



AUDIT COMMITTEE

NOTICE OF MEETING

To: **Presiding Member** Cr Malcolm Herrmann

Members

David Moffatt
Peter Brass
Natalie Johnston
Cr Leith Mudge

Notice is hereby given pursuant to the provisions under Section 87 of the *Local Government Act 1999* that the next meeting of the Audit Committee will be held on:

Monday 18 October 2021
6.30pm
63 Mt Barker Road, Stirling

A copy of the Agenda for this meeting is supplied under Section 87 of the Act.

Committee meetings are open to the public and members of the community are welcome to attend. Meetings will be conducted in accordance with the applicable COVID-19 social distancing guidelines and may result in Members participating electronically in accordance with the provisions of the Committee's Terms of Reference.

A Public notice of the Agenda for this meeting is supplied under Section 88 of the Act.

David Waters
Acting Chief Executive Officer



AUDIT COMMITTEE

AGENDA FOR MEETING
Monday 18 October 2021
6.30pm
63 Mt Barker Road, Stirling

ORDER OF BUSINESS

1. COMMENCEMENT

1.1. Acknowledgement of Country

Council acknowledges that we meet on the traditional lands and waters of the Peramangk and Kurna people. We pay our respects to Elders past, present and emerging as the Custodians of this ancient and beautiful land. Together we will care for this country for the generations to come.

2. APOLOGIES/LEAVE OF ABSENCE

2.1. Apology

2.2. Leave of Absence

2.3. Absent

3. MINUTES OF PREVIOUS MEETINGS

3.1. Audit Committee Minutes – 16 August 2021

Recommendation

That the minutes of the Audit Committee meeting held on 16 August 2021, as supplied, be confirmed as an accurate record of the proceedings of that meeting.

4. DELEGATION OF AUTHORITY

The Audit Committee operates in accordance with the relevant sections of the Local Government Act 1999, and its Terms of Reference.

5. DECLARATION OF CONFLICT OF INTEREST BY MEMBERS OF THE COMMITTEE

6. PRESENTATIONS, ACTION REPORT & WORKPLAN

6.1. Community Capacity Risk Presentation

6.2. Action Report and Work Plan Update

- 1. That the report be received and noted.*
- 2. That the status of the Action Report and Work Plan be noted.*
- 3. To adopt the draft Audit Committee Work Plan v1.3 as contained in Appendix 2.*

7. OFFICER REPORTS

7.1. General Purpose Financial Statements

- 1. That the report be received and noted.*
- 2. That in accordance with Section 126(4)(a) of the Local Government (Financial Management) Regulations 1999, the Audit Committee advises Council that it has reviewed:*
 - a. the General Purpose Financial Statements of the Council for the financial year ended 30 June 2021 as contained in Appendix 1, and*
 - b. the External Auditor Galpins' Audit Clearance Report as contained in Appendix 2,**and is satisfied that the 2020-21 financial statements present fairly the state of affairs of the Council.*
- 3. To recommend that the Adelaide Hills Council 2020-21 General Purpose Financial Statements, contained in Appendix 1, may be certified by the Chief Executive Officer and the Mayor.*
- 4. To note the confirmation of Galpins Auditor Independence Statement provided at Appendix 3.*
- 5. To recommend that the Certification of Auditor Independence statement contained in Appendix 4 may be certified by the Chief Executive Officer and the Presiding Member of the Audit Committee in accordance with the requirements of Regulation 22(3) of the Local Government (Financial Management) Regulations 2011.*

7.2. Climate Risk & Governance – Update

1. *That the report be received and noted*
2. *That an annual status update be provided on the Climate Change Adaptation Governance and Risk Assessment indicator progression*

7.3. Bridge Asset Management Plan (draft for review)

1. *That the report be received and noted*
2. *To recommend to Council the approval of the Draft Bridge Asset Management Plan as contained in Appendix 3 for consultation.*

7.4. Service Review Framework (draft for review)

1. *That the report be received and noted*
2. *To recommend to Council to adopt the Service Review Framework contained in Appendix 1.*

7.5. Confidential Items Review

1. *That the report be received and noted.*
2. *That the items held as confidential in the Confidential Items Register (Appendix 1) be noted.*
3. *Pursuant to Section 91(7) of the Local Government Act 1999, the Audit Committee 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 Audit Committee on a confidential basis under Sections 90(2) and 90(3)(e) of the Act:*
 - *Report of 19 October 2020, Item No. 7.2.1, Cyber Security Audit, 51/AC20 remain confidential until the control deficiencies are mitigated and that this order be reviewed every twelve (12) months.*
 - *On the grounds that the document(s) (or part) relates to matters affecting the security of the council, members or employees of the council, or council property, or the safety of any person.*

7.6. Quarterly Performance Report Q1

The Audit Committee resolves that the report be received and noted.

8. CONFIDENTIAL ITEMS

Nil

9. NEXT MEETING

The next Audit Committee meeting will be held at 6.30pm on Monday 15 November 2021 at 63 Mount Barker Road, Stirling.

10. CLOSE MEETING

**ADELAIDE HILLS COUNCIL AUDIT COMMITTEE
MINUTES OF MEETING
MONDAY 16 AUGUST 2021
63 MT BARKER ROAD STIRLING**

In Attendance

Members:

Cr Malcolm Herrmann	Presiding Member
Peter Brass	Independent Member
David Moffatt	Independent Member
Natalie Johnston	Independent Member
Councillor Leith Mudge	Council Member

In Attendance:

Andrew Aitken	Chief Executive Officer
Terry Crackett	Director Corporate Services
Peter Bice	Director Infrastructure & Operations
Melissa Bright	Acting Director Development & Regulatory Services
Lachlan Miller	Executive Manager Governance & Performance
Mike Carey	Manager Financial Services
Kira-marie Laverty	Corporate Planning & Performance Coordinator
Steven Watson	Governance and Risk Coordinator Minute Taker

Guests in Attendance:

Nil	
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1. COMMENCEMENT

The meeting commenced at 6.30pm

1.1. Acknowledgement of Country

Council acknowledges that we meet 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. Together we will care for this country for the generations to come.

**ADELAIDE HILLS COUNCIL AUDIT COMMITTEE
MINUTES OF MEETING
MONDAY 16 AUGUST 2021
63 MT BARKER ROAD STIRLING**

2. APOLOGIES/LEAVE OF ABSENCE

2.1. Apology
Nil

2.2. Leave of Absence
Nil

2.3. Absent
Nil

3. MINUTES OF PREVIOUS MEETINGS

3.1. Audit Committee Meeting – 24 May 2021

Moved David Moffatt
S/- Cr Leith Mudge

AC34/21

That the Minutes of the Audit Committee meeting held on 24 May 2021 as supplied, be confirmed as an accurate record of the proceedings of that meeting.

Carried Unanimously

4. Delegation of Authority

In accordance with the Audit Committee Terms of Reference, the Committee has no delegated decision-making powers. There are no Recommendations arising to be submitted to Council for consideration.

5. DECLARATION OF CONFLICT OF INTEREST BY MEMBERS OF AUDIT COMMITTEE

Nil

**ADELAIDE HILLS COUNCIL AUDIT COMMITTEE
MINUTES OF MEETING
MONDAY 16 AUGUST 2021
63 MT BARKER ROAD STIRLING**

6. PRESENTATIONS, ACTION REPORT & WORKPLAN

6.1. Office of the CEO Risk Presentation

Moved Cr Leith Mudge
S/- Peter Brass

AC35/21

The Committee thanked the Executive Manager Governance and Performance for the Office of the CEO Risk presentation.

Carried Unanimously

6.2. Action Report and Work Plan Update

Moved Natalie Johnston
S/- David Moffatt

AC 36/21

1. That the report be received and noted.
2. That the status of the Action Report and Work Plan be noted.

Carried Unanimously

7. OFFICER REPORTS – DECISION ITEMS

7.1. End of Year Financial Year Update

Moved Cr Leith Mudge
S/- Natalie Johnston

AC 37/21

The Audit Committee resolves that the report be received and noted.

Carried Unanimously

7.2. Debtors Report

Moved Cr Leith Mudge
S/- Peter Brass

AC 38/21

The Audit Committee resolves that the report be received and noted.

Carried Unanimously

**ADELAIDE HILLS COUNCIL AUDIT COMMITTEE
MINUTES OF MEETING
MONDAY 16 AUGUST 2021
63 MT BARKER ROAD STIRLING**

7.3. Quarterly Performance Report Q4

Moved Cr Leith Mudge
S/- Natalie Johnston

AC 39/21

The Audit Committee resolves that the report be received and noted.

Carried Unanimously

7.4. Audit Action Implementation Update

Moved Peter Brass
S/- David Moffatt

AC 40/21

The Audit Committee resolves:

1. To receive and note the report.
2. To note the implementation status of Internal and External Audit actions.

Carried Unanimously

7.5. Risk Management Plan Update

Moved Peter Brass
S/- Natalie Johnston

AC 41/21

The Audit Committee resolves that the report be received and noted.

Carried Unanimously

7.6. Internal Audit Quarterly Update

Moved Cr Leith Mudge
S/- Natalie Johnston

AC 42/21

The Audit Committee resolves that the report be received and noted

Carried Unanimously

**ADELAIDE HILLS COUNCIL AUDIT COMMITTEE
MINUTES OF MEETING
MONDAY 16 AUGUST 2021
63 MT BARKER ROAD STIRLING**

7.7. Placement of Council's Insurance Portfolio

Moved Peter Brass
S/- Natalie Johnston

AC 43/21

The Audit Committee resolves that the report be received and noted.

Carried Unanimously

7.8. Local Government Legislative Reform Update – Audit Committees

Moved Natalie Johnston
S/- Peter Brass

AC 44/21

The Audit Committee resolves that the report be received and noted.

Carried Unanimously

8. CONFIDENTIAL ITEMS

NIL

9. NEXT MEETING

The next ordinary meeting of the Audit Committee will be held on Monday 18 October 2021 from 6.30pm at 63 Mt Barker Road, Stirling.

10. CLOSE MEETING

The meeting closed at 8.55pm

**ADELAIDE HILLS COUNCIL
AUDIT COMMITTEE MEETING
Monday 18 October 2021
AGENDA BUSINESS ITEM**

Item: 6.2

Responsible Officer: Lachlan Miller
Executive Manager Governance & Performance
Office of the Chief Executive

Subject: Action Report and Work Plan Update

For: Decision

SUMMARY

A formal Audit Committee Action Report is maintained to record the items requiring 'actioning' that result from each of the Audit Committee meetings.

The Audit Committee Work Plan assists the Committee members and staff in scheduling both discussion and reports to ensure appropriate coverage of the Committee functions over the 12 month period.

The Audit Committee 2021 Work Plan has been updated v1.3 on the basis on the suggestion from the August 2021 meeting requesting the Quarterly Performance Reports to be added.

RECOMMENDATION

The Audit Committee resolves:

- 1. That the report be received and noted.**
 - 2. That the status of the Action Report and Work Plan be noted.**
 - 3. To adopt the draft Audit Committee Work Plan v1.3 as contained in Appendix 2.**
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1. GOVERNANCE

➤ **Strategic Management Plan/Council Policy**

Strategic Plan 2020-24 – A brighter future

Goal 5 A Progressive Organisation

Objective 05 We are accountable, informed, and make decisions in the best interests of the whole community

Priority 05.1 Enhance governance structures and systems to prudently adapt to changing circumstances and meet our legislative obligations

➤ **Legal Implications**

Section 126 of the *Local Government Act 1999* sets out the functions of an audit committee. Management of Committee's action items and work plan facilitates the achievement of these functions.

➤ **Risk Management Implications**

The management of action items and the work plan 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)	Low (3E)	Low (3E)

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

➤ **Financial and Resource Implications**

Council's current budget contains provision for the costs associated with the notification and conduct of Audit Committee meetings

➤ **Customer Service and Community/Cultural Implications**

The timing and location of Audit Committee meetings should be considerate of the desire for community members to attend.

With the current COVID-19 social distancing requirements, Audit Committee meetings are continuing to be held in the advertised venue with Committee Members participating by following COVID safe practices.

➤ **Sustainability Implications**

There are no direct sustainability implications arising from this report.

➤ **Engagement/Consultation conducted in the development of the report**

Consultation on the development of this report was as follows:

Council Committees: Not Applicable

Advisory Groups: Not Applicable

Administration: Chief Executive Officer
Director Community Capacity
Manager Financial Services
Manager Strategic Assets
Sustainability Coordinator
Governance & Risk Coordinator
Executive Assistant Corporate Services

Community: Not Applicable

2. BACKGROUND

Action Report

The Action List tracks the implementation of resolutions of the Audit Committee.

Work Plan

The functions of the Audit Committee are set out in part 7 (Role) of the Committee Terms of Reference.

Work Plan Amendment

A Work Plan has been developed to assist the Committee members and staff in scheduling discussion and reports to ensure appropriate coverage of the functions over the 12 month period. The Audit Committee adopted an Updated Work Plan at its 19 April 2021 meeting.

3. ANALYSIS

Action Report

There are three (3) completed items and four (4) outstanding item on the Audit Committee Action Report (**Appendix 1**) arising from the August 2021 Committee meeting. Commentary against the item is provided for the Committee's information.

Work Plan and Reporting Schedule

As per the *2021 Audit Committee Work Plan and Reporting Schedule (Appendix 2)*, the following items are detailed below are included in this meeting:

Item	Commentary	Month Scheduled
Financial Reporting		
Long Term Financial Plan (LTFP)		February
Annual Business Plan		April
Budget Review 1		November
Budget Review 2		February
Budget Review 3		May
End of Year Financial Report		November
End of financial year reporting timetable		May
End of financial year update		August
Final Annual Financial Statements (incl management representation letter)	Included in this meeting	October

Internal Control and Risk Management		
Placement of Council's insurance portfolio (for noting)		August
Internal Financial Controls update		May
Risk Management Plan update		February/May/ August/November
Results of LGRS Risk Management Review		February (Biennial)
LGRS Risk Evaluation - Action Plan Review		May/November
Internal Audit		
Internal Audit quarterly update		February/May/ August/November
Internal audit reports		As Required
Implementation of internal audit actions progress report		February/August
Internal Audit Plan review		May
External Audit		
External audit interim letter		April
Implementation of external audit actions progress report		February/August
External Audit Plan review		February
Meeting attendance by external auditors	Included in this meeting	February/October
Review of auditor independence and legislative compliance	Included in this meeting	October
Audit Committee Completion Report	Included in this meeting	October/November
Public Interest Disclosure		
Public Interest Disclosure Policy review (replaces Whistle-blowers)		April 2022
Public Interest Disclosure Arrangements and Compliance		May 2022
Other Business		
Audit Committee self-assessment review		November
Presiding Member's Report		November
Work Plan and Reporting Schedule		November
Audit Committee Meeting Dates		November
Debtors Report		February/August
Annual Report		November
Action Report & Work Plan Update	Included in this meeting	All Meetings
Audit Committee Terms of Reference		August
Director's Presentation	Included in this meeting	February/May/ August/October/ November

Other Reports	Included in meeting as required	As Required
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2021 Work Plan

The 2021 Audit Committee Work Plan has been amended (v1.3) to incorporate the remaining Quarterly Performance Report for this calendar year. The entry in the Work Plan indicates that the Performance Report will be considered by the Audit Committee prior to be provided to Council. The development of the 2022 Audit Committee Meeting Schedule may not necessary enable this to occur for each quarter.

4. OPTIONS

The Committee has the following options:

- I. To note the status of the Action Report at **Appendix 1** (Recommended).
- II. To alter or substitute elements of the Action Report (Not recommended).

In relation to the 2021 Audit Committee Work Plan:

- I. To adopt the revised 2021 Audit Committee Work Plan at **Appendix 2** (Recommended).
- II. To alter or substitute elements of the 2021 Audit Committee Work Plan (Not recommended).

5. APPENDICES

- (1) Audit Committee Action Report
- (2) 2021 Audit Committee Work Plan (v1.3) - draft

Appendix 1

Audit Committee Action Report

Meeting Date	Res No.	Item Name	Previously Declared COI	Action Required (Council Resolution)	Responsible Director	Status	Due Date	Status (for Council reporting)
24/05/2021	AC33/21	Cyber Security Report - Period of Confidentiality	None declared	That the report, related attachments and the minutes of the Audit Committee and the discussion and considerations of the subject matter be retained in confidence until the control deficiencies are mitigated but no longer than 30 June 2023.	Terry Crackett	In Progress	15/09/2022	Progressing as per recommendation
16/08/2021	36/AC21	Item 6.2. Action Report and Work Plan Update	NIL	Administrative Action - Schedule into work plan the quarterly performance report as a standing item.	Andrew Aitken	Completed	28/09/2021	Version 1.3 included in 18 October 2021 Audit Committee agenda.
16/08/2021	29/AC21	7.3. Quarterly Performance Report Q4	NIL	Administrative Action -Update legend to reflect feedback provided in meeting.	Andrew Aitken	Completed	27/09/2021	As shown in the quarter 4 performance submitted at the Council Meeting, the legend has been updated to reflect the feedback provided by Audit committee.
16/08/2021	42/AC21	7.6. Internal Audit Quarterly Update	NIL	Administrative Action - Review the Strategic Internal Audit Plan, construct an assurance map of the scheduled audits and propose a revised Plan.	Andrew Aitken	In Progress	30/11/2021	In progress however delayed due to resource shortages in the Governance & Performance Department arising from leave accrual management.
16/08/2021	40/AC21	7.4. Audit Action Implementation Update	NIL	Administrative Action -Once appointed, the Director Corporate Services to invite Team Leader ICT to present at Audit Committee.	Terry Crackett	In Progress	28/02/2022	Recruitment to the Team Leader ICT position has been completed. The Technical Officer role is currently going through the recruitment process. Once employed attendance at Audit will be scheduled.
16/08/2021	40/AC21	7.4. Audit Action Implementation Update	NIL	Administrative Action -CEO to consider implementing a process where CEO approval is needed for extensions to deadline dates.	Andrew Aitken	Not Started	27/09/2021	To be considered when CEO returns from leave.
16/08/2021	43/AC21	7.7. Placement of Council's Insurance Portfolio	NIL	Administrative Action -Investigate if Audit Committee may participate in the Transferable Risk Workshop.	Andrew Aitken	Completed	10/09/2021	Email forwarded to AC - Following the question from Monday 16 August 2021 Audit Committee Meeting in regards to Audit Committee Members attending the Transferable Risk Profile Workshop, the facilitators response advised, apologies the workshop is not suitable for Audit Committee Members.

Appendix 2

2021 Audit Committee Work Plan (v1.3) - draft

ADELAIDE HILLS COUNCIL AUDIT COMMITTEE

2021 Work Plan and Reporting Schedule

Terms of Reference		
Financial Reporting & Prudential Requirements	Long Term Financial Plan (LTFP)	Annual
	Annual Business Plan	Annual
	Budget Review 1	Annual
	Budget Review 2	Annual
	Budget Review 3	Annual
	End of Year Financial Report	Annual
	End of financial year reporting timetable	Annual
	End of financial year update	Annual
	Final Annual Financial Statements (incl management representation letter)	Annual
Internal Control and Risk Management	Placement of Council's insurance portfolio (for noting)	Annual
	Internal Financial Controls update	Annual
	Risk Management Plan Update	Quarterly
	LGRS Risk Evaluation - Results	Biennial
	LGRS Risk Evaluation - Action Plan Review	Bi-annual
Internal Audit	Internal Audit quarterly update	Quarterly
	Internal audit reports	As required
	Implementation of internal audit actions progress report	Bi-annual
	Internal Audit Plan review	Annual
External Audit	External audit interim letter	Bi-annual
	Implementation of external audit actions progress report	Bi-annual
	External Audit Plan review	Annual
	Meeting attendance by external auditors	Annual
	Review of auditor independence and legislative compliance	Annual
	Audit Completion Report	Annual
Public Interest Disclosure	Public Interest Disclosure Policy review (replaces Whistleblowers)	Triennial
	Public Interest Disclosure Arrangements and Compliance	Annual
Other Business	Audit Committee self assessment review	Annual
	Presiding Member's Report	Annual
	Work Plan and Reporting Schedule	Annual
	Audit Committee Meeting Dates	Annual
	Debtors Report	Bi-annual
	Council's Annual Report	Annual
	Action Report & Work Plan Update	All Mtgs
	Audit Committee's Terms of Reference	Annual
	Climate Change Adaptation Governance Assessment Report - July 2019	Bi-annual
	Directorate Risk Profile Presentation	Quarterly
Other Reports	As required	

Version Control:	V1.3 - Adopted August 2021 - inclusion of Quarterly Performance Reports
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2021					
Feb	April	May	Aug	Oct	Nov
	Draft				
					2021-22
2020-21					
		2020-21			
					2020-21
		2020-21			
			2020-21		
				2020-21	

[illegible]

	verbal	verbal	letter		
				in camera	
				draft	final

	next review 2022				
		next review 2022			

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**ADELAIDE HILLS COUNCIL
AUDIT COMMITTEE MEETING
Monday 18 October 2021
AGENDA BUSINESS ITEM**

Item: 7.1

Responsible Officer: Mike Carey
Manager Financial Services
Corporate Services

Subject: 2020-21 General Purpose Financial Statements

For: Decision

SUMMARY

The 2020-21 General Purpose Financial Statements are attached (**Appendix 1**) for information and review. They have been prepared in accordance with the model statements prescribed in the *Local Government (Financial Management) Regulations 2011*.

In accordance with Section 126(4)(a) of the *Local Government Act 1999* the Audit Committee needs to review the 2020-21 General Purpose Financial Statements and be satisfied that they present fairly the state of affairs of Council in accordance with the *Local Government Act 1999*, the *Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.

Council's external auditor, Galpins are in the final stages of completing the audit, and have provided their final Audit Completion Report on matters arising from the audit. This Audit Completion Report indicates that Galpins intend to issue unmodified opinions for both the Financial Statements and Internal Controls subject to the certification of financial statements and completion of sign off and associated representations related to the statements.

The 2020-21 General Purpose Financial Statements will be presented to Council on 26 October 2021 for endorsement prior to certification by the Mayor and Chief Executive Officer and the Audit Report signed by the external auditors, Galpins.

In considering this report an in-camera opportunity will also be provided for members of the Audit Committee to discuss the audit result with Galpins.

RECOMMENDATION

The Audit Committee resolves:

1. That the report be received and noted.
2. That in accordance with Section 126(4)(a) of the *Local Government (Financial Management) Regulations 1999*, the Audit Committee advises Council that it has reviewed:
 - a. the General Purpose Financial Statements of the Council for the financial year ended 30 June 2021 as contained in Appendix 1, and
 - b. the External Auditor Galpins' Audit Clearance Report as contained in Appendix 2,and is satisfied that the 2020-21 financial statements present fairly the state of affairs of the Council.
3. To recommend that the Adelaide Hills Council 2020-21 General Purpose Financial Statements, contained in Appendix 1, may be certified by the Chief Executive Officer and the Mayor.
4. To note the confirmation of Galpins Auditor Independence Statement provided at Appendix 3.
5. To recommend that the Certification of Auditor Independence statement contained in Appendix 4 may be certified by the Chief Executive Officer and the Presiding Member of the Audit Committee in accordance with the requirements of Regulation 22(3) of the *Local Government (Financial Management) Regulations 2011*.

1. GOVERNANCE

➤ Strategic Management Plan/Functional Strategy/Council Policy Alignment

Strategic Plan 2020-24 – A brighter future

Goal 5 A Progressive Organisation

Objective O3 Our organisation is financially sustainable for both current and future generations

Priority O3.1 Ensure the delivery of agreed strategic plan requirements whilst meeting endorsed long term targets for a sustainable operating surplus and level of debt

Objective O5 We are accountable, informed and make decisions in the best interests of the whole community

Priority O5.1 Enhance governance structure and systems to prudently adapt to changing circumstances and meet our legislative obligations

Priority O5.3 Demonstrate accountability through robust corporate planning and reporting that enhances performance, is relevant and easily accessible by the community

The Council is committed to open, participative and transparent decision-making and administrative processes. We diligently adhere to legislative requirements to ensure public accountability and exceed those requirements where possible.

Clause 3.5.3 of the Audit Committee Terms of Reference provide that the Committee shall meet with the external auditor at least once a year, without management being present (i.e. in-camera), to discuss the external auditor's report and any issues arising from the audit.

Should the Committee wish to avail itself of this opportunity, the Administration will leave the meeting at the request of the Presiding Member and a confidentiality order is not required as the meeting remains open to the public.

➤ **Legal Implications**

Local Government Act 1999

Chapter 8 of the *Local Government Act* addresses Administrative and Financial Accountability under Part 3 Accounts, financial statements and audit.

More specifically:

- Section 126 (4)(a): [Audit Committee] to review the Financial Statements to ensure that they present fairly the state of affairs of the Council.
- Under Section 127, Council must prepare for each financial year financial statements and notes in accordance with standards prescribed by the regulations as soon as is reasonably practicable after the end of the relevant financial year

Local Government (Financial Management) Regulations

- Regulation 22 of the *Local Government (Financial Management) Regulations 2011* requires:
 - Subregulation 3 – that the Council's Chief Executive Officer and the Presiding Member of the Audit Committee to provide a statement, on an annual basis, that the Council Auditor is independent of the Council for the relevant financial year; and
 - Subregulation 5 – that the Council's auditor must provide a statement in the prescribed form regarding their independence in accordance with auditing professional standards and legislative requirements.

➤ **Risk Management Implications**

Failure to complete the year end process in accordance with the endorsed timetable can result in increased financial, compliance and reputational risk.

Inherent Risk	Residual Risk	Target Risk
Medium (4D)	Low (2E)	Low (2E)

➤ **Financial and Resource Implications**

The End of Year Financial Statements are considered to be the most significant output from Council's financial management and reporting processes, and are required for inclusion in the Annual Report.

Funding and resources required to prepare the End of Year Financial Statements is provided for as part of the annual budget process.

➤ **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: A 2020-21 End of Year Update Report was presented to the Audit Committee on 16 August 2021 where the preliminary end of year results were presented.

Council Workshops: Not Applicable

Advisory Groups: Not Applicable

Administration: A 2020-21 Preliminary End of Year Financial Results and Carry Forwards report was presented to Council on 24 August 2021. As part of this report all budget holders reviewed the end of year financial position for their respective areas of responsibility to ensure variations were identified, explained, and reviewed by the Executive Leadership Team.

External Agencies: Galpins Accountants, Advisers and Business Consultants

Community: Not Applicable

2. BACKGROUND

In November 2020, Council resolved to appoint Galpins Accountants, Advisers and Business Consultants (Galpins) for the provision of external audit services for a further period of two (2) years covering the 2020-21 and 2021-22 Annual Financial Statement and Internal Financial Control audits.

The Annual Financial Statements (or General Purpose Financial Report) in **Appendix 1** have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board and relevant South Australian local government legislation.

3. ANALYSIS

The following sections provide a summary in relation to key sections of the General Purpose Financial Statements.

3.1 Statement of Comprehensive Income

The Statement of Comprehensive Income shows an overall operating surplus of \$2.357m for 2020-21 compared with a deficit of \$2.542m for the previous year.

Statement of Comprehensive Income	2020-21 \$000s	2019-20 \$000s	Movement \$000s
Council	1,606	(2,605)	4,211
Equity Result from Subsidiaries	751	63	688
Operating Surplus/(Deficit)	2,357	(2,542)	4,899

Overall, Council's operating revenue increased by \$5.6m (12.1%) to \$52.2m with expenditure increasing by \$746k (1.5%) to \$49.8m.

Similar to last year, Council's operating result for 2020-21 has been impacted on by a number of large one off items resulting in a number of significant movements between the two years, including:

- Net impact for 2020-21 of Cudlee Creek Bushfire Event and subsequent recovery where, Council:
 - expended:
 - \$1.6m under Materials, Contracts and Other, largely on roadside tree clean-up in the 2020-21 financial year as well as other costs including road repairs, fixing fences, repairing recreational trails, restoring fauna habitat and helping the community rebuild.
 - \$222k under employee costs, largely for additional planning resources to address Cudlee Creek Bushfire development applications
 - received:
 - over \$2.5m in State Government Disaster Recovery funding from Green Industries SA for reimbursement of ground clean-up / green waste clean up of properties and bushfire affected roads in the Adelaide Hills
 - insurance recoveries of \$175k relating to Cudlee Creek

This resulted in an increase in the order of \$0.9m to the 2020-21 Operating Surplus compared to a net cost of \$2.1m for the 2019-20 financial year.

