, Council has spent nearly \$3.0m in roadside tree clean-up in the 2019-20 financial year as well as other costs including road repairs, fixing fences, repairing recreational trails, restoring fauna habitat and helping the community rebuild.

To offset this Council received \$1.225m in upfront Federal funding and has put in an application to State Government to claim an additional \$1.550m through the Local Government Disaster Recovery Assistance Arrangements. These financial statements do not recognise the \$1.550m of funding as State Government confirmation has yet to be received.

Council estimates that the net impact of the Cudlee Breek bushfire in terms of grants received and increase in expenditure resulted in a decrease of approximately \$2.150m in the 2019-20 net result but anticipates that the 2020-21 surplus will be increased by the National Disaster Assistance funding once received.

In addition there is likely to be further costs incurred in relation to:

- tree management and further road tree works and debris clean up
- additional resources to manage the development applications the Council expects to receive over the next 2-3 years for people rebuilding destroyed assets.
- biodiversity protection and regeneration work over the next 3 years including managing weed incursion in places that were completely burnt through such as Lobethal Bushland Park and more than 70 significant roadside vegetation sites.

It is therefore expected that further financial costs, in the order of \$400k, will also flow into the 2020-21 and future financial years. However, Council has considered the consequences of this and similar events and conditions, and it has determined that they do not create a material uncertainty that casts significant doubt upon the Council's ability to continue as a going concern.

### (17) 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.

#### (18) Disclaimer

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

## Notes to the Financial Statements

for the year ended 30 June 2020

## Note 2. Income

Caneral Rates	\$ '000	2020	2019
General Rates         35,942         34,523           Less: Mandatory Rebates         (275)         (241)           Total General Rates         35,533         34,035           Other Rates (Including Service Charges)         Separate Rates         90         975           Autural Resource Management Levy         980         975         1,760         1,946           Separate & Special Rates         6         4         4         2,710         6         85           Stalfing Business Association Separate Rate         95         85         704         1,730         1,646         6         44         4         2,710         6         85         6         6         4         4         2,811         2,710         6         85         7         6         85         7         7         6         85         7         7         6         85         7         7         6         85         86         7         7         6         85         86         7         7         6         85         36         86         7         7         6         89         10         9         10         10         10         10         10         10         10         1	(a) Rates		
Less: Mandatory Rebates   275   (241)     Less: Discretionary Rebates, Remissions & Write Offs   (134)   (247)     Total General Rates   35,533   35,533   34,035     Other Rates (Including Service Charges)     Natural Resource Management Levy   980   975     Community Wastewater Management Leys   6   4     Stirling Business Association Separate Rate   95   85     Total Other Rates (Including Service Charges)   2,811   2,710     Other Charges   7   7   7     Total Rates   7   7   7   6     Emerse   7   7   6     Emerse   7   7   6     Emerse   7   7   6     Emerse   7   7   6     Emands   7   7   6     Emands	General Rates		
Less: Discretionary Rebates, Remissions & Write Offs         (194)         (247)           Total General Rates         35,533         34,035           Other Rates (Including Service Charges)         980         975           Natural Resource Management Levy         980         975           Community Wastewater Management Systems         1,730         1,646           Separate & Special Rates         95         85           Stirling Business Association Separate Rate         95         85           Total Other Rates (Including Service Charges)         2,811         2,710           Other Charges         150         106           Legal & Other Costs Recovered         53         64           Total Other Charges         203         170           Total Rates         38,547         36,915           (b) Statutory Charges         38,547         36,915           (b) Statutory Charges         28         38           Development Act Fees         559         526           Animal Registration Fees & Fines         559         526           Animal Registration Fees & Fines         105         112           Searches         28         38           Other Licences, Fees & Fines         31         37 <td>General Rates</td> <td>35,942</td> <td>34,523</td>	General Rates	35,942	34,523
Total General Rates         35,533         34,035           Other Rates (Including Service Charges)         Natural Resource Management Levy         980         975           Community Wastewater Management Systems         1,730         1,646           Separate & Special Rates         6         4           Stirling Business Association Separate Rate         95         85           Total Other Rates (Including Service Charges)         2,811         2,710           Other Charges         2         811         2,710           Penalties for Late Payment         150         106		• •	
Natural Resource Management Levy	· · · · · · · · · · · · · · · · · · ·		
Natural Resource Management Levy         980         975           Community Wastewater Management Systems         1,730         1,646           Separate & Special Rates         95         85           Total Other Rates (Including Service Charges)         2,811         2,710           Other Charges           Penalties for Late Payment         150         106           Legal & Other Costs Recovered         53         64           Total Other Charges         203         170           Other Charges           Cby Statutory Charges         38,547         36,915           Other Charges           Cby Statutory Charges         28         36           Cby Statutory Charges         28         38           Cby Statutory Charges         28         38           Collegistration Fees & Fines         28         38           Other Licences, Fees & Fines         10         89           Total Statutory Charges         1,180         1,172           Cc) User Charges         334         278           Cemetery/Crematoria Fees         334         278           Community Centres         98         123           Sundry         73         22     <	Total General Rates	35,533	34,035
Community Wastewater Management Systems         1,730         1,646           Separate & Special Rates         6         4           Stiffing Business Association Separate Rate         95         85           Total Other Rates (Including Service Charges)         2,811         2,710           Other Charges           Penalties for Late Payment         150         106           Legal & Other Costs Recovered         53         64           Total Other Charges         203         170           Other Charges           Development Act Fees         559         526           Animal Registration Fees & Fines         428         407           Parking Fines   Expaidation Fees         28         33           Other Licences, Fees & Fines         105         112           Parking Fines   Expaidation Fees         60         89           Total Statutory Charges         1,180         1,172           (c) User Charges           Cemelery/Crematoria Fees         334         278           Community Centres         98         123           Sundry         73         82           Adelaide Hills Business and Tourism Centre (AHBTC)         162         397			
Separate & Special Rates         6         4           Stirting Business Association Separate Rate         95         85           Total Other Rates (Including Service Charges)         2,811         2,710           Other Charges         150         106           Penalties for Late Payment         150         106           Legal & Other Costs Recovered         53         64           Total Other Charges         203         170           Chill Rates         38,547         36,915           Chill Rates         559         526           Animal Registration Fees         150         14           Parking Fines / Expiation Fees Fines         28         38           Other Licences, Fees & Fines         105         112           Searches         60         89           Total Statutory Charges         1,180         1,172           (c) User Charges         334         278           Cemetery/Crematoria Fees         334         278           Sundry         73         82           Sundry         73         82           Sundry         73         82           Cemetery/Crematoria Fees         33         237           Sundry         73<	·		
Stirling Business Association Separate Rate         95         85           Total Other Rates (Including Service Charges)         2,811         2,710           Other Charges         Penalties for Late Payment         150         106           Legal & Other Costs Recovered         553         64           Total Other Charges         203         170           Total Rates         38,547         36,915           (b) Statutory Charges         559         526           Development Act Fees         559         526           Animal Registration Fees & Fines         428         407           Parking Fines / Expiation Fees         28         38           Other Licences, Fees & Fines         105         112           Searches         60         89           Total Statutory Charges         1,180         1,172           (c) User Charges         334         278           Cemetery/Crematoria Fees         334         278           Sundry         73         82           Community Centres         37         127           Cetirement Villages         37         127           Total User Charges         704         1,007           Interest on Investments         2			
Total Other Rates (Including Service Charges)         2,811         2,710           Other Charges         Penalties for Late Payment         150         106           Legal & Other Costs Recovered         53         64           Total Other Charges         203         170           Total Rates         38,547         36,915           (b) Statutory Charges         559         526           Animal Registration Fees & Fines         428         407           Parking Fines / Expitation Fees         28         38           Other Licences, Fees & Fines         105         112           Searches         60         89           Total Statutory Charges         1,180         1,172           (c) User Charges         334         278           Cemetery/Crematoria Fees         33         23           Community Centres         98         123           Sundry         73         82           Adelaide Hills Business and Tourism Centre (AHBTC)         162         397           Retirement Villages         37         127           Total User Charges         704         1,007           (d) Investment Income           Interest on Investments         2         35         33 <td></td> <td></td> <td></td>			
Other Charges           Penalties for Late Payment         150         106           Legal & Other Costs Recovered         53         64           Total Other Charges         203         170           Total Rates         38,547         36,915           (b) Statutory Charges           Development Act Fees         559         526           Animal Registration Fees & Fines         428         407           Parking Fines / Expitation Fees         28         38           Other Licences, Fees & Fines         105         112           Searches         60         89           Total Statutory Charges         1,180         1,172           (c) User Charges           Cemetery/Crematoria Fees         334         278           Community Centres         98         123           Sundry         73         82           Adelaide Hills Business and Tourism Centre (AHBTC)         162         397           Retirement Villages         704         1,007           Total User Charges           (d) Investment Income           Interest on Investments           Local Government Finance Authority         7	·		
Penalties for Late Payment         150         106           Legal & Other Costs Recovered         53         64           Total Other Charges         203         170           Total Rates         38,547         36,915           (b) Statutory Charges           Development Act Fees         559         526           Animal Registration Fees & Fines         428         407           Parking Fines / Expiation Fees         28         38           Other Licences, Fees & Fines         105         112           Searches         60         89           Total Statutory Charges         1,180         1,172           (c) User Charges           Cemetery/Crematoria Fees         334         278           Community Centres         98         123           Sundry         73         82           Adelaide Hills Business and Tourism Centre (AHBTC)         162         397           Retirement Villages         37         127           Total User Charges         704         1,007           (d) Investment Income           Interest on Investments         -         2           - Banks & Other         35         33           -			2,110
Legal & Other Costs Recovered         53         64           Total Other Charges         203         170           Total Rates         38,547         36,915           (b) Statutory Charges         Season Seas		150	106
Total Other Charges         203         170           Total Rates         38,547         36,915           (b) Statutory Charges         Statutory Charges         38,547         36,915           Development Act Fees         559         526           Animal Registration Fees & Fines         428         407           Parking Fines / Explation Fees         28         38           Other Licences, Fees & Fines         60         88           Searches         60         88           Total Statutory Charges         1,180         1,172           (c) User Charges         334         278           Cemetery/Crematoria Fees         334         278           Community Centres         98         123           Sundry         73         82           Adelaide Hills Business and Tourism Centre (AHBTC)         162         397           Retirement Villages         37         127           Total User Charges         704         1,007           (d) Investment Income         1         6           Interest on Investments         2         6           Local Government Finance Authority         7         6           Banks & Other         35         33			
(b) Statutory Charges         Development Act Fees       559       526         Animal Registration Fees & Fines       428       407         Parking Fines / Expiation Fees       28       38         Other Licences, Fees & Fines       105       112         Searches       60       89         Total Statutory Charges       1,180       1,172         (c) User Charges         Cemetery/Crematoria Fees       334       278         Community Centres       98       123         Sundry       73       82         Adelaide Hills Business and Tourism Centre (AHBTC)       162       397         Retirement Villages       37       127         Total User Charges       704       1,007         (d) Investment Income         Interest on Investments       -       -         Local Government Finance Authority       7       6         Banks & Other       35       33         Loans to Community Groups       -       2			
(b) Statutory Charges         Development Act Fees       559       526         Animal Registration Fees & Fines       428       407         Parking Fines / Expiation Fees       28       38         Other Licences, Fees & Fines       105       112         Searches       60       89         Total Statutory Charges       1,180       1,172         (c) User Charges         Cemetery/Crematoria Fees       334       278         Community Centres       98       123         Sundry       73       82         Adelaide Hills Business and Tourism Centre (AHBTC)       162       397         Retirement Villages       37       127         Total User Charges       704       1,007         (d) Investment Income         Interest on Investments       -       -         Local Government Finance Authority       7       6         Banks & Other       35       33         Loans to Community Groups       -       2	Total Rates	38.547	36.915
Development Act Fees         559         526           Animal Registration Fees & Fines         428         407           Parking Fines / Expiation Fees         28         38           Other Licences, Fees & Fines         105         112           Searches         60         89           Total Statutory Charges         1,180         1,172           (c) User Charges           Cemetery/Crematoria Fees         334         278           Community Centres         98         123           Sundry         73         82           Adelaide Hills Business and Tourism Centre (AHBTC)         162         397           Retirement Villages         37         127           Total User Charges         704         1,007           (d) Investment Income           Interest on Investments         -         -           - Local Government Finance Authority         7         6           - Banks & Other         35         33           - Loans to Community Groups         -         2			
Animal Registration Fees & Fines       428       407         Parking Fines / Expiation Fees       28       38         Other Licences, Fees & Fines       105       112         Searches       60       89         Total Statutory Charges       1,180       1,172         (c) User Charges         Cemetery/Crematoria Fees       334       278         Community Centres       98       123         Sundry       73       82         Adelaide Hills Business and Tourism Centre (AHBTC)       162       397         Retirement Villages       37       127         Total User Charges       704       1,007         (d) Investment Income         Interest on Investments       -       6         - Local Government Finance Authority       7       6         - Banks & Other       35       33         - Loans to Community Groups       -       2	(b) Statutory Charges		
Animal Registration Fees & Fines       428       407         Parking Fines / Expiation Fees       28       38         Other Licences, Fees & Fines       105       112         Searches       60       89         Total Statutory Charges       1,180       1,172         (c) User Charges         Cemetery/Crematoria Fees       334       278         Community Centres       98       123         Sundry       73       82         Adelaide Hills Business and Tourism Centre (AHBTC)       162       397         Retirement Villages       37       127         Total User Charges       704       1,007         (d) Investment Income         Interest on Investments       -       6         - Local Government Finance Authority       7       6         - Banks & Other       35       33         - Loans to Community Groups       -       2	Development Act Fees	559	526
Other Licences, Fees & Fines         105         112           Searches         60         89           Total Statutory Charges         1,180         1,172           (c) User Charges           Cemetery/Crematoria Fees         334         278           Community Centres         98         123           Sundry         73         82           Adelaide Hills Business and Tourism Centre (AHBTC)         162         397           Retirement Villages         37         127           Total User Charges         704         1,007           (d) Investment Income           Interest on Investments         -         6           - Banks & Other         35         33           - Loans to Community Groups         -         2	·		
Searches         60         89           Total Statutory Charges         1,180         1,172           Cemetery/Crematoria Fees         334         278           Community Centres         98         123           Sundry         73         82           Adelaide Hills Business and Tourism Centre (AHBTC)         162         397           Retirement Villages         37         127           Total User Charges         704         1,007           (d) Investment Income         Value of the companies of the c	Parking Fines / Expiation Fees	28	38
Total Statutory Charges         1,180         1,172           (c) User Charges         334         278           Cemetery/Crematoria Fees         334         278           Community Centres         98         123           Sundry         73         82           Adelaide Hills Business and Tourism Centre (AHBTC)         162         397           Retirement Villages         37         127           Total User Charges         704         1,007           (d) Investment Income           Interest on Investments         5         4           Local Government Finance Authority         7         6           Banks & Other         35         33           Loans to Community Groups         -         2		105	112
(c) User Charges         Cemetery/Crematoria Fees       334       278         Community Centres       98       123         Sundry       73       82         Adelaide Hills Business and Tourism Centre (AHBTC)       162       397         Retirement Villages       37       127         Total User Charges       704       1,007         (d) Investment Income         Interest on Investments         - Local Government Finance Authority       7       6         - Banks & Other       35       33         - Loans to Community Groups       -       2			
Cemetery/Crematoria Fees       334       278         Community Centres       98       123         Sundry       73       82         Adelaide Hills Business and Tourism Centre (AHBTC)       162       397         Retirement Villages       37       127         Total User Charges       704       1,007         (d) Investment Income         Interest on Investments       -       6         - Banks & Other       35       33         - Loans to Community Groups       -       2	Total Statutory Charges	1,180	1,172
Community Centres         98         123           Sundry         73         82           Adelaide Hills Business and Tourism Centre (AHBTC)         162         397           Retirement Villages         37         127           Total User Charges         704         1,007           Interest on Investments           - Local Government Finance Authority         7         6           - Banks & Other         35         33           - Loans to Community Groups         -         2	(c) User Charges		
Community Centres         98         123           Sundry         73         82           Adelaide Hills Business and Tourism Centre (AHBTC)         162         397           Retirement Villages         37         127           Total User Charges         704         1,007           Interest on Investments           - Local Government Finance Authority         7         6           - Banks & Other         35         33           - Loans to Community Groups         -         2	Cemetery/Crematoria Fees	334	278
Adelaide Hills Business and Tourism Centre (AHBTC) Retirement Villages 37 127  Total User Charges 704 1,007  (d) Investment Income  Interest on Investments - Local Government Finance Authority - Banks & Other - Banks & Other - Loans to Community Groups - 2	Community Centres		
Retirement Villages         37         127           Total User Charges         704         1,007           (d) Investment Income           Interest on Investments         -         6           - Local Government Finance Authority         7         6           - Banks & Other         35         33           - Loans to Community Groups         -         2	Sundry	73	82
Total User Charges 704 1,007  (d) Investment Income  Interest on Investments - Local Government Finance Authority 7 6 - Banks & Other 35 33 - Loans to Community Groups - 2	•		
(d) Investment Income  Interest on Investments - Local Government Finance Authority - Banks & Other - Local Sovernment Finance Authority - Local Sovernment Finance Authority - 2	· · · · · · · · · · · · · · · · · · ·		
Interest on Investments       7       6         - Local Government Finance Authority       7       6         - Banks & Other       35       33         - Loans to Community Groups       -       2	<u>Total User Charges</u>	704	1,007
- Local Government Finance Authority       7       6         - Banks & Other       35       33         - Loans to Community Groups       -       2	(d) Investment Income		
- Banks & Other       35       33         - Loans to Community Groups       -       2	Interest on Investments		
- Loans to Community Groups 2	- Local Government Finance Authority	7	6
		35	33
<u>I otal Investment Income</u> <u>42</u> <u>41</u>			
	<u>I otal Investment Income</u>	42	41

## Notes to the Financial Statements

for the year ended 30 June 2020

## Note 2. Income (continued)

\$ '000	2020	2019
(e) Reimbursements		
AHBTC	193	413
Other Properties	10	11
Private Works	10	15
Other	15	77
<u>Total Reimbursements</u>	228	516
(f) Other income		
Incurance 9 Other Recoupments Infrastructure IDD9E	400	004
Insurance & Other Recoupments - Infrastructure, IPP&E Public Lighting SLUOS Refund	162	284
Sundry	97 346	364
Total Other income	605	648
(g) Grants, Subsidies, Contributions		
Amounts Received Specifically for New or Upgraded Assets	556	425
Total Amounts Received Specifically for New or Upgraded Assets	556	425
Community Wastewater Management Systems Contributions	86	24
Home and Community Care Grant	942	948
Library and Communications	292	283
Natural Disaster Recovery Funding	1,225	393
Roads to Recovery Sundry	699	368
Supplementary Local Roads Funding	361	546 1,035
Untied - Financial Assistance Grant	_ 1,640	1,526
Total Other Grants, Subsidies and Contributions	5,245	5,123
Total Grants, Subsidies, Contributions	5,801	5,548
The functions to which these grants relate are shown in Note 12.		
(i) Sources of grants		
Commonwealth Government	4,488	3,483
State Government Other	964	1,724
Total	349 5,801	341 5,548
(ii) Individually Significant Items		
Grant Commission (FAG) Grant Recognised as Income	912	836
Supplementary Local Roads Grants in Advance Recognised as Income	_	690
(h) Physical Resources Received Free of Charge		
Land & Improvements	970	1,982
Total Physical Resources Received Free of Charge	970	1,982
Total 1 Hydrodi 1 tododi 000 1 todoli 000 01 Olldigo		1,302

## Notes to the Financial Statements

for the year ended 30 June 2020

## Note 3. Expenses

\$ '000	Notes	2020	2019
(a) Employee costs			
Salaries and Wages		14,537	13,409
Employee Leave Expense		2,048	1,848
Superannuation - Defined Contribution Plan Contributions	18	1,244	1,156
Superannuation - Defined Benefit Plan Contributions	18	284	232
Workers' Compensation Insurance		405	374
Personal Income Protection Insurance		262	242
Other		69	112
Less: Capitalised and Distributed Costs		(1,416)	(1,450)
Total Operating Employee Costs		17,433	15,923
Total Number of Employees (full time equivalent at end of reporting period)		194	183
(b) Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		24	25
- Other Auditors		13	_
Elected Members' Expenses		421	417
Election Expenses		13	59
Lease Expense - Low Value Assets / Short Term Leases	_	308	299
Subtotal - Prescribed Expenses	_	779	800
(ii) Other Materials, Contracts and Expenses			
Bank Fees		88	84
Contractors		5,047	5,648
Contractors - Bushfire Recovery		3,038	_
Contract Labour		556	982
Contributions & Donations		1,211	710
Energy		554	710
Insurance		605	580
Landfill Remediation		442	170
Legal Expenses		198	278
Levies - Other		579	559
Levies Paid to Government - NRM levy		972	966
Licencing - ICT		100	108
Parts, Accessories & Consumables		2,605	2,737
Professional Services		60	106
Sundry Telephone (incl. data)		544	424
Telephone (incl data) Waste		266	228
Work-in-Progress Write-off		4,283	4,076
Subtotal - Other Material, Contracts & Expenses	_		65 18,431
Total Materials, Contracts and Other Expenses	_		19,231
Total Materials, Contracts and Other Expenses	_	21,927	13,231

## Notes to the Financial Statements

for the year ended 30 June 2020

## Note 3. Expenses (continued)

\$ '000	2020	2019
(c) Depreciation, Amortisation and Impairment		
(i) Depreciation and Amortisation		
Buildings	1,148	1,242
Infrastructure		
- Stormwater	454	482
- Community Wastewater Management Systems	413	398
- Roads	4,197	3,803
- Bridges	291	284
- Footpaths	312	403
- Retaining Walls	169	146
- Guardrails	146	140
- Kerb & Gutter	327	396
- Traffic Controls	25	41
- Street Furniture	71	83
- Sport & Recreation	326	337
- Playgrounds	69	83
- Cemeteries	31	35
Right-of-use Assets	214	_
Plant & Equipment	943	870
Furniture & Fittings	71_	83
Subtotal	9,207	8,826
Total Depreciation, Amortisation and Impairment	9,207	8,826
(d) Finance Costs		
Interest on Overdraft and Short-Term Drawdown	10	50
Interest on Loans	568	573
Charges on Finance Leases	11	_
Total Finance Costs	589	623

## Notes to the Financial Statements

for the year ended 30 June 2020

## Note 4. Asset Disposal & Fair Value Adjustments

\$ '000	2020	2019
Infrastructure, Property, Plant & Equipment		
(i) Assets Renewed or Directly Replaced		
Proceeds from Disposal	714	497
Less: Carrying Amount of Assets Sold	(2,380)	(1,719)
Gain (Loss) on Disposal	(1,666)	(1,222)
(ii) Assets Surplus to Requirements		
Proceeds from Disposal	117	11,235
Less: Carrying Amount of Assets Sold	(138)	(7,994)
Less: Other Amounts Relating to the Sale of Surplus Assets	(70)	(2,059)
Gain (Loss) on Disposal	(91)	1,182
Non-Current Assets Held for Sale		
Proceeds from Disposal	1,530	1,204
Less: Carrying Amount of Assets Sold	(1,530)	(1,259)
Gain (Loss) on Disposal		(55)
Net Gain (Loss) on Disposal or Revaluation of Assets	(1,757)	(95)

## Notes to the Financial Statements

for the year ended 30 June 2020

## Note 5. Current Assets

\$ '000		2020	2019
(a) Cash & Cash Equivalent Assets			
Cash on Hand at Bank		143	1,651
Short Term Deposits & Bills, etc.		375	374
Total Cash & Cash Equivalent Assets	_	518	2,025
(b) Trade & Other Receivables			
Rates - General & Other		1,503	1,278
Council Rates Postponement Scheme		129	95
Accrued Revenues		540	577
Debtors - General		253	363
Other Levels of Government		196	72
Prepayments		140	156
Subtotal	_	2,761	2,541
Total Trade & Other Receivables	_	2,761	2,541
(c) Inventories			
Stores & Materials		18	19
Total Inventories	_	18	19
	_		
Note 6. Non-Current Assets			
\$ '000	Notes	2020	2019
Equity Accounted Investments in Council Businesses			
Gawler River Floodplain Management Authority (GRFMA)	19i	937	878
Eastern Waste Management Authority (EWMA)	19i	138	101
Adelaide Hills Regional Waste Management Authority (AHRWMA)	19i	416	371
Total Equity Accounted Investments in Council			
Businesses		1,491	1,350
<del></del>	_		

## Notes to the Financial Statements

for the year ended 30 June 2020

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

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

			as at 3	0/06/19							Asset moveme	nts during the	reporting period							as at 3	0/06/20	
Fair Value \$ 1000 Level	Value	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Transition adjustment - AASB 16	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Impairment Loss (recognised in Equity) (Note 9)	WIP Transfers	Adjustments & Transfers	Other Physical Resources Free of Charge	RoU Additions	Tfrs from/(to) "Held for Sale" category	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		_	2,997	_	2,997	_	3,223	9,718	_	_	_	(12,389)	_	_	_	_	_	_	_	3,550	_	3,550
Land - Community		88,615	_	_	88,615	_	_	_	(138)	_	_	_	_	_	_	_	(1,386)	_	87,091	_	_	87,091
Buildings	3	65,282	_	(24,777)	40,505	_	-	_	(198)	(1,148)	_	224	_	_	_	_	_	223	65,187	_	(25,581)	39,606
Infrastructure										, ,												
- Stormwater	3	39,600	_	(11,348)	28,252	_	-	_	_	(454)	_	901	_	285	_	_	(359)	_	40,097	_	(11,472)	28,625
- Community Wastewater Management	3																					
Systems		20,253	-	(6,298)	13,955	_	-	-	(28)	(413)	-	166	-	-	-	-	(139)	-	20,191	-	(6,650)	13,541
- Roads	3	285,788	-	(103,271)	182,517	_	-	_	(1,170)	(4,197)	-	4,773	-	267	-	-	(3,701)	-	264,156	-	(85,667)	178,489
- Bridges	3	18,210	_	(8,320)	9,890	_	_	_	(4)	(291)	_	255	_	_	_	_	(101)	_	18,239	_	(8,490)	9,749
- Footpaths	3	14,828	_	(6,794)	8,034	_	_	_	(41)	(312)	_	934	_	127	_	-	_	91	15,131	-	(6,298)	8,833
- Retaining Walls	3	11,275	_	(3,588)	7,687	_	_	_	(120)	(169)	_	175	_	_	_	_	_	259	11,421	_	(3,589)	7,832
- Guardrails	3	6,564	_	(1,339)	5,225	_	_	_	(30)	(146)	_	164	_	_	_	-	(1,770)	_	4,316	_	(873)	3,443
- Kerb & Gutter	3	32,728	_	(17,472)	15,256	_	_	_	(19)	(327)	_	534	_	291	_	-	_	2,344	40,381	_	(22,302)	18,079
- Traffic Controls	3	2,124	_	(806)	1,318	_	_	_	(63)	(25)	_	54	_	_	_	_	_	7	1,848	_	(557)	1,291
- Street Furniture	3	2,446	_	(956)	1,490	_	_	_	(8)	(71)	_	618	_	_	_	_	_	5	3,026	_	(992)	2,034
- Sport & Recreation	3	17,496	_	(9,911)	7,585	_	-	_	(26)	(326)	_	417	_	_	_	_	_	28	16,597	_	(8,919)	7,678
- Playgrounds	3	1,753	_	(683)	1,070	_	_	_	_	(69)	_	467	_	_	_	_	_	5	2,229	_	(756)	1,473
- Cemeteries	3	2.041	_	(1,306)	735	_	_	_	_	(31)	_	95	_	_	_	_	_	9	1,699	_	(891)	808
- Other Infrastructure	3	_	2,196	(628)	1,568	_	_	_	_	_	_	_	_	_	_	_	_	_		2,196	(628)	1,568
Right-of-Use Assets		_	_	_	_	239	_	_	_	(214)	_	_	_	_	703	_	_	_	_	942	(214)	728
Plant & Equipment		_	12,543	(5,556)	6,987	_	_	_	(673)	(943)	_	2,508	_	_	_	_	_	_	_	13,700	(5,821)	7,879
Furniture & Fittings		_	2.748	(2.333)	415	_	_	_	_	(71)	_	104	_	_	_	_	_	_	_	2.851	(2.403)	448
Total Infrastructure, Property, Plant & Equipment		609,003	20,484	(205,386)	424,101	239	3,223	9,718	(2,518)	(9,207)	_	-	-	970	703	-	(7,456)	2,971	591,609	23,239	(192,103)	422,745
Comparatives		532,392	18,288	(179,865)	370,815	_	3,877	10,090	(11,772)	(8,826)	(184)	_	123	1,982	_	(1,530)	(419)	59,945	609,003	20,484	(205,386)	424,101

continued on next page ... Page 22 of 51

### Notes to the Financial Statements

for the year ended 30 June 2020

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

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

#### **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**

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.

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 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.

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.

#### **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.

### Notes to the Financial Statements

for the year ended 30 June 2020

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

#### 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 value sufficiently reliably to qualify for recognition, land under roads has not been recognised in these reports.

Land - Level 2: The majority of land is based on fair value hierarchy level 2 valuation inputs. They are based on prices for similar assets in active market, with directly or indirectly observable adjustments for specific advantages or disadvantages attaching to the particular asset. Land assets revaluation was undertaken by Council officers based on the Valuer General's site values as at 1 January 2018.

Land - Level 3: Crown Land which is subject to restriction for its use or sale has been valued by Council officers based on the Valuer General's site values as at 1 January 2018 less allowances for the restriction on sale (requiring Ministerial consent) which are unobservable inputs that have a significant effect on valuation.

#### **Buildings & Other Structures**

- Basis of valuation: Fair ValueDate of valuation: 1 July 2017.
- Valuer: APV Valuers & Asset Management
- Council discloses Buildings as a class of Infrastructure Assets for the purposes of AASB 13 Fair Value Measurement, and
  the level of fair value hierarchy to be Level 3, as no relevant observable inputs (Markets) are available.
- There were no Assets Valued where it was considered that the highest and best use was other than its current use.
- Since the detailed valuation undertaken at 1 July 2017, valuations have been updated annually by Council Officers at depreciated current replacement cost based on Australia Bureau of Statistics Time Series data, Tables 17 (Construction Industries) movements specific to Adelaide for the period since valuation to June 2020

#### Infrastructure

- Council discloses each of the above as an individual class of Infrastructure Assets for the purposes of AASB 13 Fair Value Measurement, and the level of fair value hierarchy to be Level 3, as no relevant observable inputs (Markets) are available.
- There were no Assets Valued where it was considered that the highest and best use was other than its current use.

#### **Roads**

- Valuations were derived as at June 2019 referencing individual rates in Rawlinsons and Council Contracts to determine
  an overall rate for Council assets including road seal and road pavement by Steve Walker, Principal, Asset Engineering.
- Road Seals rates were established by using Council's recent contract rates for resealing which includes profiling, raising
  top stones, supply and laying of asphaltic concrete and supply and laying of spray seal
- Road Pavement rates were established by using rates from Rawlinsons applicable to the reconstruction of road pavements and compared against Council's actual costs
- During 2019-20 Council undertook a review of its sealed road components following an external review by Jeff Roorda, TechnologyOne, regarding components for road pavements. The assessment resulted in road pavement being componentised into a pavement base-course (layer immediately under the seal component) and a sub-base (bottom layer of road pavement). The base course layer retained the same useful life and the sub-base useful life was increased based on industry knowledge and standards. Given this useful life change, the sub-base was subsequently revalued from the asset construction date and hence the written down value of the assets adjusted downwards. As part of this process, the overall unit rate was also reallocated between the base-course and sub-base components.
- Since the detailed valuation using unit rates undertaken at June 2019, valuations have been updated by Council Officers
  at depreciated current replacement cost based on Australia Bureau of Statistics Time Series data, Tables 17
  (Construction Industries) movements specific to Adelaide for the period since valuation to June 2020

## Notes to the Financial Statements

for the year ended 30 June 2020

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

#### **Footpaths & Retaining Walls**

- Valuations were derived as at June 2019 referencing individual rates in Rawlinsons and Council Contracts to determine
  an overall rate for Council assets including footpaths and retaining walls by Steve Walker, Principal, Asset Engineering.
- Footpath rates were established by using rates from Council's schedule of rates contract to establish rates for brick paved, asphaltic concrete and concrete.
- Retaining Wall rates were established by using rates from Rawlinsons for retaining walls on a square metre basis for differing heights and referenced against Council's actual constructions in previous years
- Since the detailed valuation undertaken at June 2019, valuations have been updated by Council Officers at depreciated current replacement cost based on Australia Bureau of Statistics Time Series data, Tables 17 (Construction Industries) movements specific to Adelaide for the period since valuation to June 2020

#### Kerb & Gutter and Guardrails (safety barriers)

- Valuations were derived as at June 2020 referencing individual rates in Rawlinsons and Council Contracts to determine
  an overall rate for Council assets for kerb & gutter and safety barriers including guard rails by Steve Walker, Principal,
  Asset Engineering.
- Rates from Councils 2018 schedule of rates contract have been used to establish rates for barrier kerb, semi mountable, pinned semi mountable mountable kerb with stone inlay. A BPI rate of 1.06 has been used to adjust rates from 2018 to 2020.
- Rates from Rawlinsons (2020), have been used to establish rates for safety barriers and terminal treatments. These
  estimated rates have been adjusted and checked against Councils recent actual costs and relate well.

## Stormwater, Bridges, Traffic Controls, Street Furniture, Sport and Recreation Facilities (S&R), Playgrounds and Cemeteries

 Valuations were performed by Council Officers at depreciated current replacement cost at at 30 June 2020 based on Australia Bureau of Statistics Time Series data, Tables 17 (Construction Industries) specific to Adelaide for June 2020.