- Receipt of Local Roads & Community Infrastructure Program (LRCIP) Grants totalling nearly \$1.5m, being 90% of Phase 1 funding of \$703k and 50% of Phase 2 funding totalling \$781k during the 2020-21 financial year.

- Council's result from Equity Accounted Council Businesses was a net gain of \$751k in comparison to a net gain of \$63k for the previous year. This movement largely relates to the Adelaide Hills Regional Waste Management Authority which in accordance with Auditor advice, accounted in 2020-21 for the full amount of a successful resolution of a legal claim defended in the Supreme Court in previous years.
- The additional provisioning of remediation and post closure costs of \$320k relating to closed landfills within the Council area which offset the additional funding identified above. The amount provided in 2019-20 was \$442k.

Other key movements from 2019-20 include:

- A rates increase of \$1.5m, reflecting the general rates increase of 2.95% and rates growth of 1.2%. (refer Note 2a in the Financial Statements).
- Statutory charges of nearly \$1.5m, which were \$309k more than the previous year, largely as a result of:
 - an increase in development act fees of over \$200k in part related to the rebuild of buildings/properties impacted by the Cudlee Creek bushfire
 - an increase in septic tank fee revenue due to a significant increase in applications for the 2020-21 financial year
- Operating Grants, Subsidies and Contributions increased by \$3.0m from the previous year. These include the previously identified:
 - Receipt of natural disaster funding from the State Government of \$2.5m as discussed above, compared to \$1.2m of grant funding received in 2019-20
 - the LRCIP Grants of nearly \$1.5m received during the year
 - Community recovery and resilience funding grants from State and Federal Government of which the majority was spent on resources to support the community after the bushfires
- Employee Costs which increased in line with:
 - Council's Enterprise Development Agreement increases for the year of 2.4% salaries and 2.65% wages (\$440k)
 - changes from the previous year FTE complement for new positions relating to Council approved initiatives including regional health planning and disability coordination, economic development, field staff in playground, cemetery management, ICT and grant funded positions relating to Community Recovery and Resilience as well as additional planning resources relating to the Cudlee Creek Bushfire
- Materials, Contracts & Other Expenses decreased from \$21.6m to \$21.1m in 2020-21, being a reduction of \$0.5m. As mentioned above, expenditure for Cudlee Creek reduced by \$1.4m with other key movements offsetting this including:
 - an increase of \$296k in tree management expenditure relating to works required to mitigate risk associated with playgrounds and other council areas following a review and audits.
 - an increase in contribution expense of \$209k, in part relating to an increase in PLEC costs for the undergrounding of power lines for the Gumeracha main street compared to 2019-20 and a contribution to the Heathfield High School redevelopment

- waste costs increases of \$167k from 2019-20 relating to AHRWMA disposal costs as well as hard waste costs
- a capital work-in-progress (WIP) write-off of \$278k largely relating to salary costs previous held in WIP relating to cleansing of asset data relating to the Confirm asset management system, expenditure on footbridges where the structure was not owned by Council and tidy up of furniture and fittings and minor plant expenditure on the transfer of the asset registers to Confirm
- Depreciation increased by \$244k from the previous year across a number of categories with the most significant increases occurring in:
 - right of use assets relating to leased property and ICT assets; and
 - plant and equipment relating to ICT projects where a full year's depreciation has been incurred for assets capitalised in the previous year

3.2 Statement of Financial Position

Statement of Financial Position	2020-21 \$'000	2019-20 \$'000	Movement \$'000
Assets	439,819	427,533	12,286
Liabilities	24,172	23,101	1,071
Net Assets	415,647	404,432	11,215

The Statement of Financial Position shows the total assets and total liabilities held by Council. As at 30 June 2021, the overall net assets (total assets less total liabilities) held by Council was \$415.6m compared with \$404.4m for the previous year, representing an increase in equity of \$7.2m. The increase in equity is represented largely by an increase in asset valuation of \$7.8m together with the Net Surplus of \$3.3m.

As highlighted in Note 7 Infrastructure, Property, Plant & Equipment, the Bridges Asset Category was revalued as at June 2021 using modern equivalent principles and a condition audit, resulting in a minor movement in valuation.

All other remaining infrastructure asset categories were cost indexed internally using ABS Construction data which resulting in an increase in valuation for CWMS, Roads, Guardrails, Kerb & Gutter and Stormwater whereas a number of other infrastructure asset categories values including Buildings were reduced as a result of some construction cost indices falling in the 2020-21 financial year and other adjustments.

It is also noted that there was no change to the Bridgewater Retirement Village where Council entered into a Contract for the divestment of the retirement village portfolio in August 2018. As the contract in relation to the Retirement Village at Bridgewater is still conditional it has remained under land and buildings in the Statement for Financial Position as at 30 June 2021, similarly to the previous year.

Excluding lease liabilities, borrowings at 30 June 2021 were \$10.2m including a short term draw down of \$5.2m being a decrease of \$1.8m from the balances at 30 June 2020 of \$12.0m.

3.3 Cash Flow Statement

Statement of Cash Flows	2020-21 \$'000	2019-20 \$'000	Movement \$'000
Net cash from Operating Activities	13,913	6,790	7,123
Net cash from Investing Activities	(11,466)	(10,024)	(1,442)
Cash Flows from Financing Activities	(5,528)	(273)	(5,255)
Net Increase/(Decrease) in Cash Held	(3,081)	(3,507)	426
Cash & Cash Equivalents	(4,563)	(\$1,482)	(3,081)

Council generated \$13.9m from its Operating Activities during the financial year compared to \$6.8m during 2019-20. The increase in net cash from operating activities from the previous year largely related to the cash impact of the Cudlee Creek bushfire between the two years and the increase in grant funding including the Local Roads and Community Infrastructure Program funding previously referenced. There was also an increase in Trade and Payables from 2019-20 which reflected positively on cash derived from operations. Details of how the cash flow statement reconciles with the net surplus and changes in net assets are shown in Note 11 of the Financial Statements.

During the year, Council spent \$13.1m on the construction and purchase of renewal and new assets compared to \$12.9m in 2019-20.

The resultant Cash Flow Statement shows a decrease in the net cash position in the order of \$3.0m, largely reflected in the drawing down of Council's short term borrowings from \$2.0m to \$5.2m by year end to accommodate the \$5.0m high interest fixed term loan repayment in June 2021.

3.4 Financial Key Performance Indicators

These Financial Indicators have been calculated in accordance with Information Paper 9 – Local Government Financial Indicators and included as 'Note 15 Financial Indicators' within the Financial Statements.

The relevant target ranges for the 2020-21 financial year were set as part of the 2020-21 Long Term Financial Plan (LTFP) adopted by Council in April 2020, as follows:

- Operating Surplus Ratio, target range 0% to 10%
- Net Financial Liabilities Ratio, target range 0% to 100%
- Asset sustainability Ratio, target range 90% to 110%

It is noted that these target ranges have been subsequently narrowed for financial years ending after 2020-21.

Financial Indicators	2020-21	2019-20	2018-19
Operating Surplus	4.5%	(5.5%)	2.1%
Adjusted Operating Surplus Ratio *	5.3%	(4.9%)	0.6%
Net Financial Liabilities Ratio	39%	43%	34%
Adjusted Net Financial Liabilities Ratio *	39%	42%	34%
Asset Sustainability Ratio	85%	106%	93%

*The Adjusted Ratios removes the distortion of Federal Government funding advances across financial years.

In terms of the financial result, even after the one off funding and expenditure elements including the Cudlee Creek bushfire and LCRIP grants are taken into account, the numbers reflect an underlying financially sustainable surplus into the future and strong alignment to the current LTFP. Council will continue to review and monitor future financial results and its financial position in conjunction with LTFP.

3.4.1 Operating Surplus Ratio

This ratio expresses the operating surplus/deficit as a percentage of total operating revenue.

As mentioned above, there are a number of one off items that have had a financial impact on the ratio for 2020-21. This has resulted in the ratio showing more positive than usual for the 2020-21 financial year and in line with Council's 2020-21 target range of 0% - 10%.

3.4.2 Adjusted Operating Surplus Ratio

This ratio removes the distortion of \$345k of 2020-21 Supplementary Local Roads Grants paid in advance in 2018-19 as well as the Federal Government Financial Assistance Grant advance grant payment movement of \$66k. The combined impact increases the Operating Surplus by \$411k and the resultant ratio by 0.8%.

The \$66k represents the advance payment of the 2021-22 Federal Assistance Grant of \$846k in June 2021 offset by \$912k of the 2020-21 Grant received in June 2020.

3.4.3 Net Financial Liabilities Ratio

This ratio expresses the net financial liabilities as a percentage of total operating revenue with Council's target range for 2020-21 being between 0% to 100%.

The Uniform Presentation of Finances as shown in Note 16 of the Financial Statements shows a net lending position of \$0.3m for 2020-21 in comparison to a net borrowing position of \$3.4m for the previous year. This net lending position has reduced Council's Net Financial Liabilities from 43% to 39% driven in part by the resultant operating surplus together with Council's net outlays on existing assets offsetting new and upgraded asset expenditure.

As per the previous year, this ratio is well within Council's target range and in alignment with the LTFP.

3.4.4 Adjusted Net Liabilities Ratio

Similar to the adjusted Operating Surplus Ratio, this ratio removes the distortion of Federal Government advance grant payments movements. For 2020-21 the ratio only changed minimally from the unadjusted ratio.

3.4.5 The Asset Renewal Funding Ratio

This is a ratio that represents the amount of expenditure incurred in replacing Council's assets compared to the level of planned renewal expenditure as detailed in Council's infrastructure and asset management plans at the time of preparing Council's 2020-21 Budget. Council's 2020-21 target range is between 90% and 110%.

The 2020-21 ratio of 85% reflects an amount less than 100% largely as a result of carrying forward renewal expenditure to 2021-22, particularly in relation to plant & fleet where lead times have been significant due to the impact of Covid. In addition Council's Preliminary End of Year Report in August 2021 highlighted capital renewals savings in the order of \$360k which also has had an impact on the ratio.

Change in financial sustainability targets for the 2021-22 financial year

It is noted that as part of the development of the 2021-22 LTFP adopted in April 2021 Council agreed to amend Council's financial sustainability targets to narrow the range of each of the sustainability targets as follows:

- Operating Surplus Ratio, target range 1% to 5%
- Net Financial Liabilities Ratio, target range 25% to 75%
- Asset Renewal Funding Ratio, target range 95% to 105%

These financial sustainability targets will be used for the 2021-22 and subsequent years to assess Council's financial performance.

3.5 2020-21 Audit Clearance Report

The role of the external auditor is to provide an audit opinion to Council with respect to the General Purpose Financial Statements. In addition, Council's Auditor Galpins is required to provide an opinion on the compliance of the Adelaide Hills Council with the requirements of Section 125 of the *Local Government Act 1999* in relation to the Internal Controls established by the Council.

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*.

The Auditor's responsibility is to express a conclusion 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 for the period 1 July 2020 to 30 June 2021 to ensure that financial transactions relating to 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 in all material respects.

The Auditors procedures included assessing the controls of Council based on the criteria in the *Better Practice Model—Internal Financial Controls*.

The Auditors are in the final stages of completing the audit, and have provided their final Audit Completion Report on matters arising from the audit. This Audit Completion Report (see **Appendix 2**) indicates that Galpins intend to issue unmodified opinions (subject to the satisfactory completion of the items described in section 1 – Status of our Audit Work of this document) for both the Financial Statements and Internal Controls.

Tim Muhlhausler of Galpins will be attending the Audit Committee meeting and presenting the Audit Clearance Report.

3.6 Statement by Auditor of Audit Independence

Regulation 22(5) of the *Local Government (Financial Management) Regulations 2011* requires the auditor of a council to provide a written statement attesting to their independence. Council's Auditor, Galpins have provided their signed Audit Independence Declaration, as prescribed in the Regulations (see **Appendix 3**). This Statement to Council will be included in Council's financial statements as part of the finalisation of the audit.

Regulation 21 (2) of the *Local Government (Financial Management) Regulations 2011* requires the Council's Chief Executive Officer and the Presiding Member of the Audit Committee to provide a statement, on an annual basis, that the Council Auditor is independent of the Council for the relevant financial year (see **Appendix 4**).

4. OPTIONS

The Committee has the following options:

- I. To review and recommend the General Purpose Financial Statements to Council as prepared (Recommended).
- II. To note the confirmation of Galpins Auditor Independence Statement and recommend and recommend the Certification of Auditor Independence statement (Recommended).
- II. To make additional comments or suggestions for finance staff to include prior to completing the General Purpose Financial Statements.

5. APPENDICES

- (1) 2020-21 Draft General Purpose Financial Statements
- (2) Audit Completion Report
- (3) Auditor Independence Statement
- (4) Draft Certification of Auditor Independence

Appendix 1

2020-21 Draft General Purpose Financial Statements

DRAFT

Adelaide Hills Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2021



General Purpose Financial Statements

for the year ended 30 June 2021

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General Purpose Financial Statements

for the year ended 30 June 2021

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 2021 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

Jan-Claire Wisdom
Mayor

Date

Statement of Comprehensive Income

for the year ended 30 June 2021

\$ '000	Notes	2021	2020
Income			
Rates	2a	40,110	38,547
Statutory Charges	2b	1,489	1,180
User Charges	2c	705	704
Grants, Subsidies and Contributions	2g	8,219	5,245
Investment Income	2d	22	42
Reimbursements	2e	235	228
Other income	2f	637	517
Net Gain - Equity Accounted Council Businesses	19(a)	764	73
Total Income		52,181	46,536
Expenses			
Employee costs	3a	18,644	17,664
Materials, Contracts and Other Expenses	3b	21,101	21,608
Depreciation, Amortisation and Impairment	3c	9,451	9,207
Finance Costs	3d	615	589
Net loss - Equity Accounted Council Businesses	19(a)	13	10
Total Expenses		49,824	49,078
Operating Surplus / (Deficit)		2,357	(2,542)
Physical Resources Received Free of Charge	2h	1,884	970
Asset Disposal & Fair Value Adjustments	4	(2,045)	(1,757)
Amounts Received Specifically for New or Upgraded Assets	2g	1,108	556
Net Surplus / (Deficit)		3,304	(2,773)
Other Comprehensive Income			
Amounts which will not be reclassified subsequently to operating result			
Changes in Revaluation Surplus - I,PP&E	9a	7,811	(4,485)
Share of Other Comprehensive Income - Equity Accounted Council Businesses	19	31	—
Other Equity Adjustments - Equity Accounted Council Businesses		69	78
Total Amounts which will not be reclassified subsequently to operating result		7,911	(4,407)
Total Other Comprehensive Income		7,911	(4,407)
Total Comprehensive Income		11,215	(7,180)

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

Statement of Financial Position

as at 30 June 2021

\$ '000	Notes	2021	2020
ASSETS			
Current assets			
Cash & Cash Equivalent Assets	5a	637	518
Trade & Other Receivables	5b	3,225	2,761
Inventories	5c	23	18
Total current assets		3,885	3,297
Non-current assets			
Equity Accounted Investments in Council Businesses	6	2,342	1,491
Infrastructure, Property, Plant & Equipment	7a(i)	433,592	422,745
Total non-current assets		435,934	424,236
TOTAL ASSETS		439,819	427,533
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8a	7,734	5,254
Borrowings	8b	5,523	7,285
Provisions	8c	3,963	3,588
Total Current Liabilities		17,220	16,127
Non-Current Liabilities			
Borrowings	8b	5,425	5,446
Provisions	8c	1,527	1,528
Total Non-Current Liabilities		6,952	6,974
TOTAL LIABILITIES		24,172	23,101
Net Assets		415,647	404,432
EQUITY			
Accumulated surplus		142,182	138,645
Asset revaluation reserves	9a	273,017	265,206
Other reserves	9b	448	581
Total Council Equity		415,647	404,432
Total Equity		415,647	404,432

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 2021

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2021					
Balance at the end of previous reporting period		138,645	265,206	581	404,432
Net Surplus / (Deficit) for Year		3,304	—	—	3,304
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	—	7,811	—	7,811
- Share of OCI - Equity Accounted Council Businesses		31	—	—	31
- Other Equity Adjustments - Equity Accounted Council Businesses	19	69	—	—	69
Other comprehensive income		100	7,811	—	7,911
Total comprehensive income		3,404	7,811	—	11,215
Transfers between Reserves		133	—	(133)	—
Balance at the end of period		142,182	273,017	448	415,647
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)
- 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

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 2021

\$ '000	Notes	2021	2020
Cash flows from operating activities			
<u>Receipts</u>			
Rates Receipts		39,969	38,288
Statutory Charges		1,489	1,180
User Charges		705	704
Grants, Subsidies and Contributions (operating purpose)		8,042	5,121
Investment Receipts		22	42
Reimbursements		235	228
Other Receipts		2,086	929
<u>Payments</u>			
Finance Payments		(615)	(589)
Payments to Employees		(18,410)	(16,703)
Payments for Materials, Contracts & Other Expenses		(19,610)	(22,410)
Net cash provided by (or used in) Operating Activities	11b	<u>13,913</u>	<u>6,790</u>
Cash flows from investing activities			
Amounts Received Specifically for New/Upgraded Assets		1,108	556
Sale of Replaced Assets		604	714
Sale of Surplus Assets		17	117
Sale of Investment Property		—	1,530
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(7,823)	(9,718)
Expenditure on New/Upgraded Assets		(5,372)	(3,223)
Net cash provided (or used in) investing activities		<u>(11,466)</u>	<u>(10,024)</u>
Cash flows from financing activities			
<u>Payments</u>			
Repayments of Borrowings		(5,000)	(62)
Repayment of Lease Liabilities		(336)	(211)
Repayment of Aged Care Facility Deposits		(192)	—
Net Cash provided by (or used in) Financing Activities		<u>(5,528)</u>	<u>(273)</u>
Net Increase (Decrease) in Cash Held		<u>(3,081)</u>	<u>(3,507)</u>
plus: Cash & Cash Equivalents at beginning of period		(1,482)	2,025
Cash and cash equivalents held at end of period	11a	<u>(4,563)</u>	<u>(1,482)</u>

Additional Information:

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 2021

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Notes to the Financial Statements

for the year ended 30 June 2021

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 Estimates and assumptions

COVID-19 is not expected to have a significant financial impact on Council operations. It is expected that there may be some minor financial impacts flowing into the 2021-22 financial year but these have been largely taken into account during the development of the budget process for 2021-22. The budget assumptions for 2021-22 assume that no further harsher restrictions are put in place by the government. However, Council has determined that there is no material uncertainty that casts doubt on Council's ability to continue as a going concern.

1.4 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

continued on next page ...

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

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.

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 Allocation	Difference
2018-19	\$1,526,078	\$1,537,852	- \$11,774
2019-20	\$1,640,046	\$1,564,152	+\$75,894
2020-21	\$1,516,052	\$1,581,658	-\$65,606

In addition, the 2020-21 Supplementary Local Road Grants of \$345,069 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.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

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.

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.

Furniture & Fittings and Plant & Equipment for Retirement Villages	\$1,000
Office Furniture & Fittings	\$3,000
Other Plant & Equipment	\$3,000
Building Fixture and Fittings	\$5,000
Building Structures	\$5,000
Paving & footpaths, Kerb & Gutter	\$5,000
Road construction & reconstruction	\$5,000
Stormwater, gravity mains and culverts	\$5,000
All Other Assets	\$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.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

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.

Plant, Furniture & Equipment

Office Furniture and Equipment	5 to 10 years
Vehicles and Heavy Plant	8 to 16 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.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

6.6 Borrowing Costs

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

(7) Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

Amounts 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. 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.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

(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 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 net basis.

(14) New accounting standards and UIG interpretations

New and amended standards and interpretations

The Council applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2020. New standards and amendments relevant to the Council are listed below. The Council has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

Amendments to AASB 101 and AASB 108 Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Council.

(15) COVID-19 Pandemic

The COVID-19 pandemic has impacted the 2020-21 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 Council's 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 \$150k in the 2020-21 net result. It is expected further financial impacts will flow into the 2021-22 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) Adelaide Hills Bushfire Events

Council has had two bushfire events in the last couple of years within the Adelaide Hills Council district which has impacted the 2020-21 financial statements.

Council infrastructure has had minimal damage, with the most serious impact to land including Lobethal Bushland Park.

As a result of these events, Council has spent a further \$1.6m in roadside tree clean-up in the 2020-21 financial year as well as other costs including road repairs, fixing fences, repairing recreational trails, restoring fauna habitat and helping the community rebuild on top of \$3.0m spent in 2019-20.

To offset this Council received \$2.5m in State Government funding in 2020-21 on top of \$1.225m Federal funding received in 2019-20. In addition, insurance recoveries in the order of \$175k were received in 2020-21.

Council estimates that the net impact of the Cudlee Breek bushfire in terms of grants received and increase in expenditure resulted in an increase of approximately \$0.9m to the 2020-21 net result.

In addition there is likely to be further costs incurred in relation to:

- tree management and further road tree works and debris clean up
- fencing contributions to properties abutting Council land
- additional resources to manage the development applications the Council expects to receive over the next 1-2 years for people rebuilding destroyed assets.
- biodiversity protection and regeneration work over the next few 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 \$300k, will also flow into the 2021-22 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.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

(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.

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Notes to the Financial Statements

for the year ended 30 June 2021

Note 2. Income

\$ '000	2021	2020
(a) Rates		
General Rates		
General Rates	37,495	35,942
Less: Mandatory Rebates	(296)	(275)
Less: Discretionary Rebates, Remissions & Write Offs	(119)	(134)
Total General Rates	37,080	35,533
Other Rates (Including Service Charges)		
Community Wastewater Management Systems	1,777	1,730
Landscape Levy	967	980
Separate & Special Rates	5	6
Stirling Business Association Separate Rate	95	95
Total Other Rates (Including Service Charges)	2,844	2,811
Other Charges		
Penalties for Late Payment	186	150
Legal & Other Costs Recovered	–	53
Total Other Charges	186	203
Total Rates	40,110	38,547
(b) Statutory Charges		
Animal Registration Fees & Fines	454	428
Development Act Fees	774	559
Health & Septic Tank Inspection Fees	127	76
Other Licences, Fees & Fines	27	29
Parking Fines / Expiation Fees	30	28
Searches	77	60
Total Statutory Charges	1,489	1,180
(c) User Charges		
Cemetery Fees	322	334
Community Centres	94	98
Lobethal Woollen Mill Precinct	137	162
Retirement Villages	34	37
Sundry	118	73
Total User Charges	705	704
(d) Investment Income		
Interest on Investments		
- Local Government Finance Authority	1	7
- Banks & Other	7	35
Unwinding of Premiums & Discounts	14	–
Total Investment Income	22	42

Notes to the Financial Statements

for the year ended 30 June 2021

Note 2. Income (continued)

\$ '000	2021	2020
(e) Reimbursements		
Lobethal Woollen Mill Precinct	192	193
Other Properties	19	10
Private Works	7	10
Other	17	15
Total Reimbursements	235	228

(f) Other income

Insurance & Other Recoupments - Infrastructure, IPP&E	224	162
Insurance & Other Recoupments - Bushfire Events	175	—
Public Lighting SLUOS Refund	—	97
Sundry	238	258
Total Other income	637	517

(g) Grants, Subsidies, Contributions

Amounts Received Specifically for New or Upgraded Assets	1,108	556
Total Amounts Received Specifically for New or Upgraded Assets	1,108	556
Community Home Support Program Grants	957	942
Community Recovery Grant	177	47
Community Wastewater Management Systems Contributions	113	86
Library and Communications	289	292
Local Roads & Community Infrastructure Program	1,489	—
Natural Disaster Recovery Funding	2,532	1,225
Roads to Recovery	699	699
Sundry	447	314
Untied - Financial Assistance Grant	1,516	1,640
Total Other Grants, Subsidies and Contributions	8,219	5,245
Total Grants, Subsidies, Contributions	9,327	5,801

The functions to which these grants relate are shown in Note 12.

(i) Sources of grants

Commonwealth Government	5,003	4,488
State Government	4,175	964
Other	149	349
Total	9,327	5,801

(ii) Individually Significant Items

Grant Commission (FAG) Grant received in advance recognised as Income	846	912
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(h) Physical Resources Received Free of Charge

Land & Improvements	1,884	970
Total Physical Resources Received Free of Charge	1,884	970

Notes to the Financial Statements

for the year ended 30 June 2021

Note 3. Expenses

\$ '000	Notes	2021	2020
(a) Employee costs			
Salaries and Wages		15,532	14,537
Employee Leave Expense		2,077	2,048
Superannuation - Defined Contribution Plan Contributions	18	1,361	1,244
Superannuation - Defined Benefit Plan Contributions	18	224	284
Workers' Compensation Insurance		423	405
Personal Income Protection Insurance		260	262
Other Employee Related Costs		285	300
Less: Capitalised and Distributed Costs		(1,518)	(1,416)
Total Operating Employee Costs		18,644	17,664
Total Number of Employees (full time equivalent at end of reporting period)		197	194
(b) Materials, Contracts and Other Expenses			
(i) Materials, Contracts and Expenses			
Bank Fees		88	88
Contractors		4,270	4,075
Contractors - Bushfire Recovery		1,609	3,038
Contractors - Cleaning		356	334
Contractors - Tree Management		864	568
Contributions & Donations		1,420	1,211
Contract Labour		601	556
Energy		510	554
Insurance		630	605
Landfill Remediation		321	442
Legal Expenses		186	281
Levies - Other		309	310
Levies Paid to Government - Landscape Levy		959	972
Licencing - ICT		618	684
Pandemic Response		151	96
Parts, Accessories & Consumables		1,974	1,758
Professional Services		86	60
Stirling Business Association		95	95
Sundry		398	404
Telephone (incl data)		269	266
Water		198	237
Waste		4,450	4,283
Work-in-Progress Write-off		278	—
Less: Capitalised and Distributed Costs		(86)	(88)
Subtotal - Material, Contracts & Expenses		20,554	20,829

Notes to the Financial Statements

for the year ended 30 June 2021

Note 3. Expenses (continued)

\$ '000	2021	2020
(ii) Prescribed Expenses		
Auditor's Remuneration		
- Auditing the Financial Reports	22	24
- Other Auditors	35	13
Elected Members' Expenses	428	421
Election Expenses	13	13
Lease Expense - Low Value Assets / Short Term Leases	49	308
Subtotal - Prescribed Expenses	547	779
Total Materials, Contracts and Other Expenses	21,101	21,608

(c) Depreciation, Amortisation and Impairment

Depreciation and Amortisation

Buildings	1,113	1,148
Infrastructure		
- Bridges	282	291
- Cemeteries	30	31
- Community Wastewater Management Systems	397	413
- Footpaths	322	312
- Guardrails	86	146
- Kerb & Gutter	402	327
- Playgrounds	87	69
- Retaining Walls	163	169
- Roads	4,201	4,197
- Sport & Recreation	330	326
- Stormwater	461	454
- Street Furniture	94	71
- Traffic Controls	26	25
Right-of-use Assets	341	214
Plant & Equipment	1,052	943
Furniture & Fittings	64	71
Total Depreciation, Amortisation and Impairment	9,451	9,207

(d) Finance Costs

Interest on Overdraft and Short-Term Drawdown	30	10
Interest on Loans	568	568
Charges on Finance Leases	17	11
Total Finance Costs	615	589

Notes to the Financial Statements

for the year ended 30 June 2021

Note 4. Asset Disposal & Fair Value Adjustments

\$ '000	2021	2020
Infrastructure, Property, Plant & Equipment		
(i) Assets Renewed or Directly Replaced		
Proceeds from Disposal	604	714
Less: Carrying Amount of Assets Sold or Disposed of	(2,415)	(2,380)
Gain (Loss) on Disposal	(1,811)	(1,666)
(ii) Assets Surplus to Requirements		
Proceeds from Disposal	17	117
Less: Carrying Amount of Assets Sold or Disposed of	(57)	(138)
Less: Other Amounts Relating to the Sale of Surplus Assets	(1)	(70)
Gain (Loss) on Disposal	(41)	(91)
Non-Current Assets Held for Sale		
Proceeds from Disposal	–	1,530
Less: Carrying Amount of Assets Sold	–	(1,530)
Gain (Loss) on Disposal	–	–
Fair Value Adjustments		
Revaluation Decrements Expensed	(193)	–
Total Fair Value Adjustments	(193)	–
Net Gain (Loss) on Disposal or Revaluation of Assets	(2,045)	(1,757)

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Current Assets

\$ '000	2021	2020
(a) Cash & Cash Equivalent Assets		
Cash on Hand at Bank	269	143
Short Term Deposits	368	375
<u>Total Cash & Cash Equivalent Assets</u>	<u>637</u>	<u>518</u>

(b) Trade & Other Receivables

Rates - General & Other	1,535	1,503
Council Rates Postponement Scheme	129	129
Accrued Revenues	51	77
Debtors - General	56	253
Other Levels of Government	836	659
GST Recoupment	336	—
Prepayments	282	140
<u>Total Trade & Other Receivables</u>	<u>3,225</u>	<u>2,761</u>

(c) Inventories

Stores & Materials	23	18
<u>Total Inventories</u>	<u>23</u>	<u>18</u>

Note 6. Non-Current Assets

\$ '000	Notes	2021	2020
Equity Accounted Investments in Council Businesses			
Gawler River Floodplain Management Authority (GRFMA)	19	993	937
Eastern Waste Management Authority (EWMA)	19i	241	138
Adelaide Hills Regional Waste Management Authority (AHRWMA)	19i	1,108	416
<u>Total Equity Accounted Investments in Council Businesses</u>		<u>2,342</u>	<u>1,491</u>

Notes to the Financial Statements

for the year ended 30 June 2021

Note 7. Infrastructure, Property, Plant & Equipment

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

\$ '000	Fair Value Level	as at 30/06/20				Asset movements during the reporting period													as at 30/06/21			
		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	Revaluation Decrements to P&L (Note 4)	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		—	3,550	—	3,550	—	5,372	7,823	—	—	—	(12,500)	(194)	—	—	—	—	—	—	4,051	—	4,051
Land - Community		87,091	—	—	87,091	—	—	—	(58)	—	—	—	—	—	—	—	—	889	87,922	—	—	87,922
Buildings	3	65,187	—	(25,581)	39,606	—	—	—	(119)	(1,113)	—	1,372	—	—	—	—	(477)	—	65,569	—	(26,299)	39,270
Infrastructure																						
- Bridges	3	18,239	—	(8,490)	9,749	—	—	—	(14)	(282)	—	43	—	21	—	—	(14)	—	21,615	—	(12,111)	9,504
- Cemeteries	3	1,699	—	(891)	808	—	—	—	—	(30)	—	279	—	—	—	—	(34)	—	1,977	—	(954)	1,023
- Community Wastewater Management Systems	3	20,191	—	(6,650)	13,541	—	—	—	(170)	(397)	—	639	—	—	—	—	—	516	21,065	—	(6,938)	14,127
- Footpaths	3	15,131	—	(6,298)	8,833	—	—	—	(55)	(322)	—	852	—	742	—	(193)	(205)	—	16,399	—	(6,747)	9,652
- Guardrails	3	4,316	—	(873)	3,443	—	—	—	(6)	(86)	—	—	—	—	—	—	—	385	5,063	—	(1,326)	3,737
- Kerb & Gutter	3	40,381	—	(22,302)	18,079	—	—	—	(48)	(402)	—	373	—	146	—	—	—	5,355	42,335	—	(18,834)	23,501
- Playgrounds	3	2,229	—	(756)	1,473	—	—	—	(45)	(87)	—	7	—	—	—	—	—	11	2,168	—	(809)	1,359
- Retaining Walls	3	11,421	—	(3,589)	7,832	—	—	—	—	(163)	—	157	—	—	—	—	—	749	12,598	—	(4,021)	8,577
- Roads	3	264,156	—	(85,667)	178,489	—	—	—	(1,255)	(4,201)	—	5,480	—	444	—	—	—	727	272,570	—	(92,887)	179,683
- Sport & Recreation	3	16,597	—	(8,919)	7,678	—	—	—	(8)	(330)	—	702	—	—	—	—	(721)	—	17,156	—	(9,835)	7,321
- Stormwater	3	40,097	—	(11,472)	28,625	—	—	—	(11)	(461)	—	720	—	531	—	—	—	844	43,807	—	(13,560)	30,247
- Street Furniture	3	3,026	—	(992)	2,034	—	—	—	(33)	(94)	—	53	—	—	—	—	(200)	—	2,716	—	(957)	1,759
- Traffic Controls	3	1,848	—	(557)	1,291	—	—	—	—	(26)	—	202	—	—	—	—	(14)	—	2,030	—	(577)	1,453
- Other Infrastructure	3	—	2,196	(628)	1,568	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,196	(628)	1,568
Right-of-Use Assets		—	942	(214)	728	—	—	—	—	(341)	—	—	—	—	353	—	—	—	—	1,294	(554)	740
Plant & Equipment		—	13,700	(5,821)	7,879	—	—	—	(650)	(1,052)	—	1,577	(60)	—	—	—	—	—	—	12,757	(5,063)	7,694
Furniture & Fittings		—	2,851	(2,403)	448	—	—	—	—	(64)	—	44	(24)	—	—	—	—	—	—	626	(222)	404
Total Infrastructure, Property, Plant & Equipment		591,609	23,239	(192,103)	422,745	—	5,372	7,823	(2,472)	(9,451)	—	—	(278)	1,884	353	(193)	(1,665)	9,476	614,990	20,924	(202,322)	433,592
Comparatives		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

Notes to the Financial Statements

for the year ended 30 June 2021

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 or indirectly observable in that market, or the number and / or amount of observable adjustments of which are so great that the valuation is more fairly described as being based on level 3 valuation inputs.

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 2021

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 Value

- Date 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 2021

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.

Bridges

Basis of valuation: Valuation was undertaken using modern equivalent asset principles as per the International Infrastructure Management Manual (IIMM 6th edition, 2020) and included a condition audit

- Date of valuation: June 2021
- Valuer: ARRB Group

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, Table 17 (Construction Industries) movements specific to Adelaide for the period since valuation to June 2021

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

Notes to the Financial Statements

for the year ended 30 June 2021

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

- 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, Table 17 (Construction Industries) movements specific to Adelaide for the period since valuation to June 2021

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 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.
- Since the detailed valuation using unit rates undertaken at June 2020, valuations have been updated by Council Officers at depreciated current replacement cost based on Australia Bureau of Statistics Time Series data, Table 17 (Construction Industries) movements specific to Adelaide for the period since valuation to June 2021

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, Table 17 (Construction Industries) movements specific to Adelaide for the period since valuation to June 2021

Cemeteries, Playgrounds, Sport and Recreation Facilities (S&R), Street Furniture, Stormwater and Traffic Controls

Valuations were performed by Council Officers at depreciated current replacement cost as at 30 June 2021 based on Australia Bureau of Statistics Time Series data, Tables 17 (Construction Industries) specific to Adelaide for June 2021.

Plant & Equipment

Basis of valuation: Historic Cost

Furniture & Fittings

Basis of valuation: Historic Cost

Notes to the Financial Statements

for the year ended 30 June 2021

Note 8. Liabilities

\$ '000	2021 Current	2021 Non Current	2020 Current	2020 Non Current
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(a) Trade and Other Payables

Goods & Services	3,894	—	2,624	—
Payments Received in Advance	2,360	—	799	—
Accrued Expenses - Employee Entitlements	652	—	711	—
Accrued Expenses - Other	231	—	331	—
Aged Care Facility Deposits	590	—	782	—
Other	7	—	7	—
<u>TOTAL Trade and Other Payables</u>	<u>7,734</u>	<u>—</u>	<u>5,254</u>	<u>—</u>

\$ '000	Notes	2021 Current	2021 Non Current	2020 Current	2020 Non Current
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(b) Borrowings

Bank Overdraft		5,200	—	2,000	—
Loans		—	5,000	5,000	5,000
Lease Liabilities	17b	323	425	285	446
<u>TOTAL Borrowings</u>		<u>5,523</u>	<u>5,425</u>	<u>7,285</u>	<u>5,446</u>

All interest bearing liabilities are secured over the future revenues of the Council

(c) Provisions

Employee Entitlements (including oncosts)	3,633	127	3,338	129
Future Reinstatement / Restoration, etc	330	1,400	250	1,399
<u>TOTAL Provisions</u>	<u>3,963</u>	<u>1,527</u>	<u>3,588</u>	<u>1,528</u>

Notes to the Financial Statements

for the year ended 30 June 2021

Note 9. Reserves

	as at 30/06/20				as at 30/06/21
\$ '000	Opening Balance	Increments (Decrements)	Transfers	Impairments	Closing Balance
(a) Asset Revaluation Reserve					
Land - Community	59,878	889	—	—	60,767
Buildings	32,278	(477)	—	—	31,801
Infrastructure					
- Bridges	4,292	(14)	—	—	4,278
- Cemeteries	2,242	(34)	—	—	2,208
- Community Wastewater Management Systems	5,487	516	—	—	6,003
- Footpaths	205	(205)	—	—	—
- Guardrails	1,335	385	—	—	1,720
- Kerb & Gutter	16,388	5,355	—	—	21,743
- Playgrounds	113	11	—	—	124
- Retaining Walls	4,770	749	—	—	5,519
- Roads	114,093	727	—	—	114,820
- Sport & Recreation	2,969	(721)	—	—	2,248
- Stormwater	19,117	844	—	—	19,961
- Street Furniture	1,240	(200)	—	—	1,040
- Traffic Controls	571	(14)	—	—	557
JV's / Associates - Other Comprehensive Income	228	—	—	—	228
Total Asset Revaluation Reserve	265,206	7,811	—	—	273,017
Comparatives	269,691	(4,485)	—	—	265,206

	as at 30/06/20				as at 30/06/21
\$ '000	Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	Closing Balance
(b) Other Reserves					
Community Wastewater Management Systems	295	43	—	—	338
Torrens Valley Community Centre	101	—	—	—	101
Library	1	—	(1)	—	—
Scott Creek Progress Association	6	—	—	—	6
Environmental Fund Reserve	178	—	(178)	—	—
Significant Trees Reserve	—	3	—	—	3
Total Other Reserves	581	46	(179)	—	448
Comparatives	573	107	(99)	—	581

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 2021

Note 10. Assets Subject to Restrictions

\$ '000	2021	2020
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The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.

Cash & Financial Assets

Community Wastewater Management Systems Investigations	347	354
Total Cash & Financial Assets	347	354
Total Assets Subject to Externally Imposed Restrictions	347	354

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2021	2020
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(a) Reconciliation of Cash

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

Total Cash & Equivalent Assets	5	637	518
Less: Short-Term Borrowings	8	(5,200)	(2,000)
Balances per Statement of Cash Flows		(4,563)	(1,482)

Notes to the Financial Statements

for the year ended 30 June 2021

Note 11. Reconciliation to Statement of Cash Flows (continued)

\$ '000	Notes	2021	2020
(b) Reconciliation of Change in Net Assets to Cash from Operating Activities			
Net Surplus/(Deficit)		3,304	(2,773)
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		9,451	9,207
Fair Value Adjustments		193	—
Equity Movements in Equity Accounted Investments (Increase)/Decrease		(751)	(63)
Premiums & Discounts Recognised & Unwound		(14)	—
Non-Cash Asset Acquisitions		(1,884)	(970)
Grants for capital acquisitions treated as Investing Activity		(1,108)	(556)
Net (Gain) Loss on Disposals		1,852	1,757
Other		293	(71)
		11,336	6,531
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		(464)	(220)
Net (Increase)/Decrease in Inventories		(5)	1
Net Increase/(Decrease) in Trade & Other Payables		2,672	(192)
Net Increase/(Decrease) in Unpaid Employee Benefits		293	515
Net Increase/(Decrease) in Other Provisions		81	155
Net Cash provided by (or used in) operations		13,913	6,790
(c) Non-Cash Financing and Investing Activities			
Acquisition of assets by means of:			
Physical Resources Received Free of Charge	2h	1,884	970
Amounts recognised in Income Statement		1,884	970
Total Non-Cash Financing and Investing Activities		1,884	970
(d) Financing Arrangements			
Unrestricted access was available at balance date to the following lines of credit:			
Bank Overdrafts		200	200
Corporate Credit Cards		180	180
Asset Finance - Leasing		750	750
LGFA Cash Advance Debenture Facility		14,800	10,200

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 12(a). Functions

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

\$ '000	2021	INCOME	2021	EXPENSES	OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
		2020		2020	2021	2020	2021	2020	2021	2020
Functions/Activities										
Council	—	—	—	—	—	—	—	—	439,819	427,533
Community Capacity	4,783	1,768	9,324	6,851	(4,541)	(5,083)	4,317	1,472	—	—
Corporate Services	40,954	40,155	8,902	12,153	32,052	28,002	822	839	—	—
Infrastructure & Operations	4,943	3,453	27,881	26,608	(22,938)	(23,155)	3,043	2,850	—	—
Development & Regulatory Services	1,501	1,248	3,717	3,554	(2,216)	(2,306)	37	84	—	—
Total Functions/Activities	52,181	46,624	49,824	49,166	2,357	(2,542)	8,219	5,245	439,819	427,533

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 2021

Note 12(b). 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 Experience, Customer Service, Economic Development, FABRIK Arts and Heritage Hub, Library Services, Positive Ageing (Home and Social Support), Positive Ageing Project (Collaborative), The Summit Community Centre, Torrens Valley Community Centre, Volunteering and Youth Development.

CORPORATE SERVICES

Cemeteries, Corporate Services Director's Office, Financial Services, Governance & CEO Office, Information Services, Lobethal Woollen Mill Precinct, 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, Strategic 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.

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Notes to the Financial Statements

for the year ended 30 June 2021

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 0.30% and 0.60% (2020: 0.45% and 0.75%).

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% (2020: 5.2%). 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 2021

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) rate **4.6%** (2020: between **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 2021

Note 13. Financial Instruments (continued)

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets					
2021					
Cash & Cash Equivalents	635	—	—	635	637
Receivables	3,354	—	—	3,354	2,943
Total Financial Assets	3,989	—	—	3,989	3,580
Financial Liabilities					
Payables	4,726	—	—	4,726	4,722
Current Borrowings	5,537	—	—	5,537	5,523
Non-Current Borrowings	230	6,123	—	6,353	5,425
Total Financial Liabilities	10,493	6,123	—	16,616	15,670
2020					
Cash & 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

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

\$ '000	2021		2020	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Overdraft	1.68%	5,200	2.20%	2,000
Fixed Interest Rates	4.60%	5,425	5.68%	12,731
		10,625		14,731

Net Fair Value

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 13. Financial Instruments (continued)

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any impairment. All Council investments are made with the SA Local Government Finance Authority and 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.

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

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

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

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Notes to the Financial Statements

for the year ended 30 June 2021

Note 14. Capital Expenditure and Investment Property Commitments

\$ '000	2021	2020
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Capital Commitments

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

Infrastructure	985	1,900
Plant & Equipment	532	94
	<u>1,517</u>	<u>1,994</u>

These expenditures are payable:

Not later than one year	1,517	1,994
	<u>1,517</u>	<u>1,994</u>

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Notes to the Financial Statements

for the year ended 30 June 2021

Note 15. Financial Indicators

\$ '000	Indicator 2021	Indicators 2020	Indicators 2019
Financial Indicators overview			
These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.			
1. Operating Surplus Ratio			
Operating Surplus	4.5%	(5.5)%	2.1%
Total Operating Income			
This ratio expresses the operating surplus as a percentage of total operating revenue.			
2. Net Financial Liabilities Ratio			
Net Financial Liabilities	39%	43%	34%
Total Operating Income			
Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.			
Adjustments to Ratios			
In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.			
Adjusted Operating Surplus Ratio			
Operating Surplus	5.3%	(4.9)%	0.6%
Total Operating Income			
Adjusted Net Financial Liabilities Ratio			
Net Financial Liabilities	39%	42%	34%
Total Operating Income			
3. Asset Renewal Funding Ratio			
Asset Renewals	85%	106%	93%
Infrastructure & Asset Management Plan required expenditure			
Asset renewals expenditure is defined as capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.			

Notes to the Financial Statements

for the year ended 30 June 2021

Note 16. Uniform Presentation of Finances

\$ '000	2021	2020
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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	52,181	46,536
less Expenses	(49,824)	(49,078)
Operating Surplus / (Deficit)	2,357	(2,542)

Net Outlays on Existing Assets

Capital Expenditure on Renewal and Replacement of Existing Assets	(7,823)	(9,718)
add back Depreciation, Amortisation and Impairment	9,451	9,207
add back Proceeds from Sale of Replaced Assets	604	714
	2,232	203

Net Outlays on New and Upgraded Assets

Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(5,372)	(3,223)
add back Amounts Received Specifically for New and Upgraded Assets	1,108	556
add back Proceeds from Sale of Surplus Assets (including investment property, real estate developments & non-current assets held for resale)	17	1,647
	(4,247)	(1,020)

Net Lending / (Borrowing) for Financial Year

	342	(3,359)
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Notes to the Financial Statements

for the year ended 30 June 2021

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:

(a) Right of use assets

\$ '000	Right of Use	ICT Equipment Leases	Property Leases	Total
2021				
Opening balance	—	685	43	728
Transfer from leased assets (former finance leases)	—	—	—	—
Additions to right-of-use assets	—	186	167	353
Adjustments to right-of-use assets due to re-measurement of lease liability	—	—	—	—
Depreciation charge	—	(276)	(65)	(341)
Other	—	—	—	—
Balance at 30 June	—	595	145	740
2020				
Opening balance	239	—	—	239
Transfer from leased assets (former finance leases)	—	—	—	—
Additions to right-of-use assets	703	—	—	703
Adjustments to right-of-use assets due to re-measurement of lease liability	—	—	—	—
Depreciation charge	(214)	—	—	(214)
Other	—	—	—	—
Balance at 30 June	728	—	—	728

(b) Lease liabilities

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

\$ '000	2021	2020
Balance at 1 July	732	239
Additions	352	703
Accretion of interest	17	11
Payments	(353)	(221)
Balance at 30 June	748	732
Classified as:		
Current	323	286
Non Current	425	446

The maturity analysis of lease liabilities is included in Note 13.

Council had total cash outflows for leases of \$402k.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 17. Leases (continued)

\$ '000	2021	2020
The following are the amounts recognised in profit or loss:		
Depreciation expense of Right-of-Use Assets	341	214
Interest expense on lease liabilities	17	11
Expense relating to short term leases	49	308
Total amount recognised in profit or loss	407	533

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Notes to the Financial Statements

for the year ended 30 June 2021

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 2020-21; 9.50% in 2019-20). 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 2019-20) of "superannuation" salary.

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

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

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

Note 19. Interests in Other Entities

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

\$ '000	Council's Share of Net Income		Council's Share of Net Assets	
	2021	2020	2021	2020
Council's Share of Net Income				
Joint Ventures	751	63	2,342	1,491
Total Council's Share of Net Income	751	63	2,342	1,491

((a)i) Joint Ventures, Associates and Joint Operations

(a) Carrying Amounts

\$ '000	Principal Activity	2021	2020
Eastern Waste Management Authority	Waste Management	241	138
Gawler River Floodplain Management Authority	Floodplain Management	993	937
Adelaide Hills Regional Waste Management Authority	Waste Management	1,108	416
Total Carrying Amounts - Joint Ventures & Associates		2,342	1,491

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	
	2021	2020	2021	2020	2021	2020
Eastern Waste Management Authority	14.29%	14.29%	14.29%	14.29%	14.29%	14.29%
Gawler River Floodplain Management Authority	4.54%	4.23%	4.54%	4.23%	16.67%	16.67%
Adelaide Hills Regional Waste Management Authority	35.78%	34.40%	37.40%	40.52%	25.00%	25.00%

Notes to the Financial Statements

for the year ended 30 June 2021

Note 19. Interests in Other Entities (continued)

(c) Movement in Investment in Joint Venture or Associate

\$ '000	Eastern Waste Management Authority		Gawler River Floodplain Management Authority		Adelaide Hills Regional Waste Management Authority	
	2021	2020	2021	2020	2021	2020
Opening Balance	138	101	937	878	416	371
Share in Operating Result	89	28	(13)	(10)	675	45
Share in Other Comprehensive Income	14	—	—	—	17	—
Adjustments to Equity	—	9	69	69	—	—
Council's Equity Share in the Joint Venture or Associate	241	138	993	937	1,108	416

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Notes to the Financial Statements

for the year ended 30 June 2021

Note 20. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

The following assets and liabilities do not qualify for recognition in the Balance Sheet, but knowledge 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 deductible "insurance excesses", the amount of which varies according to the class of insurance.

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

3. LEGAL EXPENSES

Council was the planning consent authority for development applications lodged prior to 19 March 2021 under the *Development Act 1993*. From 19 March 2021, the Council Assessment Panel (CAP) and the Council Assessment Manager are the relevant authorities under the *Planning Development & Infrastructure Act 2016* for most types of planning consents. The Building Fire Safety Committee is the relevant authority which issues building fire safety notices and the administration have delegations to issue enforcement notices. Pursuant to the legislation, applicants and certain persons designated under the legislation may lodge an appeal in the Environment, Resource and Development Court against a planning decision, an enforcement notice or, building fire safety notice. At 30 June 2021, Council was managing three appeals, one appeal against a CAP decision by a third party, one enforcement appeal and one building fire safety appeal. All costs to 30 June 2021 were recognised, but as on-going appeal matters further associated costs are expected in the 2021-22 year.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 21. Events after the Balance Sheet Date

Events that occur after the reporting date of 30 June 2021, 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 the last couple of years. 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 2021-22 financial year will not be significant. We refer to Note 1.15 providing details of the financial impacts caused by COVID-19 during the 2020-21 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 2021

Note 22. Related Party Transactions

Key Management Personnel

Transactions with Key Management Personnel

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	2021	2020
The compensation paid to Key Management Personnel comprises:		
Short-Term Employee Benefits	1,595	1,590
Long-Term Benefits	118	116
Total	1,713	1,706

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), Council received the following amounts in total:

Planning and Building Application Fees	2	1
Total	2	1

Seven Key Management Personnel are a Board Members/Deputy Board Members of entities, namely the State Libraries Board, Adelaide Hills Regional Waste Management Authority, Adelaide Hills Tourism, Local Government Association of SA, Local Government Professionals SA, , Piccadilly CFS, Southern Hills LGA, and The Hut 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 Public Libraries grants for materials and operating purposes of \$289,428 from Arts SA (State Libraries Board)
- paid Adelaide Hills Regional Waste Management Authority, being a Council subsidiary, \$1.4m for collection and disposal of waste and associated services
- paid Adelaide Hills Tourism funding of \$116,737 along with grants of \$4,950
- paid to Local Government Association of SA \$57,838 for Membership and \$24,202 for Training, Seminar/Forum and Tenders & Contracts
- paid to Local Government Professionals SA, \$5,000 for bronze memberships and \$8,468 for conferences and training
- paid a grant of \$1,500 to the Piccadilly CFS
- paid to Southern & Hills LGA an amount of \$25,279 for Membership and \$5,313 as a public health plan levy
- paid \$196,126 to The Hut Community Centre relating to funding for provision of Community Home Support Program of \$12,650; other funding of \$171,328; reimbursement of volunteer expenses of \$11,428 and reimbursement of 80% of electricity of \$719

One Key Management Person received salary and wages from The Hut Community Centre Inc for the 2020-21 financial year. Details of the transactions by Council with this entity are disclosed above.

One other Key Management Personnel received income from the University of SA for the 2020-21 financial year. In the 2020-21 financial year Council paid \$2,200 to University of SA for the CERM PI Review of Adelaide Hills Library Service 2020.

Six Key Management Personnel are members on eight management committees of groups that received contributions from Adelaide Hills Council. Details of those contributions are as follows:

- Birdwood High School who received a \$150 donation
- Gawler River Flood Plain Management Authority, being a Council subsidiary who received \$27,712 as Council's 20-21 Subscription
- Kersbrook Public Hall who received \$6,551 relating to the annual toilet upkeep
- Lenswood & Forest Range Community Association who received \$200 event support

Notes to the Financial Statements

for the year ended 30 June 2021

Note 22. Related Party Transactions (continued)

- Piccadilly Valley Community Recreation Centre who received \$1,500 as a community development grant
- RSL Gumeracha Sub branch who received a grant of \$300
- Woodside Hall who received \$1,032 for reimbursement of expenses
- Woodside Recreation Ground Committee, who received \$12,200 for Oval Maintenance and \$7,600 for power reimbursement

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General Purpose Financial Statements
for the year ended 30 June 2021

Independent Auditor's Report - Financial Statements

DRAFT

General Purpose Financial Statements
for the year ended 30 June 2021

Independent Auditor's Report - Internal Controls

DRAFT

General Purpose Financial Statements

for the year ended 30 June 2021

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 2021, 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

Malcolm Herrmann
Presiding Member Audit Committee

Date:

General Purpose Financial Statements

for the year ended 30 June 2021

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, 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*.

Auditor's Name

Audit Firm Name

Date: dd MMMM yyyy

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Appendix 2

Audit Completion Report

Galpins

Accountants, Auditors & Business Consultants

2020/21 Audit Completion Report

Adelaide Hills Council



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EXECUTIVE SUMMARY

To the members of the audit committee of Adelaide Hills Council

We are pleased to present our Audit Completion Report for the financial year ended 30 June 2021. The purpose of this document is to summarise the key accounting and audit matters that have arisen during the engagement and our audit conclusions.

We intend to issue the following opinions (subject to the satisfactory completion of the items described in section 1 – *Status of our Audit Work* of this document):

Intended opinions	Type of opinion	Proposed Auditor's Report
Opinion on the Financial Statements	Unmodified	Refer to the Appendix 1 of this report.
Controls Opinion	Unmodified	Refer to the Appendix 2 of this report.

We have included in this report the following information to ensure that councillors, management and audit committee members are aware of all significant matters relating to the audit.

Matters	Sections
Status of our audit work	Section 1
Summary of Audit Risks and Overall Responses	Section 2
Key Audit Matters	Section 3
Internal Controls Opinion and Recommendations	Section 4
Final Management Letter	Section 5
Immaterial Uncorrected Misstatements	Section 6
Proposed Independent Auditor's Report on the Financial Report	Appendix 1
Proposed Independent Auditor's Report on the Internal Controls	Appendix 2
Draft Statement by Auditor	Appendix 3
Better Practice Model (BPM) Risks	Appendix 4
Risk Ratings	Appendix 5

We also confirm our intention to sign the statement by auditor regarding our independence, and confirm that for the audit of the year ended 30 June 2021 we have maintained our 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.

Yours faithfully



Tim Muhlhausler CA Registered Company Auditor

Date: 14 October 2021

1. Status of Our Audit Work

Below a summary of the status of audit activities and key documents related to the completion of our final audit.

Activities/Documents	Responsibility	Status
Final draft of the financial report	Management	Completed
Final audit visit	Audit	Completed
Final substantive procedures	Audit	Completed
Audit verification of the final draft of the financial report	Audit	Completed
Final draft of the financial report after audit verification	Management	Completed
Audit Completion Report	Audit	Completed
Final financial report after considerations from the audit committee	Management	To be completed
Signed certification of financial statements	Management	To be completed
Signed certification of auditor independence	Management	To be completed
Signed management representation letter	Management	To be completed
Signed statement by auditor	Audit	To be completed
Review of the subsequent events up to the date of the auditor's report.	Audit	To be completed
Final Independent Auditor's Report on the Internal Controls	Audit	To be completed
Final Independent Auditor's Report on the Financial Report	Audit	To be completed

Our final independent auditor's reports on the internal controls and on the financial report will be issued upon receipt of the final financial report (containing the signed certification of financial statements and the signed certification of auditor independence) and the signed management representation letter.

2. Summary of Audit Risks and Overall Responses

Below, a summary of our initial audit risks identified in our audit plan presented to the audit committee, the audit approach and responses to address these risks and the final audit risks (residual risks) after the execution of our audit procedures.