#### **Community Wastewater Management Systems (CWMS)**

- Basis of valuation: Fair Value
- Date of valuation: 1 July 2017 noting that effective date of valuation as per APV Valuers is 30 June 2017
- Valuer: APV Valuers & Asset Management
- Since the detailed valuation undertaken at 1 July 2017, valuations have been updated annually by Council Officers at depreciated current replacement cost based on Australia Bureau of Statistics Time Series data, Tables 17 (Construction Industries) movements specific to Adelaide for the period since valuation to June 2020

### **Plant & Equipment**

· Basis of valuation: Historic Cost

#### **Furniture & Fittings**

· Basis of valuation: Historic Cost

#### **All Other Assets**

Basis of valuation: Deemed Cost

## Notes to the Financial Statements

for the year ended 30 June 2020

## Note 8. Liabilities

	2020	2020	2019	2019
\$ '000	Current	Non Current	Current	Non Current
(a) Trade and Other Payables				
Goods & Services	2,624	_	3,351	_
Payments Received in Advance	799	_	622	_
Accrued Expenses - Employee Entitlements	711	_	425	_
Accrued Expenses - Other	331	_	197	_
Aged Care Facility Deposits	782	_	782	_
Deposits, Retentions & Bonds	4	_	4	_
Other	3		65	_
TOTAL Trade and Other Payables	5,254	_	5,446	_
	2020	2020	2019	2019
<b>\$ '000</b> Notes	Current	Non Current	Current	Non Current
(b) Borrowings				
Bank Overdraft	2,000	_	_	_
Loans	5,000	5,000	62	10,000
Lease Liabilities 17	285	446	_	_
TOTAL Borrowings	7,285	5,446	62	10,000
All interest bearing liabilities are secured over the future revenues of the Council				
(c) Provisions				
Employee Entitlements (including oncosts)	3,338	129	2,843	109
Future Reinstatement / Restoration, etc	250	1,399	205	1,289
TOTAL Provisions	3,588	1,528	3,048	1,398
		.,020		.,00

## Notes to the Financial Statements

for the year ended 30 June 2020

### Note 9. Reserves

\$ '000	as at 30/06/19 Opening Balance	Increments (Decrements)	Transfers	Impairments	as at 30/06/20 Closing Balance
(a) Asset Revaluation Reserve					
Land - Community	61,264	(1,386)	_	_	59,878
Buildings Infrastructure	32,055	223	_	_	32,278
- Stormwater	19,476	(359)	_	_	19,117
- Community Wastewater Management Systems	5,626	(139)	_	_	5,487
- Roads	117,794	(3,701)	_	_	114,093
- Bridges	4,393	(101)	_	_	4,292
- Footpaths	114	91	_	_	205
- Retaining Walls	4,511	259	_	_	4,770
- Guardrails	3,105	(1,770)	_	_	1,335
- Kerb & Gutter	14,044	2,344	_	_	16,388
- Traffic Controls	564	7	_	_	571
- Street Furniture	1,235	5	_	_	1,240
- Sport & Recreation	2,941	28	_	_	2,969
- Playgrounds	108	5	_	_	113
- Cemeteries	2,233	9	_	_	2,242
JV's / Associates - Other Comprehensive Income	228	_	_	_	228
Total Asset Revaluation Reserve	269,691	(4,485)	_	_	265,206
Comparatives	210,121	59,754	_	(184)	269,691

	as at 30/06/19				as at 30/06/20
\$ '000	Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	Closing Balance
(b) Other Reserves					
Community Wastewater Management Systems	188	107	_	_	295
Torrens Valley Community Centre	137	_	(36)	_	101
Library	1	_	_	_	1
Scott Creek Progress Association	6	_	_	_	6
Environmental Fund Reserve	232	_	(54)	_	178
Significant Trees Reserve	9	_	(9)	_	_
Total Other Reserves	573	107	(99)	_	581
Comparatives	1,426	2	(200)	(655)	573

### **PURPOSES OF RESERVES**

## **Asset Revaluation Reserves**

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).

## Notes to the Financial Statements

for the year ended 30 June 2020

## Note 10. Assets Subject to Restrictions

\$ '000		2020	2019
The uses of the following assets are restricted, wholly or partially, by lead the other externally imposed requirements. The assets are required to be upurposes for which control was transferred to Council, or for which the originally obtained.	itilised for the		
Cash & Financial Assets			
Unexpended amounts received from Federal Government			
Community Wastewater Management Systems Investigations		354	351
Total Cash & Financial Assets	_	354	351
		351	
Total Assets Subject to Externally Imposed Restrictio	<u>ns</u>	354	331
Note 11. Reconciliation to Statement of Cash Flo	_	2020	2019
Note 11. Reconciliation to Statement of Cash Flo	ws		
Note 11. Reconciliation to Statement of Cash Flo	ws		
Note 11. Reconciliation to Statement of Cash Flo	WS Notes		
Note 11. Reconciliation to Statement of Cash Flo  \$ '000  (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 enthe reporting period as shown in the Statement of Cash Flows is reconciliation.	WS Notes		
Note 11. Reconciliation to Statement of Cash Flows 1000  (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 enthe reporting period as shown in the Statement of Cash Flows is reconciliation to the related items in the Balance Sheet as follows:	Notes  Notes	2020	2019

## Notes to the Financial Statements

for the year ended 30 June 2020

bank without notice.

## Note 11. Reconciliation to Statement of Cash Flows (continued)

\$ '000		2020	2019
(b) Reconciliation of Change in Net Assets to Cash from			
Operating Activities			
Net Surplus/(Deficit)		(2,773)	3,263
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		9,207	8,826
Equity Movements in Equity Accounted Investments (Increase)/Decrease		(63)	(132)
Non-Cash Asset Acquisitions		(970)	(1,982)
Grants for capital acquisitions treated as Investing Activity		(556)	(425)
Net (Gain) Loss on Disposals		1,757	95
Other		(71)	_
		6,531	9,645
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		(220)	292
Net (Increase)/Decrease in Inventories		1	(6)
Net (Increase)/Decrease in Other Assets			(2)
Net Increase/(Decrease) in Trade & Other Payables		(192)	96
Net Increase/(Decrease) in Unpaid Employee Benefits		515	168
Net Increase/(Decrease) in Other Provisions		155	149
Net Increase/(Decrease) in Other Liabilities		133	(3)
Net Cash provided by (or used in) operations		6,790	10,339
¢ 1000	Nata	2020	2040
\$ '000	Notes	2020	2019
(c) Non-Cash Financing and Investing Activities			
Acquisition of assets by means of:			
Physical Resources Received Free of Charge	2h	970	1,982
Amounts recognised in Income Statement		970	1,982
Total Non-Cash Financing and Investing Activities		970	1,982
			1,002
(d) Financing Arrangements			
Unrestricted access was available at balance date to the following line	s of		
credit:	3 01		
Bank Overdrafts		200	200
Corporate Credit Cards		180	180
Asset Finance - Leasing		750	750
LGFA Cash Advance Debenture Facility		10,200	10,200
·		•	,
The bank overdraft facilities may be drawn at any time and may be terminat	ed by the		

Adelaide Hills Council

Financial Statements 2020

### Notes to the Financial Statements

for the year ended 30 June 2020

Note 12a. Functions

Income, Expenses and Assets have been directly attributed to the following Functions / Activities.

Details of these Functions/Activities are provided in Note 12b.

		INCOME		EXPENSES	-	PERATING S (DEFICIT)		INCLUDED IN INCOME	(	SSETS HELD CURRENT & I-CURRENT)
\$ '000	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Functions/Activities										
Business Undertakings	_	_	_	_	_	_	_	_	427,533	431,566
Community Capacity	1,768	1,727	6,851	6,755	(5,083)	(5,028)	1,472	1,440	_	_
Corporate Services	40,155	38,089	12,153	9,664	28,002	28,425	839	817	_	_
Infrastructure & Operations	3,453	4,537	26,608	24,712	(23,155)	(20,175)	2,850	2,783	_	_
Development & Regulatory Services	1,248	1,207	3,554	3,478	(2,306)	(2,271)	84	83	_	_
Total Functions/Activities	46,624	45,560	49,166	44,609	(2,542)	951	5,245	5,123	427,533	431,566

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 the Financial Statements

for the year ended 30 June 2020

### Note 12b. Components of Functions

#### The activities relating to Council functions are as follows:

#### **COMMUNITY CAPACITY**

Communications, Engagement & Events, Community Capacity Director's Office, Community Development (Management & Partnerships), Community Grants, Community Programs, Cultural Development, Customer Service, Economic Development, FABRIK Arts and Heritage Hub, Library Services, Positive Ageing (Home and Social Support), Positive Ageing Project (Collaborative), Service Strategy & Innovation, The Summit Community Centre, Torrens Valley Community Centre, Volunteering and Youth Development.

#### **CORPORATE SERVICES**

Adelaide Hills Business Tourism Centre, Cemeteries, Corporate Services Director's Office, Financial Services, Governance & CEO Office, ICT, Information Management, Organisational Development & Work Health & Safety, Property Management and Retirement Villages.

#### **INFRASTRUCTURE & OPERATIONS**

Civil Services, Community Wastewater Management System (CWMS), Emergency Management, Infrastructure & Operations Director's Office, Open Space Biodiversity, Open Space Operations, Open Space - Sport & Recreation Planning, Sustainability, Sustainable Assets and Waste.

#### **DEVELOPMENT & REGULATORY SERVICES**

Animal Management, Development & Regulatory Services Director's Office, Fire Prevention, Mt Lofty Waste Control Project, Parking and By-Laws, Planning & Development, Policy Planning and Public Health.

### Notes to the Financial Statements

for the year ended 30 June 2020

#### 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 0.45% and 0.75% (2019: 1.25% and 1.75%).

#### **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 5.2% (2019: 6.6%). 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.

### Notes to the Financial Statements

for the year ended 30 June 2020

### Note 13. Financial Instruments (continued)

#### **Receivables - Retirement Home 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.

#### **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 - Retirement Home 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 (or variable - describe) rates between **4.6**% and **6.75**% (2019: **4.6**% and **6.75**%).

#### **Carrying Amount:**

Approximates fair value.

#### **Liabilities - Leases**

#### **Accounting Policy:**

Accounted for in accordance with AASB 16 as stated in Note 17.

## Notes to the Financial Statements

for the year ended 30 June 2020

## Note 13. Financial Instruments (continued)

		Due > 1 year		Total Contractual	Carrying
\$ '000	Due < 1 year	& ≤ 5 years	Due > 5 years	Cash Flows	Values
2020					
Financial Assets					
Cash & Equivalents	518	_	_	518	518
Receivables	2,621	_	_	2,621	2,621
Total Financial Assets	3,139	_	_	3,139	3,139
Financial Liabilities					
Payables	3,744	_	_	3,744	3,744
Current Borrowings	7,636	_	_	7,636	7,285
Non-Current Borrowings	230	6,380	_	6,610	5,446
Total Financial Liabilities	11,610	6,380	_	17,990	16,475
2019					
Cash & Equivalents	2,024	_	_	2,024	2,025
Receivables	2,385	_	_	2,385	2,385
Total Financial Assets	4,409	_	_	4,409	4,410
Financial Liabilities					
Payables	4,401	_	_	4,401	4,399
Current Borrowings	65	_	_	65	62
Non-Current Borrowings	568	6,257	5,230	12,055	10,000
Total Financial Liabilities	5,034	6,257	5,230	16,521	14,461

The following interest rates were applicable to Council's Borrowings at balance date:	2020		2019	
\$ '000	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Overdraft	2.20%	(2,000)	3.35%	_
Fixed Interest Rates	5.68%	12,731 10,731	5.68%	10,062 10,062

#### **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.

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### Notes to the Financial Statements

for the year ended 30 June 2020

### Note 13. Financial Instruments (continued)

### Risk Exposures

<u>Credit Risk</u> 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 NAB. 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.

<u>Market Risk</u> 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 <u>currency risk</u> apply.

<u>Liquidity Risk</u> 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.

<u>Interest Rate Risk</u> 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.

## Notes to the Financial Statements

for the year ended 30 June 2020

## Note 14. Capital Expenditure and Investment Property Commitments

\$ '000	2020	2019
(a) Capital Commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Infrastructure	1,900	1,750
Plant & Equipment	94	304
	1,994	2,054
These expenditures are payable:		
Not later than one year	1,994	2,054
	1,994	2,054
(b) Other Expenditure Commitments		
Other non-capital expenditure commitments in relation to investment properties at the reporting date but not recognised in the financial statements as liabilities:		
Audit Services	_	24
		24
These expenditures are payable:		
Not later than one year	_	24
	_	24
-		

## Notes to the Financial Statements

for the year ended 30 June 2020

additional assets.

## Note 15. Financial Indicators

	Amounts	Indicator 2020	Prior periods	
'000	2020		2019	2018
hese Financial Indicators have been calculated in accordance ith Information paper 9 - Local Government Financial adicators prepared as part of the LGA Financial Sustainability rogram for the Local Government Association of South ustralia.				
Operating Surplus Ratio				
perating Surplus	(2,542)	(5.5)%	2.1%	1.0%
otal Operating Income	46,624	(610)/6		
his ratio expresses the operating surplus as a percentage of tall operating revenue.				
. Net Financial Liabilities Ratio				
et Financial Liabilities	19,822	43%	34%	55%
otal Operating Income	46,624	/ •		2270
let Financial Liabilities are defined as total liabilities less nancial assets (excluding equity accounted investments in council businesses). These are expressed as a percentage of otal operating revenue.				
djustments to Ratios  recent years the Federal Government has made advance ayments prior to 30th June from future year allocations of mancial assistance grants, as explained in Note 1. These djusted Ratios correct for the resulting distortion in key ratios or each year and provide a more accurate basis for comparison.				
djusted Operating Surplus Ratio				
perating Surplus	(2,273)	(4.8)%	0.6%	1.0%
otal Operating Income	46,893	(4.0) /0	0.070	1.070
djusted Net Financial Liabilities Ratio				
et Financial Liabilities	19,553	400/	0.40/	==0/
otal Operating Income	46,893	42%	34%	55%
Asset Renewal Funding Ratio				
let Asset Renewals	9,718	106%	93%	128%
frastructure & Asset Management Plan required expenditure	9,207			1_37
Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of productional assets.				

#### Notes to the Financial Statements

for the year ended 30 June 2020

#### Note 16. Uniform Presentation of Finances

\$ '000	2020	2019

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

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

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

Income less Expenses	46,624 (49,166)	45,560 (44,609)
Operating Surplus / (Deficit)	(2,542)	951
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(9,718)	(10,090)
add back Depreciation, Amortisation and Impairment	9,207	8,826
add back Proceeds from Sale of Replaced Assets	714	497
	203	(767)
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property &		
Real Estate Developments)	(3,223)	(3,877)
add back Amounts Received Specifically for New and Upgraded Assets	556	425
add back Proceeds from Sale of Surplus Assets (including investment property, real		
estate developments & non-current assets held for resale)	1,647	9,146
-	(1,020)	5,694
Net Lending / (Borrowing) for Financial Year	(3,359)	5,878

#### Notes to the Financial Statements

for the year ended 30 June 2020

#### Note 17. Leases

#### (i) Council as a lessee

Set out below are the carrying amounts of right-of-use assets recognised within Infrastructure, Property, Plant and Equipment and the movements during the period:

#### Right of use assets

\$ '000	Right of Use	Total	
2020			
Adoption of AASB 16 at 1 July 2019	239	239	
Additions to right-of-use assets	703	703	
Depreciation charge	(214)	(214)	
Balance at 30 June 2020	728	728	

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

\$ '000	2020	2019
Balance at 1 July	239	_
Additions	703	_
Accretion of interest	11	_
Payments	(221)	
Balance at 30 June	732	
Classified as:		
Current	286	_
Non Current	446	_
The maturity analysis of lease liabilities is included in Note 13.		
Council had total cash outflows for leases of \$529k.		
The following are the amounts recognised in profit or loss:		
Depreciation expense of Right-of-Use Assets	214	_
Interest expense on lease liabilities	11	_
Expense relating to short term leases	308	
Total amount recognised in profit or loss	533	

#### Notes to the Financial Statements

for the year ended 30 June 2020

#### Note 18. Superannuation

The Council makes employer superannuation contributions in respect of its employees to Statewide Super (formerly Local Government Superannuation Scheme). There are two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 have the option to contribute to 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 (9.50% in 2019/20; 9.50% in 2018/19). 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 2018/19) 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 119.32(b), 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 Willie Towers Watson as at 30 June 2017. 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 the Financial Statements

for the year ended 30 June 2020

#### 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.

	Council's Share of N	let Income	Council's Share of Net Assets	
\$ '000	2020	2019	2020	2019
Council's Share of Net Income				
Joint Ventures	63	132	1,491	1,350
Total Council's Share of Net Income	63	132	1.491	1,350

#### (i) Joint Ventures, Associates and Joint Operations

#### (a) Carrying Amounts

\$ '000	Principal Activity	2020	2019
Eastern Waste Management Authority	Waste		
	Management	138	101
Gawler River Floodplain Management Authority	Floodplain		
	Management	937	878
Adelaide Hills Regional Waste Management Authority	Waste		
	Management	416	371
<b>Total Carrying Amounts - Joint Ventures &amp; Associa</b>	tes	1,491	1,350

#### Eastern Waste Management Authority

Eastern Waste is a regional subsidiary pursuant to S.43 of the Local Government Act 1999. Council has an interest in the assets and liabilities of Eastern Waste. The other member Councils are Norwood, Payneham & St. Peters, Burnside, Mitcham, Campbelltown and Walkerville.

#### Gawler River Floodplain Management Authority

Gawler River Floodplain Management Authority is a regional subsidiary pursuant to S.43 of the Local Government Act 1999. Council has an interest in the assets and liabilities of Gawler River Floodplain Management Authority. Other members are Barossa, Gawler, Light, Adelaide Plains and Playford Councils.

#### Adelaide Hills Regional Waste Management Authority

Adelaide Hills Regional Waste Management Authority is a regional subsidiary pursuant to S.43 of the Local Government Act 1999. Council has an interest in the assets and liabilities of Adelaide Hills Regional Waste Management Authority. Other members are Alexandrina, Mt. Barker and Murray Bridge Councils.

#### (b) Relevant Interests

	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
\$ '000	2020	2019	2020	2019	2020	2019
Eastern Waste Management Authority	14.29%	14.29%	14.29%	14.29%	14.29%	14.29%
Gawler River Floodplain Management Authority	4.23%	3.92%	4.23%	3.92%	16.67%	16.67%
Adelaide Hills Regional Waste Management Authority	34.40%	33.10%	40.52%	41.41%	25.00%	25.00%

#### Notes to the Financial Statements

for the year ended 30 June 2020

#### Note 19. Interests in Other Entities (continued)

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

		Eastern Waste Management Authority		odplain ıthority	Adelaide Hills Regio Management Au	
\$ '000	2020	2019	2020	2019	2020	2019
Opening Balance	101	69	878	600	371	169
Share in Operating Result	28	19	(10)	(6)	45	119
Share in Other Comprehensive Income	_	5	_	229	_	7
Adjustments to Equity  Council's Equity Share in the Joint Venture or	9	8	69	55		76
Associate	138	101	937	878	416	371

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

\$ '000	2020	2019
Carrying Amounts of Assets and Liabilities		
Assets Infrastructure, Property, Plant & Equipment (Northern side of AHBTC) Total Assets		1,530 1,530
Net Assets		1,530

#### Notes to the Financial Statements

for the year ended 30 June 2020

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

The following assets and liabilities do not qualify for recognition in the Balance Sheet, but knowledge 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.

#### 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 deductable "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 4 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.

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

Events that occur after the reporting date of 30 June 2020, 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.

COVID-19 has been classified as a global pandemic by the World Health Organisation and has developed rapidly in 2020. Measures taken by the Federal and State governments have affected South Australia's economic activity and Council's operations.

At this stage, the financial impacts on Council's operations have not been significant and Council expects that further impacts on Council's operations to flow into the 2020/21 financial year will not be significant. We refer to Note 1.15 providing details of the financial impacts caused by COVID-19 during the 2019/20 financial year.

Council is aware of the following "non adjusting event" that merit disclosure;

#### **Retirement Villages**

In August 2018, Council resolved to sell its Retirement Village portfolio to Clayton Church Homes (CCH). As a result of contract negotiations and due diligence it was discovered that a portion of the Bridgewater Village is the subject of an unregistered charitable trust and is Community Land. As such, it was necessary to excise the Bridgewater village from the transaction at that time. However, Council has provided CCH with a first right of refusal to purchase the Bridgewater Village if the Trust is able to be varied and the community land classification revoked.

As a result, there is a number of contractual conditions precedent still to be fulfilled prior to the sale of Bridgewater Village being unconditional. Given the highly restrictive definition of a non-current assets held for resale these assets have remained within the land and buildings categories under Infrastructure, Property Plant & Equipment in the Statement for Financial Position.

#### Notes to the Financial Statements

for the year ended 30 June 2020

#### Note 23. Related Party Transactions

#### **Key Management Personnel**

#### **Transactions with Key Management Personel**

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 20 persons were paid the following total compensation.

\$ '000	2020	2019
The compensation paid to Key Management Personnel comprises:		
Short-Term Employee Benefits	1,590	1,544
Long-Term Benefits	116	112
Total	1,706	1,656

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

#### Receipts from Key Management Personnel comprise:

Other than amounts paid as ratepayers or residents (e.g. rates, swimming pool entry fees, etc.), Council received the following amounts in total:

Planning and Building Application Fees	1	_
Total	1	_

Five Key Management Personnel are a Board Members/Deputy Board Members of entities, namely the State Libraries Board, Local Government Association of SA, Local Government Professionals SA, Adelaide Hills Regional Waste Management Authority and The Hutt Community Centre respectively, which have had some dealings with Council but it is not considered that those members control or jointly control those organisations.

During the financial year the Adelaide Hills Council:

- received grants for materials of \$159,756 and operating \$131,827 from Arts SA for a Public Libraries Grant and paid \$13,830 for library management software
- paid to LGA of SA an amount of \$56,928 for Membership and \$21,132 for Training, Seminar/Forum and Tenders & Contracts
- paid an amount of \$5,254 to LG Professionals SA for bronze memberships and \$8,716 for conferences and training
- · paid to AHRWMA \$1.3m for collection and disposal of waste and associated services

One Key Management Person received salary and wages from the Hut Community Centre Inc. During the 2019-20 financial year, Council paid \$186,055 to The Hut Community Centre relating to the following:

- · Funding for Provision of Community Home Support Program of \$12,650
- Funding \$167,890
- Reimbursement of volunteer expenses of \$ 4,823
- Reimbursement of 80% electricity \$692

Five Key Management Personnel received income from five entities, namely Summit Health, University of SA, Ecodynamics, Electoral Commission and Gawler River Flood Plain Management during the 2019-20 financial year.

During the financial year Council paid:

- \$1,100 in a Grant contribution to Summit Health
- \$2,200 for Library review to University of SA
- \$314 to Ecodynamics for the supply of plants
- \$14,331 to the Electoral Commission for Roll maintenance costs
- \$28,206 to the Gawler River Flood Plain Management Authority, being a Council subsidiary for 19/20 Subscription

#### Notes to the Financial Statements

for the year ended 30 June 2020

#### Note 23. Related Party Transactions (continued)

Five Key Management Personnel are members on six management committees of groups that received contributions from Adelaide Hills Council. Details of those contributions are as follows:

- · Birdwood High School, \$150 donation
- · Kersbrook Public Hall Inc, who received:
  - \$6,551 relating to a contribution for public toilet maintenance
  - \$1,382 as a rate rebate
  - \$992 Community Development Grant
- RSL Gumeracha Sub branch who received a minor grant of \$300
- Woodside Hall who received \$1,905 for reimbursement of insurance
- Old School Community Garden who received a \$2,500 grant
- · Adelaide Hills (War Memorial) Swimming Centre Inc who received a Maintenance Grant of \$93,404

# Galpins

Accountants, Auditors & Business Consultants

David Chant CA. FCPA Simon Smith CA. FCPA David Sullivan CA. CPA Jason Seidel CA Renae Nicholson CA Tim Muhlhausler CA Aaron Coonan CA Luke Williams CA. CPA Daniel Moon CA



#### Mount Gambier

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#### Norwood

3 Kensington Road, Norwood SA 506 PO Box 4067, Norwood South SA 506 P: [08] 8332 3433 F: [08] 8332 3466

W: www.galpins.com.au

ABN: 30 630 511 757

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#### INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL REPORT

#### To the members of Adelaide Hills Council

#### **Opinion**

We have audited the accompanying financial report of Adelaide Hills Council (the Council), which comprises the statement of financial position as at 30 June 2020, 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 Council Certificate of Adelaide Hills Council.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2020, and its financial performance and its cash flows for the year then ended in accordance with the Australian Accounting Standards, the *Local Government Act 1999* and the *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 Council in accordance with the ethical requirements of the Accounting Professional and 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 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.

#### **Council's Responsibility for the Financial Report**

Council 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 Council 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, Council is responsible for assessing the Council'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 Council either intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Council's financial reporting process.

#### **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 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 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 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 audit procedures that are appropriate in the circumstances, but not for the purpose of
  expressing an opinion on the effectiveness of the Council'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 Council'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 Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease 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

Partner

29 October 2020

# Galpins

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#### INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL CONTROLS

#### To the members of Adelaide Hills Council

#### Independent Assurance Report on the Internal Controls of Adelaide Hills Council

#### **Opinion**

We have audited the compliance of Adelaide Hills Council (the Council) with the requirements of Section 125 of the *Local Government Act 1999* in relation only to the Internal Controls established by the Council 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 2019 to 30 June 2020 have been conducted properly and in accordance with law.

In our opinion, Adelaide Hills Council has complied, in all material respects, with Section 125 of the *Local Government Act 1999* in relation to Internal Controls established by the Council 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 Council have been conducted properly and in accordance with law for the period 1 July 2019 to 30 June 2020.

#### **Basis for Opinion**

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial 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 Council 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 2019 to 30 June 2020. 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 Council's Responsibility for Internal controls

The Council 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 apply Auditing Standard ASQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements in undertaking this assurance engagement.

#### Auditor's responsibility

Our responsibility is to express an opinion on the Council's compliance with Section 125 of the *Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the 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 Financial 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 Council 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 2019 to 30 June 2020. ASAE 3000 also requires us to comply with the relevant ethical requirements of 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.

#### **Limitation of Use**

This report has been prepared for the members of the Council 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 Council, or for any purpose other than which it was prepared.

#### **GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS**

Tim Muhlhausler CA Registered Company Auditor

Partner

29 October 2020

### General Purpose Financial Statements

for the year ended 30 June 2020

#### Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Council for the year ended 30 June 2020, the Council's Auditor, Galpins 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.

Andrew Aitken

Chief Executive Officer

Date: 20 OCTOBER 2020

Malcolm Herrmann

Presiding Member, Audit Committee

## Galpins

Accountants, Auditors & Business Consultants

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#### ADELAIDE HILLS COUNCIL

GENERAL PURPOSE FINANCIAL STATEMENTS For the year ended 30 June 2020

#### Statement by Auditor

I confirm that, for the audit of the financial statements of Adelaide Hills Council for the year ended 30 June 2020, 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** 

Tim Muhlhausler CA, Registered Company Auditor

Partner

14 October 2020

# Appendix Two

**Subsidiary Annual Reports** 



East Waste is on a transformational path moving solely from a reactive waste collection logistics business to a broader resource manager and active community behaviour change agent.

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# 2019-2020

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# CHAIRPERSON'S REPORT

I am pleased to be able to contribute to, and commend, my first Annual Report for East Waste. I was fortunate enough to be appointed Independent Chairperson of East Waste, commencing February 2020. My appointment coincided with the onset of COVID-19 and so my first few months as Chairperson have not been as I initially envisaged - they were more dynamic!

I will talk further to this later in my report, but before I refer to some highlights of the 2019/2020 Financial Year, I would like to acknowledge and express my thanks to some people. Firstly, I would like to thank East Waste's out-going Independent Chairperson, Mr Brian Cunningham. Brian served as Chairperson for six (6) consecutive years and in that time oversaw and directed some significant outcomes at East Waste. Brian's leadership throughout his tenure has seen East Waste in the strong position it is today, as both a business and industry leader.

On behalf of the East Waste Board, East Waste staff and Member Councils, I thank Brian for his contribution, and wish him well for the future. I would also like to thank Mr Paul Di Iulio, Deputy Chair of the East Waste Board for acting as the Independent Chairperson for a number of months prior to my appointment, whereby he oversaw a number of significant decisions and outcomes. Paul is a very strong leader, whose ongoing committed contribution to the East Waste Board has been evident over the years and has continued in my time as Chairperson.

East Waste has also seen some movement within the membership of its Audit and Risk Management Committee. After a successful six (6) years on the Committee, Mr Leigh Hall, Independent Member has completed his tenure. I would like to thank Mr Hall for his contribution to East Waste throughout his tenure. Replacing Mr Hall, is Ms Sandra Di Blasio, who commenced as Independent Member on the Committee in February 2020. Sandra is an experienced

executive, who sits on a number of Boards and Committees as a Non-executive Director, and East Waste is fortunate to have Sandra's contribution to the Committee.

#### **Strategic Direction**

East Waste has a earnt a reputation as a leader in waste management and with an engaged Board and Member Councils and it has a clear direction to continue this momentum. A clear mandate for East Waste is to drive value back to the communities we serve, and we can do this in many ways.

The waste industry finds itself in a dynamic space at the moment, with many unknowns continuing to present themselves. This presents a great opportunity for East Waste to outline and deliver a robust strategic direction, which identifies clear objectives with opportunities to enhance advocacy and foster growing partnerships with like-minded organisations to establish efficiencies and create sustainable behavioural change practices that ensure waste minimisation targets are met.

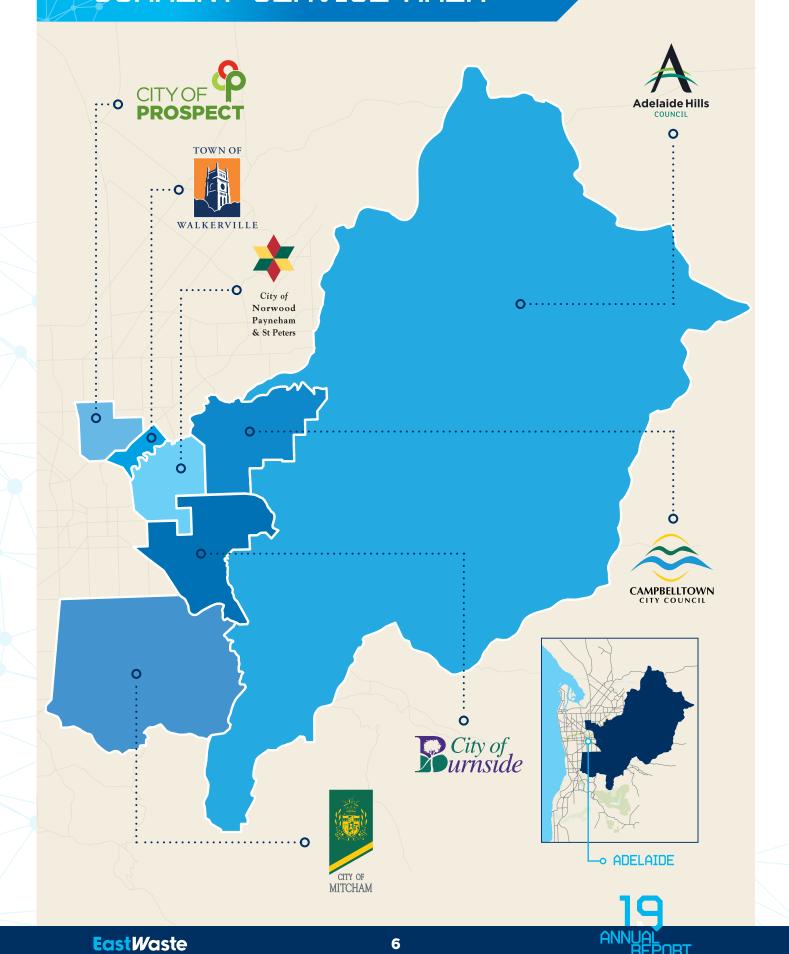
East Waste's soon to be released Strategic Direction 2030 will outline the objectives and targets to attain our Strategic goals.

#### **Partnerships**

In support of these thoughts regarding East Waste's Strategic intent, I am excited to be able to report on a significant partnership agreement that East Waste has entered into during the 2019/2020 Financial Year. East Waste has partnered with the Fight Food Waste Cooperative



# CURRENT SERVICE AREA



#### EASTERN WASTE MANAGEMENT AUTHORITY ANNUAL REPORT 2019-2020

### CHAIRPERSON'S REPORT

Research Centre, Adelaide University and Green Industries South Australia with the intention of identifying behavioural change initiatives that eliminate food waste being disposed of to landfill.

East Waste's target is 100 percent (by weight) of total food waste collected from residential premises, to be collected separately and recycled by 2030. The partnerships aim to nurture behavioural change trials, that are supported by robust data, comprehensive bin audits and technology that is able to report on household disposal habits and behaviours.

for the 2019/2020 Financial Year. In a year that has been heavily impacted by COVID-19, this is a pleasing result to be able to report. As readers and stakeholders can appreciate, the waste industry saw a significant increase in the volumes of household waste, recyclables and green organics being collected in the months of March, April and May 2020, which ultimately saw East Waste's drivers working significant hours to meet this increase.

Not only did the drivers perform particularly well during this time, it is a credit to East Waste's



The elimination of food waste being disposed of to the general waste will not only have major positive impacts on the environment i.e. reduction in greenhouse gas emissions, it will also considerably reduce kerbside collection costs for all households.

I look forward to being able to report on the progress of this project in the near future.

#### **Financial Performance**

I am pleased to be able to report that East Waste has delivered an operating surplus of \$193,000

Board, Audit and Risk Management Committee and Executive Staff for delivery of a healthy operating surplus.

#### Thank you

I would like to thank the East Waste Board and Audit and Risk Management Committee for their strong leadership and decision-making during my early tenure and the year of COVID-19.

To East Waste Member Councils, thank you for your engagement, support and leadership in working with East Waste to deliver its Annual



EASTERN WASTE MANAGEMENT AUTHORITY ANNUAL REPORT 2019-2020

### CHAIRPERSON'S REPORT



Plan, our new initiatives and service delivery model throughout a challenging year. I have observed the strong relationships each Member Council has with East Waste and look forward to working with you.

To East Waste's General Manager, Mr Rob Gregory, thank you for your leadership of East Waste throughout a challenging and tumultuous time.