Statement of Comprehensive Income – Income

Accounts	Initial Audit Risk	\$ '000	Risks as per BPM – REF*	Audit Response	Residual Risk	Results
Rates and charges	High	40,110	RA1/RA2/RA3/RA4/RE1/RE2	Controls and substantive tests	Low	Fairly presented
Statutory charges	Moderate	1,489	US1/US2/US3/RE1/RE2	Substantive tests	Low	Fairly presented
User charges	Moderate	705	US1/US2/US3/RE1/RE2	Substantive tests	Low	Fairly presented
Grants	Moderate	8,219	GR1/GR2/GR3/RE1/RE2	Substantive tests	Low	Fairly presented
Investment Income	Low	22	II1	Substantive tests	Low	Fairly presented
Reimbursements	Low	235	OR1	Substantive tests	Low	Fairly presented
Other Income	Low	637	OR1	Substantive tests	Low	Fairly presented
Equity Accounted Businesses	Low	764	OR1/OE1	Substantive tests	Low	Fairly presented

Statement of Comprehensive Income - Expenses

Accounts	Initial Audit Risk	\$ '000	Risks as per BPM – REF*	Audit Response	Residual Risk	Results
Employee costs	High	18,644	PA1/PA2/PA3/PA4/PA5/PA6	Controls and substantive tests	Low	Fairly presented
Materials / Contracts / Other Expenses	High	21,101	PP1/PP2/PP3/PP4/PP5/PP6 CO1/CO2/CO3 CC1/CC2/CC3	Controls and substantive tests	Low	Fairly presented
Depreciation and amortisation	High	9,451	FI4	Controls and substantive tests	Low	Fairly presented
Finance Costs	Low	615	BO1	Substantive tests	Low	Fairly presented
Equity Accounted Businesses	Low	13	OR1/OE1	Substantive tests	Low	Fairly presented

Statement of Comprehensive Income – Other Comprehensive Income

Accounts	Initial Audit Risk	\$ '000	Risks as per BPM – REF*	Audit Response	Residual Risk	Results
Asset Disposals & FV Adjust	High	(2,045)	FI1/FI3	Controls and substantive tests	Low	Fairly presented
Amounts Received Specifically for New or Upgraded Assets	Moderate	1,108	GR1/GR2/GR3/RE1/RE2	Substantive tests	Low	Fairly presented
Physical Resources Received Free of Charge	Low	1,884	FI1	Substantive tests	Low	Fairly presented

Statement of Financial Position – Assets

Accounts	Initial Audit Risk	\$ '000	Risks as per BPM – REF*	Audit Response	Residual Risk	Results
Cash and cash equivalents	High	637	BA1/BA2/IN1/IN2/IN3	Controls and substantive tests	Low	Fairly presented
Trade and other receivables	Moderate	3,225	DE1/DE2/DE3/DE4/DE5/PR1	Controls and substantive tests	Low	Fairly presented
Inventories	Low	23	STK1	Substantive tests	Low	Fairly presented
Non-current assets held for sale	High	-	OTH1	Substantive tests	Low	Fairly presented
Financial Assets – NC	Low	-	LO1	Substantive tests	Low	Fairly presented
Equity Accounted Businesses	Low	2,342	OR1/OE1	Substantive tests	Low	Fairly presented
IPPE	High	433,592	FI1/FI2/FI3/FI4/FI5	Controls and substantive tests	Low	Fairly presented

Statement of Financial Position – Liabilities

Accounts	Initial Audit Risk	\$ '000	Risks as per BPM – REF*	Audit Response	Residual Risk	Results
Trade and other payables	High	7,734	AP1/AP2/AP3/AP4/AP5/TA1/AE1	Controls and substantive tests	Low	Fairly presented
Borrowings	Low	5,523	BO1/BO2/BO3/BO4	Substantive tests	Low	Fairly presented
Provisions	Moderate	3,963	EP1	Substantive tests	Low	Fairly presented
Borrowings - NC	Low	5,425	BO1/BO2/BO3/BO4	Substantive tests	Low	Fairly presented
Provisions - NC	Moderate	1,527	EP1	Substantive tests	Low	Fairly presented

Statement of Financial Position – Equity

Accounts	Initial Audit Risk	\$ '000	Risks as per BPM – REF*	Audit Response	Residual Risk	Results
Accumulated Surplus	Low	142,182	N/A	Substantive tests	Low	Fairly presented
Asset Revaluation Reserves	High	273,017	FI3	Controls and substantive tests	Low	Fairly presented
Other Reserves	Low	448	N/A	Substantive tests	Low	Fairly presented

Intended Audit Opinion

In our opinion, subject to the satisfactory completion of the items described in section 1 of this report, the financial report prepared by the Council presents fairly, in all material respects, the Council's financial position as at 30 June 2021 and its financial performance for the year ended on that date.

* A list of the main risks as per the Better Practice Model (BPM) addressed during our audit and related risk references is provided in Appendix 4.

3. Key Audit Matters

Key audit matters are those matters that, in the auditor's professional judgement, were of most significance in the audit of the financial report. We address these matters in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

3.1 Valuation of Infrastructure assets

Why the matter is significant	How the matter was addressed
<p>Infrastructure assets are valued at fair value. The fair values of these assets were based on depreciated current replacement costs which is comprised by the gross replacement cost less accumulated depreciation.</p> <p>Council values the gross replacement cost using the estimated average cost (unit cost) at which it could construct a substitute asset of comparable quality in the normal course of business. There was inherent subjectivity involved in making judgments in relation to assumptions used to estimate unit rates which also involved determining the:</p> <ul style="list-style-type: none"> components of assets that are replaced at different times in the asset lifecycle costs required to replace these components using current prices for materials, labour, and plant costs indices for measuring subsequent changes in unit rates. <p>The useful lives of assets and the measurement of accumulated depreciation are determined by external valuers. Significant judgement is used to determine the different useful lives for different components of assets and to calculate the depreciation that would have accumulated since original construction using these estimated useful lives.</p> <p>The significant professional judgments used to estimate the gross replacement cost and the accumulated depreciation are also relevant to the calculation of the annual depreciation expense of these assets.</p>	<p>Our audit included but was not limited to the following activities:</p> <ul style="list-style-type: none"> reconciled closing balances to the asset registers reconciled the movements in note 7 to the asset register reviewed the basis for valuation used by external valuers assessed the competence of external valuers (experts) in accordance with Australian Accounting Standards reviewed the fair value hierarchy provided in note 7 for each category of asset reconciled the useful lives used to calculate the accumulated depreciation and the depreciation for the period to the revaluation reports reviewed the useful lives mentioned above for different components and compared them to other local government entities performed a recalculation of depreciation reviewed the methodology used by Council to perform componentisation of infrastructure assets and compared the methodology used to Council's actual asset management practices and to other local government entities reconciled the unit rates used for different components of infrastructure assets to the unit rates provided in the revaluation report reviewed the unit rates mentioned above and compared them to different local government entities assessed the adequacy of disclosures in the financial report.

3.2 Valuation of Land and Buildings

Why the matter is significant	How the matter was addressed
<p>Land and buildings are valued at fair value. The basis of valuation to be used for these assets depends on a number of factors such as the nature of the asset, purpose of their use, the highest and best use of the asset, potential restrictions to the disposal of these assets among other factors.</p> <p>Valuation of land depends on whether the land is classified as Crown land or community land. Community land and Crown land are valued using unobservable (level 3) inputs as the allowance for the restriction on sale (requiring Ministerial consent) is usually an unobservable input, and is likely to have a significant effect on valuation.</p> <p>Land, where Council has an unfettered right to sell them, is usually valued at current market value based on their highest and best use. Level 2 inputs are primarily used for land during the valuation process.</p> <p>Valuation of buildings depends on the nature of these assets. Some Council buildings have no active market due to the specialised nature of the assets and the services they provide. For such buildings fair value is usually determined on the basis of replacement with a new building having similar service potential. Valuation techniques used to measure fair value of these buildings include significant unobservable inputs (level 3).</p> <p>For buildings that have an active market, buildings are assessed on market value principles which is deemed to be their fair value based on level 2 inputs. The most significant input into this valuation approach is sales transactions of comparable properties within the City, adjusted for any pertinent differences.</p> <p>The significant professional judgments used to estimate the value of land and buildings are also relevant to the calculation of the annual depreciation expense of these assets.</p>	<p>Our audit included but was not limited to the following activities:</p> <ul style="list-style-type: none"> ▪ reconciled closing balances to the asset registers ▪ reconciled the movements in note 7 to the asset registers ▪ reviewed the basis for valuation used by external valuers ▪ assessed the competence of external valuers (experts) in accordance with Australian Accounting Standards ▪ analysed the nature of the land building assets and concluded whether the fair value hierarchy provided in note 7 for each category of asset was reasonable ▪ reconciled the useful lives used to calculate the accumulated depreciation and the depreciation for the period to the revaluation reports ▪ reviewed the useful lives mentioned above for different components and compared them to other local government entities ▪ performed a recalculation of depreciation; and ▪ assessed the adequacy of disclosures in the financial report.

3.3 Accounting treatment of capitalisation of assets

Why the matter is significant	How the matter was addressed
<p>Councils are asset intensive and highly dependent on multiple assets to deliver services to customers. Hence, there is a high volume of transactions and significant amounts involved in relation to capitalisation of assets.</p> <p>Due to the unique characteristics of Council's assets a number of considerations are taken into account when an expenditure is capitalised which include:</p> <ul style="list-style-type: none"> whether Council is incurring capital expenditure to physical resources that are controlled by Council. Control is the most difficult of the characteristics of an asset to be defined as this usually goes beyond the legal ownership; Inclusions and exclusions of costs at initial recognition of an assets in accordance with AASB 116; Cost involved in dismantling and removing the asset and/or restoring the site under AASB 137; Borrowing costs to be capitalised into the cost of IPPE where the asset is a "qualifying asset" as per AASB 123; and accounting for subsequent costs and defining the nature of these costs as being capital or maintenance expenditure. 	<p>Our audit included but was not limited to the following activities:</p> <ul style="list-style-type: none"> performed analytical procedures to define whether the amounts capitalised for the FY was in accordance with our expectation and our understanding of the entity; reviewed internal controls in place for capitalisation of assets; selected a sample of additions and performed an assessment of the nature of the addition and concluded whether the addition was recognised in accordance with Australian Accounting Standards; reviewed the WIP schedule and selected a sample of transfers out to ensure that the asset was appropriately valued and capitalised in the right account; and reviewed the WIP schedule in order to identify projects that should have been capitalised but were not.

3.4 Revenue Recognition

Why the matter is significant	How the matter was addressed
<p>AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities commenced from 1 January 2019 – effectively 1 July 2019 for SA Councils. Council early adopted AASB 15 and AASB 1058 during the 2017/18 financial year.</p> <p>The main change for Councils is that income from capital and other specific purpose grants previously recognised on receipt may be recognised over time as performance obligations are met (where these obligations are sufficiently specific and rise from enforceable contracts) and a liability recognised for unspent monies.</p> <p>We focussed on this area as recognition of revenue involves some degree of professional judgement from Management in identifying sufficiently specific performance obligations in a grant agreement, determining whether a grant agreement can be classified as a capital grant and concluding on the most appropriate method for recognition of revenue for different types of grant agreements.</p>	<p>Our audit included but was not limited to the following activities:</p> <ul style="list-style-type: none"> evaluated Council's work to implement AASB 15 and AASB 1058 and assessed whether Council's accounting practices comply with Australian Accounting Standards performed analytical procedures to identify any variance that would represent a risk or incorrect application of AASB 15 and AASB 1058 reviewed a sample of grant agreements and assessed whether agreements contain sufficiently specific performance obligations evaluated the accounting treatment used by Council to account for the existing grant agreements in place selected for our tests tested a sample of financial transactions for compliance with Australian Accounting Standards.

3.5 Management Override of Controls

Why the matter is significant	How the matter was addressed
Management is in a unique position to perpetrate fraud because of management's inherent ability to manipulate accounting records and prepare a fraudulent report by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur, the risk of material misstatement due to fraud is always considered a significant risk for audit purposes.	<p>Our audit included but was not limited to the following activities:</p> <ul style="list-style-type: none"> ▪ tested the appropriateness of journal entries recorded in the general ledger ▪ reviewed accounting estimates for biases ▪ performed final analytical procedures to conclude as to whether the financial report is consistent with our understanding of the entity ▪ requested written representation from Management ▪ reviewed IT access controls rights processes in place ▪ reviewed processes in place to ensure independent reviews of exception reports generated by Council ▪ reviewed processes in place to ensure independent reviews of audit trails of changes to master files.

3.6 Other High Risk Areas

The other high risk areas described in this section are account balances and/or audit areas that are not subject to a high degree of professional judgement, however we assessed their inherent risks as being high due to the materiality of the account balances, the high volume of transactions involved and other reasons outlined below:

Account balance	Why the risk is High	Overall audit response
Rates and charges	<ul style="list-style-type: none"> - largest revenue item - it is usually used as a reference point for analysing expenditure decisions - politically sensitive – reputational risk involved if rates are raised incorrectly. 	<ul style="list-style-type: none"> - walkthroughs and tests of effectiveness of controls from the Better Practice Model - analytical procedures - comparison of total capital values from the VG report to the total capital value recorded in the rates system - reconciliation of the rates modelling to the rates system and to the general ledger - recalculation of rates for a sample of rate payers
Employee costs	<ul style="list-style-type: none"> - one of the largest expense items - high volume of transactions / data – subject to error. - errors impact individuals financially. 	<ul style="list-style-type: none"> - walkthroughs and tests of effectiveness of controls from the Better Practice Model - analytical procedures - inspection of employee files (contracts, awards, EBs) - inspection of timesheets - recalculation of a sample of individual payments.
Materials, Contracts & Other expenses	<ul style="list-style-type: none"> - one of the largest expense items - High volume of transactions / date – subject to error - fraud risk area (procurement, payments and credit cards) - procurement and contracting are key focus areas for ICAC and the Auditor-General's Department. 	<ul style="list-style-type: none"> - walkthroughs and tests of effectiveness of controls from the Better Practice Model - analytical procedures - inspection of supporting documents (contracts, invoices, purchase orders, subsequent payments, etc) for a sample of expenses

Account balance	Why the risk is High	Overall audit response
Cash and cash equivalents	<ul style="list-style-type: none"> - material balance - fraud risk - if there is any instance of errors and/or fraud it will be indicative of broader errors - Poor attitude to cash controls may be indicative of overall culture related to the entity's controls environment - public money 	<ul style="list-style-type: none"> - walkthroughs and tests of effectiveness of controls from the Better Practice Model - analytical procedures - bank confirmation - inspection of bank statements - verification of outstanding reconciling items - reperformance of bank reconciliations.
Trade and other payables	<ul style="list-style-type: none"> - one of the largest liabilities - material balance - opportunity for understatements - if there is a poor use of accrual basis of accounting it will be indicative of poor culture - payments represent an opportunity for fraud 	<ul style="list-style-type: none"> - walkthroughs and tests of effectiveness of controls from the Better Practice Model - analytical procedures - reconciliation between subsidiary ledgers and the general ledger - inspection of subsequent payments for a sample of creditors - inspection of a sample of subsequent payments for completeness test.

4. Internal Controls Opinion and Recommendations

We have performed an extensive review of the Council's financial controls for the purpose of forming our control opinion as required by section 129 of the *Local Government Act 1999* based on council's obligations under s125 of that Act.

Our controls opinion is restricted per s129 of the Act to the application of s125 as it relates to financial internal controls, specifically the controls exercised by the Council during the relevant financial year in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities.

A summary of the results of our review is provided in the table below:

Business cycles	Controls Reviewed	Operating Effectively				2021 Findings			
		2021	2020	2019	2018	H	M	L	BP
Purchasing & Procurement/Contracting	10	9	8	7	4	-	1	-	-
Fixed Assets	16	13	13	13	11	-	2	1	-
General Ledger	11	10	9	8	8	-	-	1	-
Accounts Payable	13	13	13	11	10	-	-	-	-
Rates / Rates Rebates	10	10	10	10	7	-	-	-	-
Payroll	19	19	19	18	16	-	-	-	-
Receipting	5	5	5	4	3	-	-	-	-
Credit Cards	5	5	5	5	5	-	-	-	-
Banking	5	5	5	5	5	-	-	-	-
Debtors	6	6	6	6	6	-	-	-	-
Total	100	95	93	87	75	-	3	2	-

Overall the Council demonstrated a high level of compliance with the implementation of an internal control framework consistent with the principles within the Better Practice Model.

During our interim audit visit we found that the majority of key internal controls reviewed were in place and were operating effectively (95 out of 100 core controls reviewed). Risks were rated based on an assessment of the risk of non-compliance with s125 of the Local Government Act 1999 as described in the Appendix 5 – Risk Ratings.

An **interim audit management letter** was issued and presented to the audit committee containing our overall assessment of the council's internal controls and all the controls weaknesses identified during our review of the Council's financial controls.

We recommended that Council prioritises the moderate risk findings, as failure in compensating controls addressing the same risk or existence of multiple moderate weakness within the same business cycle may lead to a material weakness and non-compliance with s125 of the Local Government Act.

In our opinion, subject to the satisfactory completion of the items described in the section 1 of this report, the **Council has complied, in all material aspects, 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.

5. Final Management Letter

We have identified the following additional performance improvement observations when performing our substantive procedures during our final audit:

		Risk
1. Employees with excessive annual leave balances		Low
Finding	Audit identified eleven employees with annual leave balances in excess of 300 hours.	
Risk	Leave balances exceeding the allowable balances under the relevant EB. Staff not taking leave has financial implications as leave is paid at higher rates than it was accrued, and may lead to health safety and welfare issues.	
Recommendation	Implement strategies to systematically reduce excessive leave balances, and review monitoring procedures to ensure that employees do not accumulate excessive annual leave balances.	

Risks were rated based on an assessment of the risk of non-compliance with s125 of the Local Government Act 1999 as described in Appendix 5 – Risk Ratings.

6. Immaterial Uncorrected Misstatements

IUM 1 – Operating grants recorded as ‘Payments Received in Advance’					
D/C	Account at FS level	Assets Increase/ (decrease) \$'000	Liabilities (Increase)/ decrease \$'000	Surplus/Deficit (Increase)/ decrease \$'000	Other Comprehensive Income (Increase)/ decrease) \$'000
D	Trade and Other Payables	-	342	-	-
C	Grants, Subsidies and Contributions	-	-	(342)	-
<p>Description: Generally, receipts of grants are not immediately recognised as revenue where:</p> <ul style="list-style-type: none"> - there is an ‘enforceable’ contract with customer with ‘sufficient specific performance obligations’ (income is recognised when the performance obligations are satisfied under AASB 15 – <i>Revenue from Contract with Customers</i>); or - a financial asset has been received to enable Council to acquire or construct a recognisable non-financial asset (income is recognised over time when the Council satisfies its obligations under AASB 1058 – <i>Income of Not for Profit Entities</i>). <p>Audit performed a review of a list of grants classified as ‘Payments Received in Advance’ and identified a number of grants where the terms of the grant did not contain sufficiently specific performance obligations as required by AASB 15, and the terms did not specify that the grant is for the acquisition of a non-financial asset to identified specifications as required by AASB 1058.</p> <p>Therefore, revenue for these grants should have been recognised on receipt.</p>					

7. Contact Details



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Appendix 1 – Proposed 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 2021, 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 2021, and its financial performance and its cash flow for the year then ended in accordance with the Australia Accounting Standards, *Local Government Act 1999* and *Local Government (Financial Management) Regulations 2011*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the 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 misstatements, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably

be expected to influence the economic decision of users taken on the basis of this financial report.

As part of an audit of the financial report in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risk 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, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the financial report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.
- 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

Date:

Appendix 2 – Proposed 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 2020 to 30 June 2021 have been conducted properly and in accordance with the 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 2020 to 30 June 2021.

Basis for Opinion

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagement ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagement on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the 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 2020 to 30 June 2021. 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 applied Auditing Standard ASQC 1 *Quality Control for Firms that Performs Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking this assurance engagement.

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 receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with the law, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Information* and ASAE 3150 *Assurance Engagements on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the 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 2020 to 30 June 2021. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An assurance engagement on controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

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 that for which it was prepared.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Tim Muhlhausler CA Registered Company Auditor
Partner

Date:

Appendix 3 – Statement by Auditor

I confirm that, for the audit of the financial statements of Adelaide Hills Council for the year ended 30 June 2021, 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) Regulations 2011*.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Tim Muhlhausler CA Registered Company Auditor
Partner

Date:

Appendix 4 – Better Practice Model (BPM) Risks

The risks outlined below are the main BPM risks addressed when determining our audit approach / response as described in section 2 of this report.

Business Cycles	Risk REF	Risks
Rates	RA1	Council does not raise the correct level of rate income
	RA2	Rates and rate rebates are either inaccurately recorded or not recorded at all
	RA3	The property master file data does not remain pertinent
	RA4	Rates are not collected on a timely basis
User Pay Income / Fee for services	US1	The fee charged does not reasonably reflect the value of the services provided
	US2	Council does not apply User Pay principles consistently
	US3	User pay income is either inaccurately recorded or not recorded at all
Investment / Interest Income	II1	Investment income is either inaccurately recorded or not recorded at all
Other Revenue	OR1	Other revenue is either inaccurately recorded or not recorded at all
Grants	GR1	Council loses recurrent grant funding to provide existing services
	GR2	Grant funding is not claimed by Council on a timely basis or not claimed at all
	GR3	Grants are either inaccurately recorded or not recorded at all
Receipting	RE1	Receipts are either inaccurately recorded or not recorded at all
	RE2	Receipts are not deposited at the bank on a timely basis
Purchasing & Procurement	PP1	Council does not obtain value for money in its purchasing and procurement
	PP2	Purchase of goods and services are made from non-preferred suppliers
	PP3	Purchase orders are either recorded inaccurately or not recorded at all
	PP4	Purchase orders are made for unapproved goods and services
	PP5	Supplier master file data does not remain pertinent and/or unauthorised changes are made to the supplier master file
Payroll	PA1	Payroll expense is inaccurately calculated
	PA2	Payroll disbursements are made to incorrect or fictitious employees
	PA3	Time and/or attendance data is either invalid, inaccurately recorded or not recorded at all
	PA4	Payroll master file does not remain pertinent and/or unauthorised changes are made to the payroll master file.
	PA5	Voluntary and statutory payroll deductions are inaccurately processed or without authorisation
	PA6	Employees termination payments are not in accordance with statutory and enterprise agreements
Credit cards	CC1	Credit cards are issued to unauthorised employees
	CC2	Credit cards are used for purchases of a personal nature
	CC3	Credit card limits are set at inappropriate levels

Business Cycles	Risk REF	Risks
Other Expenses	OE1	Other expenses are invalid, inaccurately recorded or not recorded at all
Contracting	CO1	Council is not able to demonstrate that all probity issues have been addressed in the Contracting process
	CO2	Council does not obtain value for money in relation to its Contracting
	CO3	Commitments are made for unapproved goods and services
Banking	BA1	Banking transactions are either inaccurately recorded or not recorded at all
	BA2	Fraud (i.e. misappropriation of funds)
Investments	IN1	Council makes poor investment decisions
	IN2	Investment transactions are either not recorded or are recorded inaccurately
	IN3	Investment income is inaccurately calculated or not recorded in the appropriate period
Debtors	DE1	Debtors are either inaccurately recorded or not recorded at all
	DE2	Rebates and credit notes to debtors are either inaccurately recorded or not recorded at all
	DE3	An appropriate provision for doubtful debts is not recorded
	DE4	Debtors are either not collected on a timely basis or not collected at all
	DE5	The Debtors master file data does not remain pertinent.
Fixed Assets	FI1	Fixed asset acquisitions, disposals and write-offs are fictitious, inaccurately recorded or not recorded at all. Fixed Asset Register (FAR) does not remain pertinent
	FI2	Fixed assets are inadequately safeguarded
	FI3	Fixed assets are not valued correctly initially or on subsequent revaluation
	FI4	Depreciation charges are either invalid, not recorded at all or are inaccurately recorded which includes inappropriate useful lives and residuals
	FI5	Fixed asset maintenance and/or renewals are inadequately planned
Prepayments	PR1	Prepayments are either inaccurately recorded or not recorded at all
Loans to Community groups	LO1	Loans to community groups are inaccurately recorded or not recorded at all
Accounts Payable	AP1	Accounts payable amounts and disbursements are either inaccurately recorded or not recorded at all
	AP2	Credit notes and other adjustments to accounts payable are either inaccurately recorded or not recorded at all
	AP3	Disbursements are not authorised properly
	AP4	Accounts are not paid on a timely basis
	AP5	Supplier master file data does not remain pertinent and/or unauthorised changes are made to the supplier master file
Accrued Expenses	AE1	Accrued Expenses are either inaccurately recorded or not recorded at all
Borrowings	BO1	Borrowings are either not recorded or are recorded inaccurately
	BO2	Loans are taken out without appropriate approval

Business Cycles	Risk REF	Risks
	BO3	Loans are not repaid in accordance with agreed terms
	BO4	Loan repayments are not recorded at all or are recorded inaccurately
Employee Provisions	EP1	Employee provisions are either inaccurately recorded or not recorded at all
Taxation	TA1	Tax liabilities are either inaccurately recorded or not recorded at all
Inventories	STK1	Inventory received is either recorded inaccurately or not recorded at all.
Other	OTH1	Other accounts at risk of either recorded inaccurately or not recorded at all.

Appendix 5 – Risk Ratings

The audit findings identified during our interim audit documented in our interim management letter and in section 4 of this report were rated as follows:

Category	Description
Potential Material Weaknesses	The issue described could lead to a material weakness in the council's internal controls and non-compliance with s125 of the Local Government Act.
Moderate Weaknesses	The issue described does not represent a material weakness due to the existence of compensating controls. However, the failure of the compensating controls or the existence of any other moderate weakness within the same business cycle may lead to a material weakness in the council's internal controls and non-compliance with s125 of the Local Government Act.
Low Risk Weaknesses	The issue described is a low risk weakness due to the existence of compensating controls and/or the failure or absence of the internal controls does not impact significantly on the council's financial risk. However, multiple low-level risk weakness within the same business cycle may lead to a material weakness in the council's internal controls and non-compliance with s125 of the Local Government Act.
Better Practice Weaknesses	The issue described has been included in this report as an opportunity for better practice.

Appendix 3

Auditor Independence Statement

Appendix 3 – Statement by Auditor

I confirm that, for the audit of the financial statements of Adelaide Hills Council for the year ended 30 June 2021, 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) Regulations 2011*.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Tim Muhlhausler CA Registered Company Auditor
Partner

Date:

Appendix 4

Draft Certification of Auditor Independence

Adelaide Hills Council

General Purpose Financial Statements

for the year ended 30 June 2021

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 2021, 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

Malcolm Herrmann
Presiding Member Audit Committee

Date:

**ADELAIDE HILLS COUNCIL
AUDIT COMMITTEE MEETING
Monday 18 October 2021
AGENDA BUSINESS ITEM**

Item:	7.2
Responsible Officer:	Sharon Leith Sustainability Coordinator Infrastructure and Operations
Subject:	Climate Change Adaptation Governance and Risk Assessment Update
For:	Decision

SUMMARY

The purpose of this report is to provide an update on the Climate Risk Governance Assessment (the Assessment) that was presented at an Audit Committee meeting on Monday 17 February 2020 and a subsequent update on Monday 19 October 2020.

At the initial meeting it was resolved that a biannual status report be provided to the Audit Committee on the implementation of the assessment. There is a recommendation that this be changed to reflect an annual status report.

RECOMMENDATION

The Audit Committee resolves:

- 1. That the report be received and noted**
 - 2. That an annual status update be provided on the Climate Change Adaptation Governance and Risk Assessment indicator progression**
-

1. GOVERNANCE

➤ **Strategic Management Plan/Functional Strategy/Council Policy Alignment**

Strategic Plan 2020-24 – A brighter future

Goal A functional Built Environment

Objective B3 Consider external influences in our long term asset management and adaptation planning

Priority B3.4 Proactively adapt our built environment to changes in social and environmental factors to minimise the impact from natural hazards such as fire and flood

Goal	A valued natural environment
Objective N3	Nurture valuable partnerships and collaborations and engage the local community in the management of our natural environment
Priority N3.3	Continue to work in partnership with the Resilient Hills and Coasts region to build Council and community resilience to the impacts of climate change

Within the Trends and Considerations section of the Strategic Plan there is also a paragraph on climate change as follows:

In March 2019, we declared a climate emergency and made a commitment to provide leadership to our community in addressing climate change. With an increase in average temperature, reduction in annual rainfall and increasing extreme weather events, changes to services and infrastructure will need to be considered for new and renewal projects.

The Assessment and the ongoing actions are in alignment with the Strategic Plan for climate change mitigation and adaptation to be integrated across Council.

In addition, Council is also a partner of Resilient Hills and Coasts (RH&C). This project is a partnership between local government, Landscape Boards and State and Federal governments to develop and implement a Regional Climate Change Adaptation Plan for the Adelaide Hills, Fleurieu Peninsula and Kangaroo Island region (the Adaptation Plan). The Adaptation Plan was completed in February 2016 and a number of actions have been undertaken including the Assessment.