Your care and empathy towards your staff has been evident and has been the ongoing key to your success in operating the business throughout the 2019/2020 Financial Year.

You lead a great team that I had the pleasure

of working directly with during some very challenging times in Q1 of this year.

I commend the 2019/2020 East Waste Annual Report to you.



Fraser Bell East Waste Chair





# 110,000 TOTAL TONNAGES



8,000,000 ANNUAL BIN COLLECTIONS



3,200 HARD WASTE TONNES CONVERTED TO FUEL



56% OF MATERIAL DIVERTED FROM LANDFILL



45 COLLECTION VEHICLES



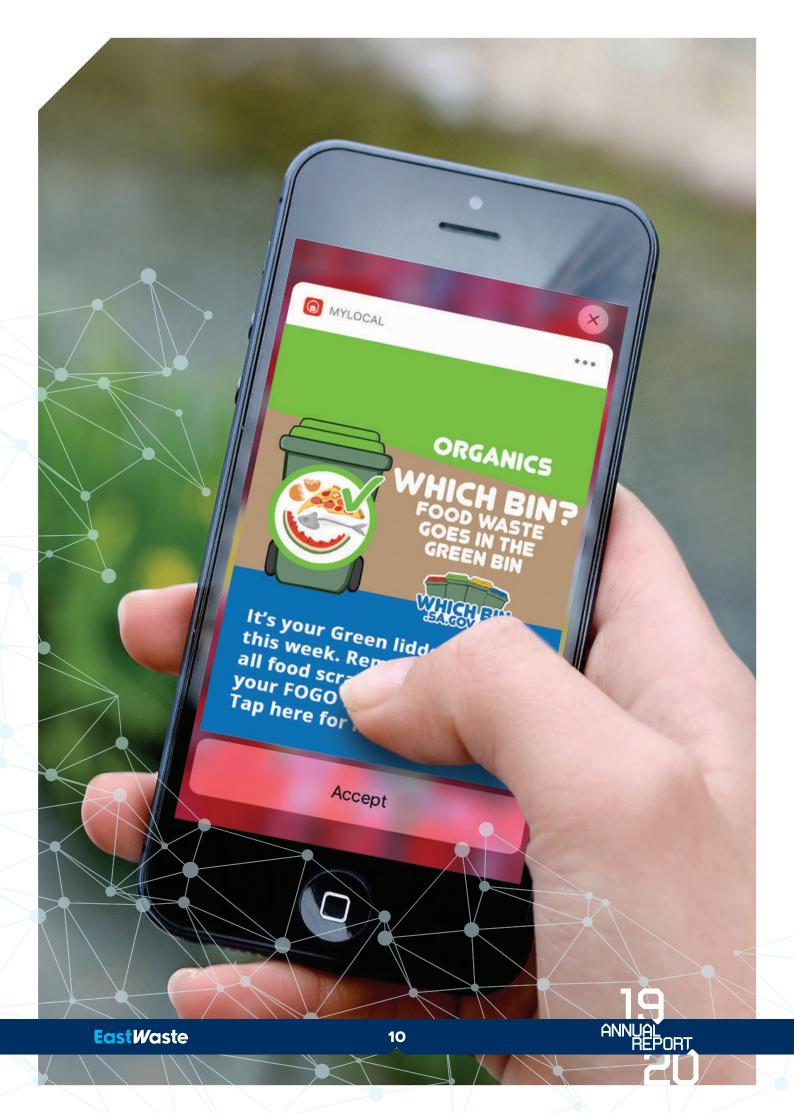
7,500 BIN REPAIRS UNDERTAKEN BY THE MOBILE TEAM



3,000 BIN DELIVERIES UNDERTAKEN PER YEAR



2,000+ ENQUIRIES RECEIVED & RESOLVED EACH WEEK



# GENERAL MANAGER'S REPORT

Like everyone else in the world, East Waste has not been immune to impacts of COVID-19. As an essential service, it was critical that East Waste responded quickly to the ever-changing environment. I am extremely pleased to report that East Waste responded very early and decisively to COVID-19 impacts.

11

With a focus on staff well-being, hygiene practices, contingency planning and continuation of service delivery, I am proud to be able to say that East Waste did, and continues to do so, deliver 100% of services to our Member Councils and their residents.

The months of March, April and May saw increases in residential disposal of waste, recyclables and green organics, as most residents were working from home. In the month of April, East Waste saw an increase of 35% in green organics tonnes collected and a 15% increase in recyclables tonnes collected, compared to the same time last year. In addition, East Waste saw an increase in Hard Waste collections, as again, most residents were working from home and took the opportunity to undertake early spring cleaning.

East Waste rose to the challenge, at the same time adhering to and responding to the daily or weekly restriction and social-distancing requirements being imposed. This was only possible with the commitment and flexibility of our fantastic staff.

All East Waste staff have worked together, shown compassion, empathy for each other and simply got the job done. I would therefore like to express my sincere thanks to the entire East Waste team and their families who continue to support them.

I provide the following highlights to you:

#### **Kerbside Bin Audit**

In October/November 2019, East Waste undertook the largest, most in-depth kerbside bin audit ever undertaken in South Australia.

Over 2,100 kerbside bins were randomly selected across East Waste's seven (7) Member Council areas, with 29 tonnes of material audited across all kerbside streams (general waste, recyclables and green organics).

The audit took a deep dive analysis of food waste disposal, types of food being disposed of, and to which bin.

The audit identified that more than 27% of the general waste bin was food which ends up in landfill and causes greenhouse gas emissions and is expensive for Councils and residents.

Therefore, the glaring opportunity identified is to get this food recycled into the green organics bin, where it can be turned into valuable compost.

By doing this, East Waste Member Councils and their residents could save up to \$3M per annum.

The audit also confirmed that contamination within the yellow bin continues to be at a high level. Soft plastics, textiles and general waste remain the key contaminants that we will continue to target through our education program.

These opportunities are and will be pursued in East Waste's Strategic direction and identified projects.

#### Increase in diversion from landfill rate

East Waste collected more tonnes this financial year than it did last financial year, and that increase can be attributed to COVID-19 whereby residents were working from home, thus generating more waste than usual and due to a large increase in green organics tonnes collected, primarily due to weather conditions and again,

ANNUAL REPORT

### GENERAL MANAGER'S REPORT



residents working from home and undertaking more gardening than usual.

Whilst the tonnes collected this financial year have increased, I am pleased to report that the overall diversion from landfill rate across East Waste's service area, has increased this financial year to 56%, compared with 54% last year. This is a great result as it means that less tonnes are going to landfill and more tonnes are being recycled.

This result can be attributed to East Waste's successful and on-going waste minimisation education focus and message delivery through media.

#### 100% recycled

The recycling commodity market continues to be a challenging one, with the impacts of the China bans still being felt. A tighter commodity market has resulted in reduced demand and prices being received for recyclables. Unfortunately,

in some Australian states, some collected recyclables have ended up in landfill due to there not being a market for the amount collected.

I am pleased to report however that this has not been the case in South Australia, whereby all kerbside recyclables collected by East Waste have been recycled through our Recycling Disposal contractor, Northern Adelaide Waste Management Authority (NAWMA), who have and continue to do a great job processing all the recyclables that they receive.

#### **Electric Vehicle**

Earlier in the 2019/2020 financial year, East Waste purchased South Australia's first fully electric collection vehicle. To ensure a full commitment to on-going sustainability and green initiatives, East Waste installed a rooftop solar system at its depot, which ensures the charging of the electric vehicle is 100% undertaken through solar energy.

### GENERAL MANAGER'S REPORT



The electric vehicle is being used to service East Waste Member Council, City of Prospect, predominantly due to its location and layout. Whilst there have been some challenges at times in the operation of the vehicle, when in operation and undertaking a full collection run, it is a pleasure to run and operate.

#### Advocacy

For varying reasons through the financial year, East Waste has seen itself garnering media interest, particularly around audit outcomes, electric vehicle operations, education initiatives and recycling contamination messaging.

As a kerbside collection operator that undertakes collections for approximately 20% of the Adelaide market, East Waste is seen as a thought leader within the industry. East Waste has this year set

about to reach a wider audience and advocate for its Member Councils, its stakeholders and the industry with respect to positive resource recovery opportunities, and particularly promoting initiatives that will lead to less waste going to landfill.

In my capacity as General Manager, I have seen a real increase in interest from the media, the waste industry and all levels of government as to what East Waste has to offer, and I would like to express my thanks to the East Waste Board and Member Councils for their support in increasing our footprint within the advocacy space.

#### **Thanks**

The 2019/2020 financial year has been a particularly challenging one, with bushfires impacting East Waste's service area in the

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### GENERAL MANAGER'S REPORT



Adelaide Hills and the impacts of COVID-19, however, I am very proud to be able to say that East Waste staff have responded exceptionally well to the challenges presented and have continued to perform their roles at a high level, with no disruption to our services levels.

This a real credit to all East Waste and their supportive families. Thank you all.

Finally, I would like to thank our previous
Chairman Mr Brian Cunningham for his guidance
and support over my initial years at East Waste
and I am fortunate that this great support has
continued with our current Chair Mr Fraser
Bell. Also to the East Waste Board, Audit and
Risk Management Committee and all Member

Councils for their support, hard work, guidance and leadership over this past year.

East Waste enjoyed another successful year, in what has been one of the most challenging years I have experienced, so it is credit to everyone.



**Rob Gregory** General Manager



# KERBSIDE TONNAGES COLLECTED



Member Council	Recyclables	Organics	Waste
Adelaide Hills Council	3,574	4,265	7,549
City of Burnside	4,043	6,975	7,499
Campbelltown City Council	4,174	7,023	9,921
City of Mitcham	5,901	10,266	11,6921
City of Norwood, Payneham & St Peters	3,468	5,006	7,076
City of Prospect	1,787	2,943	4,016
Town of Walkerville	704	1,164	1,358

<sup>1</sup> City of Mitcham undertakes the collection of waste for its residents.



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# EAST WASTE GOVERNANCE

### East Waste is administered by a Board in accordance with the requirements of the Local Government Act, the East Waste Charter, and various other policies and codes.

The membership of the Board comprises of eight directors – one director appointed by each of the Member Councils, and one independent person who acts as Chair. The Board appoints a General Manager who is responsible for implementing

the decisions made by the Board, and running the day-to-day operations of East Waste. The Board held eight formal meetings over the 2019 – 2020 financial year. The table below details Board Member attendance.

BOARD MEMBER	MEETINGS
Mr Brian Cunningham (Chair) *Term Expired 30/09/2019	0/1
Mr Fraser Bell (Chair) *Appointed 10/02/2020	5/5
Cr Linda Green (Adelaide Hills Council)	6/8
Mr Simon Bradley (City of Prospect)	6/8
Cr Grant Piggott (City of Burnside) *Term expired 30/12/2019	3/3
Cr Julian Carbone (City of Burnside) *Appointed 01/01/2020	5/5
Mr Paul Di Iulio (Campbelltown City Council)	6/8
Mayor Heather Holmes-Ross (City of Mitcham)	7/8
Mr Mario Barone (City of Norwood, Payneham & St Peters)	8/8
Cr Rob Ashby (Corporation of the Town of Walkerville)	6/8

DEPUTY DIRECTOR ATTENDANCE	MEETINGS
Mr John McArthur (Adelaide Hills Council)	2/2
Cr Paul Huebl (City of Burnside)	0/0
Cr Stephen Fisher (City of Mitcham) *Resignation effective 20 January 2020	1/1
Mr Andrian Wiguna (Campbelltown City Council)	0/0
Cr Norm Coleman (Corporation of the Town of Walkerville)	0/0

### EAST WASTE GOVERNANCE



#### **Audit and Risk Management Committee**

In accordance with the requirements of the Local Government Act 1999, East Waste has an established Audit and Risk Management Committee (the Audit Committee).

The principal objective of the Audit Committee is to ensure that the East Waste Board meets its

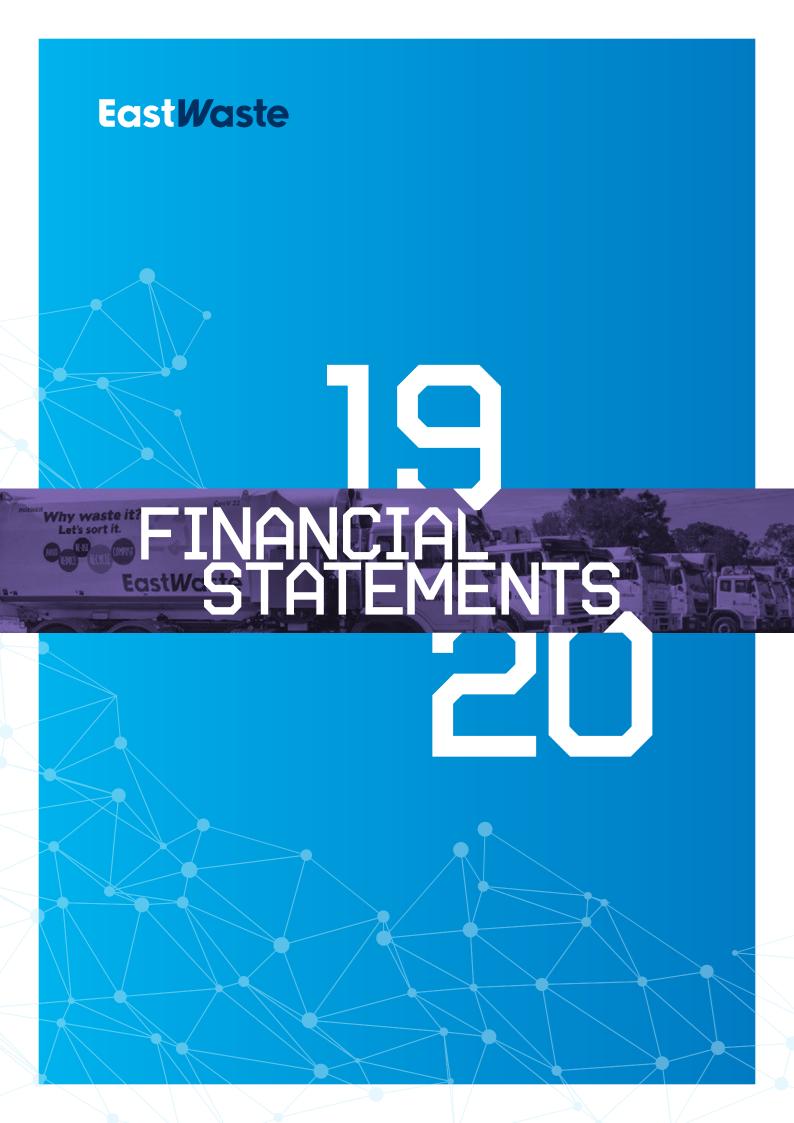
legislative and probity requirements as required by the Local Government Act 1999 and other relevant legislation, standards and codes.

The Audit Committee held five formal meetings over the 2019 – 2020 financial year. The table below details Audit Committee Member attendance.

AUDIT & RISK MANAGEMENT COMMITTEE MEMBER MEE	TINGS
Mr Paul Di Iulio (Acting Chair) *Term expired 30/09/2019	2/2
Mr Fraser Bell (Chair) *Appointed 10/02/2020	3/3
Mr Mario Barone (City of Norwood, Payneham & St Peters)	5/5
Cr Linda Green (Adelaide Hills Council) *Appointed 28/11/2019	2/3
Mr Tim Muhlhausler (Independent Member)	5/5
Ms Sandra Di Blasio (Independent Member) *Appointed 01/01/2020	3/3
Cr Grant Piggott (City of Burnside) *Term expired 30/12/2019	2/2

The Audited Financial Statements for the year ending 30 June 2020 are provided at page 20.

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### FINANCIAL STATEMENTS 2019-2020

#### **CERTIFICATION OF FINANCIAL STATEMENTS**

#### **EASTERN WASTE MANAGEMENT AUTHORITY INC**

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

#### **CERTIFICATION OF FINANCIAL STATEMENTS**

We have been authorised by Eastern Waste Management Authority Inc. 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 2020 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.

Rob Gregory General Manager

Fraser Bell Chairperson (

Date:

### FINANCIAL STATEMENTS 2019-2020

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

		2020	2019
	Notes	\$'000	\$'000
INCOME			
User charges	2	16,756	15,440
Investment income	2	21	32
Grants, subsidies and contributions		- \	38
Other	2	677	684
Total Income		17,454	16,194
EXPENSES	_		
Employee costs	3	5,851	5,580
Materials, contracts & other expenses	3	9,120	8,229
Finance costs	3	281	290
Depreciation & amortisation	3	2,069	1,959
Total Expenses	-	17,321	16,058
OPERATING SURPLUS	- -	133	136
Asset disposal & fair value adjustments	4	60	32
NET SURPLUS	_	193	168
Other Comprehensive Income	- -		
Total Other Comprehensive Income	_	-	
TOTAL COMPREHENSIVE INCOME	_	193	168

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

# **STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30 JUNE 2020**

	N	2020	2019
	Notes	\$'000	\$'000
ASSETS			
Current Assets			
Cash and cash equivalents	5	2,322	1,967
Trade & other receivables	5	1,019	717
Total Current Assets	_	3,341	2,684
Non-current Assets			
Property, Plant & Equipment	6	7,652	6,100
Total Non-current Assets		7,652	6,100
Total Assets		10,993	8,784
LIABILITIES	-		
Current Liabilities			
Trade & Other Payables	7	1,205	771
Provisions	7	597	540
Borrowings	7	1,929	1,987
Total Current Liabilities	_	3,731	3,298
Non-current Liabilities			
Trade & Other Payables	8	-	-
Borrowings	7	6,221	4,702
Provisions	7	77	78
Total Non-current Liabilities	_	6,298	4,780
Total Liabilities		10,029	8,078
Net Assets	_	964	706
EQUITY	-		
Accumulated Surplus	_	964	706
Total Equity		964	706
	_		

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



# **STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020**

Ac	cumulated Surplus \$'000	Total Equity \$'000
Balance at start of period - 1 July 2019	706	706
Net Surplus for Year Other Comprehensive Income	193	193
Contributed Equity Distributions to Member Councils	65 -	65 -
Balance at end of period - 30 June 2020	964	964
Balance at start of period - 1 July 2018	473	473
Net Surplus for Year  Other Comprehensive Income	168	168
Contributed Equity Distributions to Member Councils	65 -	65 -
Balance at end of period - 30 June 2019	706	706

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

# **STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020**

		2020	2019
	Notes	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating receipts		17,136	16,572
Investment receipts		16	32
Employee costs		(5,795)	(5,555)
Materials, contracts & other expenses		(8,677)	(8,260)
Finance payments	_	(291)	(309)
Net cash provided by operating activities	8	2,389	2,480
CASH FLOWS FROM INVESTING ACTIVITIES			
Sale of replaced assets	4	81	35
Expenditure on renewal/replacement of assets	6	(2,297)	(1,897)
Net cash used in investing activities	_	(2,216)	(1,862)
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital contribution by member councils		65	65
Proceeds from Borrowings		2,171	1,814
Repayments of Borrowings		(1,834)	(1,906)
Repayment of lease liabilities	_	(220)	
Net cash provided by (used in) financing activities		182	(27)
Net Increase (Decrease) in cash held		355	591
Cash & cash equivalents at beginning of period	5	1,967	1,376
Cash & cash equivalents at end of period	5	2,322	1,967

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

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### **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 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.

The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of the Adelaide Hills Council, City of Burnside, Campbelltown City Council, City of Mitcham, City of Norwood, Payneham & St Peters, City of Prospect and the Corporation of the Town of Walkerville. The seven Member Councils have an equity share and the Board comprises a Director from each Council and an Independent Chair appointed by the absolute majority of the Member Councils.

#### 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 Australian Accounting Standards which 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) for the first time this year.

#### 2 The Local Government Reporting Entity

Eastern Waste Management Authority Inc. operates as a regional subsidiary and is incorporated under the SA Local Government Act 1999. Its principal place of business is at 1 Temple Court Ottoway.

#### 3 Income Recognition

The Authority 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 'sufficient specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied.

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# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Revenue is measured based on the consideration to which the Authority 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 a transaction where the consideration to acquire the 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 that has been received to enable the Authority to acquire or construct a recognisable non-financial asset that is to be controlled by the Authority. In this case, the Authority recognises the excess as a liability that is recognised over time in profit and loss when (or as) the Authority satisfies its obligations under the transfer.

#### 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. 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 Property, Plant & Equipment

#### 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.

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".

#### 5.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by the 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.

#### 5.3 Depreciation of Non-Current Assets

Property, plant and equipment assets 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 of asset are shown below. 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 estimates.

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# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Asset Class Estimated Useful Lives Capitalisation Threshold

Plan, Machinery & Equipment 3-10 Years >\$1,000
Buildings & Other Structures 5-20 Years >\$1,000
Right-of-use-assets Over period of expected lease n/a

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

#### 5.4 Impairment

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash outflows or value in use).

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

#### 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.

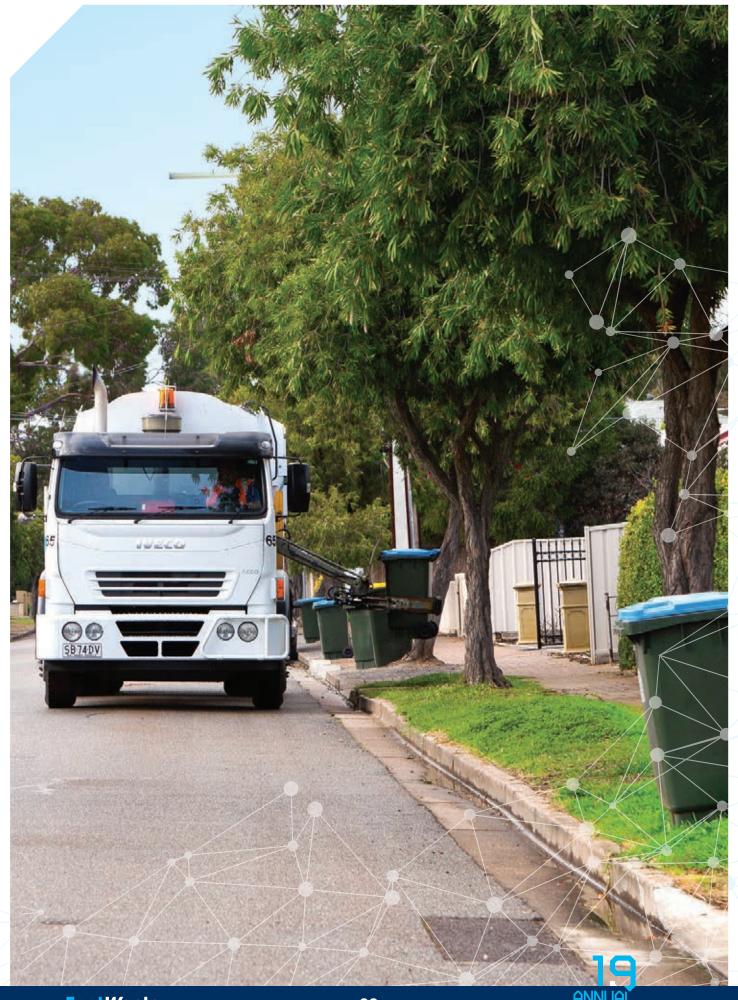
Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated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

No accrual is made for sick leave as the Authority's experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. The Authority does not make payment for untaken sick leave.

#### 7.2 Superannuation

The Authority makes employer superannuation contributions in respect of its employees to Statewide Super (formerly Local Government Superannuation Scheme).





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# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

The Scheme has 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 (9.5% in 2019/20; 9.5% in 2018/19). No further liability accrues to the Authority 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. The Authority makes employer contributions as determined by the Fund's Trustee based on advise for the appointed Actuary. The rate is currently 6.3% (6.3% in 2018/19) of 'superannuation' salary.

In addition, the Authority 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 119.32(b), the Authority 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 Willie 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 the Authority's contribution rates at some future time.

#### Contributions to Other Superannuation Schemes

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.

#### 8 Borrowings

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

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# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### **NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

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'.

#### 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 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with Australian Accounting Standards.

#### 11 Critical Accounting Estimates and Judgements

The Board evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and based on current trends and economic data, obtained both externally and within the Authority.

#### 12 New Accounting Standards

As a result of the introduction of AASB 15 and AASB 1058 as from 1 July 2019, there was no impact to the historical accounting policies of the Authority that required to be adjusted.

The Authority has applied AASB 16 for the first time from 1 July 2019. AASB 16 superseded AASB 117 Leases, Interpretation 4 Determining whether an arrangement contains a Lease and other related Interpretations. The standard sets out the principles for the recognition, measurement, presentations and disclosure of leases and requires lessees to recognise most leases on the balance sheet under a single on-balance sheet model. The Authority has lease contracts for its building facility. Before the adoption of AASB 16, the Authority classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

The Authority adopted AASB 16 using the modified retrospective method of adoption. Under this method, the standard has been applied retrospectively with the cumulative effect of initially applying the standard recognised as an adjustment to the opening balance of Accumulated Surplus as at 1 July 2019 and comparatives have not been restated.

The Authority recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases with lease terms that end within 12 months of the date of the date of initial application and leases of low-value assets. The right-of-use-assets for all leases were recognised based on the amount equal to the lease liabilities.

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# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### **NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

No adjustments were needed for any previously recognised prepaid or accrued lease expenses as there were none. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The effect of adoption of AASB 16 as at 1 July 2019 (increase/(decrease)) is, as follows:

	\$'000
Assets Property, Plant & Equipment Total Assets	1,345 <b>1,345</b>
<b>Liabilities</b> Borrowings <b>Total Liabilities</b>	1,345 <b>1,345</b>
Accumulated Surplus	nil

The following is the impact on the profit and loss in the current year as a result of the introduction of AASB 16:

	\$'000
Interest Expense – Lease Borrowings	34
Amortisation – right-of-use-assets	256
Lease Expenses	(255)
Net increase in Expenses Recognised in Profit & Loss	35

#### 13 Highbury Landfill Authority Inc.

The Authority, originally known as the East Torrens Municipal Destructor Trust, was established on 19 July 1928 (the name change took place in 1993). As at 1 July 2004, the Authority comprised of 3 Member Councils, being the City of Norwood, Payneham & St Peters, City of Burnside and the Corporation of the Town of Walkerville.

On 5 August 2004, the City of Norwood, Payneham & St Peters, the City of Burnside and the Corporation of the Town of Walkerville established the Highbury Landfill Authority Inc. Its purpose included the facilitation of the closure and the post closure of the Highbury Landfill site, as well as managing the joint interests and liability of the Councils in relation to the closure of the site.

On 31 December 2004 the property known as the Highbury Landfill site was transferred from East Waste to Highbury Landfill Authority Inc.

On 1 January 2005, the Authority's Charter was amended to include the three new Member Councils – the City of Mitcham, the City of Campbelltown and the Adelaide Hills Council.



# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### **NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

On 1 January 2005 a loan was created between the Authority and the Highbury Landfill Authority that represented the net value of assets in East Waste prior to 1 January 2005. This was an At Call Loan and interest had been capitalised until the loan was called in by the Highbury Landfill Authority in November 2008. The loan amount was \$873,000 and the Authority borrowed the money from the National Australia Bank with an Interest Only Loan. This loan has now been re-financed through the Local Government Finance Authority, to be repaid in 10 years.

The Board of the Authority resolved in February 2010 to charge Member Councils the loan repayments for this loan in their equity percentages as set out in the January 2006 Charter.

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# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### NOTE 2 - INCOME

	Notes	2020 \$'000	2019 \$'000
USER CHARGES			
Waste Collection Income		12,159	11,768
Waste Processing Income		4,509	3,456
Administration		225	216
Member Council Waste Collection Rebate		(137)	-
		16,756	15,440
			13,440
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		21	32
		21	32
OTHER INCOME			
Bin Supply		203	201
Replacement Bins		457	439
Sundry		17	44
		677	684
NOTE 3 - EXPENSES			
EMPLOYEE COSTS			
Salaries and Wages		4,599	4,434
Employee leave expense		56	25
Superannuation		381	369
Wages Casual Agency		467	522
Workers' Compensation Insurance		196	120
Other		152	110
Total Employee Costs		5,851	5,580
Number of FTE Employees as at reporting date		59	55

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### NOTE 3 - EXPENSES (Cont.)

	2020	2019
Notes	\$'000	\$'000
MATERIALS, CONTRACTS & OTHER EXPENSES		
Auditor's Remuneration	10	9
Board Expenses	33	26
Lease costs	-	316
Waste Processing Costs	4,532	3,479
Electricity	27	25
Fuel, Gas & Oil	1,076	1,180
GPS Expenses	4	17
Legal Expenses	34	88
Maintenance	2,123	1,815
Parts, Accessories & Consumables	11 /	9
Printing, Stationery & Postage	24	55
Professional Services	449	440
Registration & Insurance - Trucks	364	358
Sundry	392	370
Telephone	41	42
	9,120	8,229
FINANCE COSTS		
Interest on Loans	247	290
Interest on Leases	34	-
	281	290
DEPRECIATION & AMORTISATION		
Buildings & Other Structures 6	25	8
Plant, Machinery & Equipment 6	1,788	1,951
Right-of-use assets 6	256	
	2,069	1,959

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# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### NOTE 4 - ASSET DISPOSAL

	Notes	2020 \$'000	2019 \$'000
Proceeds from disposal		81	35
Less: Carrying amount of assets sold		(21)	(3)
Gain (Loss) on disposal	-	60	32
NOTE 5 - CURRENT ASSETS			
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		1,160	1,548
Deposits at Call		1,162	419
	_	2,322	1,967
TRADE & OTHER RECEIVABLES			
Debtors - general		1,013	716
Accrued Income		6	1
	_	1,019	717

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### NOTE 6 - PROPERTY, PLANT & EQUIPMENT

		2020	2019
	Notes	\$'000	\$'000
Buildings & Other Structures - At Cost		162	106
Accumulated Depreciation		(82)	(56)
		80	50
Plant, Machinery & Equipment - At Cost		16,573	15,068
Accumulated Depreciation		(10,090)	(9,018)
		6,483	6,050
Right-of-use-assets		1,345	<u>-</u>
Accumulated Depreciation		(256)	-
		1,089	
Total Property, Plant & Equipment		7,652	6,100

	2019 \$'000	Movement	Movement in Property, Plant & Equipment during the financial year				2019 \$'000	
	Carrying Value	Additions		Disposals Depreciation		- Disposals	Transfer	Carrying Value
	value	New/ Upgrade	Renewal	Disposais	Depreciation	rransier	Value	
Buildings & Other								
Structures	50	55	-	-	(25)	-	80	
Plant, Machinery & Equipment	6,050	2,242	-	(21)	(1,788)	-	6,483	
Right-of-use-asset	-	1,345	-	-	(256)	-	1,089	
	6,100	3,642	-	(21)	(1,813)	-	7,652	
2019	6,165	1,897	-	(3)	(1,959)	7	6,100	

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# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### **NOTE 7 - LIABILITIES**

		2020 \$'000		2019 \$'000
TRADE & OTHER PAYABLES	Current	Non-current	Current	Non-current
Goods & Services	998	-	554	-
Accrued expenses - other	207	-	217	-
	1,205	-	771	-
BORROWINGS				
Loans	1,692	5,334	1,987	4,702
Lease Liabilities	237	887	-	-
	1,929	6,221	1,987	4,702
PROVISIONS				
Annual Leave	304	-	236	-
Long Service Leave	293	77	304	78
	597	77	540	78

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### NOTE 8 - RECONCILIATION TO CASH FLOW STATEMENT

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:

	2020 \$'000	2019 \$'000
Total cash & equivalent assets	2,322	1,967
Less: Short-term borrowings	-	
Balances per Cash Flow Statement	2,322	1,967
(a) Reconciliation of Change in Net Assets to Cash Flows from Opera	ting Activities	
Net Surplus (Deficit)	193	168
Non-cash items in Income Statement		
Depreciation & amortisation	2,069	1,959
Net increase (decrease) in unpaid employee benefits	(56)	25
Net increase (decrease) accrued interest charges	(15)	(32)
(Gain) / Loss on Disposal	(60)	(19)
	2,131	2,101
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(297)	410
Net increase (decrease) in trade & other payables	443	(31)
Net increase (decrease) in other provisions	112	-
Net Cash provided by (or used in) operations	2,389	2,480
(b) Financing Arrangements		
Corporate Credit Cards	15	15
Cash Advance Debenture Facility - LGFA	1,000	1,000

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# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### **NOTE 9 - 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.  Terms & conditions: Deposits on Call do not have a maturity period and have an average interest rates of 0.4% - 0.45% (2019: 1.25% - 1.85%).  Carrying amount: approximates fair value due to the short term to maturity.
Receivables - Waste Collection Fees & Associated Charges	Accounting Policy: Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognoised using the expected credit loss method.  Carrying amount: approximates fair value (after deduction of any allowance).
<b>Liabilities</b> - 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 Authority.  Terms & conditions: Liabilities are normally settled on 30 day terms.  Carrying amount: approximates fair value.
<b>Liabilities</b> - Interest bearing borrowings	Accounting Policy: initially recognised at fair value and subsequently at amortised cost. Interest is charged as an expense using the effective interest rate.  Terms & conditions: secured over future revenues and Member Councils, borrowings are repayable on fixed interest terms. Rates between 2.55% - 5.35% (2019: 3.5% - 5.35%).
Liabilities - Leases	Accounting Policy: accounted for in accordance with AASB 16 as stated in Note 11.

#### **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 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 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.

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# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### NOTE 9 - FINANCIAL INSTRUMENTS (Cont.)

#### **Liquidity Analysis**

2020	≤1 year	Maturity >1 year ≤5 years	> 5 years	Non- Interest Bearing	Total
Financial Assets	\$'000	\$'000	\$'000	\$'000	\$'000
Cash & Equivalents Receivables	2,322 -	-	-	1,013	2,322 1,013
Total	2,322	-	-	1,013	3,335
Financial Liabilities					
Payables Borrowings	- 1,929	- 5,460	- 726	998	998 8,115
Total	1,929	5,460	726	998	9,113

2019	≤lyear	Maturity >1 year ≤5 years	> 5 years	Non- Interest Bearing	Total
Financial Assets	\$'000	\$'000	\$'000	\$'000	\$'000
Cash & Equivalents Receivables	1,967	-	- -	- 716	1,967 716
Total	1,967	-	-	716	2,683
Financial Liabilities					
Payables Borrowings	- 1,987	- 3,390	- 1,312	554 -	554 6,689
Total	1,987	3,390	1,312	554	7,243

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### **NOTE 10 - COMMITMENTS FOR EXPENDITURE**

#### **Expenditure Commitments**

The Authority has expenditure commitments relating to fleet replacement totalling \$2.3M as at reporting date.