➤ **Legal Implications**

Climate Change and Greenhouse Emissions Reduction Act 2007

“An Act to provide for measures to address climate change with a view to assisting to achieve a sustainable future for the State; to set targets to achieve a reduction in greenhouse gas emissions within the State; to promote the use of renewable sources of energy; to promote business and community understanding about issues surrounding climate change; to facilitate the early development of policies and programs to address climate change; and for other purposes. “

Sector agreements are formal cooperative agreements between the SA Government and specific business entities, industries, community groups and regions to help tackle climate change. They are not legally binding contracts. Resilient Hills and Coasts signed a Sector Agreement along with all the other project partners on 5 June 2017. A renewal of this Agreement was endorsed by Council on 27 October 2020.

The *Regional Climate Change Adaptation Plan* (Adaptation Plan) is consistent with Council’s roles and functions as set out in the *Local Government Act 1999*, and further, meets the region’s obligation under South Australia’s Strategic Plan Target 62 to develop a regional climate change adaptation plan. The development of the Assessment with key actions to reduce climate change risk to Council aligns with the legislation and the Adaptation Plan.

➤ **Risk Management Implications**

Councils are at the forefront of legal, social, economic and environmental risks associated with a changing climate specifically responding to increasing extreme weather events. Councils that fail to mitigate, manage and disclose climate risks in their governance and decision making will expose themselves to legal liabilities. Climate risks are also being addressed by the finance and insurance sectors and those organisations that are not addressing climate risks will find it increasingly difficult to access finance and insurance. There is growing recognition of the need for councils to manage their exposure to climate related legal and financial risks. The Assessment is not intended to measure 'on-ground' actions but rather for Council to understand current documented climate risk governance arrangements in order to establish if there are gaps that may expose Council to legal or financial liability.

The Assessment, associated actions and updates will assist in mitigating the risk of:

Lack of acknowledgement and understanding about climate risk implications and exposure leading to increased legal and financial liabilities.

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

Implementing the actions of the Assessment and embedding climate risk into corporate processes and frameworks will improve Council's climate change adaptation governance and reduce legal and financial risk.

➤ **Financial and Resource Implications**

There are no financial implications associated with the key actions of the Assessment or this update other than those current budget items.

➤ **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: Director Infrastructure and Operations
Manager Sustainability, Waste and Emergency Management
Governance and Risk Coordinator

External Agencies: Not Applicable

Community: Not Applicable

2. BACKGROUND

There is growing recognition of the need for councils to manage their exposure to climate related legal and financial risks. In response, four partner councils from Resilient South and Resilient Hills & Coasts – Adelaide Hills, Mt Barker, Marion and Onkaparinga – participated in the first South Australian pilot of Climate Planning's Informed.City™ climate risk governance assessment process.

The councils were assessed against ten quantitative and seven qualitative key performance indicators and specific recommendations were provided to each council about how to lift performance against each indicator.

The assessments indicated that while there are sound foundations for effective climate risk governance, notable gaps leave partner councils exposed to legal and financial liabilities. Councils can address these gaps to a reasonable level by systematically and incrementally following the recommendations laid out in the Assessment.

The Quantitative indicators included:

- Strategic Plan
- Financial Management
- Public Risk Disclosure
- Asset Management
- Land Use Planning
- Emergency Management
- Greenhouse Gas Emissions Reduction
- Climate Risk Management
- Adaptation Policy
- Climate Change Policy

Council was above average of the assessed councils for Strategic Planning, Financial Management and Adaptation Planning and on-par with the average for Public Risk Disclosure and Greenhouse Gas Emissions Reduction. Council had a basic score or above for five of the ten climate change adaptation governance indicators and importantly scored high for Financial Management which is very rare for any council in Australia. This is due to the inclusion of climate change adaptation and biodiversity funding within the Long Term Financial Plan (LTFP). Figure 1 provides Council's Quantitative scores for climate change adaptation governance.



Figure 1: Adelaide Hills Council's quantitative scores for climate change adaptation governance

The Assessment was presented at an Audit Committee meeting on 17 February 2020. At that meeting it was resolved that a biannual status report be provided to the Audit Committee on the progress of the Assessment outcomes. The next step in the process was to present at a Council Workshop but with the start of COVID-19 and associated implications this did not happen and instead a summary was provided to Council Members via an email. However, the Assessment was presented as part of a broader climate adaptation and mitigation update at a Council Workshop on 13 October 2020. An update was also provided to the Audit Committee on 19 October 2020

3. ANALYSIS

The Assessment results indicate some key opportunities for Council to improve their climate risk governance. Details on an update of the progress against the quantitative and qualitative indicators within the Assessment is provided in **Appendix 1**. Figure 2 provides an estimated summary of the progress of the indicators against the initial assessment. A score of 4 is the total score. As Council has not undertaken a further formal assessment utilising the Informed.city tool the scores in Figure 1 are an estimate only to gauge progress against the initial assessment.

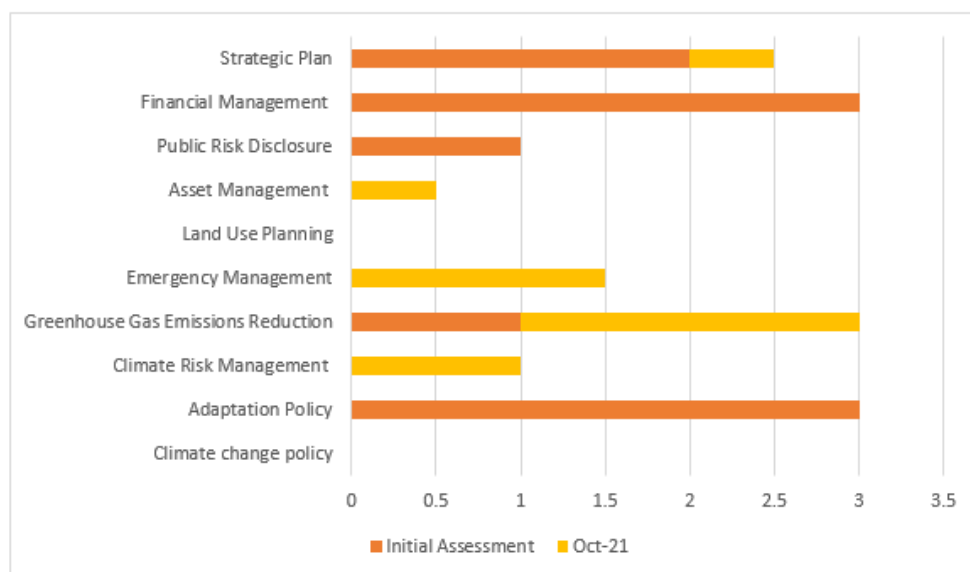


Figure 2 Summary of Progress for Quantitative Indicators

The key changes within the Emergency Management and Greenhouse Gas Emission Reduction indicators are the result of completing the draft Emergency Management Plan with extensive reference to the changing climate and the potential risks and impacts for the Council area. The increase in the Greenhouse Gas Emissions indicator is the result of implementing a further 132kW of solar PV panels on Council facilities and changing the majority of streetlights to LED's.

Council will continue to progress actions against the indicators to improve the climate risk governance of the organisation. However this will be dependent on available resources and other organisation priorities. Further updates will be provided to the Audit Committee. However it is recommended to make these updates annually rather than biannually as previously recommended. This is due to the strategic nature of the projects and progression against the indicators.

4. OPTIONS

The Committee has the following options:

- I. Receiving the report and endorsing an annual update be provided on the indicator progression (Recommended)
- II. Not receiving the report (Not Recommended)

5. APPENDIX

- (1) Climate Risk and Governance Assessment Update - Against Quantitative and Qualitative indicators

Appendix 1

Climate Risk and Governance Assessment Update Against Quantitative and Qualitative Indicators

Appendix 1

Climate Risk and Governance Assessment Update

Against Quantitative and Qualitative indicators

Assessment themes	Update
Quantitative indicators	
Strategic Plan/Corporate Plan	Climate change references and priorities incorporated within Strategic Plan
Financial Management	Ongoing – incorporated within the Long Term Financial Plan and within the 2021-2022 budget
Public Risk Register and Disclosure	No progress
Asset Management	Ongoing-incorporated within the new template for Asset Management Plans
Land Use Planning	No progress-Reliant on State Government Planning changes
Emergency Management	Incorporated and included within the Council Ready Emergency Management Plan (EMP) Draft EMP has now been completed which includes climate change implications and references
Greenhouse Gas Emissions	Ongoing program of reducing emissions with targets of 100% renewable energy and striving for carbon neutrality. Key recent outcomes are a further 132kw solar PV panels for major facilities and Birdwood CWMS. Energy efficiency considerations were also incorporated within the Summit upgrade. The replacement of the air-conditioning system on the Coventry Library has commenced and a sustainability audit will be undertaken on numerous facilities.
Climate Risk Management	Ongoing-incorporate climate risk into the new Risk Management Framework Two Resilience Officers have been engaged with external funding to build resilience and community capacity for community members impacted by the Cudlee Creek fires.
Adaptation Planning	Ongoing- continue to be part of the Resilient Hills and Coasts regional climate adaptation group. A recommitment to a regional Sector Agreement was endorsed at Council on 27 October 2020. Further funding for a Project Coordinator has been endorsed for 2021/2022.
Climate Change Policy	No progress-could be undertaken by the Local Government Association of SA for all councils
Qualitative indicators	
Climate risk assessments	No progress- However a recent funding application to Local Government Association SA Research & Development scheme by others will undertake a Climate Risk & Asset Management Pilot Project including the preparation of a suitable template for climate risk assessments. The intent is to wait on this outcome and use the same approach and template.
Climate legal risk	No progress
Staff capacity and resource allocation	Refer above for two Community Resilience Officers
Community/stakeholder engagement	No progress

**ADELAIDE HILLS COUNCIL
AUDIT COMMITTEE MEETING
Monday 18 October 2021
AGENDA BUSINESS ITEM**

Item: 7.3

Responsible Officer: David Collins
Manager Strategic Assets
Infrastructure and Operations Directorate

Subject: Bridge Asset Management Plan (draft)

For: Decision

SUMMARY

As part of the progression of delivering asset management plans to the organisation, a draft Bridge Asset Management Plan (**Appendix 3**) has been provided for information to the Audit Committee.

Continued works have been on-going as part of business as usual within the strategic assets team including condition assessments, implementing a new enterprise asset management system, cleansing and revaluing the Bridge assets, to enable more considered into the Asset Management Planning Process.

The draft Bridge Asset Management Plan highlights an increase in the re-valuation of its core bridge base to \$ 20.2. The ARRB Group was contracted by Council to undertake a Level 2 audit of its Span Bridges (48) and undertake the revaluation. This audit was undertaken late in 2020. This audit provided a componentised condition of the span bridges within the network. Following this audit a further 3 bridges required a level 3 structural assessment.

The condition assessment process highlighted a required increase in maintenance across the asset class than has not previously been allocated dedicated funding in the operations budget. The renewals indicated a reduction in the overall spend for the 10 year planning period, but highlighted an increase in the following ten year cycle as numerous bridge components reach end of life.

There are numerous improvements recommended within the improvement section of the draft Bridge Asset Management Plan which will provide a sound asset management base for the ongoing management of a higher risk asset.

The next step in the adoption of an updated Bridge Asset Management Plan is to undertake community consultation.

RECOMMENDATION

The Audit Committee resolves:

1. That the report be received and noted
 2. To recommend to Council the approval of the *Draft Bridge Asset Management Plan* as contained in *Appendix 3* for consultation.
-

1. GOVERNANCE

➤ Strategic Management Plan/Functional Strategy/Council Policy Alignment

Strategic Plan 2020-24 – A brighter future

Goal 1 Built Environment

Objective B4 Sustainable management of our built assets ensures a safe, functional and well serviced community

Priority B4.1 Ensure the long term management of the built form and public spaces occurs in consideration of the relevant financial, social and environmental management matters.

Goal 1 Built Environment

Objective B1 Our district is easily accessible for community, our businesses 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

The Asset Management Plan and associated process have a direct linkage into providing assets and services to the community by appropriately funding and planning sustainable renewals over the period of the document.

Underpinned by *Asset Management Policy* – INF-03

➤ Legal Implications

Local Government Act 1999

Part 1 – Strategic Management Plans

Section 122,

- (1a) *A council must, in conjunction with the plans required under subsection (1), develop and adopt—*
- (b) *an infrastructure and asset management plan, relating to the management and development of infrastructure and major assets by the council for a period of at least 10 years*

Bridges are considered to be a major asset and therefore the Bridge Asset Management Plan would form part of suit of Strategic Management Plans.

➤ **Risk Management Implications**

The consultation as part of the update of the Bridge asset management plans and linking to the Long Term Financial Plan will assist in mitigating the risk of:

Insufficient long term funding allocations that may lead to a community expectations not being met, asset failure and/or lack of financial sustainability

Inherent Risk	Residual Risk	Target Risk
Extreme (4B)	Medium (3C)	Medium (3C)

➤ **Financial and Resource Implications**

The asset management planning process directly informs the *Long Term Financial Plan* (LTFP) of Council and therefore must be considered in the each review. This report does not directly make changes to the financial or resources implications of Council.

It is recognised through the asset management process that impact flow through to the *Long Term Financial Plan*. The majority of the work throughout the planning process has focussed on the Span Bridges asset classes, as they represent the major component of the value and risk. They providing an important function for the community, and now have a robust data set of information for modelling future condition and spend.

Bridge Valuations are as follows based on a combination of rate and valuation increases.

Asset Category	Dimensions	Replacement Value
Span Bridges (Span longer than 6m)	Span Bridges – 27 Bridges Culvert Bridges – 20 Bridges	\$ 13,821,965
Culvert Bridges (Span less than 6m)	Culvert – 44 Bridges Pipe – 6 Bridges	\$ 6,426,872
Totals		\$ 20,248,837

The Span Bridge (span greater than 6m) review undertaken has highlighted that 10-15% of the components will need to be renewed over the next ten years, and in the following 10 years it should be highlighted that 25% of the network components have been identified as at end of life.

The Culvert Bridge (span less than 6m) network whilst still requiring a condition assessment has the similarity to the Storm Water network with reviewed and consistent unit rates and lives that have been applied to the asset class for revaluation purpose.

The condition assessment process has highlighted a shortfall in maintenance that has been undertaken through the prevailing years and subsequently there are a number of components of work which have been identified. The type of maintenance activity that is considered critical in the lifecycle maintenance phase largely consists of: include crack repair, concrete spalling repair, bridge drainage infrastructure, vegetation clearing, bridge rail and deck maintenance. This figure representing these works is projected out from the audit information at approximately \$49k (2021 dollars) per year for years 1-5, and recommended to drop to \$24k (2021 dollars) for years 6-10.

In the event that the draft Bridge Asset Management Plan is adopted by Council, the overall impact on the LTFP is highlighted below over the 10 year period:

Renewal

- Renewal Planned (LTFP currently adopted) - \$1.3 million
- Proposed Renewal - \$1.033m (2021 dollars) or \$ 1.14 million in LTFP dollar.
- The draft Bridge Asset Management Plan projects a reduction of \$ 160,000 across the 10 year of the plan against the existing LTFP.

Maintenance

- Maintenance Planned - \$10k
- Proposed Maintained - \$350k (2021 dollars) or \$ 397,000 in LTFP dollars over the 10 years of the plan.

Operations

- Proposed Operations increase of \$200k (2021 dollars) for bridge condition inspection and revaluation in year 5 and Year 10 of the plan.

The draft plan increases the amount of maintenance of the bridge assets. Given the age of the bridge assets and the subsequent likelihood that a number of bridges are reaching the end of life between 10 and 20 years' time, the increase in maintenance is a critical increase to manage the lifecycle of these assets. This will assist in managing risk and ensuring maximum available life from the existing structures.

Council was undertaking maintenance works of bridge structures associated with it renewal program. So whilst it actual spend on maintenance was low, in essence maintenance works were being undertaken but only on those bridge were component renewal was identified.

➤ **Customer Service and Community/Cultural Implications**

Not Applicable

➤ **Sustainability Implications**

Not Applicable

➤ **Engagement/Consultation conducted in the development of the report**

Any proposed Asset Management Plan will be subject to community consultation once endorsed by Council. Community feedback would be considered in the final plan recommendations to Council.

Council Committees: Not Applicable

Council Workshops: Not Applicable

Advisory Groups: Not Applicable

Administration: Director Infrastructure & Operations
Director Corporate Services
Manager Financial Services
Infrastructure Planning Engineer, Strategic Assets

External Agencies: Not Applicable

Community: Not Applicable

2. BACKGROUND

Asset Management Plans are a means for documenting management, financial, engineering and technical practices to ensure that the level of service required by the community for a class of infrastructure assets is provided at the lowest long term cost.

The identification of future needs, management options and cash flows provides the ability to even out peak funding demands. In order to allocate resources the Asset Management Plans provides a communication and long term direction that informs the public.

In March 2007 the Local Government and Planning Ministers' Council (LGPMC) agreed to a nationally consistent approach to asset planning and management, financial planning and reporting and assessing financial sustainability. Each State Minister endorsed the National Framework for Financial Sustainability in Local Government for implementation in the context of their relationships with their local government sectors.

The National Frameworks consist of three main components as follows:

- Asset Planning and Management which incorporates:
 - Asset Management Policy
 - Asset Management Strategy
 - Governance and Management
 - Levels of Service
 - Data and Systems
 - Continuous Improvement Program
 - Evaluation of effectiveness

- Financial Planning and Reporting which incorporates:
 - Long-term Strategic Plan
 - Annual Budget
 - Annual Financial Statements and Annual Report
- Criteria for Assessing Financial Sustainability:
 - A council's long-term financial performance and position is defined as unsustainable when "planned long term services and infrastructure standards are met without unplanned increases in rates and charges, or disruptive cuts to services"

The key elements of this plan are:

- Levels of service – specifies the types and levels of service the Council provides.
- Future demand – how this will impact on future service delivery and how this is to be met.
- Life cycle management – how Council will manage its existing and future assets to provide the required services.
- Risk management – identification of risks, how these can be defined in a risk register and summarised in a risk management plan.
- Financial summary – what funds are required to provide the required services that meet both Technical standards and Community expectations
- Monitoring – how the plan will be monitored to ensure it is meeting Council's objectives.
- Asset Management Improvement Plan

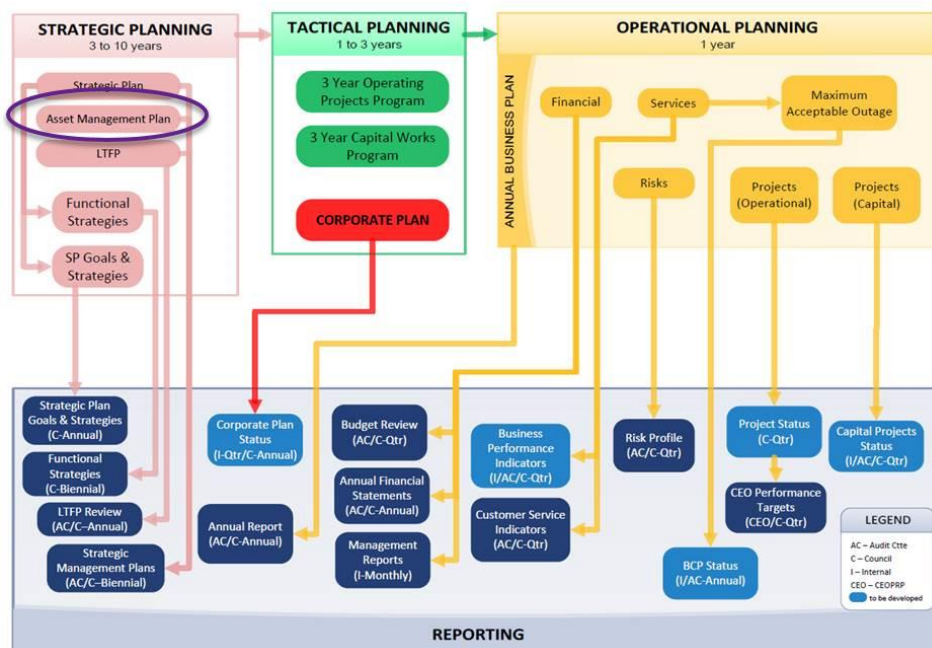
The *Local Government Act 1999* S122 (1a)(b) requires Council's to develop and adopt Asset Management Plans relating to the management and development of infrastructure and major assets for a period of at least ten years. Asset Management Plans should detail the proposed management, development and required expenditure relating to infrastructure and major assets.

The following assets and infrastructure categories are considered in Council's Infrastructure and Asset Management Plans

- Roads
- Footpaths
- Kerb
- Bridges
- Drainage & Stormwater
- CWMS Infrastructure
- Buildings
- Community Facilities

Furthermore the Transportation Assets – including Roads, Kerb & Footpaths was formally endorsed by Council in February 2021 and sets the precedent for delivery of the following Asset Management Plans for the relevant areas of the business.

An Asset Management Plan is a key strategic planning driver to assist Council in considering the long term requirements to maintain, renew dispose, upgrade or acquire infrastructure assets to meet projected community requirements and expectations.



Customer Values

Customer Values are designed to understand what is important to the users of the service, and define the values of the customer and how well the current levels of service match their expectations.

Levels of Service

The 'level of service' is the defined service quality for a particular activity or service area against which service performance can be measured. They provide the basis for the life cycle management strategies and works programme identified within the Asset Management Plan. Levels of service support the Organisation's strategic goals and are based on customer expectations and statutory requirements. There are two criteria that dictate Levels of Service; Community Levels of Service; and Technical Levels of Service.

Community Levels of Service

Community Levels of Service relate to the service outcomes that the community wants in terms of safety, quality, quantity, reliability, responsiveness, cost effectiveness and legislative compliance.

Community Levels of Service measures used in this Asset Management Plan are:

- Quality/Condition – How good is the service... what is the condition or quality of the service?
- Function – Is it suitable for its intended purpose... Is it the right service?

- Capacity/Use – Is the service over or under used... do we need more or less of these assets?

Technical Levels of Service

To deliver the customer values, and impact the achieved Customer Levels of Service, are operational or technical measures of performance. These technical measures relate to the activities and allocation of resources to best achieve the desired customer outcomes and demonstrate effective performance.

Technical service measures are linked to the activities and annual budgets covering:

- Acquisition – the activities to provide a higher level of service (e.g. widening a road, sealing an unsealed road, replacing a pipeline with a larger size) or a new service that did not exist previously (e.g. a new library).
- Operation – the regular activities to provide services (e.g. opening hours, cleansing, mowing grass, energy, inspections, etc).
- Maintenance – the activities necessary to retain an asset as near as practicable to an appropriate service condition. Maintenance activities enable an asset to provide service for its planned life (e.g. road patching, unsealed road grading, building and structure repairs),
- Renewal – the activities that return the service capability of an asset up to that which it had originally provided (e.g. road resurfacing and pavement reconstruction, pipeline replacement and building component replacement),

3. ANALYSIS

As part of the update of Council's Bridge Asset Management Plans the following processes and practices have been undertaken.

- Comprehensive Data Collection across the Span Bridge network providing a high level componentised dataset for analysis, condition, maintenance and renewal review & modelling into capital works and LTFP provisions.
- Field inspections and validation of technical data across numerous both Span and Culvert bridge asset classes including the development of a 3 year rolling renewal program using a hierarchical/priority based approach where available.
- Review of maintenance requirements and highlighted areas to build improvement plan across the life of the AMP.
- Highlighting of risks across the network and applying measures to mitigate, and develop models to counteract impacts.
- Assess climate change impacts and plan for increased resilience across the network.
- Review of unit rates and useful lives of assets and applied to valuations
- Reviewed and provided customer values, customer levels of service and technical levels of service within the framework.
- Developed AMP based on the latest NAMS 3+ (National Asset Management Strategy) framework released in August 2019.

ARRB Group was engaged in 2020 to undertake a detailed level 2 audit of span bridge structure and culvert/ pipe structure greater than 6m in length. Please see **Appendix 1** for an example of a Level 2 audit report.

It should be noted that 3 structures were identified for a higher level 3 inspection. ARRB Group were engaged to undertake this additional level of inspection. Please see **Appendix 2** for a copy of the Level 3 audit report.

The audit was undertaken in line with the nationally adopted framework for bridge inspections and componentisation.

This new structure has been incorporated into Council Enterprise Asset Management System, Confirm.

As part of the engagement the ARRB Group identified the remaining useful life of structures and undertook a revaluation in line with the accounting requirements for infrastructure.

Given the highly critical nature of bridge structures for the transport network this specialised external skill was required to assist Council in projecting the requirements of its bridge assets in the asset management plan.

The data has now been analysed and incorporated into the draft Bridge Asset Management Plan for consultation.

4. OPTIONS

The Committee has the following options:

- I. Receive and note the report and recommend to Council that the *draft Bridge Asset Management Plan* be considered for public consultation (Recommended)
- II. To alter or substitute elements of the *draft Bridge Asset Management Plan* (Not Recommended).
- III. Do not receive and note the report (Not Recommended)

5. APPENDICES

- (1) ARRB Bridge Condition Assessment – Level 2 Sample Report
- (2) ARRB Bridge Condition Assessment – Level 3
- (3) Draft Bridge Asset Management Plan

Appendix 1

ARRB Bridge Condition Assessment – Level 2 Sample Report

Structure Condition Inspection Report

L2/1

Sheet
Page 1 of 42

Structure ID	BR004	Owner	Local Government Agency
Structure Name	Hynes Bridge		
Region	Adelaide Hills Council		
Local Authority	Adelaide Hills Council	Coordinates	-34.8159799489571, 138.89033
Road Number	-	Road Name	Forrester Road - Gumeracha
Road Type	Local Collector	Waterway	Unknown
Structure Type	Bridge	Function	Road over waterway
Superstructure Type	Beam and slab, composite	Superstructure Material	In situ reinforced concrete
Span Arrangement	1/23.5	Overall Length (m)	23.5
		Overall Width (m)	6.5



General Comment

Arch-type bridge with inclined props and integral abutments. Moderate defects on less than 25% of principal components.

Date Inspected	30/09/2020	Inspected By	Alex Aldana	Inspection Type	Programmed	Entered By	Malcolm Mak
Date Reviewed	16/11/2020	Reviewed By	Hanson Ngo	Date of Last Inspection		Next Inspection Due	09/2025
Original Rating	CS2	Original Comment	Structure was found in fair condition at the time of inspection.				
WL1 Rating		WL1 Comment					
WR1 Rating		WR1 Comment					

Overall Inspection Comment

Moderate defects on less than 25% of principal components.

Component Condition Inspection Report

L2/2

Component Location				Exposure Class	Quantity	Unit	Quantity per Condition State				Defect	Action Required?
Modification	Group	Component	Standard Number				1	2	3	4		
O	AP1	GR1	55S	1	1	Ea.	1	0	0	0	No major defects noted. Refer to photo 1.	<input type="checkbox"/>
O	AP1	AP1	52O	1	1	Ea.	0	1	0	0	Minor cracking on wearing surface. Edge of approach surface breaking away. Minor rutting on approach surface. Erosion of soil exposing utilities below. Crack coinciding with joint location. Refer to photos 1, and 8-12.	<input checked="" type="checkbox"/>
O	AP1	GR2	55S	1	1	Ea.	0	1	0	0	Loss of material (200mm) on post 8. Refer to photos 1, and 13.	<input checked="" type="checkbox"/>
O	A1	J1	30O	1	0	Lin. m	0	0	0	0	Unable to inspect as under 25% of component is accessible due to being buried. Transversed component on foot, no defects noted. No major defects noted. Refer to photo 14.	<input type="checkbox"/>
O	S1	BR1	51S	1	23.5	Lin. m	21.5	2	0	0	Vegetation overgrown encroaching on component. Refer to photo 15.	<input checked="" type="checkbox"/>
O	S1	K1	50C	1	23.5	Lin. m	19.5	4	0	0	Minor spalling and cracking along kerb with reinforcement exposed. Refer to photos 16-18.	<input type="checkbox"/>
O	S1	WS1	14O	1	152	m²	102	50	0	0	Minor rutting and cracking throughout component. Refer to photos 19-23.	<input type="checkbox"/>
O	S1	K2	50C	1	23.5	Lin. m	10.5	13	0	0	Moderate cracking and spalling on kerb. Refer to photos 24-28.	<input type="checkbox"/>
O	S1	BR2	51S	1	23.5	Lin. m	23.5	0	0	0	No major defects noted.	<input type="checkbox"/>
O	A2	J1	30O	1	0	Lin. m	0	0	0	0	Unable to inspect as under 25% of component is accessible due to being buried. No major defects noted. Refer to photo 29.	<input type="checkbox"/>
O	AP2	GR1	55S	1	1	Ea.	1	0	0	0	Hole left from former barrier post (300mm deep). Refer to photos 2, and 30.	<input type="checkbox"/>
O	AP2	AP1	52O	1	1	Ea.	0	1	0	0	Minor Cracking on wearing surface. Cracking joint location. Refer to photos 2, and 31-32.	<input type="checkbox"/>
O	AP2	GR2	55S	1	1	Ea.	0	0	1	0	Tensioner and post not connected on terminal. Refer to photos 2, and 33.	<input checked="" type="checkbox"/>
O	A1	RW1	85O	2	1	Ea.	0	1	0	0	Vegetation encroaching component. Refer to photos 34-35.	<input type="checkbox"/>
O	A1	A1	24C	2	1	Ea.	1	0	0	0	Vegetation encroaching component. Effervescence noted near column 4. Refer to photos 36-38.	<input type="checkbox"/>
O	A1	RW2	85O	2	1	Ea.	0	1	0	0	Vegetation encroaching component. Refer to photos 39-40.	<input type="checkbox"/>
O	S1	D1	8C	2	152	m²	82	70	0	0	Moisture staining throughout deck edges. Refer to photos 7, and 41-44.	<input type="checkbox"/>
O	S1	G1	2C	2	4	Ea.	2	1	1	0	Moderate spalling on girder 1 near join with column 1. Effervescence noted at this location. Minor vertical cracking on girder 4 near column 2 (unit 4). Refer to photos 7, and 45-46.	<input type="checkbox"/>
O	S1	XB1	9C	2	3	Ea.	3	0	0	0	No major defects noted. Refer to photo 47.	<input type="checkbox"/>
O	S1	XB2	9C	2	3	Ea.	3	0	0	0	No major defects noted. Refer to photo 48.	<input type="checkbox"/>
O	S1	C1	22C	2	4	Ea.	4	0	0	0	No major defects noted. Refer to photo 49.	<input type="checkbox"/>
O	S1	XB3	9C	2	3	Ea.	1	2	0	0	Minor diagonal cracking noted between g3 and g4. Minor diagonal cracking noted between girder 1 and girder 2. Refer to photos 50-52.	<input type="checkbox"/>
O	S1	XB4	9C	2	3	Ea.	3	0	0	0	No major defects noted. Refer to photo 53.	<input type="checkbox"/>
O	S1	C2	22C	2	4	Ea.	3	0	0	1	Severe cracking (up to 1.5 mm width) along column 4. Refer to photos 54-55.	<input type="checkbox"/>
O	A2	RW1	85O	2	1	Ea.	0	0	0	1	Severe cracking throughout retaining wall. Overgrown vegetation encroaching component. Refer to photos 56-57.	<input type="checkbox"/>

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 2 of 42	
Road Number	-	Road Name	Forreston Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Component Condition Inspection Report

L2/2

Component Location				Exposure Class	Quantity	Unit	Quantity per Condition State				Defect	Action Required?
Modification	Group	Component	Standard Number				1	2	3	4		
O	A2	A1	24C	2	1	Ea.	0	0	1	0	Moderate spalling throughout component. Moisture staining under girder 4. Efflorescence above column 4. Moisture staining under girder 1. Refer to photos 58-61.	<input type="checkbox"/>
O	A2	RW2	85O	2	0	Ea.	0	0	0	0	Typical cracking through masonry retaining wall. Vegetation encroaching retaining wall. Refer to photos 62-64.	<input type="checkbox"/>
O	S1	W1	54O	2	1	Ea.	0	1	0	0	Vegetation obstructing waterway on left hand side. Refer to photos 65-67.	<input type="checkbox"/>

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 3 of 42	
Road Number	-	Road Name	Forreston Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Defective Components and Maintenance Strategy Report

L2/3

Recommended Action	Priority	Date Noted	ROC Estimate	Work Category	Date Completed
Reinstate leaked joints.	Medium	30/09/2020	\$500.00	R	
Reinstate the loose barrier terminal	Medium	30/09/2020	\$500.00	R	
Seal cracking through masonry retaining wall at left hand side of abutment 2	Medium	30/09/2020	\$2,000.00	R	
Seal cracking along column 4.	Medium	30/09/2020	\$1,000.00	R	
Repair spalling on girder 1.	Medium	30/09/2020	\$2,500.00	R	
Sum of Routine maintenance =			\$6,500		
Remove vegetation encroaching on span 1 bridge barrier 1, abutment 1 retaining wall 1, abutment 1,	Low	30/09/2020	\$500.00	R	
Remediate loss of material around post 8 of approach 1 barrier 2.	Low	30/09/2020	\$500.00	R	

Sum of Routine maintenance = \$1,000

Total Estimated Cost = \$7,500

Work Category	Description
L2	Level 2 Inspection
L3	Level 3 Inspection
R	Routine Maintenance
S	Structural Maintenance
C	Capital Works (Refurbishment/strengthening)
C	Capital Works (Refurbishment/strengthening)

Priority	Description
Urgent	Within 6 months
High	Within 12 months
Medium	Within 2 years
Low	Within 5 years (or as resources allow)
Monitor	Monitor for further deterioration

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 4 of 42
Road Number	-	Road Name	Forreston Road - Gumeracha	Chainage (km)
Function	Road over waterway	Waterway	Unknown	
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type
				Programmed

Standard Procedure Exceptions Report

L2/4

Component Location				Exposure Class	Defect
Modification	Group	Component	Standard Number		
O	A2	J1	300	1	Unable to inspect as under 25% of component is accessible due to being buried. No major defects noted. Refer to photo 29.
O	A1	J1	300	1	Unable to inspect as under 25% of component is accessible due to being buried. Transversed component on foot, no defects noted. No major defects noted. Refer to photo 14.

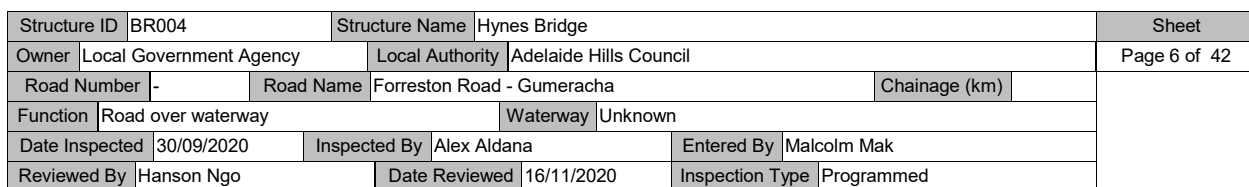


L2/5

[illegible]

Test Locations			% Depth Consumed					
			CS2		CS3		CS3	
Component	Defect	Location (Abbreviation)	E	MS	E	MS	E	MS
Pile	Pipe	Top (T), Ground Level (GL), Other (O)	1 - 20	1 - 20	21 - 35	21 - 35	36 - 50	36 - 50
Girder	Pipe	End 1 (E1), Midspan (MS), End 2 (E2), Other (O)	1 - 20	1 - 20	21 - 35	21 - 35	36 - 50	36 - 50
Corbel	Pipe	End 1 (E1), End 2 (E2), Other (O)	1 - 20	1 - 20	21 - 35	21 - 35	36 - 50	36 - 50
Headstock (1)	Edge Area	End 1 (E1), End 2 (E2), Other (O)	1 - 5	1 - 5	6 - 10	6 - 10	11 - 20	11 - 20
Headstock (2)	Pipe	End 1 (E1), End 2 (E2), Other (O)	1 - 45 mm		46 - 65 mm		66 - 90 mm	
Other Component		Enter relevant component code and describe location in comments field.						

1 - Area of headstock (%) for external loss of section (top, bottom or sides)
2 - Maximum pipe diameter (mm) in headstock for internal piping defects.
3 - Members in excess of CS4 deterioration values are critical and should be replaced immediately



L2/6

NOT REQUESTED

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 7 of 42	
Road Number	-	Road Name	Forreston Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/7

File Reference	Photograph/Sketch Number	Defect
1	BR004_001	View from approach 1.
2	BR004_002	View from approach 2.
3	BR004_003	View of left hand elevation.
4	BR004_004	View of right hand elevation.
5	BR004_005	View of left hand waterway.
6	BR004_006	View of right hand waterway.
7	BR004_007	View of underneath.
8	BR004_008	View of minor Cracking on wearing surface on bridge approach 1.
9	BR004_009	Additional view of minor Cracking on wearing surface on bridge approach 1.
10	BR004_010	View of edge of approach surface breaking away on bridge approach 1.
11	BR004_011	View of erosion of soil exposing utilities below on bridge approach 1.
12	BR004_012	View of crack coinciding with joint location on bridge approach 1.
13	BR004_013	View of loss of material (200mm) on post on guardrail 2.
14	BR004_014	View of compression joint seal 1.
15	BR004_015	View of vegetation overgrown encroaching on component on railings/barriers 1.
16	BR004_016	View of kerb 1.
17	BR004_017	View of minor spalling and cracking along kerb with reinforcement exposed on kerb 1.
18	BR004_018	Additional view of minor spalling and cracking along kerb with reinforcement exposed on kerb 1.
19	BR004_019	View of wearing surface 1.
20	BR004_020	Additional view of wearing surface 1.
21	BR004_021	Additional view of wearing surface 1.
22	BR004_022	Additional view of wearing surface 1.
23	BR004_023	View of minor rutting and cracking throughout component on wearing surface 1.
24	BR004_024	View of kerb 2.
25	BR004_025	View of moderate cracking and spalling on kerb on kerb 2.
26	BR004_026	Additional view of moderate cracking and spalling on kerb on kerb 2.
27	BR004_027	Additional view of moderate cracking and spalling on kerb on kerb 2.
28	BR004_028	Additional view of moderate cracking and spalling on kerb on kerb 2.
29	BR004_029	View of pourable joint seal 1.
30	BR004_030	View of hole left from former barrier post (300mm) deep on guardrail 1.
31	BR004_031	View of minor cracking on wearing surface on bridge approach 1.
32	BR004_032	View of longitudinal cracking on bridge approach 1.
33	BR004_033	View of tensioner and post not connected on terminal on guardrail 2.
34	BR004_034	View of abutment 1.
35	BR004_035	View of vegetation encroaching component on retaining wall 1.
36	BR004_036	View of abutment 1.
37	BR004_037	View of vegetation encroaching component on abutment 1.
38	BR004_038	View of efflorescence noted near column 4 on abutment 1.
39	BR004_039	View of retaining wall 2.
40	BR004_040	View of vegetation encroaching componen on retaining wall 2.
41	BR004_041	View of moisture staining throughout deck edges on deck slab 1.
42	BR004_042	Additional view of moisture staining throughout deck edges on deck slab 1.
43	BR004_043	Additional view of moisture staining throughout deck edges on deck slab 1.
44	BR004_044	Additional view of moisture staining throughout deck edges on deck slab 1.
45	BR004_045	View of moderate spalling on girder 1 near join with column 1. Efflorescence noted at this location on open girders 1.
46	BR004_046	View of minor vertical cracking on girder 4 near column 2 (unit 4) on open girders 1.
47	BR004_047	View of cross bracing.
48	BR004_048	View of cross bracing.
49	BR004_049	View of columns 1.
50	BR004_050	View of cross beams / floor beams 3.
51	BR004_051	View of minor diagonal cracking noted between girder 3 and girder 4 on cross beams / floor beams 3.
52	BR004_052	View of minor diagonal cracking noted between girder 1 and girder 2 on cross beams / floor beams 3.
53	BR004_053	View of cross beams / floor beams 4.
54	BR004_054	View of columns 2.
55	BR004_055	View of severe cracking (up to 1.5 mm width) along column 4 on columns 2.
56	BR004_056	View of retaining wall 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 8 of 42	
Road Number	-	Road Name	Forreston Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record L2/7

File Reference	Photograph/Sketch Number	Defect
57	BR004_057	View of severe cracking throughout retaining wall. Overgrown vegetation encroaching component on retaining wall 1.
58	BR004_058	View of abutment 1.
59	BR004_059	View of moderate spalling throughout component. Moisture staining under girder 4 on abutment 1.
60	BR004_060	View of efflorescence above column 4 on abutment 1.
61	BR004_061	View of moisture staining under girder 1 on abutment 1.
62	BR004_062	View of retaining wall 2.
63	BR004_063	View of typical cracking through masonry retaining wall on retaining wall 2.
64	BR004_064	View of vegetation encroaching retaining wall on retaining wall 2.
65	BR004_065	View of waterway 1.
66	BR004_066	Additional view of waterway 1.
67	BR004_067	View of vegetation obstructing waterway on left hand side on waterway 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 9 of 42	
Road Number	-	Road Name	Forreton Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 1 Image Name: BR004_001 Description: View from approach 1.



Image Number: 2 Image Name: BR004_002 Description: View from approach 2.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 10 of 42	
Road Number	-	Road Name	Forreton Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 3 Image Name: BR004_003 Description: View of left hand elevation.



Image Number: 4 Image Name: BR004_004 Description: View of right hand elevation.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 11 of 42	
Road Number	-	Road Name	Forreton Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 5 Image Name: BR004_005 Description: View of left hand waterway.



Image Number: 6 Image Name: BR004_006 Description: View of right hand waterway.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 12 of 42	
Road Number	-	Road Name	Forrester Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 7 Image Name: BR004_007 Description: View of underneath.



Image Number: 8 Image Name: BR004_008 Description: View of minor Cracking on wearing surface on bridge approach 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 13 of	42
Road Number	-	Road Name	Forrester Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 9 Image Name: BR004_009 Description: Additional view of minor Cracking on wearing surface on bridge approach 1.



Image Number: 10 Image Name: BR004_010 Description: View of edge of approach surface breaking away on bridge approach 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 14 of 42	
Road Number	-	Road Name	Forreston Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 11 Image Name: BR004_011 Description: View of erosion of soil exposing utilities below on bridge approach 1.



Image Number: 12 Image Name: BR004_012 Description: View of crack coinciding with joint location on bridge approach 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 15 of 42	
Road Number	-	Road Name	Forreston Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 13 Image Name: BR004_013 Description: View of loss of material (200mm) on post on guardrail 2.



Image Number: 14 Image Name: BR004_014 Description: View of compression joint seal 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 16 of 42	
Road Number	-	Road Name	Forrester Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 15 Image Name: BR004_015 Description: View of vegetation overgrown encroaching on component on railings/barriers 1.



Image Number: 16 Image Name: BR004_016 Description: View of kerb 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 17 of 42	
Road Number	-	Road Name	Forreston Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 17
1. Image Name: BR004_017 Description: View of minor spalling and cracking along kerb with reinforcement exposed on kerb 1.



Image Number: 18
exposed on kerb 1. Image Name: BR004_018 Description: Additional view of minor spalling and cracking along kerb with reinforcement exposed on kerb 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 18 of 42
Road Number	-	Road Name	Forrester Road - Gumeracha	Chainage (km)
Function	Road over waterway	Waterway	Unknown	
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type
				Programmed

Photograph and Sketches Record

L2/8



Image Number: 19 Image Name: BR004_019 Description: View of wearing surface 1.



Image Number: 20 Image Name: BR004_020 Description: Additional view of wearing surface 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 19 of	42
Road Number	-	Road Name	Forreston Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 21 Image Name: BR004_021 Description: Additional view of wearing surface 1.



Image Number: 22 Image Name: BR004_022 Description: Additional view of wearing surface 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 20 of 42	
Road Number	-	Road Name	Forreton Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 23 Image Name: BR004_023 Description: View of minor rutting and cracking throughout component on wearing surface 1.



Image Number: 24 Image Name: BR004_024 Description: View of kerb 2.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 21 of 42	
Road Number	-	Road Name	Forreston Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 25 Image Name: BR004_025 Description: View of moderate cracking and spalling on kerb on kerb 2.



Image Number: 26 Image Name: BR004_026 Description: Additional view of moderate cracking and spalling on kerb on kerb 2.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 22 of 42
Road Number	-	Road Name	Forreton Road - Gumeracha	Chainage (km)
Function	Road over waterway	Waterway	Unknown	
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type
				Programmed

Photograph and Sketches Record

L2/8



Image Number: 27 Image Name: BR004_027 Description: Additional view of moderate cracking and spalling on kerb on kerb 2.



Image Number: 28 Image Name: BR004_028 Description: Additional view of moderate cracking and spalling on kerb on kerb 2.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 23 of	42
Road Number	-	Road Name	Forrester Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 29 Image Name: BR004_029 Description: View of pourable joint seal 1.



Image Number: 30 Image Name: BR004_030 Description: View of hole left from former barrier post (300mm) deep on guardrail 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 24 of	42
Road Number	-	Road Name	Forrester Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 31 Image Name: BR004_031 Description: View of minor cracking on wearing surface on bridge approach 1.



Image Number: 32 Image Name: BR004_032 Description: View of longitudinal cracking on bridge approach 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 25 of	42
Road Number	-	Road Name	Forreton Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 33 Image Name: BR004_033 Description: View of tensioner and post not connected on terminal on guardrail 2.



Image Number: 34 Image Name: BR004_034 Description: View of abutment 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 26 of 42	
Road Number	-	Road Name	Forreton Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 35 Image Name: BR004_035 Description: View of vegetation encroaching component on retaining wall 1.



Image Number: 36 Image Name: BR004_036 Description: View of abutment 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 27 of 42	
Road Number	-	Road Name	Forreton Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 37 Image Name: BR004_037 Description: View of vegetation encroaching component on abutment 1.



Image Number: 38 Image Name: BR004_038 Description: View of efflorescence noted near column 4 on abutment 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 28 of 42	
Road Number	-	Road Name	Forreton Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 39 Image Name: BR004_039 Description: View of retaining wall 2.



Image Number: 40 Image Name: BR004_040 Description: View of vegetation encroaching componen on retaining wall 2.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 29 of 42	
Road Number	-	Road Name	Forreston Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 41 Image Name: BR004_041 Description: View of moisture staining throughout deck edges on deck slab 1.



Image Number: 42 Image Name: BR004_042 Description: Additional view of moisture staining throughout deck edges on deck slab 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 30 of	42
Road Number	-	Road Name	Forreston Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 43

Image Name: BR004_043

Description: Additional view of moisture staining throughout deck edges on deck slab 1.



Image Number: 44

Image Name: BR004_044

Description: Additional view of moisture staining throughout deck edges on deck slab 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 31 of 42	
Road Number	-	Road Name	Forrester Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 45 Image Name: BR004_045

Description: View of moderate spalling on girder 1 near join with column 1. Efflorescence noted at this location on open girders 1.



Image Number: 46 Image Name: BR004_046

Description: View of minor vertical cracking on girder 4 near column 2 (unit 4) on open girders 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 32 of	42
Road Number	-	Road Name	Forreton Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 47 Image Name: BR004_047 Description: View of cross bracing.



Image Number: 48 Image Name: BR004_048 Description: View of cross bracing.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 33 of 42	
Road Number	-	Road Name	Forreston Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 49 Image Name: BR004_049 Description: View of columns 1.



Image Number: 50 Image Name: BR004_050 Description: View of cross beams / floor beams 3.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 34 of 42
Road Number	-	Road Name	Forreston Road - Gumeracha	Chainage (km)
Function	Road over waterway	Waterway	Unknown	
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type
				Programmed

Photograph and Sketches Record

L2/8



Image Number: 51
/ floor beams 3.

Image Name: BR004_051

Description: View of minor diagonal cracking noted between girder 3 and girder 4 on cross beams



Image Number: 52
/ floor beams 3.

Image Name: BR004_052

Description: View of minor diagonal cracking noted between girder 1 and girder 2 on cross beams

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 35 of	42
Road Number	-	Road Name	Forrester Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 53 Image Name: BR004_053 Description: View of cross beams / floor beams 4.



Image Number: 54 Image Name: BR004_054 Description: View of columns 2.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 36 of 42	
Road Number	-	Road Name	Forreaston Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 55 Image Name: BR004_055 Description: View of severe cracking (up to 1.5 mm width) along column 4 on columns 2.



Image Number: 56 Image Name: BR004_056 Description: View of retaining wall 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 37 of 42
Road Number	-	Road Name	Forreton Road - Gumeracha	Chainage (km)
Function	Road over waterway	Waterway	Unknown	
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type
				Programmed

Photograph and Sketches Record

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Image Number: 57 Image Name: BR004_057
encroaching component on retaining wall 1.

Description: View of severe cracking throughout retaining wall. Overgrown vegetation



Image Number: 58 Image Name: BR004_058

Description: View of abutment 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 38 of 42	
Road Number	-	Road Name	Forrester Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

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Image Number: 59 Image Name: BR004_059 Description: View of moderate spalling throughout component. Moisture staining under girder 4 on abutment 1.



Image Number: 60 Image Name: BR004_060 Description: View of efflorescence above column 4 on abutment 1.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 39 of 42	
Road Number	-	Road Name	Forrestone Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

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Image Number: 61 Image Name: BR004_061 Description: View of moisture staining under girder 1 on abutment 1.



Image Number: 62 Image Name: BR004_062 Description: View of retaining wall 2.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 40 of 42	
Road Number	-	Road Name	Forreton Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

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Image Number: 63 Image Name: BR004_063 Description: View of typical cracking through masonry retaining wall on retaining wall 2.



Image Number: 64 Image Name: BR004_064 Description: View of vegetation encroaching retaining wall on retaining wall 2.

Structure ID	BR004	Structure Name	Hynes Bridge	Sheet	
Owner	Local Government Agency	Local Authority	Adelaide Hills Council	Page 41 of 42	
Road Number	-	Road Name	Forreton Road - Gumeracha	Chainage (km)	
Function	Road over waterway	Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana	Entered By	Malcolm Mak
Reviewed By	Hanson Ngo	Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 65 Image Name: BR004_065 Description: View of waterway 1.



Image Number: 66 Image Name: BR004_066 Description: Additional view of waterway 1.

Structure ID	BR004	Structure Name	Hynes Bridge			Sheet
Owner	Local Government Agency		Local Authority	Adelaide Hills Council		Page 42 of 42
Road Number	-	Road Name	Forreton Road - Gumeracha		Chainage (km)	
Function	Road over waterway		Waterway	Unknown		
Date Inspected	30/09/2020	Inspected By	Alex Aldana		Entered By	Malcolm Mak
Reviewed By	Hanson Ngo		Date Reviewed	16/11/2020	Inspection Type	Programmed

Photograph and Sketches Record

L2/8



Image Number: 67 Image Name: BR004_067 Description: View of vegetation obstructing waterway on left hand side on waterway 1.

Appendix 2

ARRB Bridge Condition Assessment – Level 3



YOUR NATIONAL
TRANSPORT RESEARCH
ORGANISATION

Adelaide Hills Council Level 3 Bridge Inspections Report

ARRB Project No.: 016404

AHC Ref No.: OFF155056

Author: Ario Nourfardi & Alex
Aldana

Prepared for: Adelaide Hills Council

13 May 2021

Version 1

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1. Introduction

1.1 Background

The Australian Road Research Board (ARRB) carried out level 2 bridge inspection for 47 structures across Adelaide Hills Council (AHC) region in 2020. Based on the site observations, ARRB recommended to undertake level 3 inspections for 3 of those structures to further investigate the condition of the structures' components and provide preventative solutions.

Level 2 inspections have been delivered separately. This report outlines the findings of the Level 3 inspections.

1.2 Objective

The primary objectives of the level 3 bridge inspection report were to:

- thoroughly investigate the condition of the structural and non-structural components considering the level 2 inspection condition ratings.
- assess the need for maintenance works and outline priorities
- provide detailed defect mapping illustrating the extent and severity of the defect
- produce general arrangement sketches of structures including dimensions
- examine whether inspected structures are safe for traffic access
- recommend alternative solutions to prevent defects from deterioration.

1.3 Scope

The activities that ARRB implemented during the site inspections are outlined in Table 1.1.

Table 1.1: Level 3 inspection scope

ID	Structure name	Level 3 scope
BR025	Aldgate Valley Road Bridge	<ul style="list-style-type: none">• Capture general view and detailed images from all structure components• Access defected concrete components (ladder) to examine spalling and delamination using sounding hammer• Defect mapping• Install anchor bolts to monitor relative movements around cracks• Measure the general arrangements of the structure• Assess moisture
BR072	Montacute Road Culvert	<ul style="list-style-type: none">• Capture general view and detailed images from all structure components• Access defected concrete components (ladder) to examine spalling and delamination using sounding hammer• Defect mapping• Install anchor bolts to monitor relative movements around cracks• Measure the general arrangements of the structure• Measure loss of backfill and section depth by placing gauge in cracks
TBC	Stradbroke Road	<ul style="list-style-type: none">• Capture general view and detailed images from all structure components• Access defected concrete components to examine spalling and delamination using sounding hammer• Defect mapping• Install anchor bolts to monitor relative movements around cracks• Measure the general arrangements of the structure• Measure corrosion extent in steel girders

1.4 Methodology

The 3 structures were investigated to collect the required information regarding their condition. The specific methodology used for each structure is described below.

1.4.1 BR025: Aldgate Valley Road Bridge

- Capturing detailed images of all structure components and defects.
- Measuring the structure components if necessary.
- Sounding with hammer to identify areas with crumbling, delamination, and scaling concrete.
- Assessing the condition of the exposed reinforcement.
- Crack mapping to record width and the location of cracks.

1.4.2 BR072: Montacute Road Culvert

- Capture detailed images of all structure components and defects.
- Site measurements of the structure if necessary.
- Sounding with hammer, assessing moisture, measuring loss of backfill around cracks, condition of rebars.
- Crack mapping to record width and the location of cracks.
- Scanning rebars to investigate rebar spacing and cover.
- Installation of crack bolts at selected locations.

1.4.3 TBC: Stradbroke Road Bridge

- Site measurements of the structure if necessary.
- Crack mapping to record width and the location of cracks.
- Installation of crack bolts at selected locations.
- Assessing the effects of defects to the structural performance and serviceability of the structure.

2. Level 3 Inspections

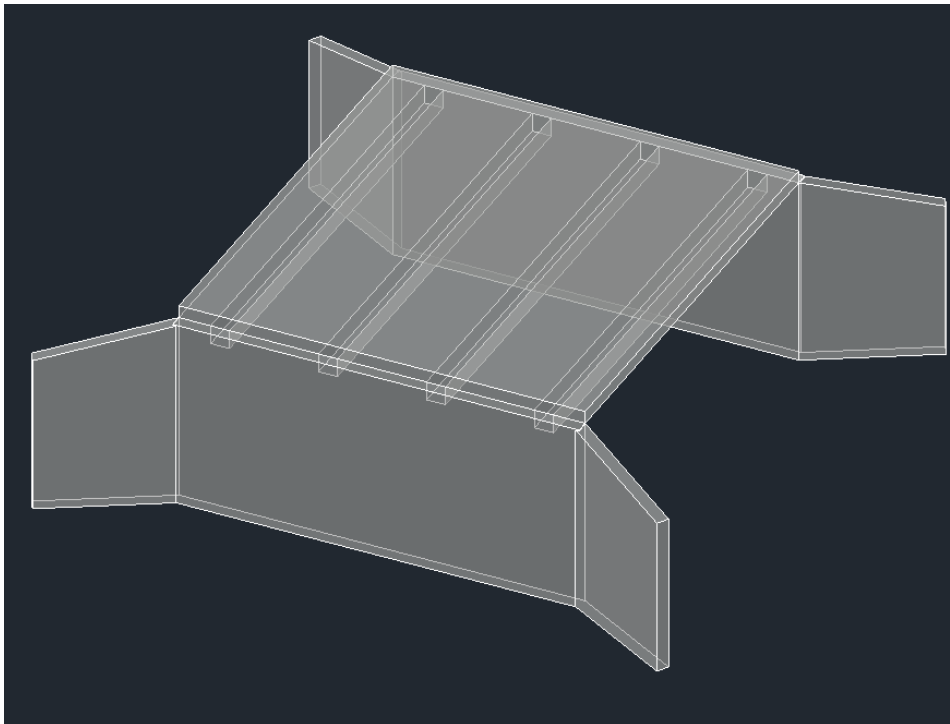
2.1 BR025 – Aldgate Valley Road Bridge

Aldgate Valley Road Bridge (BR025) is located at coordinates -35.036294, 138.75586, crossing an unknown waterway on Aldgate Valley Rd, Mylor, SA 5153. It is a single span bridge with span length of 7 m and overall width of 6.4 m, accommodating 2 traffic lanes. The superstructure type of this bridge is cast in situ integrated reinforced concrete beam and slab with 4 rectangular girders spaced at 1.7 m centre to centre. The substructure is composed of reinforced concrete abutments and wingwalls. The foundations of this bridge were not inspected due to being underground.