#### NOTE 11 - LEASES

Authority as a lessee

Right-of-use-assets

The Authority leases its administrative and depot facilities at Ottoway.

	Buildings &		
Othe	er Structures \$'000	Total \$'000	
At 1 July 2019	1,345	1,345	
Additions of right-of-use-assets	-	-	
Depreciation Charge	(256)	(256)	
At 30 June 2020	1,089	1,089	

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2020 \$'000
At 1 July 2019	1,345
Additions	-
Accretion of interest	34
Payments	(255)
At 30 June 2020	1,124
Current	237
Non-Current	887

#### NOTE 12 - EVENTS OCCURRING AFTER REPORTING DATE

There were no events after Balance Date that are required to be disclosed.



# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### NOTE 13 - DISCLOSURES OF RELATED PARTY TRANSACTIONS

The Key Management Personnel include the Chair of the Board, Chief Executive and other prescribed officers as defined under Section 112 of the Local Government Act 1999. In all, 4 persons were paid the following total compensation:

	2020 \$'000	2019 \$'000
Salaries, allowances & other short term benefits	476	467
TOTAL	476	467

#### **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
Adelaide Hills Council	3,370	128	Provision of kerbside waste collection and hardwaste
City of Burnside	2,943	165	Provision of kerbside waste collection and hardwaste
City of Mitcham	3,029	281	Provision of kerbside waste collection and hardwaste
City of Norwood, Payneham & St Peters	2,709	144	Provision of kerbside waste collection and hardwaste
City of Prospect	1,429	86	Provision of kerbside waste collection and hardwaste
Corporation of the City of Campbelltown	3,218	178	Provision of kerbside waste collection and hardwaste
Corporation of the Town of Walkerville	589	28	Provision of kerbside waste collection and hardwaste

Amounts recorded as outstanding from Related Parties are recorded in Trade and other receivables in Note 5. The Related Parties disclosed above are equity owners of the Authority and are referred to as Member Councils. 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.

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#### **MEMBER COUNCIL CERTIFICATION OF AUDITOR INDEPENDENCE**

#### **EASTERN WASTE MANAGEMENT AUTHORITY**

#### ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020 CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Eastern Waste Management Authority for the year ended 30 June 2020, the Authority's Auditor, Bentleys SA Audit Partnership, 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.

Andrew Aitken

**Chief Executive Officer** 

Adelaide Hills Council

Date: 29 September 2020

Matthew Pears

Date: 30/09/2020

Chris Cowley

Chief Executive Office

City of Burnside

Paul Di Iulio

**Chief Executive Officer** 

Campbelltown City Council

**Chief Executive Officer** 

City of Mitcham

Chief Executive Officer

City of Norwood, Payneham & St Peters

28.09. 2020

Nigel McBride

**Chief Executive Officer** 

City of Prospect

Date: 29/09/2020

Kiki Cristol

**Chief Executive Officer** 

#### CERTIFICATION OF AUDITOR INDEPENDENCE



#### Bentleys SA Audit Partnership

Level 5 63 Pirie Street Adelaide SA 5000

GPO Box 939 Adelaide SA 5001

ABN 43 877 091 903

T +61 8 8372 7900 F +61 8 8372 7999

admin@adel.bentleys.com.au bentleys.com.au

I confirm that, for the audit of the financial statements of Eastern Waste Management Authority Inc for the year ended 30 June 2020, 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

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.

**Bentleys SA Audit Partnership** 

**Certification of Auditor Independence** 

David Papa Partner

Dated at Adelaide this 25th September 2020

#### **INDEPENDENT AUDITOR'S REPORT**



#### Bentleys SA Audit Partnership

Level 5 63 Pirie Street Adelaide SA 5000

GPO Box 939 Adelaide SA 5001

ABN 43 877 091 903

T +61 8 8372 7900 F +61 8 8372 7999

admin@adel.bentleys.com.au bentleys.com.au

#### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EASTERN WASTE MANAGEMENT AUTHORITY INC

#### Opinion

We have audited the accompanying financial report of the Eastern Waste Management Authority Inc, which comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Certification of the Financial Statements.

In our opinion, the financial report gives a true and fair view of the financial position of the Eastern Waste Management Authority Inc as of 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the Local Government Act 1999 and the 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 entity 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 other 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.

#### Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation of the financial report, which gives a true and fair view in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*, and for such internal control as the committee and management determines is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

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#### **INDEPENDENT AUDITOR'S REPORT**



#### 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 this 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 <a href="http://www.auasb.gov.au/Home.aspx">http://www.auasb.gov.au/Home.aspx</a>. This description forms part of our auditor's report.

BENTLEYS SA AUDIT PARTNERSHIP

DAVID PAPA PARTNER

Dated at Adelaide this 30th day of September 2020

The waste industry finds itself in a disruptive space at the moment, with many unknowns continuing to present themselves.

This presents a great opportunity for East Waste to outline and deliver a robust strategic direction, that identifies clear objectives, advocacy enhancement and growing partnerships with like-minded organisations to efficiencies and sustainable behavioural change practices that ensure waste minimisation targets are met.

Fraser Bell East Waste Chair









# ANNUAL REPORT 2019-20

# Gawler River Floodplain Management Authority

#### **Constituent Councils:**

Adelaide Hills Council
Adelaide Plains Council
The Barossa Council

Town of Gawler
Light Regional Council
City of Playford







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## **Chair Report**

The past year of the Gawler River Floodplain Management Authority's (GRFMA) operation has been challenging across many fronts. The impact of COVID-19 in the last half of the report year primarily presenting difficulties with communications for the 13-member Board representing the six constituent councils forming the GRFMA (i.e. Adelaide Hills, Adelaide Plains, Barossa, Gawler, Light and Playford), State and Federal governments and other stakeholders having interest in the protection of the Gawler River floodplain.

The GRFMA Board conducted six (6) Ordinary meetings and convened two (2) Special meetings during the report period. Further, the GRMA's Audit Committee met on four (4) occasions.

The GRFMA Audit Committee provides an important role between the Authority, its management and its constituent Councils. The committee provides suggestions and recommendations to the GRFMA Board about actions to be taken to enhance financial and operational governance, considered to be in the best interests of the subsidiary and its constituent Councils.

Numerous Committee and Working Group meetings were also undertaken enabling the progression of activities identified necessary by the GRFMA Board.

Sincere thanks are extended to all who have been available for e-meetings and alternate means of communication allowing the business of the GRFMA to progress effectively. Special mention is also made of the assistance of the Town of Gawler Council which provided staff and associated IT, permitting the scheduling and conduct of e-meetings as required.

Notwithstanding the above, there have been a number of significant achievements throughout the report period, some of which are briefly outlined below.

#### **Charter and Governance – Charter Review 2 Review Implementation**

As reported in 2019, a periodic review of the Charter and associated governance (Charter Review 1) had been primarily completed with a legal review of proposed amendments having to be taken prior to adoption by the GRFMA's Board which occurred on the 28 January 2020.

This stage of the review was undertaken to make provision for some immediate amendments to the Charter necessary for continuing operation.

A number of amendments were proposed and supported with the following identified as the most important:

- Increasing the Audit Committee's GRFMA Board member representation,
- Clear prescription of the powers, functions, and duties to be undertaken by the Executive Officer,
- Setting the constituent council's percentage share contributions for capital works having a maximum value of \$1 million, and
- Making provision for the GRFMA's to prepare a Strategic Plan, Long-term Financial Plan, Asset Management Plan, Annual Business Plan, and associated budget documentation.

A more comprehensive review (Charter Review 2) commenced in April 2020 with Jeff Tate Consulting being engaged to undertake the required work. This work which will explore further governance and operational processes including options for alternative management (i.e., other than the Authority) for the Gawler River and supporting financial arrangements. This work is due for completion and report to the Authority in December 2020. Following consultation and subsequent approval process with constituent councils it is intended any new Charter arrangements will be operational from 1 July 2021.

#### **Northern Floodway Project Advocacy and Progress**

Since endorsing the Northern Floodway Project, the GRFMA has maintained constant advocacy initiatives pursuing funding for the project.

Recognising the need to continue liaison with the Federal and State Governments, the GRFMA Board requested that a further Advocacy program be implemented. Working in conjunction with Mr Phil Harrison, Playford Council's Advocacy Officer, the Chair and Chief Executive Officers visited three (3) Federal Government Ministers, four (4) SA Senators, three (3) local Federal Government Members of Parliament, three (3) State Members of the Legislative Council and three (3) State Members of Parliament advising of the work undertaken by the GRFMA to progress the Northern Floodway Project and seeking financial support.

All politicians engaged with acknowledged the importance of fixing this recurring flooding issue. To date funding sources remain unclear.

Other activities undertaken recently importantly include:

- Liaison with the South Australian Stormwater Management Authority (SMA) indicating the
  need for a Stormwater Management Plan (SMP) to be undertaken for the greater Gawler
  River from its convergence with the North and South Para Rivers to its outfall with the sea.
  The work is deemed necessary to satisfy the requirements of the SMA and future applications
  for funding for the Northern Floodway Project and any other flood mitigation associated
  works.
- GRFMA Board decision to pursue application for funding from the SMA for portion of the cost of the required SMP and associated Stage 1 scope and 30% design for the proposed Northern Floodway Project.
- A Working Group is to be formed to work with the SMA to scope investigative works required to develop the required SMP.

## Bruce Eastick North Para Flood Mitigation Dam (BENPFMD) Operation and Safety Activities

The following activities have been pursued:

- Safety Emergency Plan:
  - The GRFMA endorsed partnership with the Local Government Association of South Australia Council Ready Program which aims to support councils with emergency management planning, and activities that strengthen disaster resilience in communities. The program is being centrally coordinated by the Local Government Association of South Australia (LGA-SA), with a team of project facilitators providing tailored assistance to councils between 2019 and 2021. The report is due for completion in December 2020.
- The LGA Mutual Liability Scheme assisted in facilitating an initial and separate Strategic Risk Workshop with GRFMA Board Members to identify relevant strategic risks associated with management of the Authority, in relation to the construction, operation and maintenance of flood mitigation infrastructure for the Gawler River.
- Operations and Maintenance Manual:
   AURECON Engineering Consultants were engaged to prepare an updated dam operations and maintenance plan which was completion in June 2020
- Site Environmental Management:
   The GRFMA and Light regional Council have commenced work with the Natural Resources
   Adelaide and Mount Lofty Ranges Landscape Board for the establishment of a revegetated
   zone around the land comprising the BENPFMD.

#### **Gawler River UNHaRMED Management Tool (GRUMP)**

In 2019 the GRFMA entered into partnership with the Bushfire and Natural Hazards CRC and the University of Adelaide to develop a decision support tool (UNHaRMED) to explore how to manage flood risk into the future. The model tool once developed will also be available to other local government authorities and floodplain managers responsible for flood-associated social, environmental, and economic risk modelling and subsequent management.

The Executive Officer and the GRFMA Project Management team has worked with other partners during the year to progress the development of the tool. It is expected that work will be completed by December 2020.

#### **Chair and Executive Officer Review and Re-appointment**

Reviews were undertaken of the Chair and Executive Officer's positions with the following decisions being confirmed by the GRFMA:

- Chair and Independent Member re-appointed for a period of three (3) years pursuant to the relative provisions of the GRFMA Charter.
- Executive Officer Contract of Employment continued for an additional two (2) years.

#### **Outgoing and New GRFMA Board Members**

Acknowledgement is made of Cr Stephen Coppins assistance and service to the GRFMA as City of Playford Board Member from November 2018 – November 2019 and the Board welcomed replacement Board Member Cr Peter Rentoulis and new Deputy Member Cr Clinton Marsh.

#### **Audit Committee Membership**

The GRFMA re-appointed the following members of the Audit Committee for a further two years until 30 June 2022):

- Mr Peter Brass Chair and Independent Member
- Cr Malcolm Herrmann (Adelaide Hills Council) Committee Member
- Mr Greg Pattinson (City of Playford) Committee Member

The GRFMA continues to prioritise the delivery of the Northern Floodway Project to provide increased protection for the lower reaches of the Gawler River.

An overall objective remains, to provide 1:100 Average Recurrence Interval protection for the Gawler River floodplain.

Ian J. Baldwin
Chair and Independent Member
Gawler River Floodplain Management Authority

# Gawler River Floodplain Management Authority (GRFMA)

#### The Gawler River

The Gawler River is formed by the confluence of the North Para and South Para in the town of Gawler and is located in the Adelaide Plains district of South Australia. The district surrounding the river produces cereal crops and sheep for both meat and wool, as well as market gardens, almond orchards, and vineyards. The farm gate output of the Gawler River Floodplain horticultural areas is estimated to be at least \$225 million.

#### **Purpose of the GRFMA**

The Gawler River Floodplain Management Authority (GRFMA) was formed as a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999 on 22 August 2002. The Constituent Councils are the Adelaide Hills Council, The Adelaide Plains Council, The Barossa Council,



The Town of Gawler, Light Regional Council, and the City of Playford.

The Charter provides for one independent person, who is not an officer, employee, or elected member of a Constituent Council, to be appointed as the Chairperson of the Board of Management of the GRFMA for a term of two years.

The Charter sets down the powers, functions, safeguards, accountabilities, and an operational framework.

The Authority has been established for the purpose of coordinating the planning, construction, operation, and maintenance of flood mitigation infrastructure for the Gawler River, and for the following functions:

- to raise finance for the purpose of developing, managing, and operating and maintaining works approved by the Board;
- to provide a forum for the discussion and consideration of topics relating to the Constituent Council's obligations and
  - responsibilities in relation to management of flooding of the Gawler River;
- to advocate on behalf of the Constituent Councils and their communities where required to State and Federal Governments for legislative policy changes on matters related to flood mitigation and management and associated land use planning with Gawler River flood mitigation;
- to facilitate sustainable outcomes to ensure a proper balance between economic, social, environmental, and cultural consideration; and
- to provide advice as appropriate to the Constituent Councils in relation to development applications relevant to the Authority's roles and functions.

### Governance

#### The Board

The Authority is governed by the Board of management

The Board comprises of

- one independent person, who is not an officer, employee, or elected member of a constituent council, to be appointed as the Chairperson of the Board of Management of the GRFMA for a term of two years.
- Two persons appointed from each of the six constituent councils (12 members in total). Council appointees comprise of the Council CEO, or delegate and one Elected Member.
- Deputy Board members as appointed by each constituent council



#### The Members of the Board are:

Council	<b>Board Members</b>	<b>Deputy Board Members</b>
Chairperson & Independent Member	Mr Ian Baldwin	
Adelaide Hills Council	Cr Malcolm Herrmann Mr Marc Salver	Cr Pauline Gill
Adelaide Plains Council	Cr Terry-Anne Keen	Cr John Lush
	Mr James Miller	Mr Robert Veitch
The Barossa Council	Mayor Bim Lange Mr Gary Mavrinac	Cr Russell Johnstone
Town of Gawler	Cr Paul Koch	Cr Nathan Shanks
	Mr Sam Dilena	Mr Ben DeGilio
Light Regional Council	Cr William Close Mr Brian Carr	Mr Andrew Philpott
City of Playford	Cr Agapios (Peter) Rentoulis Mr Greg Pattinson	Cr Clinton Marsh

Meetings of the Board are held at such time and such place as the Board decides subject only to the requirement that there will be at least one meeting in every two calendar months. A special meeting of the Board may be held at any time and may be called at the request of the Chairperson or at the written request of six members of the Board representing all the Constituent Councils.

Ordinary meetings of the Board are generally held bi-monthly on the third Thursday of the even months commencing at 9.45 am: excepting December which is held on the second Thursday. Meetings are hosted by the Constituent Councils on a rotational roster with six Board meetings and one Special Meeting was held during the year as follows:

	o o	,
•	Thursday 15 August 2019	Gawler
•	Thursday 17 October 2019	Mallala (Adelaide Plains)
•	Thursday 12 December 2019	Playford
•	Thursday 27 February 2020	Kapunda (Light)
•	Thursday 16 April 2020	Video Conference (required for COVID-19 protocols)
•	Tuesday 12 May 2020	Video Conference (Special Meeting) (required for COVID-19
		protocols)
•	Thursday 11 June 2020	Barossa

#### **Technical Assessment Panel**

A Technical Assessment Panel has been appointed to support the decision-making processes of the Board with delegated powers to provide advice and manage the technical aspects of the design, assessment, and construction of the various parts of the Scheme.

The Members of the Panel are:

- Mr Ian Baldwin, Independent Chair
- Ms Ingrid Franssen, Manager Flood Management, DEWNR
- Dr Moji Kan, Principal Engineer Dams, SA Water
- Mr Matt Elding, Barossa Council
- Mr Braden Austin, Playford Council
- Mr David Hitchcock Executive Officer
- Mr Dino Musolino, Observer, Lower Gawler River representative

No meetings of the Panel were held during the year, however, email out of session consideration was undertaken to consider proposed repairs to the Lower Level Outlet Pipe and Baffle Block replacement at the Bruce Eastick North Para Flood Mitigation Dam.

#### **Audit Committee**

An Audit Committee has been appointed to review:

- the annual financial statements to ensure that they present fairly the situation of the Board,
- the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the Board on a regular basis.

The Committee held four meetings during the year:

- 09 August 2019
- 27 November 2019
- 12 February 2020
- 09 June 2020

The members of the Committee are:

- Mr Peter Brass, Independent Member
- Mr Greg Pattinson, City of Playford
- Cr Malcolm Herrmann, Adelaide Hills Council

At the 16/4/2020 Ordinary meeting the GRFMA Board resolved to reappoint the current membership of the GRFMA Audit Committee for a further two years (I July 2020 until 30 June 2022).

#### **Executive Officer**

Mr David Hitchcock has been appointed Executive Officer on a contract basis (part time) to 31 December 2021.

#### **External Auditor**

Dean Newbery and Partners have been appointed as the external auditor for the financial year period 2019/20 until 2023/24.

#### **Charter and Governance Review Working Group**

On 16/8/18 the Authority endorsed commencement of a GRFMA Charter and Governance Review to be undertaken in two phases consisting of:

- 1. A charter review to be undertaken as a shorter-term action; and
- 2. Following completion of the charter review a further process to scope and consider other contemporary governance arrangements be undertaken.

Charter Review 1 has now been completed and key elements of changes to be affected in the new charter are:

Clause	Change
1.2	Provision of Definitions
3.1.4	New wording to facilitate sustainable outcomes to ensure a proper balance between economic, social, environmental, and cultural considerations.
4.3.11	New options to identify Board and Deputy Board Members.
4.5.1	New process for appointment of Chairperson three-year term.
6.	Reworded and reorganised to reflect Role and Functions and provision for a new Code of Practice for Meeting Procedures
7.2	Clarifies obligations of the Authority regarding Register of Interest and Related Party Disclosures
8.4.2	Sets limit of overdraft facility.
8.5.2	Provides direction on draw down of loan funds.

Clause	Change
9.4.1 and 9.4.2	Establishment of Committees - Provides opportunity for more than one independent Audit Committee member and term of appointment.
11.1	Requires separate funding agreement with constituent councils where capital or maintenance costs exceed \$1 Million in any one year.
12	Provision for Annual Business Plan and Annual Budget - clarification that Council approve the Budget as a whole.
13	New Management Framework requiring a Long-Term Financial Plan, a Strategic Plan and an Asset Management plan as well as annual budget.
21	Clarifies dispute resolution process between Authority and one or more constituent councils.
23.3	No change to financial contributions by constituent councils. Depreciation falls within the scope of the Authorities operational costs.
24	New identification of non-derogation and Direction by constituent councils.

The new Charter (Charter Review 1) commenced from 28 January 2020 and a transition program will be undertaken to affect the new GRFMA Management Framework requiring a Long-Term Financial Plan, a Strategic Plan, and an Asset Management plan as well as annual budget.

The Authority has now separately initiated Charter Review 2 of the Charter review so as to facilitate a process to scope and consider other contemporary governance arrangements that the GRFMA might, with constituent council support, adopt in seeking to deliver its purpose of coordinating the planning, construction, operation and maintenance of flood mitigation infrastructure for the Gawler River.

This process is to also examine percentage rate contributions (subscriptions) pursuant to the current Charter (2015), Clause 10. Financial Contributions to the Authority (now Clause 11 in the proposed Charter, Stage 1, 2019).

#### **GRFMA Policies**

The following Policies have been adopted to provide management guidelines for the day-to-day business of the GRFMA:

- Procurement and Operations Policy
- Grant Policy
- Internal Review of Decisions Policy
- Public Consultation Policy
- Access to Meetings and Documents Policy
- Dam Valuation Policy
- Treasury Management Policy

The purpose of policies is to provide prudent management guidelines for the day-to-day management of the affairs of the Authority.

#### **Meetings**

All meetings of the GRFMA and its committees are open to the public, except for those matters to be considered under Section 90 of the Local Government Act 1999.

No Freedom of Information requests were received during the year.

Forum	Total Resolutions for the year	Resolutions to exclude the Public – S90(3)	Purpose	Order for docs to remain confidential - S91(7)	%
Board	131	6	Possible commercial advantage of a Person	6	4
Technical Assessment Panel	0	0	N/A	0	0
Audit Committee	23	0	N/A	0	0

### **Evaluation of Performance Against the Business Plan**

#### **Part A: Funding**

Performance Targets:	Timings:	To be measured by:	Actual Achievements:
Grant Claims	At all times	Lodge claims monthly for the payment of Commonwealth and State Government Grants.	☑ Claims lodged according to grant conditions
Maintain positive Cash Flow	At all times	Positive bank account balances at all times.	☑ Positive cash flow maintained

#### **Part B: Proposed Flood Mitigation Scheme Works**

#### **South Para Works Completed 2012**

The South Para Reservoir is under the control and management of SA Water Corporation who agreed to undertake the required modifications to the South Para Reservoir to provide the required level of flood mitigation capacity as a cost to the Scheme. Dam safety review and design proposal to modify the dam wall and spillway was completed September 2005

Detailed hydrology study of the catchment completed by Department of Transport, Energy, and Infrastructure March 2007.

Practical completion of the modification works to the dam wall and spillway was achieved June 2012.

#### **Gawler River Flood Mitigation Scheme**

One What will the Mark Two Scheme Include? (Note these steps may occur concurrently and not necessarily in the following order).

Two Reconfirm with the Constituent Councils that a 1 in 100-year level of protection is the protection standard that is to be pursued in the development of the Gawler River Flood Mitigation Scheme – Mark Two Strategy. N.B. The protection standard does not guarantee full protection for all flood events. The Findings Report 2016 advises the 1 in 100 ARI event is considered to be the minimum desirable level of flood protection for new development as well as for much of the existing floodplain development.

Determine if a second dam on the North Para River or modification to the Bruce Eastick North Para Flood Mitigation Dam is an option. The GRFMA Board has recently accepted a tender for a Findings Report to undertake an assessment to determine if a second dam is required and feasible. The Findings Report 2016 advised enlarging the existing Bruce Eastick North Para Flood Mitigation Dam on the North Para offers the greatest level of protection with least impacts and is rated as the most favoured structural mitigation option. This option deferred pending completion of the Northern Floodway Project proposal. Noting feasibility of raising the height of the Bruce Eastick Dam is still a strategic consideration. Both the Northern Floodway Project and raising the height of the Bruce Eastick Dam will entail considerable financial costs beyond the annual budget of the GRFMA.

Three The Gawler River Floodplain Mapping Model should be maintained as the reference tool to demonstrate the level of flood protection and validity of design of land proposed for development as part of the approval process. To achieve this, the model should be upgraded to include recent works such as the Northern Expressway works and the additional floodplain mapping completed as part of the Light River Templers Creek Salt Creek Mapping Study by the Adelaide Plains Council. *Completed*.

Four To further develop the preliminary assessment of possible local area levees prepared in the 2008 Gawler River Floodplain Mapping Study at Gawler, Angle Vale and Two Wells and develop a levee strategy for Virginia to a robust design standard with a staging plan.

Undertake a cost benefit study for each stage of the plan. *Currently being considered in association with the Northern Floodway Project proposal.* 

Five Establish a protocol with the Floodplain Councils that where development of land in areas identified as 'at risk of flooding' is planned to proceed by the implementation of a local area levee that mapping of the proposed levees on the Gawler River Floodplain Mapping Study Model will be required. It is anticipated the Gawler River Unharmed Mitigation Project, currently underway, will contribute to understanding of this issue and relevant strategies.

Six Maintain a working relationship with the Australian Rail Track Corporation to ensure that any changes to Railtrack infrastructure of culverts and rail heights are mapped on the Gawler River Floodplain Mapping Study Model to identify any changes to flooding impacts. Ongoing - new modifications to the rail bridge commenced June 2020. **Gawler River Flood Mitigation Scheme** Seven Develop a funding strategy for flood protection that is delivered by local area levees on the questions of who should own and maintain the levees and whether local area levees are regional works that the GRFMA should fund or are they local works that are the responsibility of the local Council. Currently being considered in association with the Northern Floodway Project proposal. Investigate opportunities for funding partners and grants to undertake the necessary Eight assessments and designs. Ongoing. Nine The Scheme will also seek to clarify, through the Local Government Association, the policy and legal framework around maintenance of rivers and creeks where those rivers and creeks are part of the regional flood management plan. Under current legislation a landowner is responsible for the condition of a creek or waterway on private land.

Currently under review by Department Environment and Water. GRFMA submission

#### Part B: Maintenance of the Scheme

provided.

Performance Targets:	Timings:	To be measured by:	Actual Achievements:	
Six monthly inspection	June and December	Completion of Inspection Report	☑	Comprehensive Dam inspection (Newman Engineering) carried out Jan 2018
			V	Dam Break Consequence study completed June 2019.
			Ø	Road Access Repairs completed February 2019.
			Ø	Dam Survey Monument (5 year) Survey completed April 2019.
			Ø	Lower Level Outlet Pipe and stilling basin dewatered and inspections undertaken March 2019.

**Part C: Operation of the Regional Subsidiary** 

Performance Targets:	Timings:	To be measured by:	Act	ual Achievements:
Reports to Stakeholders	Bi-Monthly	Key Outcomes Summary to be published following each Board Meeting	Ø	Key Outcomes Summary prepared following GRFMA meetings
Charter Review 1 and Charter Review 2	December	The performance of the Executive Officer be reviewed annually  Charter Review		Review conducted in December 2020 GRFMA Charter Review (1st stage) completed June 2019 GRFMA Charter Review (2nd
	August	The appointment of Auditor, Bank Operators, levels of insurance, appropriate registrations, delegations, and	<b>V</b>	New External Auditor 2019-2024 appointed June 2019 Appropriate levels of insurance reviewed in July 2019
Review of the	By 31 <sup>st</sup>	policies be reviewed annually.  Review the Business	<b>V</b>	June 2019 – Business Plan 2019-
Business Plan	March	Plan prior to preparing the Budget Forward to the Councils	Ø	2023 adopted June 2019 – Achievements against the Business Plan 2019-23 presented
Budget 20/21	By 31st March, June, October, December	Adopt for consultation forward to Councils – Adopt Budget – copy to Councils in 5 days – Conduct Budget Reviews	<b>V</b>	March 2020 – Council consultation Budget 2020-2021 adopted at June 2019 Board meeting
Subscriptions	June December	Send half year subscriptions to Council	<u>a</u>	All first half subscriptions paid All Second half subscriptions paid

Performance Targets:	Timings:	To be measured by:	Actual Achievements:	
Report to Constituent Councils	Following each Board meeting By 30 <sup>th</sup> September	The receipt of the following reports by Councils, Board Meeting Key Outcomes Summary Annual Report including Annual Financial Statements	<b>V</b>	Key Outcomes Summary prepared following meetings Annual Report forwarded electronically to Councils.
Governance	Ongoing	Policies and new management framework documents developed and reviewed	<b>V</b>	Draft new Fraud and Corruption and Public Interest Disclosure Policies Strategic Plan, Asset Management Plan and Long Term Financial Plan to be developed
Annual Operations		Advocacy for construction of Northern Floodway project. Completion of the detailed Dam Failure Consequence. Assessment of the Dam pursuant to ANCOLD		Ongoing – Still to realise actual funding commitment by State and Federal Government Completed  Completion June 2020
		guidelines. Review of Dam Safety Emergency Plans and Operation and Maintenance Manuals. Dewatering and repair of the low-level inlet pipe and stilling basin.	V	On hold till late 2020 discussion with contractors  Periodic inspections GRFMA officer level
		Scheduled inspection. Environmental management of land associated with the Dams location. GRUMP decision support tool	V	Annual land management lease in place Nearing completion due end
		to manage flood risk. Revegetate land zone around the Bruce Eastick North Para Flood Mitigation Dam.	Ø	June 2020 – delayed due to COVID-19 Commenced June 2020

## **Financial Statements 2019-20**

# GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020 CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Gawler River Floodplain Management Authority 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 Authority's financial position at 30 June 2020 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.

David Hitchcock

**EXECUTIVE OFFICER** 

13/8/20

Jen Baldwin

CHAIRMAN

13/8/20

# STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2020

		2020	2019
	Notes	\$	\$
INCOME			
Subscriptions	4	230,300	231,577
Investment income	1(d)	1,042	1,718
State Government Grants	3	98,980	-
Other Income	_	100	5,024
Total Income	-	330,422	238,319
EXPENSES			
Contractual Services	5	235,881	129,856
Depreciation	1(h), 11	321,163	233,081
Other		21,155	16,746
Total Expenses	_	578,198	379,684
OPERATING SURPLUS / (DEFICIT)		(247,776)	(141,365)
NET SURPLUS / (DEFICIT)	-	(0.47.770)	(141 205)
transferred to Equity Statement		(247,776)	(141,365)
Other Comprehensive Income			
Amounts which will not be reclassified subsequently to operate result	ting		
Changes in revaluation surplus - infrastructure,		-	5,830,163
property, plant & equipment	(c		( <del></del>
Total Other Comprehensive Income		-	5,830,163
TOTAL COMPREHENSIVE INCOME	-	(247,776)	5,688,798



# STATEMENT OF FINANCIAL POSITION as at 30 June 2020

ASSETS Current Assets	Notes	2020 \$	2019 \$
Cash and cash equivalents Trade and Other Receivables Total Current Assets	1(d) -	151,764 32,152 183,916	66,902 1,958 68,860
Non-current Assets Infrastructure	10	25,329,000	25,329,000
Accumulated Depreciation Infrastructure	1(h), 10	(3,795,163)	(3,474,000)
Land Total Non-current Assets Total Assets	10 - -	477,000 22,010,838 22,194,753	477,000 22,332,000 22,400,860
Current Liabilities Trade & other payables Borrowings Total Liabilities NET ASSETS	-	41,669 41,669 22,153,084	
EQUITY Accumulated Surplus Asset Revaluation Reserves TOTAL EQUITY	1(g) -	13,471,111 8,681,973 22,153,084	13,718,887 8,681,973 22,400,860

# STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2020

2020	Notes	Accumulated Surplus	Asset Revaluation Reserve	TOTAL EQUITY
Balance at end of previous reporting period Restated opening balance Net Surplus / (Deficit) for Year Other Comprehensive Income		13,718,887 13,718,887 (247,776)	8,681,973 8,681,973	22,400,860 22,400,860 (247,776)
Gain on revaluation of infrastructure, property, plant & equipment		·	=	
Balance at end of period		13,471,111	8,681,973	22,153,084
2019				
Balance at end of previous reporting period Restated opening balance Net Surplus / (Deficit) for Year Other Comprehensive Income		13,860,252 13,860,252 (141,365)	2,851,810 2,851,810	16,712,062 16,712,062 (141,365)
Gain on revaluation of infrastructure, property, plant & equipment		9	5,830,163	5,830,163
Balance at end of period		13,718,887	8 <u>,</u> 681 <u>,</u> 973	22,400,860

### STATEMENT OF CASHFLOWS

for the year ended 30 June 2020

CASH FLOWS FROM OPERATING ACTIVITIES Receipts Interest Receipts Payments Net Cash provided by (or used in) Operating Activity	Notes ties	2020 \$ 299,175 1,055 (215,367) 84,863	2019 \$ 236,374 1,800 _(146,602) 91,572
CASH FLOWS FROM INVESTING ACTIVITIES  Payments  Expenditure on new/upgraded assets  Net Cash provided by (or used in) Investing Activity	ies	<u></u>	<u>(84,081)</u> (84,081)
Net Increase (Decrease) in cash held	8.1	84, 863	7,491
Cash & cash equivalents at beginning of period Cash & cash equivalents at end of period	8.2	66,902 151,764	59,412 66,902
This Statement is to be read in conjunction with the att	ached Notes. R	ounding may a	apply

# UNIFORM PRESENTATION OF FINANCIAL STATEMENTS for the year ended 30 June 2020

Notes Operating Revenues Less: Operating Expenses Operating Surplus/(Deficit) before Capital Amounts	2020 \$ 330,422 (578,198) (247,776)	2019 \$ 238,319 _(379,684) (141,365)
Less Net Outlays in Existing Assets Capital Expenditure on renewal and replacement of Exising Assets Less Depreciation Amortisation and Impairment Less Proceeds from Sale of Replaced Assets	(321,163)	(233,081)
Less Net Outlays on New and Upgraded Assets Capital Expenditure on New and Upgraded Assets Less Amounts received specifically for New and Upgraded Assets Less Proceeds from Sale of Surplus Assets	· ·	84,081
Net Lending / (Borrowing) for Financial Year	73,386	7,635

#### Note 1 - Statement of Significant Accounting Policies

#### a) The Local Government Reporting Entity

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

The Gawler River Floodplain Management Authority is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils are the Adelaide Hills Council, The Barossa Council, Town of Gawler, Light Regional Council, Adelaide Plains Council and The City of Playford.

All funds received and expended by the Authority have been included in the financial statements forming part of this financial report.