A Level 2 inspection was undertaken on 2 October 2020. The structure was in very poor condition (CS4) at that time due to severe cracking on both abutments and severe spalling on the underside of the deck and girders with exposed reinforcement.

Section 2.1.1 describes the major defects of the Aldgate Valley Road bridge and includes defect mapping illustrating the type, location and extent of each defect for deck and abutments. It also covers the installation of anchor bolts on abutment cracks for movement monitoring. Section 2.1.2 discusses possible intervention options.

Figure 2.1 Aldgate Valley Road Bridge 3D illustration



2.1.1 Observations

The major defects observed in the Aldgate Valley Road bridge were as follows:

- severe spalling with exposed reinforcement, scaling and delamination on the underside surface of the deck slab (Figure 2.2, Figure 2.3 and Figure 2.4,)
- spalling with exposed reinforcement, chipping and flexural cracks on the concrete girders (Figure 2.5 and Figure 2.6)
- severe vertical cracks on the abutments due to abutment 1 scouring and settlement (Figure 2.7 and Figure 2.8)
- severe abrasion and delamination on the outer surface right-hand side kerb (Figure 2.9)
- trapped moisture on the deck slab and girders (Figure 2.2)
- moderate horizontal crack on the right-hand side wing wall of abutment 1 (Figure 2.10 and Figure 2.11)

Figure 2.2 Abrasion, delamination and trapped moisture near end 2 of girder 4



Figure 2.3 Severe spalling and exposed reinforcement near end 1 of girder 4



Figure 2.4 Severe spalling and exposed reinforcement near end 2 of girder 1



Figure 2.5 Severe concrete chipping and exposed reinforcement on the right-hand side edge of girder 3, located at mid-span



Figure 2.6 Moderate flexural crack, 0.55 mm wide and located at mid-span of girder 2



Figure 2.7 Extreme 5 mm wide vertical crack on left-hand side of abutment 1



Figure 2.8 Moderate 0.7 mm wide vertical crack at right-hand side of abutment 1 (under girder 3) extending 2 m from the soffit



Figure 2.9 Abrasion and delamination on the outer face of the right-hand side kerb



Figure 2.10 Moderate 0.8 mm wide horizontal crack extending across wingwall 2 left-hand side



Figure 2.11 Moderate 0.4 mm wide horizontal crack extending across wingwall 1 right-hand side



Due to the severity of the vertical crack shown in Figure 2.6 and in an attempt to monitor any relevant movement of the left-hand side part of wingwall 1 to abutment 1 in the future, a pair of anchor bolts were installed on both sides of the crack, and their distances were measured and recorded as 125 mm (Figure 2.12). The primary cause of this crack was a combination of excessive earth pressure behind the wingwall and abutment scoring and settlement, which potentially led to rotational movement around the wingwall baseline.

Figure 2.12 Bolts spacing recorded as 125 mm



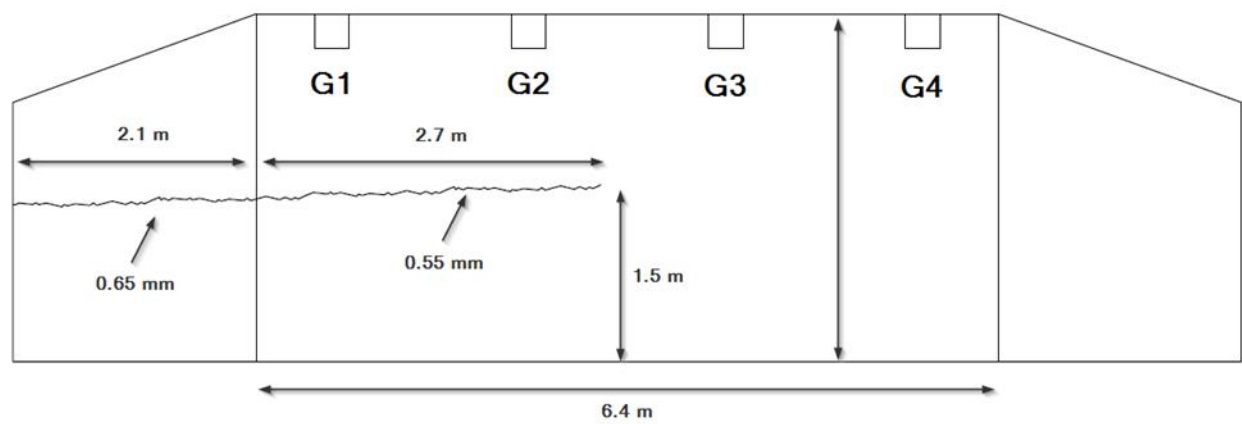
In order to determine the actual extent of the spalling (area of trapped moisture and depth of corrosion in reinforcement) a sounding hammer was applied, and loose delaminated concrete surfaces were removed (Figure 2.13). These defects had mostly occurred on deck slab 1 and 4, i.e. the outer slab of the side girders. Concentration of rainwater on the underside surface of the deck slabs and the rainwater's penetration into the concrete cover depth caused the reinforcement corrosion, which led to the expansion and local concrete burst. Moreover, not considering adequate concrete cover on the underside surface of the deck slabs contributed to this issue.

Figure 2.13 Example of before (left) and after (right) applying sounding hammer – located near end 2 of girder 1

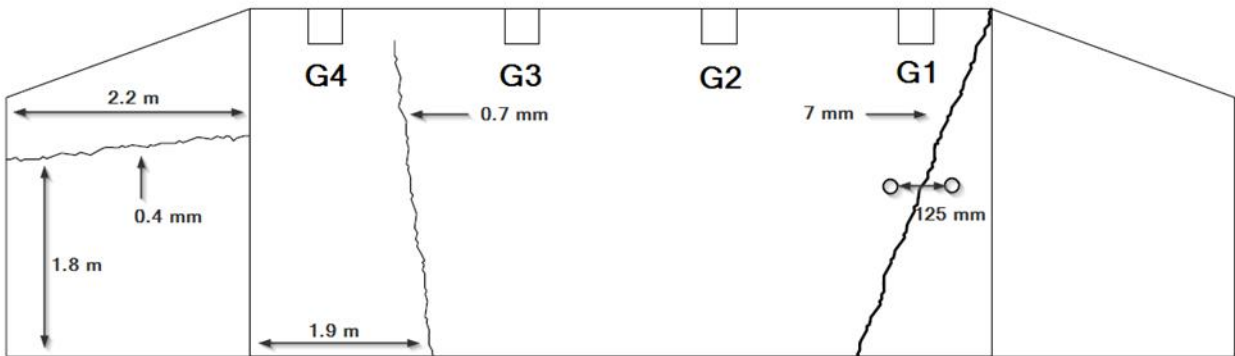


To further investigate the condition of defects, a defect map was prepared illustrating extent, dimension and location of each defect, for both abutments and the underside of the deck (Figure 2.14 and Figure 2.15).

Figure 2.14 Abutments elevation view – crack mapping

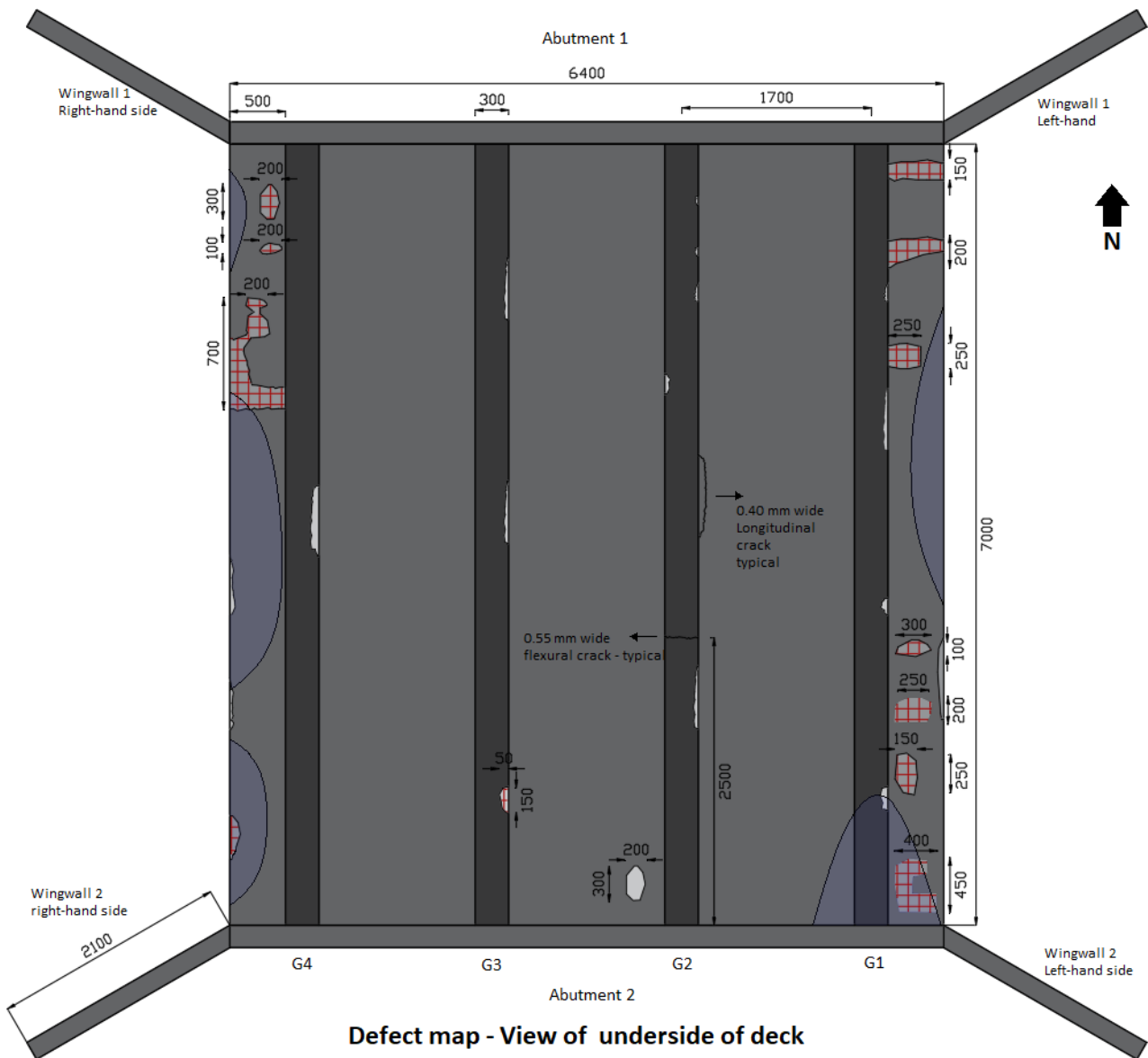


Abutment 2 Elevation View






Abutment 1 Elevation View

Figure 2.15 Defect mapping of underside of deck



Defect map - View of underside of deck

-  Severe concrete spalling and exposed reinforcement
-  Moderate concrete spalling and chipping
-  Trapped moisture area

Note 1 - All dimensions are in mm

Note 2 - Defect dimensions are only an approximation

2.1.2 Recommendations

Based on the on-site observations and considering the bridge components condition rating stated in the level 2 inspection, the following actions are recommended by ARRB.

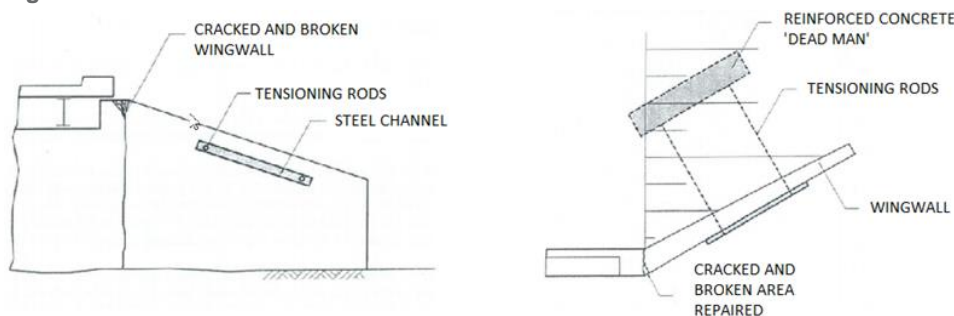
High priority

- Regular monitoring of the extent and depth of deficient concrete surfaces and recording defect developments at 6-monthly intervals.
- Regular monitoring of cracks and recording any development in crack widths and lengths at 6-monthly intervals. This includes monitoring the spacing of the installed anchor bolts mentioned in the previous section and recording any possible movement in each direction.
- Filling the major cracks described in the defect mapping and listed below with epoxy resin.
 - a) Vertical 125 mm crack (separation) on A1
 - b) Vertical 0.7 mm crack on A1
 - c) Horizontal 0.65 mm crack on left-hand side A2
 - d) Horizontal 0.55 mm crack on A2
 - e) 55 mm crack located at mid-span of G2
- Concrete patching of the surfaces with spalling and chipping. This prevents further development of concrete spalling and reinforcement corrosion. However, it should be noted that patch repair does not recover the capacity loss due to existing corrosion. (Cost: approximately \$2000)

Medium priority

- To prevent further development of the vertical crack on abutment 1 (Figure 2.7 and Figure 2.12), propping can be considered as a temporary solution. As a long-term solution, however, the wingwall can be restrained by tie rods as shown in Figure 2.16 below. In this case, the advice from a structural engineer should be sought with regards to the design of the tie rods and their termination, including the dead man.
(Cost: approximately \$5000)

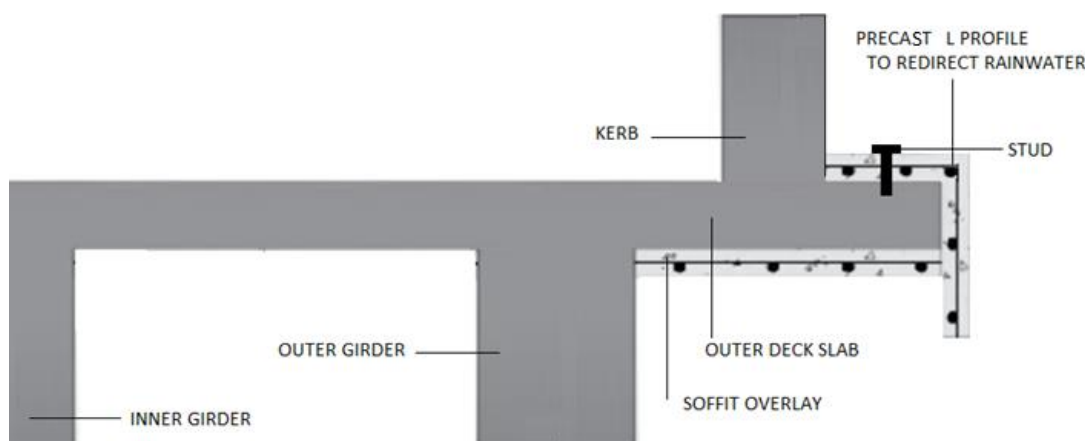
Figure 2.16 Tie rods installation



Low priority

- To prevent leakage and concentration of rainwater on the soffit of the outer deck slabs, L profiles can be installed on the edge of the deck slab to redirect rainwater (Figure 2.17). These precast L profiles can be installed to the deck slab surface by embedded studs. Also, as a repair solution for soffit spalling, the soffit overlay can be applied, which is more efficient in the long-term.
(Cost: approximately \$7000)

Figure 2.17 Soffit overlay and drainage



2.2 BR072 – Montacute Road Culvert

Montacute Road Culvert is located at coordinates -34.8930407982431, 138.73536, crossing an unknown waterway in Montacute Road, Montacute, SA 5153. It is a single span arch culvert with span length of 2.55 m, overall length and width of 3 m and 5.6 m, respectively. It carries 2 traffic lanes and has a box culvert widening on the right-hand side.

A level 2 inspection was undertaken on 1 October 2020. At the time of inspection, this structure was in very poor condition due to extreme extensive cracks along the arch and severe spalling on the soffit of the original structure (arch culvert) and the widening (box culvert).

Section 2.2.1 provides inspection observations and section 2.2.2 indicates general measurements and defect mapping. The recommends actions to monitor and prevent defects from deterioration is discussed in section 2.2.3.

2.2.1 Observations

The major defects observed in the Montacute Road Culvert were as outlined below:

- two extreme longitudinal cracks on the arch soffit, effectively dividing the section into 3 independently acting sections
- severe transversal crack extending between the 2 longitudinal cracks
- severe abrasion on the arch soffit causing exposed aggregates
- the absence of any structural reinforcement in the arch soffit
- heavy rainwater leakage caused by a wide gap between the original structure and the widening
- severe spalling and exposed reinforcement on the soffit of widening (box culvert).

As shown in Figure 2.18 and Figure 2.19, there are 2 severe longitudinal cracks extending the whole length of the arch soffit, located at approximately one third of the width of the arch from the edge. The primary cause of this type of crack is differential settlement within the abutment of the arch. The arch section is effectively divided into three independent rings, and flexibility of these rings has led to many transversal cracks extending between two longitudinal cracks at the arch crown. These transversal cracks are typical and measured from 0.6 mm to 6 mm wide. As a result of these longitudinal and transversal cracks, rainwater leakage has caused severe concrete abrasion and spalling on the soffit (Figure 2.20).

Figure 2.18 View of abutment 2



Figure 2.19 View of abutment 1



In the widening section of the structure, which is a box culvert, there are 3 severe spallings with exposed reinforcement. These spallings were mainly caused by rainwater leakage through the left-hand side edge of the structure as well as the gap between the original and widening structure. At the time of inspection, a sounding hammer was applied to remove the loose delaminated concrete and to determine the actual extent of spalling and reinforcement exposure. The 3 major spallings are shown in Figure 2.20, Figure 2.21 and Figure 2.22. Also, in Figure 2.21, the gap between the original and widening structures can be seen.

Figure 2.20 Spalling and exposed reinforcement on abutment 2 – box culvert section



Figure 2.21 Spalling and exposed reinforcement on soffit of box culvert section, near the centreline



Figure 2.22 Spalling and exposed reinforcement on soffit of box culvert section, near the left-hand side edge



2.2.2 Installation and Measurements

Since the cracked arch rings are highly flexible, they can be subject to relative movement, which must be closely monitored. To do this, a pair of anchor bolts were installed on each side of every crack on abutment 1 and abutment 2 at the time of inspection. The spacing between these anchor bolts was measured and recorded as shown in Figure 2.23, Figure 2.24, Figure 2.25 and Figure 2.26. Also, in Figure 2.27, the defect mapping of the entire soffit and abutments, including the arch and box culvert are indicated. It should be noted that typical and frequent transversal cracks have not been included in the defect mapping.

Figure 2.23 Installed anchorage bolts spacing, right-hand side of abutment 1 – 120 mm



Figure 2.24 Installed anchorage bolts spacing, left-hand side of abutment 1 – 102 mm



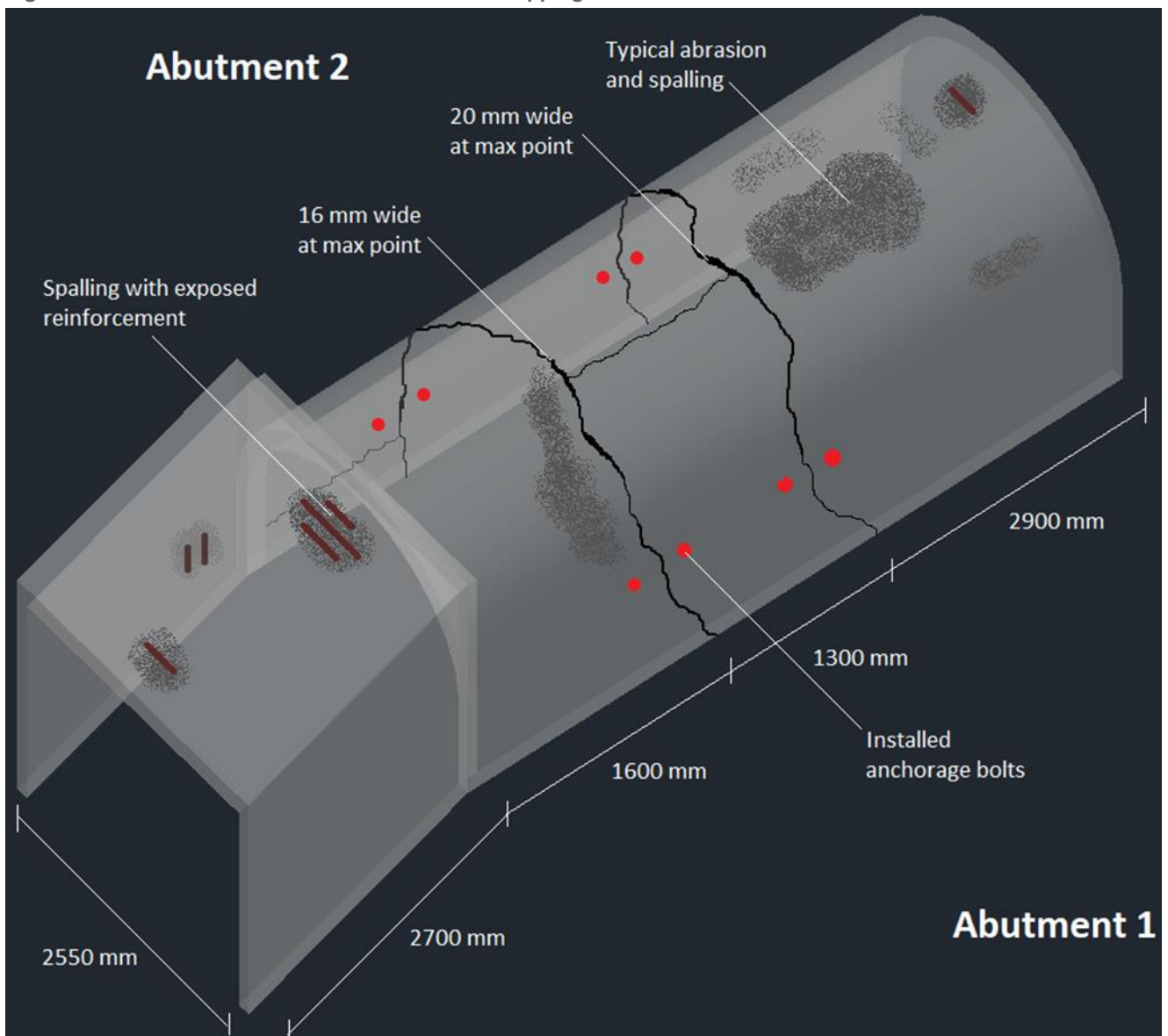
Figure 2.25 Installed anchorage bolts spacing, right-hand side of abutment 2 – 205 mm



Figure 2.26 Installed anchorage bolts spacing, left-hand side of abutment 2 – 90 mm



Figure 2.27 Arch culvert and box culvert defect mapping



Given the severity of the longitudinal cracks and the risk of relevant movement and rotations, it is important to ensure there is no significant loss of backfill behind the arch section. To do this, a measurement gauge was inserted through the crack at the inspection time to measure any existing gap behind the crack. However, no soft layer was penetrated by the measurement gauge and it was noted that the depth of the cracks had not developed to the entire concrete and mortar layer.

2.2.3 Recommendations

ARRB recommends the following:

High priority

- Monitor the width and depth of major cracks (horizontal movements and loss of backfill development) to determine if they are live and active. This includes monitoring the spacing of installed anchorage bolts regularly and recording any changes.
- Seal the gap between the original culvert (arch) and widening culvert (box) to prevent rainwater leakage.
- Repair the moderate cracks by injecting a low pressure silicone sealant.
- Regarding the severe cracks, the crack repair process should be followed as below:
 1. Removing the existing loose concrete and mortar.
 2. Cleaning with compressed air.
 3. Pressure injecting sand/cement/lime mortar mix into the cracks to ensure they are fully sealed and have achieved full bonding to the sides.

Medium priority

- An appropriate drainage system (as described in section 2.1.2) should be designed for the right- and left-hand side edges of the structure to redirect the rainwater and prevent rainwater leakage and concentration on the soffit. (cost to be calculated by consultant based on requirements)
- Considering very poor condition of the culvert and knowing that no reinforcement information was captured on the arch soffit using the rebar scanner, replacing the arch culvert with a new box culvert could be considered as a long-term solution. (cost to be calculated by consultant based on requirements)

2.3 TBC – Stradbroke Road Culvert

The Stradbroke Road culvert is located at coordinates -34.895313, 138.690743 on Stradbroke Road, Rostrevor, SA 5073. The structure is a single-span cast in situ concrete slab with steel girders. It has a span length of 4.2 m, overall length of 6.2 m and overall width of 11.6 m. This structure has cast in situ box culvert widening on the right-hand side and carries 2 traffic lanes.

The level 2 inspection was carried out on 1 October 2020. At the time of inspection, the structure was rated in very poor condition (CS4) due to severe cracking on the abutment walls and deck. It was also noted that separation of wingwall 1 left-hand side from abutment 1 was caused by the adjacent tree growth. Refer to level 2 inspection reports for details.

Section 2.3.1 aims to investigate the findings of the level 2 inspection and girders' condition in further detail. Also, anchor bolts were installed to monitor the crack developments and prevention options were examined.

2.3.1 Observations

During the inspection, it was found that all girders are severely corroded due to exposure to water current and moisture. The condition of every steel girder was checked separately, and it was noted that the section of 4 girders (girder 2, 3, 4 and 5 from the left-hand side) was severely split at the bottom flange and the mid-span. This is due to extreme corrosion and loss of effective section area. Figure 2.28 and Figure 2.29 indicate these typical sections splits.

Figure 2.28 Girder 2 corrosion and section split at mid-span



Figure 2.29 Girder 4 corrosion and section split at mid-span



2.3.2 Installation and Measurements

ARRB undertook on-site measurement of severe cracks located on both abutments (Figure 2.30 and Figure 2.31). As stated in the level 2 inspection report, the severe crack/separation located on the left-hand side of abutment 1 was caused by the adjacent tree growth. As a result, the left-hand side wingwall 1 is separated from the abutment 1 wall and rotated around its baseline (Figure 2.30). To be able to monitor the relevant movement of the wingwall and abutment 1, a pair of anchorage bolts were installed on each side of the gap at the time of inspection.

Similarly, a severe 4 mm wide crack was found on the left-hand side of abutment 2, extending across the full height of the abutment wall. This crack is located under girder 4 and is due to differential settlement along abutment 2. To be able to monitor any future relevant movements, a pair of anchorage bolts were installed on each side of the crack as shown in Figure 2.31. Also, the defect mapping of this structure is illustrated in Figure 2.32.

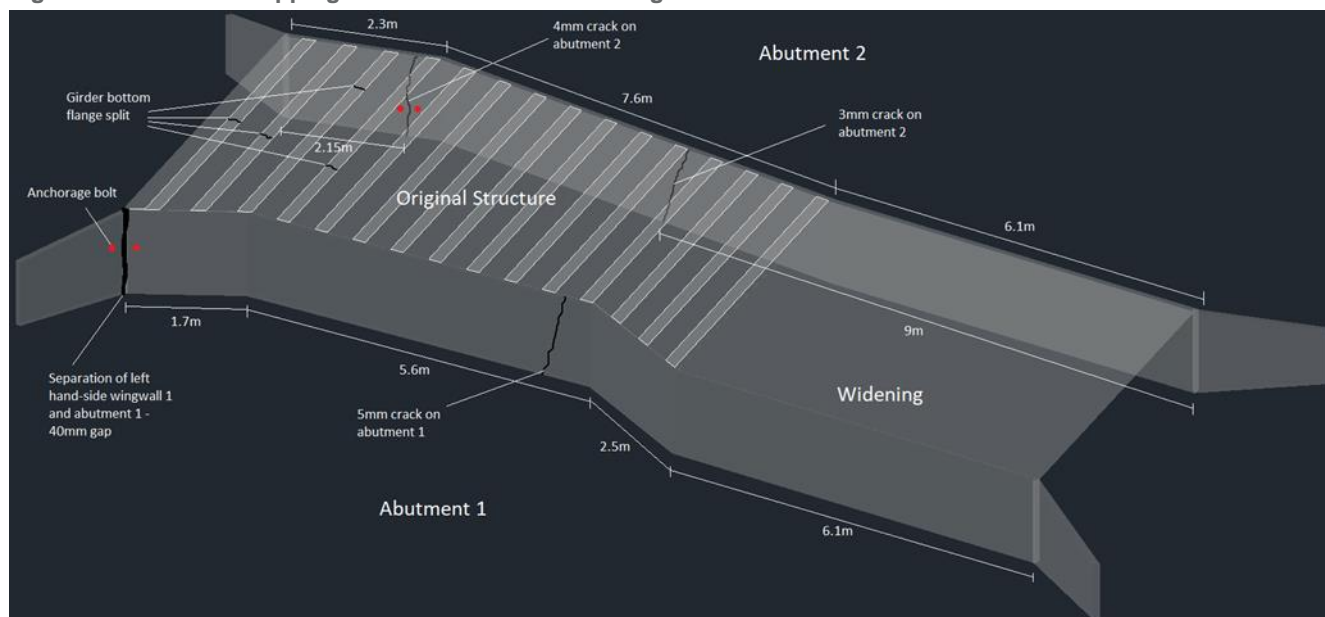
Figure 2.30 40 mm wide gap/separation between abutment 1 and wingwall 1 left-hand side – the spacing of anchorage bolts measured as 200 mm



Figure 2.31 4 mm wide crack on the left-hand side of abutment 2 – the spacing of anchorage bolts measured as 90 mm



Figure 2.32 Defect mapping of box culvert and widening



2.3.3 Recommendations

Based on the findings and observations, ARRB recommends the following.