#### b) Basis of Accounting

This financial report has been prepared on an accrual basis and is based on historical costs and does not take into account changing money values, or except where specifically stated, current valuation of non-current assets.

#### c) Employees

The Authority has no employees.

#### d) Cash

For purposes of the statement of cash flows, cash includes cash deposits which are readily convertible to cash on hand and which are used in the cash management function on a day to day basis, net of outstanding bank overdraft.

#### e) Infrastructure

The Bruce Eastick North Para Flood Mitigation Dam was constructed in 2007. The valuation includes all materials, contractor's costs plus costs incidental to the acquisition, including engineering design and supervision fees and all other costs incurred.

#### f) Land

The dam land includes the land on which the dam is constructed, rights of way access to the land and 'right to flood' easements over the land upstream from the dam that will be inundated by dam waters for short periods of time during a flood event. The Board valuation was undertaken at 30th June 2011. Additional Land surrounding the dam was purchased in 2017/18 and was revalued by Asset Valuation and Consulting Pty Ltd in May 2017 for part lot 750 Kemp Road Kingsford.

#### g) Revaluation

The Board sought an independent valuation to be applied as at 30<sup>th</sup> June 2019, of the Bruce Eastick North Para Flood Mitigation Dam. The Board recognises that the dam is a unique infrastructure. The Board sought the advice of Entura (Hydro Tasmania), who provided a replacement cost valuation based on the actual construction contract costs, including some 'owner's costs' which would be incurred in the event of a replacement being necessary. The estimate of the replacement cost was \$25.245 million at June 2019. In accordance with Accounting Standard (AASB)13 Fair Value Measurement, it is to be noted that valuation has been under level 3 valuation.

Fair value level 3 valuations of buildings, infrastructure and other assets – There is no known market for these assets and they are valued at depreciated current replacement cost. The 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.

The 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.

#### h) Depreciation

The depreciation period for the Bruce Eastick North Para Flood Mitigation Dam is based straight line depreciation with an expected life of 80 years.

The depreciation period for the Access Road is based on straight line depreciation with an expected life of 15 years.

#### i) Revenue

Revenue from the Subscriptions is recognised upon the delivery of the service to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue is stated net of the amount of goods and services tax (GST).

#### Note 2 - Schedule of Constituent Council's Interest in Net Assets as at 30th June 2020

#### Prepared to meet the requirements of Clause 16.6 of the Charter

"The 'Schedule of Constituent Councils' Interests in Net Assets' will reflect the proportionate contribution each Constituent Council has made to the growth of the net assets of the Authority having regard to the proportionate contribution to subscriptions. The Schedule when updated by the Board at the end of each financial year will reflect the proportionate contribution of each Constituent Council since the commencement of the Authority and once accepted by each Constituent Council will be evidence of the agreed proportion of a Constituent Council's interests in the net assets as at 30 June in that year."

For the purposes of this Clause all subscriptions by Constituent Councils have been included.

This Schedule has been prepared on the basis that the Authority was 'wound up' on 30 June 2020. The value of infrastructure and land as stated in the Audited Financial Statements at 30<sup>th</sup> June have been included. Grants and contributions from the Commonwealth Government, State Government and Northern Adelaide Barossa Catchment Water Management Board that have contributed to these costs have not been deducted.

#### **Calculation of Net Equity**

#### **Assets**

Investments / Debtors \$ 183,916
Infrastructure \$ 21,533,837
Land \$ 477,000
\$ 22,194,753

**Less Liabilities** 

Accounts Payable / Creditors \$ 41,669 NET EQUITY \$ 22,153,084

#### **Allocation of Councils Interest in Net Assets**

Constituent	Accumulated	Accumulated	Accumulated	All	Percentage	Council's
Councils	Subscriptions	Subscriptions	Subscriptions	Subscriptions	of	Interests in
	for	for	for Scheme	to 30 June	Contributions	Net Assets
	Operations	Maintenance	Works to 30	2020	to the Total	
	to 30 June	to 30 June	June 2020			
	2020	2020				
Adelaide						
Hills	\$147,760	\$5,481	\$70,988	\$224,229	4.23%	\$937,075
Council						
The						
Barossa	\$147,760	\$27,452	\$354,951	\$530,163	10.01%	\$2,217,524
Council						
Town of	\$147,760	\$54,864	\$709,892	\$912,516	17.23%	\$3,816,976
Gawler	\$147,700	<del>پېرې</del> رو	\$705,632	3312,310	17.23/0	33,610,370

	\$886,564	\$316,597	\$4,093,691	\$5,296,852	100%	\$22,153,084
City of Playford	\$147,764	\$109,810	\$1,419,763	\$1,677,337	31.67%	\$7,015,882
Plains Council	\$147,760	\$91,538	\$1,183,146	\$1,422,444	26.85%	\$5,948,103
Adelaide						
Light Regional Council	\$147,760	\$27,452	\$354,951	\$530,163	10.01%	\$2,217,524

Schedule of Constituent Councils' Interests in Net Assets' as at the 30<sup>th</sup> June 2020 adopted by the Board in accordance with Clause 16.6 of the Charter on 13 August 2020.

#### Note 3 - Functions / Activities of the Association

- a) Revenues and expenses have been attributed to the following functions / activities, descriptions of which are set out in Note b.
- b) The activities of the Authority are categorised into the following function / activities:
  - Administration: The operations of the Authority and its Board
  - Other Environment: Flood Mitigation
- c) Functions of the Gawler River Floodplain Management Authority (excluding depreciation)

		Revenue			Expenses		
	Year	Grants	Other	Total	Expenses	Surplus	
	rear	Grants	Other	Revenue	Total	(deficit)	
Administration	2020	-	\$146,042	\$146,042	\$90,152	\$55,890	
Administration	2019	-	\$148,842	\$148,842	\$75,351	\$73,491	
Other	2020	\$98,980	\$ 85,400	\$184,380	\$166,883	\$17,497	
Environment:							
Flood Mitigation	2019	-	\$ 89,477	\$ 89,477	\$71,251	\$32,251	
Tatal	2020	\$98,980	\$231,442	\$330,422	\$257,035	\$73,387	
Total	2019	-	\$238,319	\$102,028	\$146,602	\$91,717	

#### Note 4 - Subscriptions

The following subscriptions were levied on the Constituent Councils in accordance with Clause 11.2 of the Charter for the year:

	Maintenance		Operations		TOTALS	
Constituent Council	2020	2019	2020	2019	2020	2019
Adelaide Hills Council	\$ 1,476	\$ 1,548	\$24,166	\$23,683	\$25,642	\$25,231
The Barossa Council	\$ 7,396	\$ 7,758	\$24,166	\$23,683	\$31,562	\$31,441
Town of Gawler	\$14,791	\$15,515	\$24,166	\$23,683	\$38,957	\$39,198
Light Regional Council	\$ 7,396	\$ 7,758	\$24,166	\$23,683	\$31,562	\$31,441
Adelaide Plains Council	\$24,660	\$25,868	\$24,166	\$23,683	\$48,826	\$49,551
City of Playford	\$29,581	\$31,030	\$24,170	\$23,683	\$53,751	\$54,713
TOTAL	\$85,300	\$89,477	\$145,000	\$142,098	\$230,300	\$231,575

#### **Note 5- Contractual Services**

Contractual Services involve payments or liabilities for the external provision of services and include (net of GST):

/		
Consultants	2020	2019
I Baldwin *	\$0	\$770
David Hitchcock	\$58,681	\$49,253
Ball PR	\$0	\$5,000
Water Technology	\$2,270	\$1,080
Entura	\$0	\$8,100
REMO Contractors	\$0	\$14,540
Norman Watehouse	\$500	\$0
HARC	\$0	\$38,360
HWL Ebswoth Lawyers	\$1,633	\$0
Business Risk A S Solutions	\$2,600	\$2,600
Steed Surveyors	\$0	\$4,050
Floodplain Management	\$900	\$0
SMEC	\$16,991	\$0
Safecom	\$27,714	\$0
Aurecon Australasia	\$5,102	\$0
Succession Ecology	\$4,292	\$0
Bushfire Natural Hazzards CRC	\$101,266	\$0
Jeff Tate	\$6,875	\$0
HLB Mann Judd	\$7,057	\$6,103
TOTALS	\$235,881	\$129,856

<sup>\*</sup> Payment of Chair Honorarium is noted

in Note 15 Related Party Disclosures

Note 6 - Comparison of Budget and Actual Results (excluding depreciation)

	2020	2020		
	Budget	Actual	Budget	Actual
Revenue				
Administration	\$146,400	\$146,042	\$148,536	\$148,842
Other Environment: Flood Mitigation	\$0	\$100	\$0	\$0
State Grant	\$110,980	\$98,980	\$0	\$0
Maintenance	\$85,300	\$85,300	\$89,476	\$89,477
Other Environment: Flood Mitigation Capital	\$0	\$0	\$0	\$0
Total Revenue	\$342,680	\$330,422	\$238,012	\$238,319
Expenditure				
Administration	\$89,095	\$90,152	\$78,622	\$75,351
Other Environment: Flood Mitigation	\$25,150	\$27,858	\$0	\$0
Maintenance	\$158,475	\$139,025	\$157,400	\$71,251
Other Environment: Flood Mitigation Capital				
Total Expenditure	\$272,720	\$257,035	\$236,022	\$146,602
Surplus (deficit)	\$69,960	\$73,387	\$1,990	\$91,717

#### **Note 7 - Expenditure Commitment**

i. An agreement has been entered into with David Hitchcock to provide Executive Officer and Supervision of Consultants services to 31 December 2021.

Note 8 - Reconciliation Statement of Cash Flows

Cash Flows from Operating Activities	2020	2019
Net deficit from operations	(\$247,776)	(\$139,496)
Adjust for non-cash items		
Depreciation	\$321,163	\$231,213
Decrease in Debtors	(\$ 30,194)	(\$146)
Increase in Creditors	\$ 41,669	\$0
Works on Access Road	\$ 0	(\$84,227)
Net Cash Increase from operating activities	\$ 84,862	\$7,344
8.2 Cash and cash equivalents		
Balance at bank	\$ 6,873	\$3,034
Balance at LGFA	\$144,891	\$63,868
Total cash and cash equivalents	\$151,764	\$66,902

#### **Note 9 - Economic Dependence**

The Gawler River Floodplain Management Authority (GRFMA) was formed as a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999 in August 2002, by a Charter that was amended and published in The South Australian Government Gazette on 27<sup>th</sup> February 2020 at page 474.

The Gawler River Floodplain Management Authority (GRFMA) is dependent upon subscriptions levied on the Constituent Councils in accordance with Clause 11.1of the Charter for its continued existence and ability to co-ordinate the construction, operation and maintenance of flood mitigation infrastructure for the Gawler River.

No other payments have been made to Key Management Personnel of the Gawler River Floodplain Management Authority.

Note 10 - Non-Current Assets Summary

				2020		2019			
	Fair Value Level	At Fair Value	At Cost	Accum Dep'n	Carrying Amount	At Fair Value	At Cost	Accum Dep'n	Carrying Amount
Land and easements	-	\$477,000	-	-	\$477,000	\$477,000	-	-	\$477,000
North Para Dam									
Access Roads	3	\$84,000	-	(\$8,600)	\$75,400	\$84,000	-	(\$3,000)	\$81,000
North Para Dam	3	\$25,245,000	-	(\$3,786,563)	\$21,458,437	\$25,245,000	-	(\$3,471,000)	\$21,774,000
Total Infrastructure and Land		\$25,806,000	-	(\$3,795,163)	\$22,010,837	\$25,806,000	-	(\$3,474,000)	\$22,332,000
Comparatives		\$25,806,000	-	(\$3,474,000)	\$22,332,000	\$18,823,364	\$139,323	(\$2,311,850)	\$16,650,837

	2019		Carrying Amount Movements During the Year							
		Add	itions							
	Carrying Amount	New Upgrade	Renewals	Disposals	Disposals Depreciation		Transfers	Net Valuation	Carrying Amount	
Land and easements	\$477,000	-	-	-	-	-	-	-	\$477,000	
Access Roads	\$81,000	-	-	-	(\$5,600)	-	-	-	\$75,400	
Infrastructure - North Para Dam	\$21,774,000	-	-	-	(\$315,563)	-	-	-	\$21,458,437	
Total Infrastructure, Property, Plant & Equipment	\$22,332,000	-	-	-	(\$321,163)	-	-	-	\$22,010,837	
Comparatives	\$16,650,837	\$84,081	-	-	(\$233,081)	-	-	\$5,830,163	\$22,332,000	

**Note 11 - Financial Instruments** 

All financial instruments are categorised as loans and receivables.

#### **Accounting Policies - Recognised Financial Instruments**

Bank, Deposits at Call, Short Term Deposits  Accounting Policy: initially recognised atfair value and subsequent measured atamortised cost, interest is recognised when earned									
		Terms & conditions: Deposits are returning fixed interest rates							
			5% and 1.25%		_	ונפופטנ ומנפט			
				-	ue due to the s	hort term to			
		maturity.	appi oxiii						
Receivables - Fees & other charges  Accounting Policy: initially recognised at fair value and subsequer measured at amortised cost. An impairment provision is recognised.									
charges			ected credit lo	-	iene provision i	3 recognised			
					not bear intere	st. Although			
					d to any indivi	_			
		credit risk	exposure is	concentrate	d within the	Authorities			
		boundaries.							
			ount: approxi	mates fair val	lue (after dedu	ction of any			
11.1.111.1		allowance).							
Liabilities - Creditors and Accruals	מ	_	-	_	ised for amoun	-			
Accruais		the Authority	_	services receiv	ved, whether or	not billed to			
		-		ties are norma	ally settled on 3	0 day terms			
			ount: approxim		•	o day territo.			
Liquidity Analysis		, 0	falls a see						
2020		Due < 1 year	Due > 1 year <u>&lt;</u> 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values			
Financial Assets		\$	\$	\$	\$	\$			
Cash & Equivalents		151,764	-	-	-	151,764			
Receivables		32,152	-	-		32,152			
	Total	183,916	-	-	-	183,916			
Financial Liabilities									
Payables		41,669	-	-	-	41,669			
	Total	41,669	-	-	-	41,669			
2019		Due < 1 year	Due > 1 year; <u>&lt;</u> 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values			
Financial Assets		\$ \$ \$ \$							
Cash & Equivalents		66,902	-	-	-	66,9602			
Receivables		1,958	-	-	-	1,958			
	Total	68,860			_	68,860			

#### **Net Fair Value**

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

#### Risk Exposures:

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any impairment. All Authority 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 Authorities 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 the Authorities 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 Authority 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.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. The Authority 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.

**Note 12 Uniform Presentation of Financial Statements** 

		2020	2019
	Notes	\$	\$
Operating Revenues		330,422	238,319
Less: Operating Expenses		(578, 198)	(379,684)
Operating Surplus/(Deficit) before Capital Amounts		(247,776)	(141,365)
Less Net Outlays in Existing Assets			
Capital Expenditure on renewal and replacement of Exising A	Assets	-	-
Less Depreciation Amortisation and Impairment		(321,163)	(233,081)
Less Proceeds from Sale of Replaced Assets		-	-
		(321,163)	(233,081)
Less Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets		-	84,081
Less Amounts received specifically for New and Upgraded Assets		-	-
Less Proceeds from Sale of Surplus Assets		-	-
		-	84,081
Net Lending / (Borrowing) for Financial Year		73,386	7,635
This Statement is to be read in conjunction with the attached	l Notes		

#### Note 13 - Contingencies & Assets & Liabilities not recognised in the Balance Sheet

There are no contingencies, asset or liabilities not recognised in the financial statements for the year ended 30 June 2020.

#### Note 14 - Events Occurring After Reporting Date

There were no events subsequent to 30 June 2020 that need to be disclosed in the financial statements.

#### **Note 15 - Related Parties Disclosures**

#### **Key Management Personnel**

The Key Management Personnel of the Gawler River Floodplain Management Authority (GRFMA) include the Chair, Board Members, Deputy Board Members and Executive Officer. In all Key Management Personnel were paid the following total compensation:

Salaries, honorarium allowances & Other Short	2020 \$	2019 \$
Term Benefits	\$66,930	\$57,012
TOTAL	\$66,930	\$57,012

	Amounts received from Related Party during the financial year	Amounts outstanding from Related Party at the end of the financial year	
	2020	2019	
	\$	\$	
Adelaide Hills Council	\$25,642	\$0	
The Barossa Council	\$31,562	\$0	
Town of Gawler	\$38,957	\$0	
Light Regional Council	\$31,562	\$0	
Adelaide Plains Council	\$48,826	\$0	
City of Playford	\$53,751	\$0	
TOTAL	\$230,300	\$0	

The Authority has been established for the following purposes:

- 1. To co-ordinate the construction, operation and maintenance of flood mitigation infrastructure for the Gawler River. This purpose is the core business of the Authority;
- 2. To raise finance for the purpose of developing, managing and operating and maintaining works approved by the board;
- 3. To provide a forum for the discussion and consideration of topics relating to the Constituent Council's obligations and responsibilities in relation to management of flood mitigation for the Gawler River;
- 4. Upon application of one or more Constituent Councils pursuant to clause 3.2:
  - to coordinate the construction, maintenance and promotion and enhancement of the Gawler River and areas adjacent to the Gawler River as recreational open space for the adjacent communities: and
  - 2. to enter into agreements with one or more of the Constituent Councils for the purpose of managing and developing the Gawler River.

### GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

#### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Gawler River Floodplain Management Authority for the year ended 30 June 2020 the Authority's Auditor Dean Newbery and Partners 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.

David Hitchcock

**EXECUTIVE OFFICER** 

Ian Baldwin

CHAIR GRFMA

Peter Brass

PRESIDING MEMBER AUDIT COMMITTEE

# GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

#### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Gawler River Floodplain Management Authority for the year ended 30 June 2020 the Authority's Auditor Dean Newbery and Partners 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.

drew Aitken (Aug 7, 2020 17:51 GMT+9:5) - Aug 7, 202

Andrew Aitken
Chief Executive Officer
Adelaide Hills Council

Wenry (nat Mat Aug 7, 2020 10.42 GMT+9.5)

Henry Inat Chief Executive Officer Town of Gawler

Aug 10, 2020

Sam Green
Chief Executive Officer
City of Playford

Chief Executive Officer
The Barossa Council

Martin McCarthy

Chief Executive Officer

Adelaide Plains Council

James Miller

Brian Carr

Chief Executive Officer Light Regional Council Aug 11, 2020

Aug 8, 2020

Aug 14, 2020



214 Melbourne Street North Adelaide SA 5006

PO Box 755 North Adelaide SA 5006

T: (08) 8267 4777

F: (08) 8239 0895 E: admin@deannewbery.com.au

ABN: 30 164 612 890

#### **Certification of Auditor's Independence**

I confirm that, for the audit of the financial statements of the Gawler River Floodplain Management Authority for the year ended 30 June 2020, 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.* 

Jim Keogh

**Partner** 

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS

Dated the 18th day of August 2020

Liability limited by a scheme approved under Professional Standard Legislation



214 Melbourne Street North Adelaide SA 5006

PO Box 755 North Adelaide SA 5006

T: (08) 8267 4777 F: (08) 8239 0895

E: admin@deannewbery.com.au

ABN: 30 164 612 890

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

#### Opinion

We have audited the financial report of the Gawler River Floodplain Management Authority (the Authority), which comprises the Statement of Financial Position as at 30 June 2020, the Statement of Comprehensive Income, the Statements of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and other explanatory information and the Certification of Financial Statements.

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Authority as at 30 June 2020, and its financial performance and its cash flows for the year then ended in accordance with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and the Australian Accounting Standards (including Australian Accounting Interpretations).

#### **Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as 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 other 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.

#### Other Information other than the Financial Report and Auditor's Report Thereon

The Authority is responsible for the other information. The other information comprises the information included in the Authority's annual report for the year ended 30 June 2020, 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, 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.

#### 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 and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*. The Authority's responsibility includes establishing and maintaining internal control relevant to preparation and fair presentation of the financial report so that it 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 relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity 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 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 the 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 financial report.

As part of an audit in accordance with the 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 in order to design audit procedures that are
  appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the
  internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of the Authority'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 ability to continue as a going concern. If we conclude that a material uncertainty exists,
  we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if
  such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained
  up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease 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.

DEAN NEWBERY & PARTNERS CHARTERED ACCOUNTANTS

JIM KEOGH PARTNER

Signed on the 18<sup>th</sup> day of August 2020, at 214 Melbourne Street, North Adelaide



### Southern & Hills Local Government Association

Adelaide Hills Council | Alexandrina Council | Kangaroo Island Council | Mount Barker District Council City of Victor Harbor | District Council of Yankalilla |



# **ANNUAL REPORT**

2019-2020









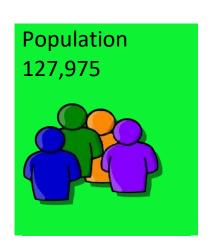














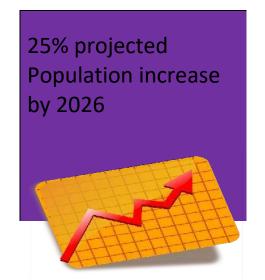


Total Council revenue \$182.4 million









#### About the Southern & Hills Local Government Association region

The Southern & Hills Local Government Association was first formed in July 1969 and is now constituted as a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. Consisting of six (6) local government Councils:

- o Adelaide Hills Council
- Alexandrina Council
- Kangaroo Island Council
- o Mt Barker District Council
- City of Victor Harbor
- District Council of Yankalilla

#### Collectively these six (6) Councils have:

- ☑ More than 127,000 people as at 30<sup>th</sup> June 2018.
- ☑ Area consists of 8,656 square kilometres.
- ☑ An ocean coastline of 652 Km.
- ☑ The River Murray and lakes form the southeast boundary of the region.
- ☑ The region has extreme diversity form the foothill suburbs of Adelaide to the isolation of the inaccessible west coast of Flinders Chase National Park.
- ☑ Significant areas within the region are under primary production include highly productive farm, horticulture, viticulture, forestry, fishing and intensive animal keeping enterprises and in the more undulating parts sheep farming, cereal growing and dairying.
- ☑ The region contributed nearly \$3 billion in gross value to the State economy in 2006/07 or 4.4% of gross state product.
- ✓ Much of the area has, (by South Australian standards) a high rainfall.
- ☑ A large part of the area is within the 30 Year Plan for Greater Adelaide.
- ☑ Significant growth pockets both in population and development, placing demands on infrastructure and the natural environment.
- ☑ Projected change in the population to 2026 by approximately 25%.
- ☑ Within the region, Victor Harbor and Goolwa are key retirement destinations.
- ☑ Within the region, The Adelaide Hills, The Fleurieu and Kangaroo Island are all major tourism destinations.
- ☑ Kangaroo Island is a major component of the Australian and SA tourism plan with tourist numbers targeted to double over the next decade.

# The Southern and Hills Local Government Association Board July 2019

Council	Elected Member Representative	Council Staff Representative
Adelaide Hills	Mayor Jan – Claire Wisdom	CEO Andrew Aitken
Alexandrina Council	Mayor Keith Parkes	CEO Glenn Rappensberg
Kangaroo Island Council	Mayor Michael Pengilly	CEO Greg Georgopolous
Mt Barker District Council	Mayor Ann Ferguson	CEO Andrew Stuart
City of Victor Harbor	Mayor Moira Jenkins	CEO Victoria MacKirdy
District Council of Yankalilla	Mayor Glen Rowlands	CEO Nigel Morris

Council	Proxy Representative	Role
Adelaide Hills	Lachlan Miller	Executive Manager Governance
Alexandrina Council		
Kangaroo Island Council	Bob Teasdale	Deputy Mayor
Mt Barker District Council	Samantha Jones	Deputy Mayor
City of Victor Harbor		
District Council of Yankalilla	Simon Rothwell	Deputy Mayor

#### **Office Bearers 2019 – 2020**

President Mayor Keith Parkes, Alexandrina Council

Deputy President \*Mayor Moira Jenkins, City of Victor Harbor

(\* from February 2020)

Mayor Glen Rowlands, District Council of Yankalilla

Executive Officer Mr Graeme Martin

Auditor Mr Nathan Saluja, HLB Mann Judd

Elected under the provisions of the Constitution of the Local Government Association

Delegates to LGA Board Mayor Keith Parkes

Mayor Jan – Claire Wisdom (via Metro/GAROC)

Delegates to SAROC Mayor Keith Parkes Alexandrina Council

\*Mayor Moira Jenkins City of Victor Harbor

Mayor Glen Rowlands District Council of

Yankalilla

#### **President's Report**

It has been my pleasure to once again serve as President and Chair during 2019-2020.

The second half of the year has been punctuated by extreme events. The region first endured devasting Bushfires only to be followed by the COVID19 virus pandemic. The latter's impact has been far reaching and yet to play out in full.

I wish to thank all S&HLGA member councils for their unfailing efforts to support each other and their own communities during this most disruptive time.

Core activities and focus have included the continuing work of the existing Roads Working Party and the 2020 Transport Plan review, monitoring the S&HLGA Regional Public Health plan and implementing the region's Climate Change Adaptation Plan, working very closely with the RDA to further the Regional Infrastructure Plan, developing regional CWMS strategies with our CWMS user Group, supporting the establishment of the SA Coastal Councils Alliance as well as maintaining and reviewing key strategy and performance documents such as the Annual Action Items, Annual Budget and tracking our current 2017-2021 Business Plan. These activities are all designed to drive and improve the wellbeing of our communities.

I would point out the S&HLGA Value proposition report documents a consistent four figure percentage return on member Council subscriptions demonstrating amazing value for member councils.

S&HLGA has been an active participant on the LGA regional SAROC committee.

We acknowledge and continue to work with our many regional stakeholders as we continue to confront the many impacting regional issues.

Thank you to our Executive Officer, Graeme Martin for his co-ordination and management and drive in supporting the body. He has been ably supported during 2019-2020 by project officers Jen St.Jack and Penny Worland

In closing, I acknowledge and thank all the member councils for their support during the year and say how much I value ongoing contribution of member Mayors and CEOs.

#### **Mayor Keith Parkes**

#### **President**



#### The Board

The Board held 6 ordinary bi-monthly meetings during the year. Board Members are generally the Mayor and Chief Executive Officer of each Council. To provide the opportunity for Board Members to gain first hand knowledge of regional issues, meetings are hosted by Member Councils on a rotational basis and were held at:

Date	Host
23 August 2019	Mt Barker
25 October 2019	Adelaide Hills
6 December 2019	Alexandrina
7 February 2020	Kangaroo Island
30 April 2020	Video Conference
19 June 2020	City of Victor Harbor

Key Issues acted on by the Board included:

- o Transferring, updating and maintaining of the S&HLGA Website to the new LGA Squiz platform
- o Monitoring and implementing the S&HLGA Regional Public Health Plan.
- o Monitoring and implementing the S&HLGA Regional Climate Change Adaptation Plan.
- Supervising the DEW sponsored Resilient Regions Central Co-ordinator pilot project.
- o Continued to work closely with the Adelaide Hills Fleurieu and Kangaroo Island Regional Development Australia Board and with RDA officers to implement the 2019 Regional Public Transport study, develop the regional Infrastructure Priority Plan, and support the region in its response to the severe summer bushfires and the ongoing COVID19 impacts.
- o The South Australian Regional Organisation of Councils (SAROC) is a Committee of the LGA that focuses on key issues affecting country Councils. The S&HLGA continues to support the Governance process by attending the meetings, contributing to agenda items for SAROC meetings, the distribution of Key Outcomes Statements of meetings to S&HLGA Board meetings and collegiate support to prepare submissions on behalf of country Councils.
- o Continued the updating of the Roads Database component of the regional 2020 Transport Plan, special local roads funding applications and continued the comprehensive review of the Regional Transport Plan in anticipation of the new 2030 Regional Transport Plan as well as the advocacy of the South Coast Freight Corridor and Public Transport in the region.
- o Having input into and supporting the LGA in developing and highlighting Local Government reform issues and advocacy with the State Government
- o Review and input into the SA Grants Commission Local Government Grants methodology

Regional Consultations and briefings were coordinated to occur on the day of Board meetings.

9 various speakers addressed meetings of the Board.

The Board reviewed its achievements to date via the 2019-2020 Key Action Plan, tracked the Actual performance against Budget and developed a new Budget and Action Plan for 2020-2021

At the commencement of 2019-2020 the Board completed a review of its Annual Key Actions, the EO performance and its Annual Budget performance covering the previous period.

#### **S&HLGA Value proposition**

The S&HLGA provided a report back to its Council members on the estimated value of their membership. This is based on the same methodology utilised by the LGA in determining its membership value.

The value from membership in a regional organisation can be summarised in the following key categories; advocacy and representing the region, establishing and implementing high level regional partnerships and links, developing and strengthening regional capacity.

The table1 below summarise the ongoing value per council and for the region as a total.

2020 Summary	Value per Council	Value for the S&HLGA region
General advocacy	\$20,000	\$120,000
Programs and Projects	\$374,939	\$1,900,500
Capacity building	\$6,870	\$41,221
Total	\$401,809	\$2,061,721

#### Table 1

The table 2 below summarises and compares the S&HLGA membership subscriptions and levies total with the value per S&HLGA member Councils as measured in the value proposition over the past three years

	2018	2019	2020
Av Council membership	\$12,529	\$12,279	\$13,536
Value per Council	\$427,871	\$430,953	\$401,809
Return on Investment	3,375%	3,385%	2,968%

Table 2

#### **Committees and Working/Task Groups**

The S&HLGA EO was a member of the following Committees and Working Groups during the course of the year:

Committee	S&HLGA Executive Officer Role	Meeting Frequency	Comment
Regional Public Health	Secretarial/Administration	Every 2 months	ongoing
Resilient Hills & Coast - Climate change Adaptation	Committee member	Every 2 months	ongoing
Regional Economic Development Officers	Committee member	Every 2 months	ongoing
Regional EO Management Group	Committee member	Every 2 months	Precedes SAROC
S&HLGA Advisory Group	Secretarial/Administration	Every 2 months	Precedes S&HLGA Board
S&HLGA Roads Works Group	Secretarial/Administration	Ad hoc but at least 3 times per annum	ongoing
S&HLGA CWMS User Group	Secretarial/Administration	Every 2-3 months	ongoing
SAROC	Advisor/Observer	Every 2 months	ongoing

#### **S&HLGA Roads Working Party**

The Roads Working Party (RWP), with membership drawn from directors /managers of technical services of Councils and regional managers and infrastructure planners of the Department of Planning, Transport and Infrastructure held the main RWP meeting in April 2020. The work of the committee included:

- Co-ordinate the annual review of HDS Australia Pty Ltd's summary assessment and update of the 2020 Transport Plan
- o Co-ordinate the application process of Councils to the SLRP.
- Make recommendations for the SLRP 2020 2021 based on the final draft of the 2020 Transport Plan.
- Review and plan the update of the S&HLGA Roads Database that comprises the roads nominated by Councils under the policy of the 2020 Transport Plan.
- Continue the complete review and update of the 2020 Transport Plan as the seed regional Infrastructure Plan
- o Review and plan the next 2030 S&HLGA Transport plan due for completion March 2021
- Further the South Coast Freight Corridor concept

 The following projects were recommended, based on the methodology of the Plan and proposed funding under the Special Local Roads Program for 2020 – 2021

Project	Council	Total Project Cost for this stage	SLRP request	Council contribution	comment
Springs Rd	Mt Barker	\$1,340,000	\$893,000	\$447,000	Stage 4 of 4
Wedgewood/Hickmans Rd	Kangaroo Island	\$1,255,004	\$816,670	\$438,334	Stage 3 of 4
Forktree Rd	District Council of Yankalilla	\$450,000	\$300,000	\$150,000	Stage 1of 2
Total		\$3,045,004	\$2,009,670	\$1,035,334	

#### **CWMS Group**

The S&HLGA Community Waste Water Management Systems (CWMS) User group has been formally constituted with member establishment levies set comprising a base rate plus a percentage based on the number of connections.

The S&HLGA CWMS Committee has been reviewing options for CWMS assets and focuses on:

- Facilitate knowledge sharing across Councils operating CWMS
- Identification of regional capacity and skills gaps
- o Assist with ensuring efficient and compliant ongoing operations and maintenance
- o Identify opportunities for shared resources and procurement
- Monitor new policy directions
- o Assist with strategic analysis and direction options for CWMS

The CWMS User group held meetings on:

Date	Host
12 September 2019	LGA House
24 June 2020	Video Conference

#### **S&HLGA Regional Public Health Plan**

Executive Officer Role: Secretary and Task group member - Implementation and Monitoring of a Regional Public Health Plan for S&HLGA:

- o Committee meetings ( preparation Agendas & Minutes )
- Liaise with LGA Public Health Program Manager
- Liaise with SA Public Health Office
- Represent the region at Forums and workshops
- o Liaise with Public Health Researchers
- o Prepare funding submissions for regional Public Health projects

Of significant importance was the co-ordination and administration of the Community Wellbeing alliance Pilot study for the LGA. In addition the region successfully applied for two ILC grants for disability and inclusion programs for Communications and Destinations

The S&HLGA Regional Public Health Committee held meetings on:

Date	Host
3 July 2019	City of Victor Harbor
21 August 2019	City of Victor Harbor
16 October 2019	City of Victor Harbor
4 December 2019	Alexandrina, Strathalbyn

#### **S&HLGA Regional Climate Change Adaptation Committee**

Executive Officer Role: Committee member (Resilient Hills and Coast) - Implementation and Monitoring of the Regional Climate Change Adaptation Plan for S&HLGA:

- o Committee meetings
- S&HLGA presentations
- Liaise and co-ordinate with Project Manager
- o Monitor and administer the "Where we build, What we build" project
- Represent the region at forums and workshops

Importantly S&HLGA was appointed to co-ordinate and administer the Resilient Regions Central Co-ordinator Pilot study for the Department of Water and Environment.

The S&HLGA Regional Climate Change Adaptation Committee (Resilient Hills & Coast) held meetings on:

Date	Host
8 August 2019	Mt Barker
18 October 2019	Kangaroo Island
13 February 2020	City of Victor Harbor
1 April 2020	Video Conference
11 June 2020	Video Conference

#### **Regional Economic Development Network Committee**

The S&HLGA has strongly supported the activities and research of the Adelaide Hills Fleurieu and Kangaroo Island Regional Development Australia Board and worked closely with RDA officers to partner with the organisation in the general Economic Development of the region.

Executive Officer Role: Committee member - A Working Group has been formed with the Economic Development Officers from the S&HLGA Member Councils. - The principal activity is to share information, achieve procurement and resource sharing efficiencies and develop a regional infrastructure Plan by:

- o Identify and collating infrastructure projects from Council plans
- Grade them according to Local, District or Regional category, dollar value and impact and probability
- o Review the criteria to insure relevant social and environmental impacts are captured

The RDA Economic Development Network Committee held meetings on:

Date	Host
5 August 2019	Alexandrina, Strathalbyn
4 November 2019	Alexandrina, Strathalbyn
17 February 2020	Alexandrina, Strathalbyn
18 May 2020	Video Conference

In conjunction with the CEO and Chair of the RDA, the EO S&HLGA met regularly with the regions State government MPs (Finniss, Kavel and Heysen) to discuss key priorities and policy impact for the region.

#### **Regional LGA Organisations EO Management Group**

Executive Officer Role: Committee member – To provide input into the sector, develop capacity, share knowledge and develop co-operation between the regions:

- Have input into SAROC Business Plan and the Agenda
- Develop a working relationship with the LGA Management team
- Have input into sector issues
- Advocate on behalf of the regions
- o Share information and provide collegiate support
- Develop a priority issues and action list

The Regional LGA Organisations EO Management Group held meetings on:

Date	Host
18 September 2019	LGFA Offices
30 October 2019	Adelaide Oval
16 January 2020	LGA House
27 February 2020	Watervale
6 April 2020	Video Conference
29 April 2020	Video Conference

#### **SAROC**

The South Australian Regional Organisation of Councils (SAROC) is a Committee of the LGA that focuses on key issues affecting country Councils.

The S&HLGA supports the Governance process by contributing to agenda items for SAROC meetings, the distribution of Key Outcomes Statements of meetings to S&HLGA Board meetings and collegiate support to prepare submissions on behalf of country Councils that included:

- Review of the 2019 SAROC Annual Business Plan and development of the 2020 SAROC Annual Business Plan
- Working with the State Government on the management and control of abundant pest species particularly Little Corellas
- Assist and input into the SA Productivity Commission review of Local Government costs and efficiency
- Continued working on Coastal Council Alliance project and the development of its Governance structure and strategic plan
- Taking a leadership position on Waste and recycling strategy including the ban of single use plastics
- Lobbying the State Government on support for the second tranche of Climate Change and adaptation sector partner agreements

- Liaising with the State Government and SA Grants commission to develop and identify a statewide priority Roads database and map
- Identifying and working with the State Government on the role of the LG sector in any economic recovery and stimulus programs

#### **Regional Research Papers and Submissions**

The following Papers and Submissions have been prepared on behalf of Member Councils during the course of the year:

- o 2020 Value proposition
- Review of the SA Grants Commission methodology
- o GM Crop legislation
- o Response and input into the draft Planning and Design code

#### Workshops and seminars

The Executive officer represented the member Councils at various workshops and seminars during the course of the year:

- LGA AGM
- Coastal Council Alliance Task Group meetings
- Phase 2 Ratings Equity Task Group meetings
- Northern Freight Bypass Committee update workshop
- o Bushfire Forum KI
- Carbon neutral transport options for Council Fleets workshop
- o GM crops Task Group

#### **Rubble Royalties**

The S&HLGA received the final top up funds from Rubble Royalties in 2019-2020. The S&HLGA has member Council Kangaroo Island as the sole contributor to this scheme. During the year funds were allocated to:

- S&HLGA Strategic directions
- Working with the State Government and the Regional EO group to review the impact of Rubble Royalties and seek their removal.
- o KI Bushfire forum

#### **LGA Board**

Mayor Jan – Claire Wisdom (Adelaide Hills Council) along with Mayor Keith Parkes (Alexandrina Council) have represented the Southern and Hills Region at the Local Government Association State Board meetings.

#### Resources

The continuation of the capacity building grant from the Local Government Research and Development Scheme has improved the capacity of the Executive Officer that has been applied across a range of Association activities during the year.

Part of the additional capacity has supported the administrative processes and project outcomes around the S&HLGA Roads Working Party and the applications to the Local Government Transport Advisory Panel, involvement with SAROC, the regional EO group, the regional committees and various reports, submissions and forums throughout the year.

Mr Graeme Martin has provided Executive Officer services to the Association.

Jen St Jack has provided under contract, project oversight of the Resilient Hills and Coast Climate Change Adaptation committee as well as the inaugural Resilient Regions Central Co-ordinator for the DEW sponsored pilot.

Penny Worland has provided under contract, project oversight of the S&HLGA Community Wellbeing Alliance pilot program sponsored by the LGA.



#### **KEY CATEGORIES & THEMES**

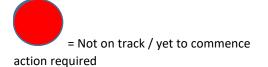
#### THE 2017-2021 S&HLGA BUSINESS PLAN

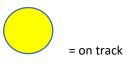
#### **OBJECTIVE**

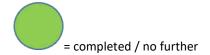
- 1. To provide leadership and advocacy for Member Councils on regional issues.
- 2. To market & promote the Southern & Hills Local Government Association
- 3. To support sustainable economic, environmental and social development in the region
- 4. To improve infrastructure to meet the community's needs.
- 5. To strengthen the capacity of the Association to meet its service obligations.

#### THE 2019-2020 S&HLGA ANNUAL KEY ACTION PLAN

Theme	Items & Actions
General Administration (sound financial and compliance management)	Budget, Charter Review, Board meetings, Subscriptions and Levies, Key Actions, Audit, Annual Report, Grant reporting & acquittals, Meeting Agenda format review, 3 year forward financial forecast
Projects and support (sustainability and development)	Regional Public Health Plan review, Community Wellbeing Pilot, Resilient Hills & Coast Climate adaptation Plan, Community Energy Scheme, Where we build, What we build, Resilient Regions Central Co-ordinator, Regional Transport Plan, Grants Commission review.
Leadership, advocacy and marketing	LGA Peri-Urban Governance, LG reform, Relationship building with State Government MPs, Website maintenance
Opportunities (capacity and infrastructure)	CWMS, Waste, Regional Infrastructure Plan, Regional Procurement, LGA R&D and External Funding, Telecommunications

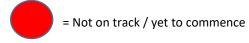






Theme	Items & Actions	Item	Status	Comment
General Administration (sound financial and	Budget, Charter Review, Board meetings,	Budget		2019-2020 Budget Adopted. 2020- 21 Budget tabled
	Subscriptions and Levies,	Charter review		Due December 2020

compliance	Key Actions, Audit,	Subscriptions & levies	Members invoiced July 2019
management)	Annual Report, Grant reporting & acquittals, 3	Audit	Completed 24 August 2019
	year S&HLGA forward	Annual Report	Completed and distributed 30 September 2019
		LGA Grants	Annual LGA Regional Capacity application submitted and received 30 Sept 2019
		3 Year forward forecast	Draft presented October 2019
Projects and support (sustainability and development)	Regional Public Health Plan, Resilient Hills & Coast Climate adaptation Plan, Regional Transport	Regional Public Health Plan	Commenced LGA Community Wellbeing pilot / /Committee regularly meeting. Seeking to defer review.
	Plan	Resilient Hills & Coast Climate adaptation Plan	Committee meeting regularly. CEP project completed, What we build where we build project near completion, Successful Resilient Regions Co-ordinator role application and funding. AMLR funding application submitted and successful 26 Sept.
		Grants Commission Review Project	Meeting with Grants Commission completed Sept 2019. Ongoing dialogue
		Regional Transport Plan	SLRP applications submitted and successful. South Coast Freight corridor concept review
Leadership, advocacy and marketing	LGA Peri-Urban Governance review, New	LGA peri Urban Governance review	Peri-urban regional organisation to be investigated
	Government Policies and	LG reform	LG reform on hold due to COVID19
	LG Reform, Relationship building with State	Relationship with MPs	Regularly meeting
	Government MPs, Website maintenance	Website	Updated now migrated to LGA squiz platform. Addition of committee agenda and minutes to be completed
Opportunities	CWMS, Waste, Regional	CWMS	Committee meeting regularly
(capacity and infrastructure)	Infrastructure Plan, Regional Procurement, External Funding,	Waste	Meeting with Fleurieu waste CEO. Regional waste strategy commenced with Regional LGAs
		Infrastructure Plan	RDA priority project forum/ Committee meeting regularly. Infrastructure SA state strategy released May 2020
		External funding	Project based and WIP. Overabundant species research required via SAROC
		Telecommunications	







Category	S&HLGA Role	Item	Comment/Description
Administration	Active/Lead	Charter Review	Draft issued Dec 2019. Project to be completed by Dec 2020
	Active/Lead	Budget 2019-2020	Endorsed by Board 26/04/2019. New 2020-21 Budget tabled April 2020
	Active/Lead	Draft Key Action 2019-2020	Endorsed August 2019
	Active/Lead	Regional Capacity grant acquittal 2018- 2019	submitted July 2019, received Sept 2019
	Active/Lead	Audit 2018-2019	Completed Aug 2019
	Active/Lead	Annual Report 2018-2019	Completed Aug 2019
	Active/Lead	3 year forward financial forecast	First draft issued Oct 2019 for discussion. COVID 19 impact has necessitated this project be postponed.
Projects – Lead/S&HLGA Committee	Active/Lead	Regional Public Health Plan	Community Wellbeing Alliance Pilot funding of \$75,000 received. 12 month delivery timeframe from July 1 2019. Consultant contractor appointed and work plan developed. LGA R&D application for LG Community Wellbeing indicator project successful Sept 2019. RFQ for indicator project issued 6 Nov 2019. Consultant appointed Jan 2020. Commencement late Jan 2020 but now pushed back till March 2021. ILC grants successful.
	Active/Lead	Resilient Hills & Coast	Community Energy Scheme to stop at current position and be wound up with the resources developed under the project to be published for use by the community, industry and local government.
	Active/Lead		Where we build, what we build project has received \$95,000 Natural disaster Program grant and \$40,000 Insurance Council of Australia grant commitment. Milestones 1,2, 3,4 & 5 completed. Final milestone due June 2020
			Resilient Regions Central Co- ordinator 12 month trial funding of \$80,000 received from DEW. S&HLGA to manage this trial. Completion June 2020
			Extension of Resilient Hills & Coast project officer until June 30 2020 via AMLR Water Sustainability grant funding.

Category	S&HLGA Role	Item	Comment/Description
	Active/Lead	Road Works Party	Completed HV assessment of South Coast Freight Corridor. Issues with Middleton main street traffic to be resolved. Further work and advocacy suspended until the demand profile completed in 2020-21. Developing a new Roads database and new 2030 Transport Plan for 2020-2021
	Active/Lead	CWMS	Committee now active with regular meetings scheduled. Key focus is on audit/description of each Council scheme and then seek common ground for efficiencies around operations and procurement. Last meeting completed after 12 Sept 2019. Legatus Group now leading sector review
Projects – Lead	Active/Lead	Grants Commission methodology review	March 2019 - Completed submission to SA Grants Commission. Review meeting with the Commission completed Sept 2019. Commission response received March 2020. S&HLGA Committee via AHC seeking further response and dialogue
	Active/Lead	Regional Native Vegetation Plan	Reviewing cost and opportunity for some external contributory funding although revised Guidelines may prove to be sufficient for S&HLGA member Councils
	Lead/Partner/Influence	Regional LGA Management Group	Regular meeting of the LGA EOs and development of priority projects in conjunction with SAROC. S&HLGA to take the lead on Overabundant Species management. Regular Meetings with SAROC
Projects - Partner	Partner/Influence	Coastal Alliance project	We have a significant interest in this but S&HLGA role is largely information provision via steering committee and input into the report. Adam Gray appointed as project consultant Jan 2020
	Partner/Influence	Telecommunications  Economic Development Officers Forum	Advocating for regional black spot funding and ready for 5G
	Partner/Influence	Economic Development Officers Forum	RDA lead but focus on Regional Infrastructure plan and Public

Category	S&HLGA Role	Item	Comment/Description
			Transport. Note Infrastructure SA strategy release May 2020
	Partner/Influence	Ratings Equity Impact study (phase 2)	EO on the Steering Committee. Project completed and with State Govt for action
Relationships	Active/Lead/Influence	State MPs/Federal MP	Continue regular catch ups during 2019-2020
	Active/Lead/Influence	Peri –Urban Group	Advocate and seek input from potential expanded Council members into a larger peri – urban Regional Organisation.  Meeting convened by Gawler Council August 2019.  Information conveyed to Adelaide Plains Mayor Nov 2019 Planned meeting with Barossa in Jan 2020. On hold due to COVID19 impact.

#### Acronyms

AICD	Australian Institute of Company Directors
AMLRNRM	Adelaide and Mt Lofty Ranges Natural Resources Management Board
CEO	Chief Executive Officer
CWMS	Community Wastewater Management Systems
DEW	Department of Environment and Water
EO	Executive Officer
ESCOSA	Essential Services Commission of South Australia
GAROC	Greater Adelaide Region of Councils
GM	Genetically Modified
LGA	Local Government Association
MDBA	Murray Darling Basin Authority
MOU	Memorandum of Understanding
NBN	National Broadband Network
NRM	Natural Resources Management
OLG	Office of Local Government
PIRSA	Primary Industries & Regions SA
RDA	Regional Development Australia
SA	South Australia
SAROC	South Australian Regional Organisation of Councils
SEB	Significant Environmental Benefits
S&HLGA	Southern and Hills Local Government Association
SLRP	Special Local Roads Program

## Southern & Hills Local Government Association Past Presidents and Secretaries / Executive Officers

Years	President	Council	Secretary / EO
2019 – 2020	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2018 - 2019	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2017 – 2018	Mayor Keith Parkes <sup>g</sup>	Alexandrina Council	Graeme Martin
2016 - 2017	Mayor Bill Spragg	Adelaide Hills Council	Graeme Martin
2015 - 2016	Mayor Bill Spragg	Adelaide Hills Council	Graeme Martin
2014 - 2015	Mayor Bill Spragg <sup>f</sup>	Adelaide Hills Council	Graeme Martin
	Mayor Ann Ferguson	DC Mount Barker	
2013 - 2014	Mayor Ann Ferguson	DC Mount Barker	Graeme Martin
2012 - 2013	Mayor Ann Ferguson	DC Mount Barker	Graeme Martin
2011 - 2012	Mayor Ann Ferguson	DC Mount Barker	Fred Pedler <sup>d</sup> Graeme Martin <sup>e</sup>
2010 - 2011	Mayor Ann Ferguson °	DC Mount Barker	Fred Pedler <sup>b</sup>
	Mayor Brian Hurn OAM	The Barossa Council	
2009 - 2010	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler b
2008 - 2009	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler <sup>b</sup>
2007 - 2008	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler <sup>b</sup>
2006 - 2007	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler <sup>b</sup>
2005 - 2006	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler b
2004 - 2005	Mayor Kym McHugh	Alexandrina Council	Fred Pedler b
2003 - 2004	Mayor Kym McHugh	Alexandrina Council	Fred Pedler b
2002 - 2003	Mayor John Crompton <sup>a</sup>	City of Victor Harbor	Fred Pedler b
2001 - 2002	Mayor John Crompton	City of Victor Harbor	Fred Pedler b
1999 - 2000	Mayor Bernie Eglinton APM	DC Mt Barker	Fred Pedler b
1998 - 1999	Mayor Bernie Eglinton APM	DC Mt Barker	Dean Gollan
1997 - 1998	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1996 - 1997	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1995 - 1996	Mayor Anita Aspinall	DC Stirling	Peter Vlatko
1993 - 1994	Cr GR Mayfield	DC Yankalilla	Malcolm Davis
1991 - 1992	Mayor Val Ball	DC Strathalbyn	John Coombe
1989 - 1990	Cr Val Bonython	DC East Torrens	Eric March
1987 - 1988	Cr PD Secker	DC Mt Barker	Dean Gollan
1985 - 1986	Mayor Leon O'Driscoll	DC Strathalbyn	Vernon Cotton
1984 - 1985	Cr CA Phieffer	DC Onkaparinga	David Seaman
1982 - 1983	Cr Brian Pym	DC Mt Pleasant	Adrian Hamiester
1980 - 1981	Cr Roy Galpin	DC Port Elliot and Goolwa	Ron Wellington
1979	Mayor M Checker	DC Gumeracha	Malcolm Anderson
1978	Mayor M Checker	DC Gumeracha	John Grosvenor
1976 - 1977	Mayor A Davidson	DC Strathalbyn	Vernon Cotton
1975	Cr Ray Orr	DC Mt Barker	Reginald Walters
1974	Cr L Hughes	DC Meadows	Wally Richards
1969-1973	No minutes available		
30 <sup>th</sup> July 1969	First Constitution for S&HLGA Adopte	ed	

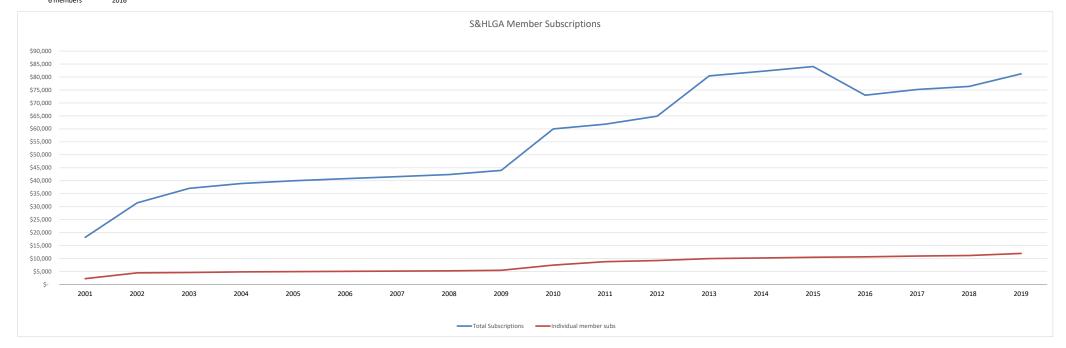
Attendance register maintained for annual and half yearly conferences from 1968 to 1990

 $<sup>^{\</sup>rm a}$  Until 12 $^{\rm th}$  May 2003  $^{\rm b}$  Executive Officer  $^{\rm c}$  From February 2011  $^{\rm d}$  To December 2011  $^{\rm e}$  From January 2012

<sup>&</sup>lt;sup>f</sup> From February 2015 <sup>g</sup> From December 2017

Financial Year ended	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Individual member subs	\$ 2,275 \$	4,500 \$	4,635 \$	4,867 \$	5,000 \$	5,100 \$	5,200 \$	5,300 \$	5,500 \$	7,500 \$	8,829 \$	9,270 \$	10,000 \$	10,250 \$	10,500 \$	10,685 \$	11,000 \$	11,200 \$	12,000 \$	13,667
Total Subscriptions	\$ 18,200 \$	31,500 \$	37,080 \$	38,936 \$	40,000 \$	40,800 \$	41,600 \$	42,400 \$	44,000 \$	60,000 \$	61,803 \$	64,890 \$	80,443 \$	82,172 \$	84,037 \$	72,995 \$	75,173 \$	76,373 \$	81,214 \$	91,214
\$ Change from previous year		\$13,300	\$5,580	\$1,856	\$1,064	\$800	\$800	\$800	\$1,600	\$16,000	\$1,803	\$3,087	\$15,553	\$1,729	\$1,865	-\$11,042	\$2,178	\$1,200	\$4,841	\$10,000
% Change from previous year		73.1%	17.7%	5.0%	2.7%	2.0%	2.0%	1.9%	3.8%	36.4%	3.0%	5.0%	24.0%	2.1%	2.3%	-13.1%	3.0%	1.6%	6.3%	12.3%

NB 8 members 2001-2010 7 members 2011-2015 6 members 2016



# SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION FINANCIAL STATEMENTS

# Statement of Comprehensive Income for the Year Ended 30<sup>th</sup> June 2020

	Notes	2020 \$	2019 \$
Income		,	·
Subscriptions Operating Grants Investment Income Other	1.8 2.2 1.7	81,214 423,581 2,282 54,478	76,373 261,239 4,456 28,655
Total Income	1.4	561,555	370,723
Expenditure			
Contractual Services Finance Charges Other	3	243,951 3,958 173,850	167,523 3,763 104,707
Total Expenditure	_	421,759	275,993
Surplus (Deficit) from Operations	_	139,796	94,731

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

#### **SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION**

### Balance Sheet as at 30<sup>th</sup> June 2020

	2020	2019
	Notes \$	\$
Current Assets		
Investments Debtors	376,271 10,450	181,281 147,675
Total Current Assets	386,721	328,956
<b>Current Liabilities</b>		
Accounts Payable Grants in Advance Employee provisions GST/PAYG Rounding Total Current Liabilities  Net Current Assets	14,300 0 8,429 (3,419) (15) 19,295	21,326 80,000 0 0 101,326 227,630
Net Assets	367,426	227,630
Equity		
Accumulated Surplus	367,426	227,630
Total Equity	367,426	227,630

The above Balance Sheet should be read in conjunction with the accompanying notes

# SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION Statement of Changes in Equity for the Year Ended 30<sup>th</sup> June 2020

		2020	2019
	Notes	\$	\$
Accumulated Surplus			
Balance at beginning of period Net Surplus / (Deficit)		227,630 139,796	132,899 94,731
Balance at end of period	_	367,426	227,630
Total Equity	_	367,426	227,630

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

# SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION Statement of Cash Flows for the Year Ended 30<sup>th</sup> June 2020

		2020	2019
	Notes	\$	\$
Cash Flows from Operating Activities			
Receipts Payments GST Paid (received) Finance Costs Interest Receipts	-	678,147 (448,083) (33,398) (3,958) 2,282	328,452 (269,962) (4,987) (3,637) 4,456
Net Cash Provided by (Used in) Operating Activities		194,990	54,322
Net increase/(decrease) in Cash Held	_	194,990	54,322
Cash at the beginning of the reporting period	_	181,281	126,959
Cash at the end of the reporting period	-	376,271	181,281

## **Reconciliation of Change in Net Assets to Cash from operating activities**

	2020	2019
		\$
Net Surplus	139,796	94,731
Decrease / (Increase) in Debtors	137,225	(147,675)
(Decrease) / Increase in Accounts Payable	(2,031)	27,266
(Decrease) / Increase in Grants in Advance	(80,000)	80,000
Net Cash provided by Operating Activities	194,990	54,322

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

#### SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS For the year ended 30 June 2020

#### Note 1 - Significant Accounting Policies

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

#### 1 Basis of Preparation

#### 1.1 Compliance with Australian Accounting Standards

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

The Southern & Hills Local Government Association is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils are the Adelaide Hills Council, Alexandrina Council, Kangaroo Island Council, Mt Barker District Council, City of Victor Harbor and District Council of Yankalilla.

All funds received and expended by the Association have been included in the financial statements forming part of this financial report.

#### 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 Australian Accounting Standards 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 dollar

#### 1.5 Non Current Assets and Non Current Liabilities

The Association has no non current assets or non current liabilities.

#### 1.6 Employees

The Association has one employee having converted the EO from contractor to employee in February 2019.

#### 1.7 Investments

Investments are valued at cost. Interest revenues are recognised as they accrue.

#### 1.8 Subscriptions

Clause 6 of the Charter of the Association prescribes that subscriptions (not levies) by Constituent Councils are equal.

Constituent Council Subscription 2020 \$12,000 Constituent Council Subscription 2019 \$11,200

#### SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

#### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

#### 1.9 Income recognition

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

#### 1.10 Cash

For purposes of the statement of cash flows, cash includes cash deposits which are readily convertible to cash on hand and which are used in the cash management function on a day to day basis.

#### 1.11 New accounting standards for application in future periods

The Australian Accounting Standards Board has issued new and amended Accounting Standards and interpretations that have mandatory application dates for future periods. The organisation has assessed that it is not expected to be materially impacted by those changes.

#### 2 Functions / Activities of the Association

- **2.1** Revenues and expenses have been attributed to the following functions / activities, descriptions of which are set out in Note 2.2.
- 2.2 The activities of the Association are categorised into the following broad functions:

**Administration:** The operation of the Office of the Association and its decision making

forums.

**Special projects:** The research into and implementation of projects prescribed by Acts or

regulations or approved by Board decision.

#### Note 2.2 Functions / Activities of the Southern & Hills Local Government Association

#### Administration

Year		Revenue			Expenses		Cumhina
rear	Grants	Other	Total Revenue	%	Expenses Total	%	Surplus (Deficit)
2020	104,959	120,640	225,599	40.2%	176,808	41.9%	48,791
2019	106,989	80,829	187,818	50.7%	184,528	66.9%	3,290
Projects							
2020	318,622	17,334	335,956	59.8%	244,951	58.1%	91,005
2019	154,250	12,255	166,505	44.9%	68,020	24.7%	98,485
Total							
2020	423,581	137,974	561,555	100%	421,759	100%	139,796
2019	261,239	109,484	370,723	100%	275,993	100%	94,731

#### **SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION**

#### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

#### 3. Contractual Services

Contractual Services involve payments or liabilities for the external provision of services and include (net of GST):

,	,	2020	2019
Consultants:	Jeanette Pope	\$0	\$0
	Grange Advisors Pty Ltd	\$0	\$85,239
	HDS Australia Pty Ltd	\$5,653	\$23,444
	RH&C (CVH)	\$0	\$45,000
	Seed Consulting	\$117,182	\$0
	Jack Jensen	\$60,222	\$0
	Penny Worland Consulting	\$60,894	\$13,840
	Totals	\$243,951	\$167,523

#### 4. Comparison of Budget and Actual Results

	2020		20	19
	Budget \$	Actual \$	Budget \$	Actual \$
Revenue				
Administration Projects	152,914 20,033	225,599 335,956	174,273 20,050	187,818 182,905
Total Revenue	172,947	561,555	194,323	370,723
Expenditure				
Administration Projects	175,750 77,400	176,808 244,951	170,000 68,050	184,529 91,464
Total Expenditure	253,150	421,759	238,050	275,993
Surplus (Deficit)	(80,203)	139,796	(43,727)	94,731

#### **CERTIFICATION OF FINANCIAL STATEMENTS**

We have been authorised by the Southern & Hills Local Government Association 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.
- o the financial statements present a true and fair view of the Association's financial position at 30 June 2020 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 Association's financial records are complete, accurate and reliable and were effective throughout the financial year.
- o the financial statements accurately reflect the Association's accounting and other records.

Dated 31st August 2020

**Graeme Martin** 

**EXECUTIVE OFFICER** 

**Mayor Keith Parkes** 

**PRESIDENT** 

#### **CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Southern & Hills Local Government Association for the year ended 30 June 2020, the Association's Auditor, HLB Mann Judd, 169 Fullarton Rd, Adelaide, 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.

Dated 31st August 2020

**Graeme Martin EXECUTIVE OFFICER** 

**Mayor Keith Parkes PRESIDENT** 



The Board C/- Graeme Martin Executive Officer Southern & Hills Local Government Association 13 Ringmer Drive Burnside SA 5066

## TO THE BOARD MEMBERS OF SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

## STATEMENT OF AUDITORS INDEPENDENCE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2020

I confirm that, for the audit of the financial statements of Southern & Hills Local Government Association for the year ended 30 June 2020, 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.

HLB Mann Judd

HLB Mann Judd Audit (SA) Pty Ltd Chartered Accountants

Jon Colquhoun Director

Adelaide, South Australia 31 August 2020



### Independent Auditor's Report to the Members of Southern & Hills Local Government Association

#### Opinion

We have audited the financial report of Southern & Hills Local Government Association ("the Entity") which comprises the Balance Sheet as at 30 June 2020, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Entity as at 30 June 2020, and its financial performance and its cash flow for the year then ended in accordance with Australian Accounting Standards.

#### **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 Entity in accordance with the auditor independence 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 other 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.

#### Responsibilities of Management and Board Members for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and for such internal control as management 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, management is responsible for assessing the Entity'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 management either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Board Members are responsible for overseeing the Entity's financial reporting process.

#### 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 Australian Auditing Standards will always detect a material misstatement when it exists.

#### hlb.com.au

HLB Mann Judd Audit (SA) Pty. Ltd. ABN: 32 166 337 097 169 Fullarton Road, Dulwich SA 5065 | PO Box 377, Kent Town SA 5071 T: +61 (0)8 8133 5000 | F: +61 (0)8 8431 3502 | E: reception@hlbsa.com.au



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 this financial report.

As part of an audit in accordance with the 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 in order to design audit
  procedures that are appropriate in the circumstances, but not for the purpose of
  expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease 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 Board Members 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.

HLB Mann Judd

HLB Mann Judd Audit (SA) Pty Ltd Chartered Accountants

Adelaide, South Australia 31 August 2020

Jon Colquhoun Director

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Bridge to Opportunity





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## **ABOUT AHRWMA**

The Adelaide Hills Region Waste Management Authority (AHRWMA) is a Local Government Regional Subsidiary established by its constituent Councils – the Adelaide Hills Council, The Alexandrina Council, The Mount Barker District Council and The Rural City of Murray Bridge (Member Councils).

Waste management and recycling services for local ratepayers, residents and visitors is a key Local Government function. The Member Councils resolved to work together through the AHRWMA to coordinate waste management and recycling within the region.

The Authority undertakes landfill operations, resource recovery centre management, hooklift truck transport services, mobile crushing and recyclables baling for the benefit of its Member Councils. The AHRWMA provides an avenue for Member Councils to be represented in relevant forums and provides technical waste and resource management advice to Member Councils when required, along with coordinated education services to Member Council communities. The Authority also facilitates a shared Strategic Resource Recovery Coordinator for three of the Member Councils and more recently a Waste to Resource Officer for two Member Councils.

The Authority continues to focus on evaluating waste and recycling services throughout the region to determine where it can add value to Member Councils by applying a resource sharing model.

## REPORT FROM THE CHAIR

I would like to thank our Member Councils for their support throughout the year.

In 2018/19 we welcomed several new Board Members and I was pleased to be re-elected to the Chairperson position at the June 2019 AGM.



Cr John Kemp Chair

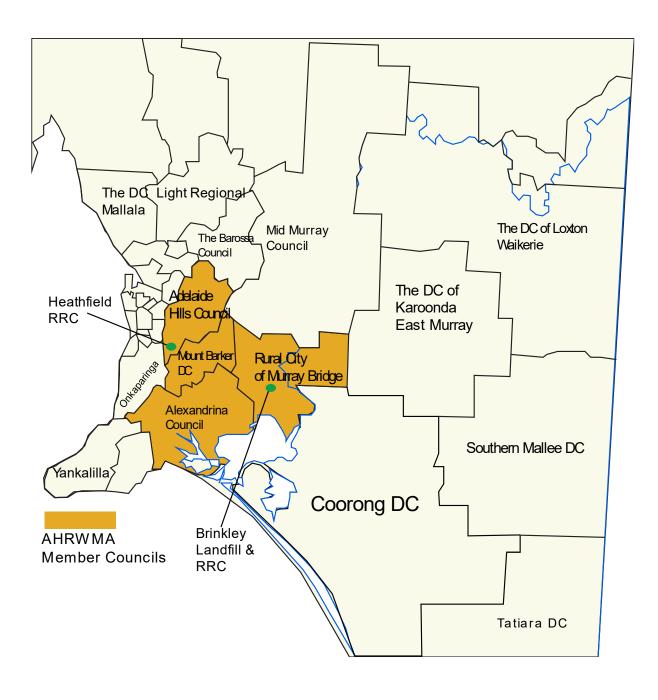
2019/20 has been a challenging, yet successful year for the Authority:

- We successfully defended a long running legal claim with the judgement delivered on 15 November 2019.
- We advertised the position of Executive Officer and appointed Leah Maxwell to that position for a three-year contract term.
- A Charter review process was completed, with a revised Charter endorsed by the Board and submitted to Member Councils.
- We underwent a WHS & risk audit via the LGRS and are now focused on implementing the actions identified via this audit.
- We continued to assist Member Councils with managing the impacts of the China Sword Policy.
- In late 2019 the region was impacted by the Cudlee Creek fires and the Authority assisted Member Councils with waste management aspects of this.
- We established measures in response to the COVID-19 pandemic, ensuring waste management services were uninterrupted throughout this time.
- Tonnes to the landfill have remained steady and the Authority has continued to provide effective and efficient landfill and resource recovery services to its Member Councils.

In my time as Chair I have recognised the ongoing commitment that the Authority's Executive Officer and Board Members hold in striving to achieve the best outcomes for the AHRWMA and its Member Councils. I would like to thank the Executive Officer for her efforts in managing the Authority and assistance provided to me as Chair.

The AHRWMA continues to focus on improved governance and risk management across all areas of operation while assisting its Member Councils' with efficient and effective waste and resource management services. Along with core services the Authority continues to enhance its representation within the industry and represents its Member Councils in relevant forums.

# **AHRWMA SERVICE AREA MAP**



# STRATEGIC DIRECTION

### The Vision

"Sustainable Waste Management through Shared Services for the communities of Adelaide Hills, Alexandrina, Mt Barker and Murray Bridge"

### The Mission

- To meet Resource Recovery Targets across the region where economically and environmentally justified.
- To continue to develop and manage the Authority's landfill as an EPA compliant model regional landfill that provides the most cost-effective disposal option for Member Councils and commercial customers.
- To educate the regional community on responsible waste choices that enhance and maintain their environment.

### The Objectives

The Authority's vision and mission will be achieved through five key objectives:

- To take a leadership role in resource recovery and community education.
- Responsibly develop and manage the Authority's landfill to be a model regional landfill
  meeting all legislative requirements and operating benchmarks.
- Financial sustainability in waste services for Member Councils by pursuing a shared services model.
- Advocate, research and promote best practice waste management and actively represent Member Councils in all forums.
- A fully compliant Regional Subsidiary that meets the highest standards in governance,
   financial and human resource management.

# **GOVERNANCE**

### Board

The AHRWMA is administered by a Board in accordance with the *Local Government Act (1999)* and AHRWMA Charter. The Board consists of eight Members, being one Elected Member appointed by each Constituent Council and one employee appointed by each Constituent Council. Each Constituent Council also appoints a Deputy Board Member.

The Chairperson and Deputy Chairperson of the Board are elected by ballot of the whole Board from those Board Members who are Elected Members.

The Board held 5 ordinary and 3 special meetings in 2019/20. The Board is responsible for managing all activities of the Authority, ensuring that the Authority acts in accordance with its Charter. The Board's responsibilities include development of strategic and business directions and strategies aimed at improving the business of the Authority. The Board appoints an Executive Officer responsible for implementing the decisions made by the Board and managing the day-to-day operations of the Authority.

### 2019-20 Board Members (Current)

### Rural City of Murray Bridge

Heather Barclay, General Manager Assets & Infrastructure Cr Mat O'Brien (vacated position on 14<sup>th</sup> October 2019) Cr Fred Toogood (Commenced 14<sup>th</sup> October 2019) Malcolm Downie, Manager City Assets, Deputy Board Member

### Mount Barker District Council

Greg Parker, General Manager Community Services Cr Harry Seager (Deputy Chairperson) Cr Simon Westwood, Deputy Board Member

### Alexandrina Council

Elizabeth Williams, General Manager Resources Cr Mike Farrier Cr John Carter, Deputy Board Member

### Adelaide Hills Council

John McArthur, Manager Waste & Emergency Services
Cr John Kemp (Chairperson)
Cr Ian Bailey, Deputy Board Member

### **Current Board Members**



Cr John Kemp Chair AHC



Cr Harry Seager Deputy Chair MBDC



Cr Mike Farrier Alexandrina



Cr Fred Toogood RCMB



Cr Simon Westwood Dep. Member MBDC



Cr Ian Bailey Dep. Member AHC



Heather Barclay General Manager Assets & Infrastructure RCMB



Greg Parker General Manager Community Services MBDC



John McArthur Manager, Waste & Emergency Management AHC



Elizabeth Williams General Manager Resources Alexandrina



Cr John Carter Dept. Member Alexandrina



Malcolm Downie Dep. Member Manager City Assets RCMB

### **Audit Committee**

In accordance with the Local Government Act (1999) the AHRWMA has an Audit Committee. The principal objective of the Audit Committee is to add value to and improve AHRWMA's operations, by assisting the Board to meet its legislative and probity requirements as required by the Local Government Act 1999 and other relevant Legislation, Standards and Codes. The Audit Committee is comprised of two Board Members as determined by resolution of the Board and one Independent Member, who is also the Chair.

The Audit Committee meets as required and at least once every four months, prior to Board Meetings.

The Current Audit Committee Members include;

Independent Member: Peter Brass

Board Members: Greg Parker, Elizabeth Williams

### Management & Operations Committee

In 2018/19 the Board re-established the Management and Operations Committee. The Committee includes a staff member from each Constituent Council and provides valuable support to the Executive Officer. The Committee meets as required to discuss strategic and operational matters.

The current Management & Operations Committee Members include;
Malcolm Downie – Rural City of Murray Bridge
Greg Parker – Mount Barker District Council
John McArthur – Adelaide Hills Council
Elizabeth Williams – Alexandrina Council

# 2019/20 ACHIEVEMENTS

### Landfill & Operations

- Fees and charges have been reviewed and updated, taking into account the waste disposal levy increases for the period.
- The landfill site is being surveyed regularly to ensure adequate cell management.
- A phytocap landfill design is being developed and trialled.
- The landfill cell 8/9 stage two was constructed and approved for use in March 2020.
- A street sweeping bay was installed at the Brinkley site, directing street sweeping green organics away from landfill and to composting.
- A review of C&D operations has commenced across all sites and the Recycled Products Plan for this material is being updated.

### Governance

- The Charter review process was finalised in 2019/20, with the AHRWMA Board adopting the revision and forwarding the revised Charter to Constituent Councils for consideration. Three of the four Constituent Councils have endorsed the revised Charter and one Council will consider it in the coming months.
- A risk evaluation of the AHRWMA was completed by Local Government Risk Services in December 2019 and an action plan addressing this evaluation is now being actioned.



### Resource Sharing, Resource Recovery Centres & Value Add

- Free greens days have been held across the RRCs.
- Hooklift waste and recycling transport services continue to be provided across the Region.
- Positive working relationships have been maintained with Constituent Councils, commercial and non-member local government customers.
- Assistance has continued to be provided to Member Councils regarding the recycling market changes resulting from the China Sword Policy and the AHRWMA has ensured Member Council representation across all forums.
- The AHRWMA has continued to participate in a high-level education working group assisting Green Industries SA with the implementation of a state wide education program titled "Which Bin".
- The Household Paint and Chemical Facility (funded by Green Industries SA) was commissioned at the Heathfield RRC. This facility provides a valuable free service to users across the region.
- The Region was impacted by fire in December 2020, which significantly impacted the Adelaide Hills Council and Mount Barker District Council. The Authority assisted Member Councils with the waste management aspects of this.
- The Authority assisted the Adelaide Hills Council with obtaining finding from Green Industries SA to purchase a polystyrene processing machine, which is soon to be commissioned.



Encouraging food waste composting through the green bin service where available.



### Finances

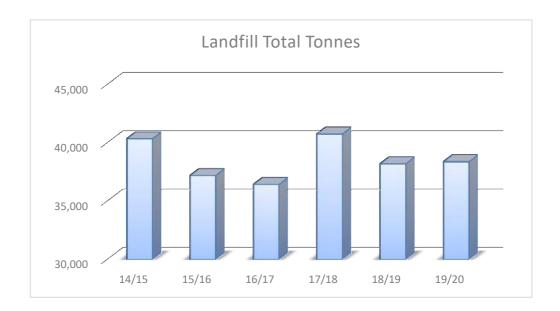
- The Audited financials have been completed for the year 2019/20 and are attached.
- The year to 30 June 2020 ended with the AHRWMA achieving a total surplus of \$131,481, compared to a third quarter budget review of net surplus \$27,000.
- The Brinkley Resource Recovery Centre finished \$14,542 ahead of budget for the financial year, while the Heathfield Resource Recovery Centre finished over budget by -\$13,895.



# LANDFILL OPERATIONS

### **Brinkley Landfill Statistics**

Waste disposed to landfill increased by 182 tonnes in the 19/20 financial year. Overall landfill tonnes are showing an increasing trend, while total Member Council tonnes to landfill have decreased by 466 tonnes.



Non-member Local Government tonnes maintained consistent this financial year while commercial tonnes increased.

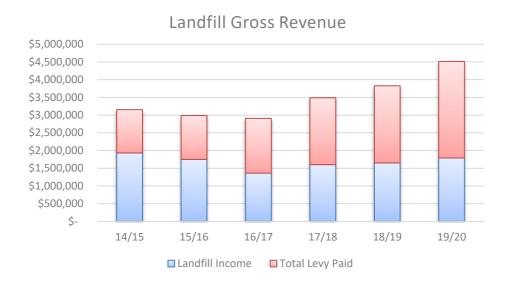
The Authority continues to focus on providing quality service and looking at opportunities to value add for customers.

### Revenue

Landfill gross revenue increased in 2019/20, which is partially due to the increase in the Solid Waste Disposal Levy.

The Authority is required to pay the Solid Waste Disposal Levy for every tonne of waste disposed to landfill and therefore collects the levy from Member Councils and landfill customers as part of the landfill gate fees.

In 2019/20 the State Government announced a two staged levy increase, the first on July 1, 2019 and the second on January 1, 2020. In July 2020 the levy increased from \$50 to \$55 for non- metropolitan waste, then to \$70 per tonne in January. The Metropolitan Adelaide rate was increased from \$100 to \$110 in July 2019 and then to \$140 per tonne as of 1 January 2020.



### **Financial Indicators**

The Authority adopted financial indicators for 2019/20 which are outlined in the table below. The operating surplus ratio exceeded target due to an increase in surplus. The Asset Sustainability Ratio did not meet target as budgeted purchase of a loader did not occur, due to a lack of suitable machines within budget. This purchase will occur in 2020/21. All other targets were met or exceeded.

	Budget	Actual	Short term Adopted Target
Operating Surplus Ratio - Indicator 1	0%	2%	0%
Net Financial Liabilities Ratio - Indicator 2	59%	60%	70%
Interest Cover Ratio - Indicator 3	1%	1%	1.50%
Asset Renewal Funding Ratio - Indicator 4	100%	55%	100%

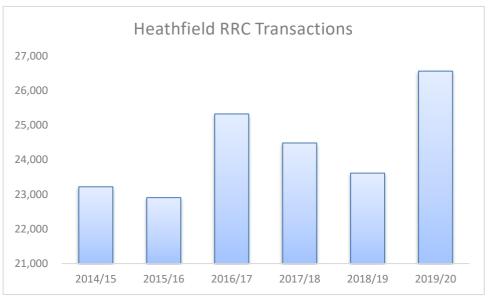
# RESOURCE RECOVERY CENTRE OPERATIONS

The Authority manages two Resource Recovery Centres (RRCs) on behalf of its Member Councils. These sites are the Heathfield RRC, which serves the Adelaide Hills Council area with an approximate population of 40,000 people and the Brinkley RRC, which serves the Rural City of Murray Bridge area with an approximate population of 22,000 people.

### Site Usage

Both facilities have shown strong customer growth since the Authority commenced operations. The Heathfield customer numbers increased substantially in 2019/20, which is likely a result of increased services, such as the chemical drop off, fire waste disposal and free green organics days.





### Tonnes to Landfill

The tonnes of waste disposed to landfill from the Heathfield site increased in 2019/20, while Brinkley reduced. It is likely that the increased tonnes at Heathfield is likely a result of increased customer numbers. The Adelaide Hills Council determined to assist their residents with waste disposal in relation to the Cudlee Creek fires and this also resulted in increased tonnages to the site.

The Brinkley RRC waste disposed to landfill reduced as a result of a street sweepings initiative, whereby the street sweepings are now recovered and composted offsite.

All material that can be reused, reprocessed or recycled is removed from the waste stream prior to transportation to landfill. For example, green organics are chipped on site and sold as mulch and construction and demolition material is stored for crushing and reuse as road base.

Resource Recovery Sites - Waste Tonnes to Landfill					
2015/16 2016/17 2017/18 2018/19 2019/20					2019/20
Heathfield	2,010	1,840	1,562	1,533	1,719
Brinkley	1,682	1,818	1,719	1,623	1,138

### **Financials**

The Brinkley RRC exceeded the 2019/20 budget target, finishing the year with a net loss of approximately \$19,500, compared to a budgeted loss of \$34,000, a positive variance of \$14,500. The Heathfield site finished the year a net loss of approximately \$33,900, compared to a budget of \$20,000, a negative variance of \$15,290.

The Authority will continue to monitor the Resource Recover Centre budgets and adjust operations where required, aiming to minimise the losses across the site. It is recognised that the sites are operated for community benefit and we aim to recover costs at the sites and work towards a break-even position, without significantly increasing user fees.





Since opening in August 2019, the new chemical & paint drop off facility at Heathfield has received

27,712kg of materials, which include

- Water based paint (30%)
- Coolant (20.91%)
- Solvent based paint (8.27%)
- Waste oil (8.13%)
- Gas bottles lpg (6.99%)
- Flammable liquids (6.76%)

We recycled 852 tonnes of metal and Ewaste across the RRC sites



# KERBSIDE WASTE & RECYCLING COLLECTIONS Adelaide Hills, Mount Barker & Murray Bridge

The Authority facilitates the shared Strategic Resource Recovery Coordinator (previously the Waste Strategy Coordinator) resource across three of three of the Member Councils: Adelaide Hills Council, Mount Barker District Council and the Rural City of Murray Bridge. The Strategic Resource Recovery Coordinator manages waste services on behalf of the councils.

## 2019-20 Highlights

### In conjunction with our Member Councils the Strategic Resource Recovery Coordinator

### Implemented:

- The Mount Barker District Council Waste to Resources Management Plan 2018 2025.
- The Circular Procurement Pilot Project, including assisting Council staff to amend procurement processes and documentation to prioritise the purchase of products with recycled-content.
- Educational displays under the Green Industries SA Which Bin brand at the Murray Bridge library and Local Government Centre as per funding received from GISA (Recycle Right Grant).

### Gained funding from Green Industries SA for:

- The Regional Transport Subsidies Program for Mount Barker and Murray Bridge Councils to support their continued recycling efforts in response to the challenges presented by China's National Sword Policy.
- The provision of FOGO kitchen caddy bins and compostable bags, including educational and promotional materials to assist with diverting food waste from landfill for Murray Bridge Council. Conducted a 6-month trial to provide fully biodegradable compost bags to residents as part of efforts to reduce landfill and promote the use of green bins for food/organic waste.
- The procurement of a polystyrene (foam) machine at Heathfield Resource Recovery Centre.

### Coordinated and Managed:

- Environmental monitoring at various operating and closed sites. Successfully surrendered EPA licence for Mount Charles former landfill for Adelaide Hills Council and reduced frequency of reporting for the Heathfield Resource Recovery Centre.
- The establishment of free green days at Brinkley Waste and Recycling Facility for 2020.
- Ongoing advice and support with negotiating the kerbside collection contracts at Mount Barker and Murray Bridget Councils in relation to the impact of the China National Sword Policy for recyclables.

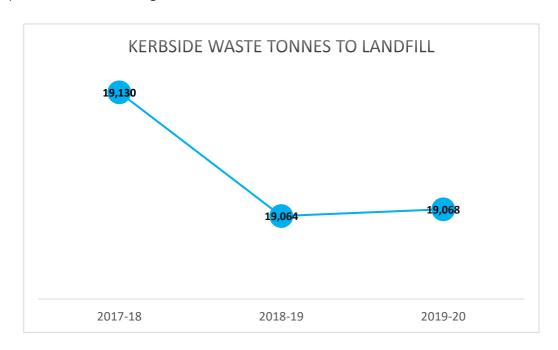
### **Recycling Service**

Across the three Councils a total of 8,071 tonnes of recycling was collected via the kerbside service, which is an increase of 231 tonnes (2.94%) compared to the 2018/19 year (where as there was a decrease of 72 tonnes from the previous 2017/18 year).



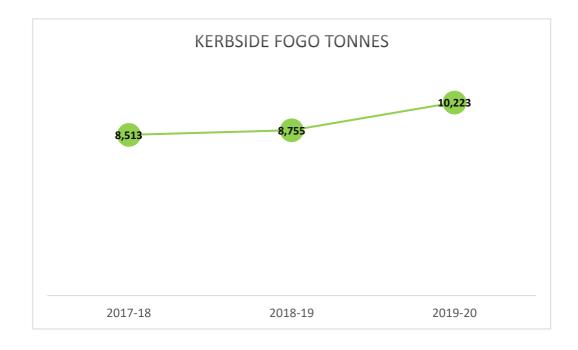
### Waste Service

Total kerbside waste disposed to landfill from within the three Member Council regions has remained stable and increased by 4 tonnes (0.02%) in comparison to the previous year, while the population continues to grow.



### Kerbside Green Organics (FOGO)

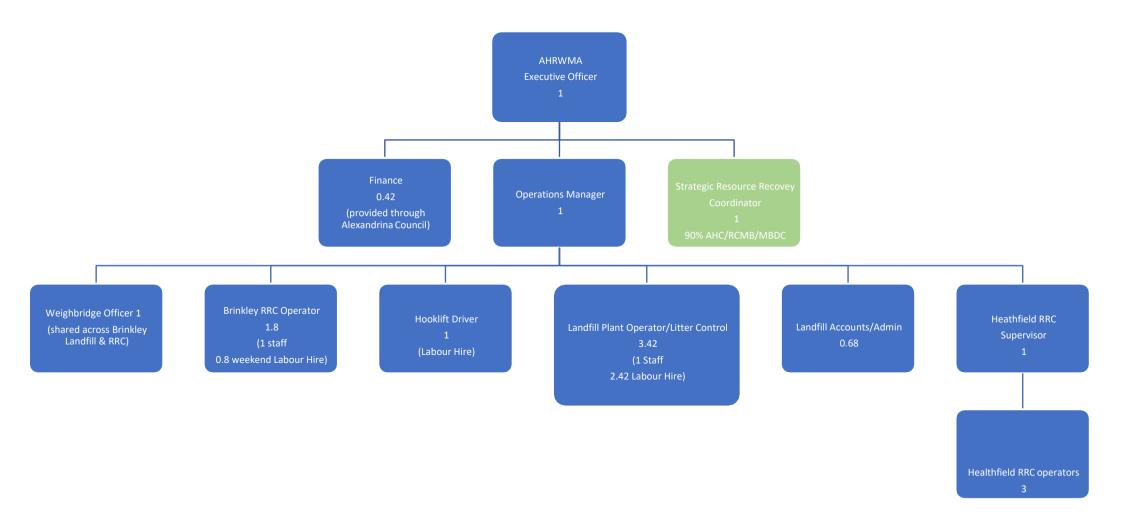
Properties within the Township areas of the three Councils are entitled to a green bin service, which also accepts food waste. The green organics tonnes collected has continued to increase significantly. The 2019/20 financial year saw an increase in green organics of 1,469 tonnes (16.78%) from the previous 2018/19 financial year. It is possible that COVID-19 resulting in an increase in gardening due to people being at home and therefore an increase in green organics.



Coordinating collection services across Murray Bridge and Mount Barker Councils



# Organisation Chart 2019/20



# General Purpose Financial Reports for the year ended 30 June 2020

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Constituent Councils Certificate of Audit Independence Audit Certificate of Audit Independence

# ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

### **CERTIFICATION OF FINANCIAL STATEMENTS**

We have been authorised by Adelaide Hills Region Waste Management 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 2020 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.

Leah Maxwell
EXECUTIVE OFFICER

Date: 10/9/20

Councillor John Kemp CHAIR PERSON

# Statement of Comprehensive Income for the year ended 30 June 2020

		2020	2019
	Notes	\$	\$
INCOME			
User charges	2	4,451,469	3,827,815
Grants, subsidies and contributions	2	-	11,887
Investment income	2	140	262
Other income	2	2,035,916	2,135,142
Total Income		6,487,525	5,975,106
		_	
EXPENSES			
Employee costs	3	1,120,733	1,121,692
Materials, contracts & other expenses	3	4,586,109	3,953,400
Depreciation, amortisation & impairment	3	599,696	481,832
Finance costs	3	50,925	57,531
Total Expenses		6,357,463	5,614,455
OPERATING SURPLUS / (DEFICIT)		130,062	360,651
Asset disposal & fair value adjustments	4	1,419	272
Amounts received specifically for new or upgraded assets	2	-	20,000
<b>NET SURPLUS / (DEFICIT)</b> (transferred to Equity Statement)	_	131,481	380,923
Total Other Comprehensive Income	_	-	-
TOTAL COMPREHENSIVE INCOME	_	131,481	380,923

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

# Adelaide Hills Region Waste Management Authority Statement of Financial Position

### as at 30 June 2020

		2020	2019
ASSETS	Notes	\$	\$
Current Assets			
Cash and cash equivalents	5	267,497	309,592
Trade & other receivables	5	614,549	403,816
Inventories	5	2,256	3,791
Total Current Assets	_	884,302	717,199
Non-current Assets			
Infrastructure, property, plant & equipment	6	4,936,546	4,214,420
Total Non-current Assets	_	4,936,546	4,214,420
Total Assets		5,820,848	4,931,619
LIABILITIES			
Current Liabilities			
Trade & other payables	7	878,205	661,953
Borrowings	7	1,471,228	1,579,500
Provisions	7 _	276,221	244,212
Total Current Liabilities	_	2,625,654	2,485,665
Non-current Liabilities			
Borrowings	7	236,989	-
Provisions	7	1,931,780	1,551,010
Total Non-current Liabilities	_	2,168,769	1,551,010
Total Liabilities		4,794,423	4,036,675
NET ASSETS	_	1,026,425	894,944
EQUITY			
Accumulated Surplus		1,026,425	894,944
TOTAL EQUITY	_	1,026,425	894,944

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

# Statement of Changes in Equity for the year ended 30 June 2020

		Accumulated Surplus	TOTAL EQUITY
2020 No	tes	\$	\$
Balance at end of previous reporting period		894,944	894,944
Net Surplus / (Deficit) for Year		131,481	131,481
Balance at end of period	3	1,026,425	1,026,425
2019			
Balance at end of previous reporting period		514,021	514,021
Net Surplus / (Deficit) for Year		380,923	380,923
Balance at end of period	3	894,944	894,944

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

### **Statement of Cash Flows**

### for the year ended 30 June 2020

		2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES	Notes	\$	\$
Receipts:			
User charges		4,724,188	4,189,399
Investment receipts		140	262
Other revenues		1,895,953	2,079,900
Payments:			
Employee costs		(1,103,698)	(1,169,212)
Materials, contracts & other expenses		(4,707,074)	(4,969,660)
Finance payments		(55,661)	(55,707)
Net Cash provided by (or used in) Operating Activities		753,848	74,982
	•		
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts:			
Amounts specifically for new or upgraded assets		-	20,000
Sale of replaced assets		53,000	78,364
Payments:		·	
Expenditure on renewal/replacement of assets		(202,037)	(59,146)
Expenditure on new/upgraded assets		(452,000)	(343,781)
Net Cash provided by (or used in) Investing Activities	'	(601,037)	(304,563)
Not out in provided by (or used in) investing Addivides		(001,007)	
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts:			
Proceeds from borrowings		100,000	407,317
Payments:			
Repayments of borrowings		(252,645)	(140,500)
Repayment of lease liabilities		(42,261)	
Net Cash provided by (or used in) Financing Activities		(194,906)	266,817
Net Increase (Decrease) in cash held	,	(42,095)	37,236
Cash & cash equivalents at beginning of period	9	309,592	272,356
Cash & cash equivalents at end of period	9	267,497	309,592
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This Statement is to be read in conjunction with the attached Notes

# ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Notes to and forming part of the Financial Statements for the year ended 30 June 2020 Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

### 1 Basis of Preparation

### 1.1 Compliance with Australian Accounting Standards

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

The Authority is a Local Government Authority Section 43 regional subsidiary under the control of Adelaide Hills Council, Alexandrina Council, Mount Barker District Council and Rural City of Murray Bridge.

### 1.2 Historical Cost Convention

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

### 1.3 Critical Accounting Estimates

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

### 2 The Local Government Reporting Entity

Adelaide Hills Region Waste Management Authority operates as a regional subsidiary pursuant to Section 43 of the Local Government Act 1999 & Section 25 of the Local Government Implementation Act 1999, and has its principal place of business at c/-of Mount Barker District Council, 6 Dutton Road, Mt Barker. These financial statements have been prepared for use by constituent councils of the Authority.

### 3 Income recognition

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.

Income is measured at the fair value of the consideration received or receivable. Where grants, contributions and donations recognised as income during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as income in a previous reporting period which were obtained in respect of the Authority's operations for the current reporting period. The Authority's does not receive Grants Commission funding.

# ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

### Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

The Authority recognises revenue under AASB 1058 *Not-for-Profit-Entities* (AASB 1058). 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 entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity. In this case, the Authority recognises the excess as a liability that is recognised over time in profit and loss when (or as) the Authority satisfies its obligations under the transfer.

The Authority never recognises revenue under AASB 15 *Revenue from Contracts with Customers* (AASB 15) as the Authority never enters into contracts with customers or Constituent Councils.

### 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.

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 policy applied to financial instruments forms part of Note 10.

### 5 Inventories

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

### 6 Infrastructure, Property, Plant & Equipment

### 6.1 Initial Recognition

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

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

### 6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by 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. Examples of capitalisation thresholds applied during the year are as follows. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture & Equipment	\$1,000
Other Plant & Equipment	\$1,000
Landfill Assets	\$1,000
Road Construction & Reconstruction	\$10,000

# ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

### Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

### 6.3 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 of asset are shown below. 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 estimates.

Office Equipment	3 - 5 years
Other Plant & Equipment	3 - 10 years
Infrastructure	
Unsealed Roads	15 years
Fencing	15 years
Water Tanks	30 years
Litter Fence	5 years
Pumps	5 years
Monitor Bore	10 years

Cell construction expenditure has been brought to account and capitalised as of 1 July 2019. Cell amortisation is calculated by amortising total consumed airspace. Used airspace is surveyed monthly by an independent surveyor. In prior years the Authority has calculated landfill amortisation on estimated remaining useful life. Accordingly the change to amortisation based on airspace consumption is considered to be a more accurate representation of written down value.

20 years

25 years

### 6.4 Impairment

Buildings Roads

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).

### 6.5 Borrowing Costs

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

# ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

### 7 Payables

### 7.1 Goods & Services

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

### 7.2 Payments Received in Advance & Deposits

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

### 8 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".

### 9 Employee Benefits

### 9.1 Salaries, Wages & Compensated Absences

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

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

No accrual is made for sick leave as experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. The Authority does not make payment for untaken sick leave.

### 9.2 Superannuation

The Authority makes employer superannuation contributions in respect to employees to the Local Government Superannuation scheme. The scheme has two types of membership, each of which is funded differently. The Authority's employees are only members of the accumulated fund.

Accumulated 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 (9.5%in 2019/20). The Authority does not have any employees who are members of defined benefit funds therefore, no further liability accrues to the employer as the superannuation fund benefits accruing to the employees are represented by their share of the net assets of the Fund.

The Authority also make contribution to other superannuation schemes selected by employees under the 'choice of fund' legislation. All such schemes are of the accumulated 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.

### 10 Rehabilitation

Expenditures relating to ongoing rehabilitation and restoration reduce any provision previously established.

# ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

### Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

Golders Associates Pty Ltd undertook an assessment of the estimated capping costs of existing landfill cells at the Brinkley site in July 2019. As a result of the work conducted, the Authority updated its capping liability estimates in Note 7 which resulted in a net increase to the cell capping provision. Part of this movement saw non cash income amount, totalling \$141,451, recognised in the Statement of Comprehensive Income in 2018/19. A corresponding increase to the cell capping asset had also been recorded in accordance with the requirements under AASB 116. No movement was recognised in the Statement of Comprehensive Income in 2019/20.

The Authority recognises a capping liability for all past and present active landfill cell operational areas. For which capping rehabilitation works have not yet been completed.

The Authority recognises a capping liability for a historical cell given it is believed that it will be responsible for capping this area in future years and has accordingly recognised a liability. The Authority however is not presently obligated to undertake this work given the liability to cap the cell resides with the existing owners of the site.

The Authority has calculated the liability based on an alternate capping design being accepted by the Environmental Protection Authority South Australia (EPA) which is in the process of being approved. Should there be an unfavourable outcome from the alternate capping plan application process, this may result in further increases to the liability needing to be recorded in future periods.

The Authority annually monitors the liability recorded for landfill rehabilitation and restoration estimates and make adjustment to the liability as required ensuring an accurate projected cost of the liability is showing in the Statement of Financial Position. The Authority will be undertaking further detailed reviews of all rehabilitation and restoration liability costs in future years with the assistance of external consultants to ensure all projected costs have been independently verified.

### 11 Leases

The Authority recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, being the land leased at Brinkley Landfill.

### i) Right-of-use assets

The Authority recognises right-of-use assets as at 1 July 2019. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life.

### ii) Lease liabilities

At the commencement date, the Authority recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Authority uses its incremental borrowing rate or the interest rate implicit in the lease.

The Authority adopted AASB 16 using the modified retrospective method of adoption. Under this method, the standard has been applied retrospectively with the cumulative effect of initially applying the standard recognised as an adjustment to the opening balance of accumulated surplus as at 1 July 2019 and comparatives have not been restated.

The Authority recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases with lease terms that end within 12 months of the date of the date of initial application and leases of low-value assets. The right-of-uses assets for all leases were recognised based on the amount equal to the lease liabilities.

# ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

The effect of adoption of AASB 16 as at 1 July 2019 (increase/decrease) is as follows:

### **Asset**

Property, Plant & Equipment \$323,623 **Total Assets** \$323,623

Liabilities

Borrowings \$323,623

Total Liabilities \$323,623

Accumulated Surplus NIL

The following is the impact on the statement of comprehensive income in the current year as a result of the introduction of AASB 16:

Interest Expense – Lease Borrowings \$6,000
Amortisation – right-of-use assets \$48,543
Lease Expense (\$50,675)
Net increase in expenses recognised in the Statement of Comprehensive Income \$3,868

# Notes to and forming part of the Financial Statements for the year ended 30 June 2020

### Note 2 - INCOME

Notes         \$           RATES REVENUES           USER CHARGES           Waste disposal fee - Adelaide Hills Council         334,123         318,093           Waste disposal fee - Alexandrina Council         94,227         90,008           Waste disposal fee - Mount Barker District Council         335,936         308,351           Waste disposal fee - Chrer Customers         751,530         685,771           EPA waste levy collected         2,724,634         2,176,048           4,451,469         3,827,815           INVESTMENT INCOME           Interest on investments:           Banks & other         140         262           COTHER INCOME           Consultancy service         3,447         1,440           Waste officer contribution         116,802         121,387           Waste transfer station income         1,443,863         1,407,851           Waste transfer station recuperation         53,353         88,385           Transport income         234,143         206,204           Fuel tax rebate         43,865         48,825           Machinery charge out         113,159         92,066			2020	2019
USER CHARGES           Waste disposal fee - Adelaide Hills Council         334,123         318,093           Waste disposal fee - Alexandrina Council         94,227         90,008           Waste disposal fee - Mount Barker District Council         335,936         308,351           Waste disposal fee - Rural City of Murray Bridge         211,019         249,544           Waste disposal fee - Other Customers         751,530         685,771           EPA waste levy collected         2,724,634         2,176,048           4,451,469         3,827,815           INVESTMENT INCOME           Interest on investments:         140         262           Banks & other         140         262           OTHER INCOME           Consultancy service         3,447         1,140           Waste officer contribution         116,802         121,387           Waste transfer station income         1,443,863         1,407,851           Waste transfer station recuperation         53,353         88,385           Transport income         234,143         206,204           Fuel tax rebate         43,865         48,825           Machinery charge out         113,159         92,066           Recycled income         2,997		Notes	\$	\$
Waste disposal fee - Adelaide Hills Council       334,123       318,093         Waste disposal fee - Alexandrina Council       94,227       90,008         Waste disposal fee - Mount Barker District Council       335,936       308,351         Waste disposal fee - Rural City of Murray Bridge       211,019       249,544         Waste disposal fee - Other Customers       751,530       685,771         EPA waste levy collected       2,724,634       2,176,048         INVESTMENT INCOME         Interest on investments:       Banks & other       140       262         COTHER INCOME         Consultancy service       3,447       1,140         Waste officer contribution       116,802       121,387         Waste transfer station income       1,443,863       1,407,851         Waste transfer station recuperation       53,353       88,385         Transport income       234,143       206,204         Fuel tax rebate       43,865       48,825         Machinery charge out       113,159       92,066         Recycled income       2,997       1,078         Movement in landfill liabilities       -       141,451         Sundry       2,035,916       2,135,142         GRANTS, SUBS	RATES REVENUES			
Waste disposal fee - Alexandrina Council         94,227         90,008           Waste disposal fee - Mount Barker District Council         335,936         308,351           Waste disposal fee - Rural City of Murray Bridge         211,019         249,544           Waste disposal fee - Other Customers         751,530         685,771           EPA waste levy collected         2,724,634         2,176,048           4,451,469         3,827,815           INVESTMENT INCOME         140         262           Interest on investments:         140         262           Banks & other         140         262           OTHER INCOME         140         262           Consultancy service         3,447         1,140           Waste officer contribution         116,802         121,387           Waste transfer station income         1,443,863         1,407,851           Waste transfer station recuperation         53,353         88,385           Transport income         234,143         206,204           Fuel tax rebate         43,865         48,825           Machinery charge out         113,159         92,066           Recycled income         2,997         1,078           Movernert in landfill liabilities         -         2	USER CHARGES			
Waste disposal fee - Mount Barker District Council         335,936         308,351           Waste disposal fee - Rural City of Murray Bridge         211,019         249,544           Waste disposal fee - Other Customers         751,530         685,771           EPA waste levy collected         2,724,634         2,176,048           4,451,469         3,827,815           INVESTMENT INCOME           Interest on investments:         140         262           Banks & other         140         262           COTHER INCOME         140         262           Consultancy service         3,447         1,440           Waste officer contribution         116,802         121,387           Waste transfer station income         1,443,863         1,407,851           Waste transfer station recuperation         53,353         88,385           Transport income         234,143         206,204           Fuel tax rebate         43,865         48,825           Machinery charge out         113,159         92,066           Recycled income         2,997         1,078           Movement in landfill liabilities         -         141,451           Sundry         24,287         26,755           2,000 <t< td=""><td>Waste disposal fee - Adelaide Hills Council</td><td></td><td>334,123</td><td>318,093</td></t<>	Waste disposal fee - Adelaide Hills Council		334,123	318,093
Waste disposal fee - Rural City of Murray Bridge         211,019         249,544           Waste disposal fee - Other Customers         751,530         685,771           EPA waste levy collected         2,724,634         2,176,048           4,451,469         3,827,815           INVESTMENT INCOME           Interest on investments:         140         262           Banks & other         140         262           OTHER INCOME           Consultancy service         3,447         1,140           Waste officer contribution         116,802         121,387           Waste transfer station income         1,443,863         1,407,851           Waste transfer station recuperation         53,353         88,385           Transport income         234,143         206,204           Fuel tax rebate         43,865         48,825           Machinery charge out         113,159         92,066           Recycled income         2,997         1,078           Movement in landfill liabilities         -         141,451           Sundry         24,287         26,755           2,035,916         2,135,142           GRANTS, SUBSIDIES, CONTRIBUTIONS           Amounts received specifically for n	Waste disposal fee - Alexandrina Council		94,227	90,008
Waste disposal fee - Other Customers         751,530         685,771           EPA waste levy collected         2,724,634         2,176,048           4,451,469         3,827,815           INVESTMENT INCOME           Interest on investments:         140         262           Banks & other         140         262           OTHER INCOME           Consultancy service         3,447         1,140           Waste officer contribution         116,802         121,387           Waste transfer station income         1,443,863         1,407,851           Waste transfer station recuperation         53,353         88,385           Transport income         234,143         206,204           Fuel tax rebate         43,865         48,825           Machinery charge out         113,159         92,066           Recycled income         2,997         1,078           Movement in landfill liabilities         -         141,451           Sundry         24,287         26,755           2,035,916         2,135,142           GRANTS, SUBSIDIES, CONTRIBUTIONS           Amounts received specifically for new or upgraded assets         -         20,000           Other grants, subsidie	Waste disposal fee - Mount Barker District Council		335,936	308,351
EPA waste levy collected   2,724,634   3,827,815	Waste disposal fee - Rural City of Murray Bridge		211,019	249,544
Note	Waste disposal fee - Other Customers		751,530	685,771
Interest on investments:   Banks & other	EPA waste levy collected		2,724,634	2,176,048
Interest on investments:   Banks & other		_	4,451,469	3,827,815
Banks & other         140         262           OTHER INCOME           Consultancy service         3,447         1,140           Waste officer contribution         116,802         121,387           Waste transfer station income         1,443,863         1,407,851           Waste transfer station recuperation         53,353         88,385           Transport income         234,143         206,204           Fuel tax rebate         43,865         48,825           Machinery charge out         113,159         92,066           Recycled income         2,997         1,078           Movement in landfill liabilities         -         141,451           Sundry         24,287         26,755           2,035,916         2,135,142           GRANTS, SUBSIDIES, CONTRIBUTIONS           Amounts received specifically for new or upgraded assets         -         20,000           Other grants, subsidies and contributions         -         11,887           -         11,887           -         31,887           Sources of grants           Other         -         31,887	INVESTMENT INCOME	_		
Table 140         262           OTHER INCOME           Consultancy service         3,447         1,140           Waste officer contribution         116,802         121,387           Waste transfer station income         1,443,863         1,407,851           Waste transfer station recuperation         53,353         88,385           Transport income         234,143         206,204           Fuel tax rebate         43,865         48,825           Machinery charge out         113,159         92,066           Recycled income         2,997         1,078           Movement in landfill liabilities         -         141,451           Sundry         24,287         26,755           2,035,916         2,135,142           GRANTS, SUBSIDIES, CONTRIBUTIONS           Amounts received specifically for new or upgraded assets         -         20,000           Other grants, subsidies and contributions         -         11,887           -         11,887         -         31,887           Sources of grants           Other         -         31,887	Interest on investments:			
OTHER INCOME           Consultancy service         3,447         1,140           Waste officer contribution         116,802         121,387           Waste transfer station income         1,443,863         1,407,851           Waste transfer station recuperation         53,353         88,385           Transport income         234,143         206,204           Fuel tax rebate         43,865         48,825           Machinery charge out         113,159         92,066           Recycled income         2,997         1,078           Movement in landfill liabilities         -         141,451           Sundry         24,287         26,755           2,035,916         2,135,142           GRANTS, SUBSIDIES, CONTRIBUTIONS           Amounts received specifically for new or upgraded assets         -         20,000           Other grants, subsidies and contributions         -         11,887           -         31,887           Sources of grants           Other         -         31,887	Banks & other	_	140	262
Consultancy service         3,447         1,140           Waste officer contribution         116,802         121,387           Waste transfer station income         1,443,863         1,407,851           Waste transfer station recuperation         53,353         88,385           Transport income         234,143         206,204           Fuel tax rebate         43,865         48,825           Machinery charge out         113,159         92,066           Recycled income         2,997         1,078           Movement in landfill liabilities         -         141,451           Sundry         24,287         26,755           2,035,916         2,135,142           GRANTS, SUBSIDIES, CONTRIBUTIONS           Amounts received specifically for new or upgraded assets         -         20,000           Other grants, subsidies and contributions         -         11,887           -         11,887         -           -         31,887           Sources of grants           Other         -         31,887		_	140	262
Waste officer contribution       116,802       121,387         Waste transfer station income       1,443,863       1,407,851         Waste transfer station recuperation       53,353       88,385         Transport income       234,143       206,204         Fuel tax rebate       43,865       48,825         Machinery charge out       113,159       92,066         Recycled income       2,997       1,078         Movement in landfill liabilities       -       141,451         Sundry       24,287       26,755         2,035,916       2,135,142         GRANTS, SUBSIDIES, CONTRIBUTIONS         Amounts received specifically for new or upgraded assets       -       20,000         Other grants, subsidies and contributions       -       11,887         -       11,887         -       31,887         Sources of grants         Other       -       31,887	OTHER INCOME	_		
Waste transfer station income       1,443,863       1,407,851         Waste transfer station recuperation       53,353       88,385         Transport income       234,143       206,204         Fuel tax rebate       43,865       48,825         Machinery charge out       113,159       92,066         Recycled income       2,997       1,078         Movement in landfill liabilities       -       141,451         Sundry       24,287       26,755         2,035,916       2,135,142         GRANTS, SUBSIDIES, CONTRIBUTIONS         Amounts received specifically for new or upgraded assets       -       20,000         Other grants, subsidies and contributions       -       11,887         -       11,887       -       31,887         Sources of grants         Other       -       31,887	Consultancy service		3,447	1,140
Waste transfer station recuperation       53,353       88,385         Transport income       234,143       206,204         Fuel tax rebate       43,865       48,825         Machinery charge out       113,159       92,066         Recycled income       2,997       1,078         Movement in landfill liabilities       -       141,451         Sundry       24,287       26,755         2,035,916       2,135,142         GRANTS, SUBSIDIES, CONTRIBUTIONS         Amounts received specifically for new or upgraded assets       -       20,000         Other grants, subsidies and contributions       -       11,887         Sundry       -       11,887         -       31,887         Sources of grants       -       31,887	Waste officer contribution		116,802	121,387
Transport income         234,143         206,204           Fuel tax rebate         43,865         48,825           Machinery charge out         113,159         92,066           Recycled income         2,997         1,078           Movement in landfill liabilities         -         141,451           Sundry         24,287         26,755           2,035,916         2,135,142           GRANTS, SUBSIDIES, CONTRIBUTIONS           Amounts received specifically for new or upgraded assets         -         20,000           Other grants, subsidies and contributions         -         11,887           Sundry         -         11,887           -         31,887           Sources of grants           Other         -         31,887	Waste transfer station income		1,443,863	1,407,851
Fuel tax rebate       43,865       48,825         Machinery charge out       113,159       92,066         Recycled income       2,997       1,078         Movement in landfill liabilities       -       141,451         Sundry       24,287       26,755         2,035,916       2,135,142         GRANTS, SUBSIDIES, CONTRIBUTIONS         Amounts received specifically for new or upgraded assets       -       20,000         Other grants, subsidies and contributions       -       11,887         Sundry       -       11,887         -       31,887         Sources of grants         Other       -       31,887	Waste transfer station recuperation		53,353	88,385
Machinery charge out       113,159       92,066         Recycled income       2,997       1,078         Movement in landfill liabilities       -       141,451         Sundry       24,287       26,755         2,035,916       2,135,142         GRANTS, SUBSIDIES, CONTRIBUTIONS         Amounts received specifically for new or upgraded assets       -       20,000         Other grants, subsidies and contributions       -       11,887         Sundry       -       11,887         -       31,887          Sources of grants       -       31,887	Transport income		234,143	206,204
Recycled income       2,997       1,078         Movement in landfill liabilities       -       141,451         Sundry       24,287       26,755         2,035,916       2,135,142         GRANTS, SUBSIDIES, CONTRIBUTIONS         Amounts received specifically for new or upgraded assets       -       20,000         Other grants, subsidies and contributions       -       11,887         Sundry       -       11,887         -       31,887          Sources of grants       -       31,887	Fuel tax rebate		43,865	48,825
Movement in landfill liabilities         -         141,451           Sundry         24,287         26,755           2,035,916         2,135,142           GRANTS, SUBSIDIES, CONTRIBUTIONS           Amounts received specifically for new or upgraded assets         -         20,000           Other grants, subsidies and contributions         -         11,887           Sundry         -         11,887           -         31,887           Sources of grants         -         31,887	Machinery charge out		113,159	92,066
Sundry         24,287         26,755           2,035,916         2,135,142           GRANTS, SUBSIDIES, CONTRIBUTIONS           Amounts received specifically for new or upgraded assets         -         20,000           Other grants, subsidies and contributions         -         11,887           Sundry         -         11,887           -         31,887           Sources of grants         -         31,887	Recycled income		2,997	1,078
2,035,916   2,135,142	Movement in landfill liabilities		-	141,451
GRANTS, SUBSIDIES, CONTRIBUTIONS         -         20,000           Amounts received specifically for new or upgraded assets         -         20,000           Other grants, subsidies and contributions         -         11,887           Sundry         -         11,887           -         31,887           Sources of grants         -         31,887	Sundry	_	24,287	26,755
Amounts received specifically for new or upgraded assets - 20,000  Other grants, subsidies and contributions  Sundry - 11,887 - 11,887 - 31,887  Sources of grants  Other - 31,887		_	2,035,916	2,135,142
assets Other grants, subsidies and contributions Sundry  - 11,887 - 11,887 - 31,887  Sources of grants Other - 31,887	GRANTS, SUBSIDIES, CONTRIBUTIONS	_	<u> </u>	
Sundry - 11,887 - 11,887 - 31,887  Sources of grants Other - 31,887			-	20,000
-   11,887     -   31,887	Other grants, subsidies and contributions			
- 31,887	Sundry	_	<u> </u>	11,887
Sources of grants Other - 31,887		_	-	11,887
Other - 31,887		_	-	31,887
	Sources of grants			
- 31,887	Other		-	31,887
		_	-	31,887

# Notes to and forming part of the Financial Statements for the year ended 30 June 2020

### Note 3 - EXPENSE

EMPLOYEE COSTS Salaries and Wages Employee leave expense Superannuation Workers' Compensation Insurance Other Total Operating Employee Costs	Notes -	2020 \$ 838,688 115,200 88,821 44,773 33,251 1,120,733	2019 \$ 848,816 120,183 86,821 31,472 34,400 1,121,692
Total Number of Employees	•	11	11
(Full time equivalent at end of reporting period)			
MATERIALS, CONTRACTS & OTHER EXPENSES			
Prescribed Expenses			
Auditor's Remuneration			
- Auditing the financial reports		4,702	7,663
Other Materials, Contracts & Expenses			
Materials, contractors & other		236,106	261,878
Waste transfer station expenses		988,957	986,892
Consultants		51,359	42,609
Administration & accountancy service		82,138	63,047
EPA licence fee		9,430	5,329
Land lease		-	49,681
Repairs & maintenance		189,031	185,269
Insurance & legal		126,621	25,887
EPA waste levy paid		2,724,634	2,176,048
Parts, accessories & consumables		161,519	141,962
Sundry	_	11,612	7,135
Subtotal - Other Materials, Contracts & Expenses	<u>-</u>	4,581,407	3,945,737
	-	4,586,109	3,953,400

# Notes to and forming part of the Financial Statements for the year ended 30 June 2020

### Note 3 - EXPENSE con't

Notes         \$           DEPRECIATION, AMORTISATION & IMPAIRMENT           Depreciation           Road Infrustructure         5,534         5,534           Buildings         13,458         12,012           Vehicles         16,654         19,269           Plant & equipment         258,579         231,843           Landfill cells         110,533         132,873           Lechate pond         8,697         8,697           Landfill rehabilitation         50,232         20,045           Landfill cell capping         87,466         51,559           Right of Use Assets         15         48,543         -           599,696         481,832           FINANCE COSTS         599,696         481,832           Interest on overdraft and short-term drawdown         42,511         57,531           Interest on Leases         8,414         -			2020	2019
Depreciation         Road Infrustructure       5,534       5,534         Buildings       13,458       12,012         Vehicles       16,654       19,269         Plant & equipment       258,579       231,843         Landfill cells       110,533       132,873         Lechate pond       8,697       8,697         Landfill rehabilitation       50,232       20,045         Landfill cell capping       87,466       51,559         Right of Use Assets       15       48,543       -         FINANCE COSTS         Interest on overdraft and short-term drawdown       42,511       57,531         Interest on Leases       8,414       -		Notes	\$	\$
Road Infrustructure       5,534       5,534         Buildings       13,458       12,012         Vehicles       16,654       19,269         Plant & equipment       258,579       231,843         Landfill cells       110,533       132,873         Lechate pond       8,697       8,697         Landfill rehabilitation       50,232       20,045         Landfill cell capping       87,466       51,559         Right of Use Assets       15       48,543       -         599,696       481,832         FINANCE COSTS         Interest on overdraft and short-term drawdown       42,511       57,531         Interest on Leases       8,414       -	DEPRECIATION, AMORTISATION & IMPAIRMENT			
Buildings       13,458       12,012         Vehicles       16,654       19,269         Plant & equipment       258,579       231,843         Landfill cells       110,533       132,873         Lechate pond       8,697       8,697         Landfill rehabilitation       50,232       20,045         Landfill cell capping       87,466       51,559         Right of Use Assets       15       48,543       -         599,696       481,832         FINANCE COSTS         Interest on overdraft and short-term drawdown       42,511       57,531         Interest on Leases       8,414       -	Depreciation			
Vehicles       16,654       19,269         Plant & equipment       258,579       231,843         Landfill cells       110,533       132,873         Lechate pond       8,697       8,697         Landfill rehabilitation       50,232       20,045         Landfill cell capping       87,466       51,559         Right of Use Assets       15       48,543       -         FINANCE COSTS         Interest on overdraft and short-term drawdown       42,511       57,531         Interest on Leases       8,414       -	Road Infrustructure		5,534	5,534
Plant & equipment       258,579       231,843         Landfill cells       110,533       132,873         Lechate pond       8,697       8,697         Landfill rehabilitation       50,232       20,045         Landfill cell capping       87,466       51,559         Right of Use Assets       15       48,543       -         599,696       481,832         FINANCE COSTS         Interest on overdraft and short-term drawdown       42,511       57,531         Interest on Leases       8,414       -	Buildings		13,458	12,012
Landfill cells       110,533       132,873         Lechate pond       8,697       8,697         Landfill rehabilitation       50,232       20,045         Landfill cell capping       87,466       51,559         Right of Use Assets       15       48,543       -         599,696       481,832         FINANCE COSTS         Interest on overdraft and short-term drawdown       42,511       57,531         Interest on Leases       8,414       -	Vehicles		16,654	19,269
Lechate pond       8,697       8,697         Landfill rehabilitation       50,232       20,045         Landfill cell capping       87,466       51,559         Right of Use Assets       15       48,543       -         599,696       481,832         FINANCE COSTS       Interest on overdraft and short-term drawdown         Interest on Leases       8,414       -	Plant & equipment		258,579	231,843
Landfill rehabilitation       50,232       20,045         Landfill cell capping       87,466       51,559         Right of Use Assets       15       48,543       -         599,696       481,832         FINANCE COSTS       Interest on overdraft and short-term drawdown         Interest on Leases       8,414       -	Landfill cells		110,533	132,873
Landfill cell capping       87,466       51,559         Right of Use Assets       15       48,543       -         599,696       481,832         FINANCE COSTS         Interest on overdraft and short-term drawdown       42,511       57,531         Interest on Leases       8,414       -	Lechate pond		8,697	8,697
Right of Use Assets       15       48,543       -         599,696       481,832         FINANCE COSTS         Interest on overdraft and short-term drawdown       42,511       57,531         Interest on Leases       8,414       -	Landfill rehabilitation		50,232	20,045
FINANCE COSTS         481,832           Interest on overdraft and short-term drawdown         42,511         57,531           Interest on Leases         8,414         -	Landfill cell capping		87,466	51,559
FINANCE COSTS  Interest on overdraft and short-term drawdown Interest on Leases  8,414 -	Right of Use Assets	15	48,543	-
Interest on overdraft and short-term drawdown 42,511 57,531 Interest on Leases 8,414 -			599,696	481,832
Interest on Leases 8,414 -	FINANCE COSTS	_		
	Interest on overdraft and short-term drawdown		42,511	57,531
<b>50,925</b> 57,531	Interest on Leases		8,414	
			50,925	57,531

# Notes to and forming part of the Financial Statements for the year ended 30 June 2020

### Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS

		2020	2019
	Notes	\$	\$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	Т		
Assets renewed or directly replaced			
Proceeds from disposal		53,000	78,364
Less: Carrying amount of assets sold	6	51,581	78,092
Gain (Loss) on disposal		1,419	272
NET GAIN (LOSS) ON DISPOSAL OF ASSETS		1,419	272

# Notes to and forming part of the Financial Statements for the year ended 30 June 2020

### **Note 5 - CURRENT ASSETS**

		2020	2019
CASH & EQUIVALENT ASSETS	Notes	\$	\$
Cash on Hand and at Bank		267,497	309,592
		267,497	309,592
TRADE & OTHER RECEIVABLES			
Accrued Revenues		53,291	14,986
Debtors - general		561,258	388,830
	_	614,549	403,816
INVENTORIES			
Stores & Materials		2,256	3,791
		2,256	3,791

# Adelaide Hills Region Waste Management Authority Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)

			(15)					
		20	2019			2020	20	
		0,\$	\$,000			\$.000	00	
	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Road Infrustructure	1	138,352	(33,273)	105,079	•	138,352	(38,807)	99,545
Buildings	1	270,949	(77,712)	193,237	1	273,605	(91,170)	182,435
Vehicles	1	129,622	(76,089)	53,533	•	131,482	(61,974)	69,508
Plant & equipment	1	3,133,972	(1,360,627)	1,773,345	•	3,218,528	(1,548,695)	1,669,833
Landfill cells	1	2,147,038	(1,242,555)	904,483	•	2,559,142	(1,353,088)	1,206,054
Lechate pond	1	173,938	(45,409)	128,529	•	173,938	(54,106)	119,832
Landfill rehabilitation	1	691,182	(155,137)	536,045	1	602,784	(205,369)	397,415
Landfill cell capping	1	986,195	(466,026)	520,169	1	1,470,335	(553,491)	916,844
Right of Use Assets	1	1	1	1	1	323,623	(48,543)	275,080
Total IPP&E	ı	7,671,248	(3,456,828)	4,214,420	-	8,891,789	(3,955,243)	4,936,546
Comparatives		6,887,320	(3,055,458)	3,831,862	-	7,671,248	(3,456,828)	4,214,420

This Note continues on the following pages.

# Adelaide Hills Region Waste Management Authority Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2019		CAR	RYING AM	OUNT MO	CARRYING AMOUNT MOVEMENTS DURING YEAR	URING Y	EAR		2020
	\$				\$					\$
	Carrying	Net Adjust	Additions	ions	Dienosale	n'ne/	lmnair"	Adjustment	Net	Carrying
	Amount	AASB 16	New / Upgrade Renewals	Renewals	2000	= D		and	Reval'n	Amount
Road Infrustructure	105,079		1	-	-	(5,534)	1	'	1	99,545
Buildings	193,237		2,656	1	•	(13,458)	1	•	1	182,435
Vehicles	53,533		1	48,950	(16,321)	(16,654)	1	'	'	69,508
Plant & equipment	1,773,345		37,240	153,087	(35,260)	(258,579)	1	'	'	1,669,833
Landfill cells	904,483		412,104	1	1	(110,533)	1	'	'	1,206,054
Lechate pond	128,529		1	1	•	(8,697)	1	•	1	119,832
Landfill rehabilitation	536,045		1	•	'	(50,232)	1	(88,398)	'	397,415
Landfill cell capping	520,169		1	1	1	(87,466)	1	484,141	1	916,844
Right of Use Assets	1	323,623	1	1	1	(48,543)	1	•	1	275,080
Reinstatement costs	ı		1	'	'	1	'	'	'	'
Total IPP&E	4,214,420	323,623	452,000	202,037	(51,581)	(969,669)	-	395,743	-	4,936,546
Comparatives	3,831,862	-	883,335	59,147	(78,092)	(78,092) (481,832)	-	•	-	4,214,420

This note continues on the following pages.

# Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 7 - LIABILITIES

		2	020	20	019
			\$		\$
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Goods & services		678,849	-	504,309	-
Payments received in advance		20,000	-	-	-
Accrued expenses - other		9,124	-	13,860	-
GST Payable		116,568	-	73,632	-
Other payables		53,664	-	70,152	-
		878,205	-	661,953	-
BORROWINGS	45	44.070	000 000		
Leases Liabilities	15	44,373	236,989	4 570 500	-
LGFA cash advance debenture facility		1,426,855		1,579,500	-
		1,471,228	236,989	1,579,500	-
PROVISIONS					
Employee entitlements (including oncosts	)	276,221	15,443	244,212	30,417
Future reinstatement / restoration, etc		-	602,784	-	696,183
Cell capping		-	1,313,553	-	824,410
		276,221	1,931,780	244,212	1,551,010
Movements in Provisions - 2020 year of (current & non-current)	nly	Future Reinstate- ment	Cell capping	Total	
Opening Balance		696,183	824,410	1,520,593	
Add (Less) Additional amounts recognise	d	(5,002)		-	
Add (Less) Remeasurement Adjustments		(88,398)		395,743	
Closing Balance		602,784	1,313,553	1,916,336	-
					•

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

#### for the year ended 30 June 2020

Note 8 - RESERVES & EQUITY

#### **DISTRIBUTION SHARE OF SURPLUS/(DEFICIT)**

The net surplus for the year has been allocated in proportion to the volumes of waste deposited by each respective Constituent Council.

Volumes of waste dumped (in tonnes) Adelaide Hills Council Alexandrina Council Mount Barker District Council Rural City of Murray Bridge  Distribution in accordance with the above percentages  Adelaide Hills Council Alexandrina Council Mount Barker District Council Bursel City of Murray Bridge	\$ 45,282 11,931 46,048 28.220	2019 % 33.1% 8.9% 32.3% 25.7% 100%  \$ 125,941 33,720 123,185
Rural City of Murray Bridge	131,481	98,077 380,923
DISTRIBUTION SHARE OF EQUITY		
Adelaide Hills Council Balance at end of previous reporting period Distribution Balance at end of period	370,578 45,282 415,860	244,637 125,941 370,578
Alexandrina Council Balance at end of previous reporting period Distribution Balance at end of period	98,844 11,931 110,775	65,124 33,720 98,844
Mount Barker District Council Balance at end of previous reporting period Distribution Balance at end of period	368,901 46,048 414,949	245,716 123,185 368,901
Rural City of Murray Bridge Balance at end of previous reporting period Distribution Balance at end of period	56,621 28,220 84,841	(41,456) 98,077 56,621
TOTAL EQUITY AT END OF REPORTING PERIOD	1,026,425	894,944

# Notes to and forming part of the Financial Statements for the year ended 30 June 2020

#### Note 9 - RECONCILIATION TO CASH FLOW STATEMENT

#### (a) Reconciliation of Cash

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

		2020	2019
	Notes	\$	\$
Total cash & equivalent assets	5	267,497	309,592
Balances per Cash Flow Statement		267,497	309,592
(b) Reconciliation of Change in Net Assets to Cash from 0	Operating Acti	vities	
Net Surplus (Deficit)		131,481	380,923
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		599,696	481,832
Net increase (decrease) in unpaid employee benefits		17,035	41,855
Movement in landfill liabilities		-	(141,451)
Grants for capital acquisitions treated as Investing Activity		-	(20,000)
Net (Gain) Loss on Disposals	_	(1,419)	(272)
		746,793	742,887
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(210,733)	(36,184)
Net (increase) decrease in inventories		1,535	585
Net increase (decrease) in trade & other payables	_	216,252	(632,306)
Net Cash provided by (or used in) operations	_	753,847	74,982
(c) Non-Cash Financing and Investing Activities			
Acquisition of assets by means of:			
Estimated future reinstatement etc. costs	_	395,744	398,104
(d) Financing Arrangements			
Unrestricted access was available at balance date to the follow	ving lines of cre	edit:	
Corporate Credit Cards		10,000	8,000
LGFA Cash Advance Debenture facility		1,650,000	1,650,000

The cash advance debenture facility may be drawn at any time and may be terminated by the bank without notice, this facility is provided by the Local Government Finance Authority of SA. As at 30 June 2020 the Authority has drawn down \$1,426,855.

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

#### for the year ended 30 June 2020

**Note 10 - FINANCIAL INSTRUMENTS** 

All financial instruments are categorised as loans and receivables.

### **Accounting Policies - Recognised Financial Instruments**

Bank, Deposits at Call	<b>Accounting Policy:</b> carried at lower of cost and net realisable value, interest is recognised when earned.
	<b>Terms &amp; conditions:</b> deposits at call have an average maturity of 90 days and an average interest rate of 0.45% (2019: 90 days 1.25%)
	<b>Carrying amount:</b> approximates fair value due to the short term to maturity.
Receivables - Fees & other charges	<b>Accounting Policy:</b> carried at nominal values less any allowances for doubtful debts.
	<b>Terms &amp; conditions:</b> unsecured, and do not bear interest. Although the Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries.
	<b>Carrying amount:</b> approximates fair value (after deduction of any allowance).
Liabilities - Creditors and Accruals	<b>Accounting Policy:</b> liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.
	<b>Terms &amp; conditions:</b> liabilities are normally settled on 30 days after the month of invoice.
	Carrying amount: approximates fair value.
<b>Liabilities</b> - Interest Bearing Borrowings	Accounting Policy: carried at the principle amounts. Interest is charged as an expense as it accrues.
	<b>Terms &amp; conditions:</b> secured over future revenues, interest is payable quarterly and principle due at CAD end date.
	Carrying amount: approximates fair value.
Liabilities - Overdraft	<b>Accounting Policy:</b> carried at the principle amounts. Interest is charged as an expense as it accrues.
	<b>Terms &amp; conditions:</b> secured over future revenues, interest is charged at an average variable rate of 2.6%.
	Carrying amount: approximates fair value.

# Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 10 - FINANCIAL INSTRUMENTS (con't)

#### **Liquidity Analysis**

2020		Due < 1 year	Due > 1 year <pre></pre>	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets		\$	\$	\$	\$	\$
Cash & Equivalents		267,497			267,497	267,497
Receivables		614,549	-	-	614,549	614,549
	Total	882,046	-	-	882,046	882,046
Financial Liabilities						
Payables		869,081	-	-	869,081	869,081
<b>Current Borrowings</b>		1,426,855	-	-	1,426,855	1,426,855
Lease Liabilities		44,373	236,989	-	281,362	281,362
	Total	2,340,309	236,989	-	2,577,298	2,577,298
						-1
2019		Due < 1 year	Due > 1 year; <pre> <pre> </pre> <pre> <pre> </pre> <pre> <pre> <pre> </pre> <pre> </pre> <pre> </pre> <pre> </pre> <pre> <pre> <pre> </pre> <pre> </pre> <pre> </pre> <pre> </pre> <pre> </pre> <pre> <pre> </pre> <pre> </pre> <pre> </pre> <pre> <pre> </pre> <pre> <pre> <pre> </pre> <pre> <pre> </pre> <pre> </pre> <pre> <pre> <pre> </pre> <pre> </pre> <pre> <pre> </pre> <pre> <pre> <pre> </pre> <pre> <pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre></pre>	Due > 5 years	Total Contractual Cash Flows	Carrying Values
2019 <u>Financial Assets</u>		Due < 1 year			Contractual	
		·	≤ 5 years	years	Contractual Cash Flows	Values
Financial Assets		\$	≤ 5 years	years	Contractual Cash Flows \$	Values \$
Financial Assets  Cash & Equivalents	Total	\$ 309,592	≤ 5 years	years	Contractual Cash Flows \$ 309,592	Values \$ 309,592
Financial Assets  Cash & Equivalents	Total	\$ 309,592 403,816	≤ 5 years	years \$ -	Contractual Cash Flows \$ 309,592 403,816	Values \$ 309,592 403,816
Financial Assets  Cash & Equivalents  Receivables	Total	\$ 309,592 403,816	≤ 5 years	years \$ -	Contractual Cash Flows \$ 309,592 403,816	Values \$ 309,592 403,816
Financial Assets  Cash & Equivalents  Receivables  Financial Liabilities	Total	\$ 309,592 403,816 713,408	≤ 5 years	years \$ -	Contractual Cash Flows \$ 309,592 403,816 713,408	Values \$ 309,592 403,816 713,408

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

	30 June	30 June 2020		e 2019
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Overdraft	2.6	1,426,855	3.57	1,579,500
Non interest bearing		869,081		648,093
	_	2,295,936		2,227,593

# Adelaide Hills Region Waste Management Authority Notes to and forming part of the Financial Statements for the year ended 30 June 2020

#### Note 10 - FINANCIAL INSTRUMENTS (con't)

#### **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 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 Authority is the carrying amount, net of any allowance for doubtful debts. All Authority investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Note 5 in relation to individual classes of receivables, exposure is concentrated within the Authority'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 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 Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. The Authority also has available a range of 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. The Authority 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

#### Note 11 - COMMITMENTS FOR EXPENDITURE

The Authority as at 30 June 2020 had no obligation for expenditure.

#### Note 12 - CONTINGENCIES, ASSETS & LIABILITIES NOT RECOGNISED

The Authority has been successful in defending a claim as a defendant in Supreme Court proceedings which has been disclosed as a contingent liability in previous financial years. As at reporting date, the Authority has received an Order for costs from the Court which is still in negotiations.

#### Note 13 - EVENTS OCCURING AFTER REPORTING DATE

There were no events subsequent to 30 June 2020 that need to be disclosed in the financial statements.

# Notes to and forming part of the Financial Statements for the year ended 30 June 2020

### Note 14 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	202	.0	201	19
	\$		\$	
Income		6,487,525		5,975,106
Expenses	_	(6,357,463)	_	(5,614,455)
Operating Surplus / (Deficit)		130,062		360,651
Net Outlays on Existing Assets				
Capital Expenditure on renewal and replacement of Existing Assets	(202,037)		(59,146)	
Add back Depreciation, Amortisation and Impairment	599,696		481,832	
Proceeds from Sale of Replaced Assets	53,000		78,364	
		450,659		501,050
Net Outlays on New and Upgraded Assets				
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	(452,000)		(343,781)	
Amounts received specifically for New and Upgraded Assets	-		20,000	
Proceeds from Sale of Surplus Assets (including investment property and real estate developments)	-		-	
-		(452,000)		(323,781)
Net Lending / (Borrowing) for Financial Year	_	128,721	_	537,920

# Notes to and forming part of the Financial Statements for the year ended 30 June 2020

#### Note 15 - OPERATING LEASES

#### The Authority as a Lessee

#### Right of Use Asset

Set out below are the carrying amounts (written down value) of right of use assets recognised within Infrastructure Property, Plant & Equipment

Carrying Value	Land
At 1 July 2019	323,623
Additions	-
Disposals	-
Depreciation Charge	(48,543)
At 30 June 2020	275,080

Set out below are the carrying amounts of lease liabilities (including under interest bearing loans and borrowings) and the movements during the period:

	2020
At 1 July 2019	323,623
Additions	-
Accretion of Interest	8,414
Payments	(50,675)
At 30 July 2020	281,362
The following are amounts recognised on profit or loss:	
Depreciation expense right of use asset	48,543
Interest expense on lease liabilities	8,414
Expenses relating to short term leases	-
Expenses relating to leases of low value assets	-
Variable lease payments	
Total amount recognised in profit and loss	56,957

# Notes to and forming part of the Financial Statements for the year ended 30 June 2020

#### Note 16 - RELATED PARTY DISCLOSURES

#### **KEY MANAGEMENT PERSONNEL**

The Key Management Personnel of the Authority include the Chair, the Board and the Executive Officer prescribed officers under section 112 of the Local Government Act 1999. In all, key management personnel were paid the following total compensation:

	2020	2019
	\$	\$
Salaries, allowances & other short term benefits	142,170	145,397
Post-employment benefits	-	-
Long term benefits	13,506	13,813
Termination benefits	-	-
TOTAL	155,676	159,210

The following transactions occurred with related parties:

	Sale of Goods & Services	Amounts Outstanding
	\$,000	\$,000
Adelaide Hills Council - provision of waste processing and disposal service	334	26
Alexandrina Council - provision of waste processing and disposal service	94	7
Mount Barker District Council - provision of waste processing and disposal service	335	29
Rural City of Murray Bridge - provision of waste processing and disposal service	212	17
TOTAL	975	79

Amounts recorded as outstanding from related parties are recorded in trade and other receivables in Note 5.

The related parties disclosed above are equity owners of the Authority and are referred to as Constituent Councils. Constituent Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial operating decisions of the Authority. No one Constituent Council individually has control of the policies.

# ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

### **CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2020, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, 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.

Andrew Aitken
CHIEF EXECUTIVE OFFICER
Adelaide Hills Council

Date: 22 Bry 2020



214 Melbourne Street North Adelaide SA 5006

PO Box 755 North Adelaide SA 5006

**T:** (08) 8267 4777 **F:** (08) 8239 0895

E: admin@deannewbery.com.au

ABN: 30 164 612 890

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

#### Opinion

We have audited the financial report of the Adelaide Hills Region Waste Management Authority (the Authority), which comprises the Statement of Financial Position as at 30 June 2020, the Statement of Comprehensive Income, the Statements of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and other explanatory information and the Certification of Financial Statements.

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Authority as at 30 June 2020, and its financial performance and its cash flows for the year then ended in accordance with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and the Australian Accounting Standards (including Australian Accounting Interpretations).

#### **Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as 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 other 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.

#### Other Information other than the Financial Report and Auditor's Report Thereon

The Authority is responsible for the other information. The other information comprises the information included in the Authority's annual report for the year ended 30 June 2020, 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, 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.

#### 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 and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*. The Authority's responsibility includes establishing and maintaining internal control relevant to preparation and fair presentation of the financial report so that it 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 relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity 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.

#### 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 the 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 financial report.

As part of an audit in accordance with the 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 in order to design audit procedures that are
  appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the
  internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of the Authority'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 ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease 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.

DEAN NEWBERY & PARTNERS CHARTERED ACCOUNTANTS

JIM KEOGH PARTNER

Signed on the 16<sup>th</sup> day of September 2020, at 214 Melbourne Street, North Adelaide

# ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

#### **CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2020, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, 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.

Glenn Rappensberg

**CHIEF EXECUTIVE OFFICER** 

Alexandrina Council

Date: 17 July 2020

# ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

### **CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2020, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, 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.

**Andrew Stuart** 

CHIEF EXECUTIVE OFFICER
Mount Barker District Council

Date: 23/4/20

# ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

#### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2020, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, 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.

Michael Sedgman

CHIEF EXECUTIVE OFFICER

Rural City of Murray Bridge

Date: 11.08.2020