High priority

- Monitor the width of the major cracks at 6-monthly intervals to determine if they are live and active. This includes monitoring the spacing of installed anchorage bolts regularly and recording any changes.
- Considering the extent of corrosion in the steel girders (>30%), it may be more cost-effective to undertake treatment of entire steel surfaces which includes removing the entire corroded layers and cleaning back to bright metal and applying protective epoxy resin on the bottom flange of the girders (cost to be calculated by consultant based on requirements).
- Given the full split in the mid-span of G1, G2, G3 and G4, an additional load assessment is to be carried out to ensure the structure performance under the relevant service load.

Medium priority

- Seal the typical vertical cracks on abutments by injecting a low pressure silicone sealant. In case of severely wide cracks, a mix of sand/cement/lime should be injected following air pressure cleaning and removal of loose concrete. (Cost: approximately \$2000)
- Restrain the left-hand side wingwall 1 by tie rods as described in the previous recommendations section and repair the gap between abutment 1 and the wingwall (Cost: approximately \$5000). If possible, investigate the option of removing the adjacent tree.

Low priority

- Regarding the girders with split bottom flange at mid-span, the option of installing a support bottom plate should be investigated (cost to be calculated by consultant based on requirements).

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Appendix 3

Draft Bridge Asset Management Plan



ASSET MANAGEMENT PLAN

Span and Culvert Bridges



Document Control		Asset Management Plan			
Document ID :					
Rev No	Date	Revision Details	Author	Reviewer	Approver
1	Aug 2021	Initial Draft	CM		
2					
3					
4					
5					
6					
7					
8					

The entity can choose either template to write/update their plan regardless of their level of asset management maturity and in some cases may even choose to use only the Executive Summary.

The illustrated content is suggested only and users should feel free to omit content as preferred (e.g. where info is not currently available).

This Asset Management Plan may be used as a supporting document to inform an overarching Strategic Asset Management Plan.

DISCLAIMER: This draft report has been prepared for educational purposes only as part of undertaking a Professional Certificate in Asset Management Planning. The data and conclusions have not been reviewed for accuracy nor endorsed or adopted by the organisation. DELETE if not Applicable

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1.0 EXECUTIVE SUMMARY

1.1 The Purpose of the Plan

This Asset Management Plan (AM Plan) details information about infrastructure assets with actions required to provide an agreed level of service in the most cost-effective manner while outlining associated risks. The plan defines the services to be provided, how the services are provided and what funds are required to provide over the 10 year planning period. The AM Plan will link to a Long-Term Financial Plan which typically considers a 10 year planning period.

1.2 Asset Description

This plan covers the infrastructure assets that provide Span and Culvert Bridges

Asset Category	Dimensions	Replacement Value
Span Bridges (Span longer than 6m)	Span Bridges – 27 Bridges Culvert Bridges – 20 Bridges	\$ 13,821,965
Culvert/Pipe Bridges (Span less than 6m)	Culvert – 44 Bridges Pipe – 6 Bridges	\$ 6,426,872
Totals		\$ 20,248,837

1.3 Levels of Service

The allocation in the planned budget in the Long Term Financial Plan is insufficient to continue providing existing services at current levels for the planning period.

The main service consequences of the Planned Budget are:

- Bridge fatigue will increase
- Likelihood of increased failures
- Bridge may require closing due to safety issues

1.4 Future Demand

The factors influencing future demand and the impacts they have on service delivery are created by:

- Minimal impact due to future demand as unpredictable increase in service not available

These demands will be approached using a combination of managing existing assets, upgrading existing assets and providing new assets to meet demand. Demand management practices may also include a combination of non-asset solutions, insuring against risks and managing failures.

- Increase in maintenance based on recent condition assessment
- Monitoring program to be implemented
- Heavy Vehicle routes and load limit on older structures

1.5 Lifecycle Management Plan

1.5.1 What does it Cost?

The forecast lifecycle costs necessary to provide the services covered by this AM Plan includes operation, maintenance, renewal, acquisition, and disposal of assets. Although the AM Plan may be prepared for a range of time periods, it typically informs a Long-Term Financial Planning period of 10 years. Therefore, a summary output from the AM Plan is the forecast of 10 year total outlays, which for the bridges is estimated as \$1,725,900 or \$172,590 on average per year.

1.6 Financial Summary

1.6.1 What we will do

Estimated available funding for the 10 year period is \$1,579,400 or \$157,940 on average per year as per the Planned Budget. This is 91.51% of the cost to sustain the current level of service at the lowest lifecycle cost.

The infrastructure reality is that only what is funded in the long-term financial plan can be provided. The Informed decision making depends on the AM Plan emphasising the consequences of Planned Budgets on the service levels provided and risks.

The anticipated Planned Budget for Span and Culvert Bridge Asset Group leaves a shortfall of \$14,650 on average per year of the forecast lifecycle costs required to provide services in the AM Plan compared with the Planned Budget currently included in the Long-Term Financial Plan. This is shown in the figure below.

The additional required funding is primarily driven by the maintenance that is required to not only clear a backlog of work but also requires allocating to ensure the bridges are safe, fit for purpose and the additional maintenance will prolong the life of the asset.

Forecast Lifecycle Costs and Planned Budgets

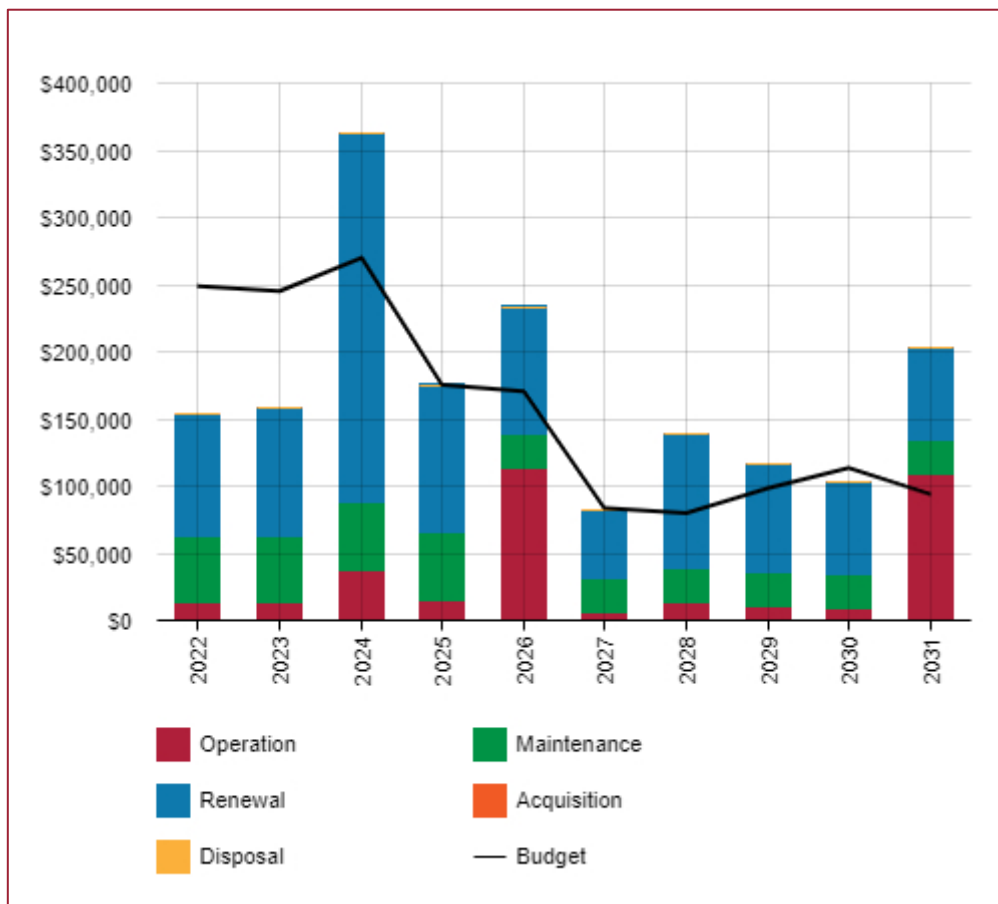


Figure Values are in current dollars.

We plan to provide Bridge and Culverts services for the following:

- Operation, maintenance, renewal and acquisition of the Span and Culvert/Pipe Bridges to meet service levels set by the annual budgets.
- Major repairs to Avenue Road Bridge, Aldgate Valley, Montacute Road and Stradbroke Road Bridges within the 10 year planning period.
- Increase maintenance dollars available to undertake identified? suggested routine maintenance
- Provide means to ensure Level 1 bridge inspections are undertaken at regular intervals

What we cannot do

We currently do **not** allocate enough budget to sustain these services at the proposed standard or to provide all new services being sought. Works and services that cannot be provided under present funding levels are:

- Undertake backlog of maintenance items identified in the ARRB level 2 span bridge condition assessment undertaken in 2020
- Monitor all suggested items identified in the ARRB level 2 span bridge condition assessment undertaken in 2020
- Provide internal resources to condition assess bridge assets

Our present budget levels are insufficient to continue to manage risks in the medium term.

The main risk consequences are:

- Bridge failure
- Bridge component failure – eg; safety rail/barrier, pipe or culvert collapse, deck failure (potholing, severe cracking)
- Bridge closure

We will endeavour to manage these risks within available funding by:

- Provide resources to review suggested monitor items
- Provide resources to undertake level 1 bridge condition assessments at regular intervals

1.7 Asset Management Planning Practices

Our systems to manage assets include:

- Open Office Finesse
- Confirm Enterprise Asset Management System

Assets requiring renewal are identified from either the asset register or an alternative method.

- The timing of capital renewals based on the asset register is applied by adding the useful life to the year of acquisition or year of last renewal,
- Alternatively, an estimate of renewal lifecycle costs is projected from external condition modelling systems and may be supplemented with, or based on, expert knowledge.

The Alternate Method was used to forecast the renewal life cycle costs for this asset management plan.

This AM Plan is based on two levels of confidence information.

Span Bridges (2020 Condition Assessment ARRB) – High level of Confidence

Culvert Bridges – Intermittent audits - Low level of Confidence

1.8 Monitoring and Improvement Program

The next steps resulting from this AM Plan to improve asset management practices are:

- Implement process for monitoring defects from 2020 condition assessment
- Undertake Level 1 condition assessment on 50 culvert bridges within the AHC network and resource the role either internally or externally
- Rebuild existing culvert bridge asset class within the Confirm Asset System Database

2.0 Introduction

2.1 Background

The Adelaide Hills Council delivers services to our residents, visitors and businesses that support the distinctive culture, creativity and accessibility of our community and region, and the bridges provide a functionality that support the existing transportation assets on sealed and unsealed roads. The asset class is a high risk asset class and it is appropriate that they are serviceable to continue delivering associated services to the community.

This asset management plan communicates the actions required for the responsive management of these assets and services, compliance with regulatory requirements, and funding needed to provide the levels of service over a 10-year planning period, and the value of these assets is approximately \$20.2 million.

The Span and Culvert/ Pipe Bridges asset management plan is a projection of the likely future funding requirements over the next 10 years, considering the state of our current assets, the community values and outcomes contained in the Strategic Plan 2020 – 2024. The document is not a detailed budget, but a key strategic document that informs the Long Term Financial Plan and hence the financial sustainability of Council over the long term.

The asset management plan is to be read with the Adelaide Hills Council planning documents. This should include the Asset Management Policy and developed along with other key planning documents:

- Adelaide Hills Council 2020-2024 Strategic Plan
- Adelaide Hills Council 2021-2022 Annual Business Plan
- Adelaide Hills Council 2021-2022 Long Term Financial Plan

The asset management plan outlines the responsibilities and management of assets to maximise their value to deliver the services to the community and to meet our obligations under the Local Government Act 1999 in preparation of asset management plans.

Throughout this journey we review the lifecycle of our assets, develop renewal strategies and analyse risks through condition audits, customer feedback, forecasting and integration into existing strategic documents to provide confidence that the community's asset base is sustainably funded and allows for minor or major challenges across the network. Minor impacts recently have included changes in operations for the Cuddle Creek Bushfire and also adaptation in providing services through the Covid-19 phase.

The asset management plan is to be reviewed on a regular basis and provides the detail for services levels, and the levels of funding that drive the renewal strategies for Adelaide Hills Councils Bridge network.

The AMP is a projection of the likely future funding requirements over the next 10 years, considering the age and state of the current assets, the community values and outcomes contained in the Strategic Plan 2020 – 2024. The document is not a detailed budget, but a key strategic document that informs the Long Term Financial Plan and hence the financial sustainability of Council over the long term.

Our Bridges: What do we own, and how healthy are they?

Councils bridge network is split into two categories, this comprising of span bridges which are the larger bridges which span greater than 6 metres, this covers the major structures from large overpasses, Avenue Road – spans the main rail line to Melbourne), major culvert bridges with multiple culverts covering large spans, and narrow road bridges (Onkaparinga Road, Verdun) that is one way but has multiple components. There are a total of 47 span bridges, broken into 27 major bridges, and 20 culvert bridges.

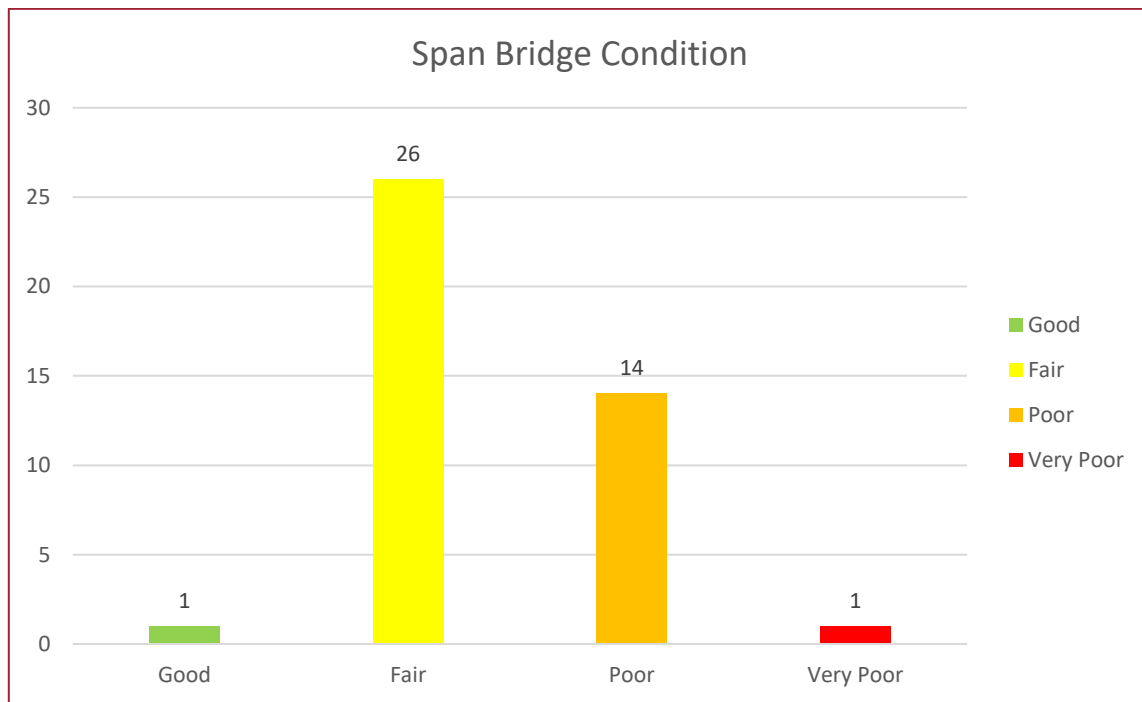


Onkaparinga Road – Verdun Span Bridge

The span bridges have recently been condition assessed by ARRB (Australian Road Research Board) who develop the condition assessment criteria for Australia wide, and have recently constructed a schema that captures all the major components of the bridge into a robust format for its age, condition and value.

The age profile is spread out from 60 through to over 100 years and some construction from primarily stone has been in its location for over 100 years, though key components have been replaced. The span bridges are a robust asset but are a potential high risk asset due to their nature.

The current value of the span bridges is at a replacement cost of \$20.1 million in today's dollars.



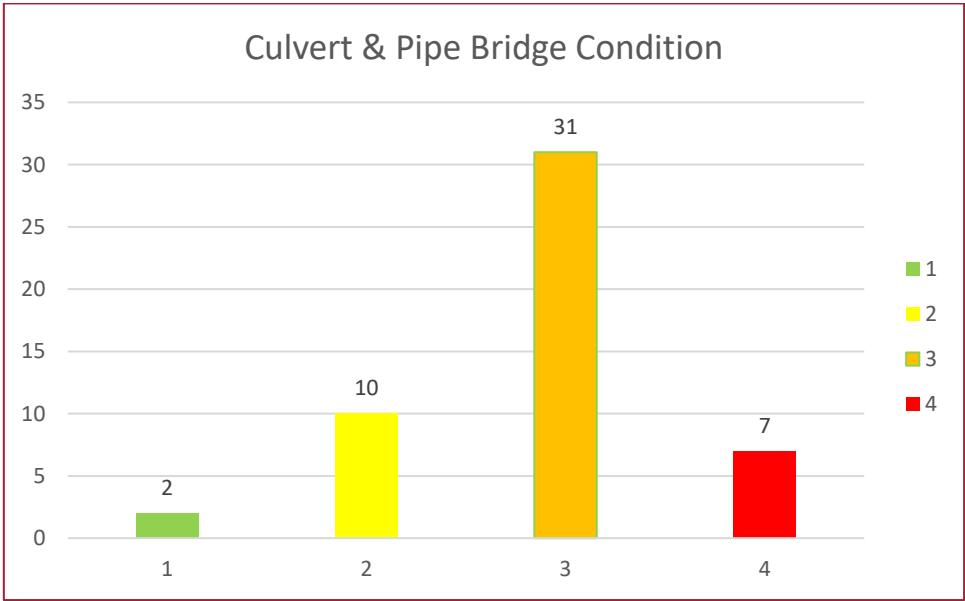
Span Bridge Condition Profile

The culvert class of bridges is made up of a combination of large culverts or medium to large pipes and are generally spread out across the rural network across creek catchments. Several assets have a combination of culvert and pipe where the capacity has been increased in-situ.



Martin Road Pipe Bridge - Oakbank

The Culvert and Pipe Bridge asset condition profile is not been updated since 2010 so the confidence in the condition is low and the likelihood of these being condition assessed as part of the improvement plan will provide greater insight into these assets. The basis of the valuation for this class is similar to the stormwater assets as they primarily use pipes or culverts and the additional decks/railing/headwalls are factored into provide an indicative replacement cost. The current value of these bridges is \$6.4 million.

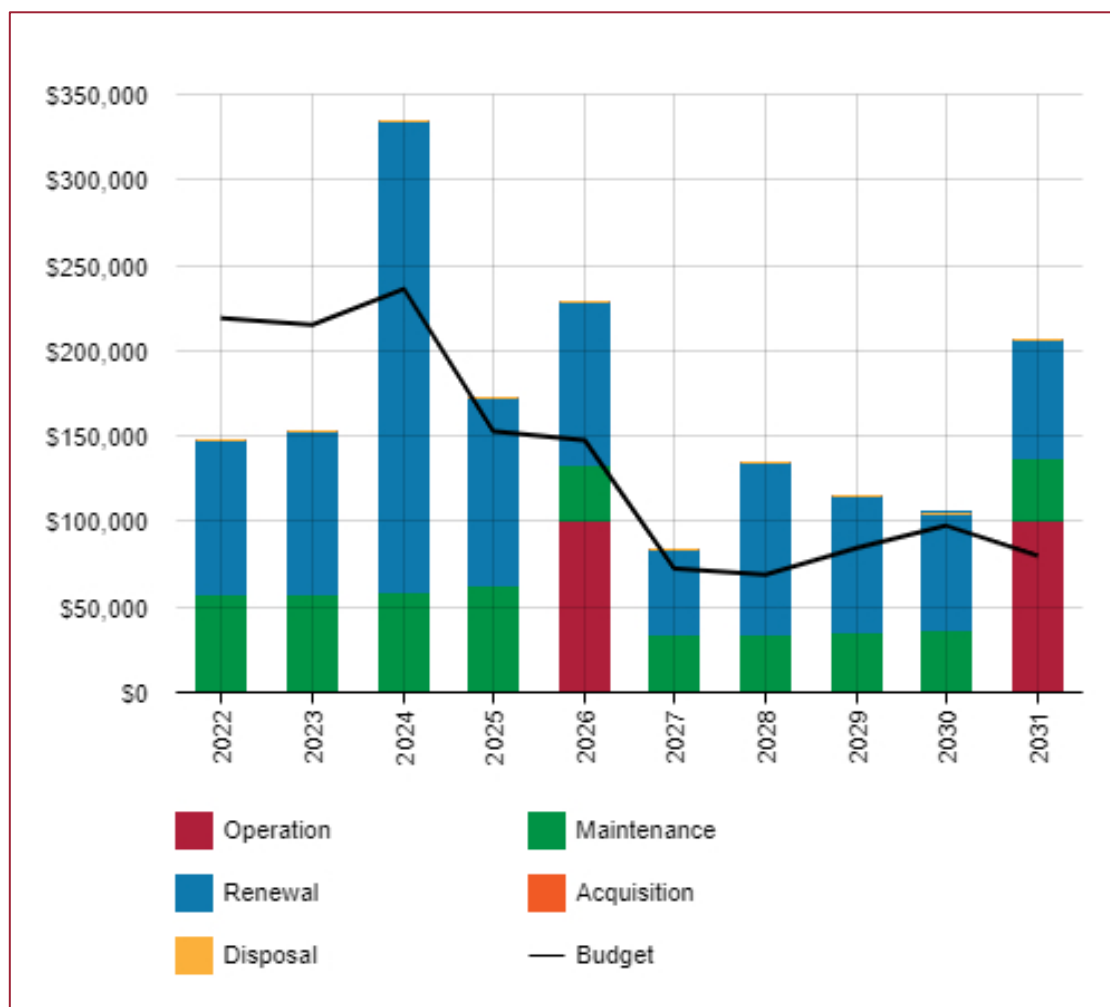


Culvert/Pipe Bridge Condition Profile

Forecast spending and wrap up.

The bridge asset class existing/current budget is insufficient to provide the services and safety that is currently planned across the life of this plan. The lifecycle graph below indicates an increase in maintenance spending which is currently unfunded to approximately \$55k (2022-2025) per year to undertake the suggested maintenance across the span bridges from the recent condition assessment. This figure may increase if the same approach is applied to the culvert/pipe bridges is explored.

The long term projection based on the recent 2020 condition assessment of the span bridges has highlighted a requirement for increased spending from 2030 through to 2040 as approximately 10 bridges and or their components are nearing the end of their life. The current forecast spend for the Adelaide Hills Council 2021-2031 is approximately \$150,000 (renewal and maintenance) per year for the life of this 10 year plan for renewal. The likely trend is upwards for the second 10 year period from 2030 onwards at a projected \$330k.



Key Takeaways

- Renewals – Reduced funding compared to Long Term Financial Projections for the 10 year period, but this is expected to increase from 2030.
- Maintenance – Funding for bridge maintenance has been minimal and based on reactive requirements. Condition assessment has highlighted a required increase to approx. \$55k per year for the first 5 years to ensure all identified high and medium priority maintenance are undertaken.

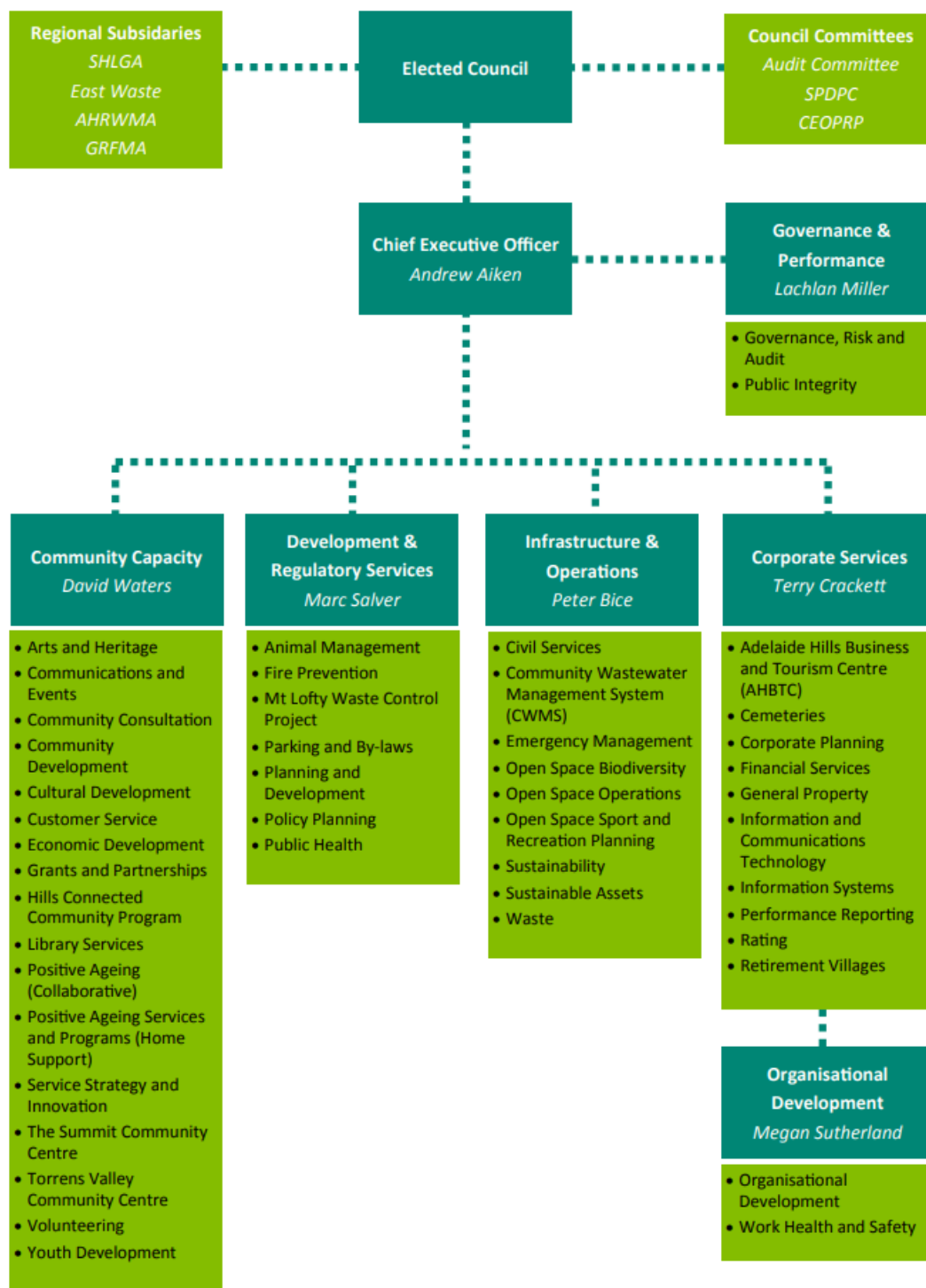
- Additional processes required to ensure Level 1 audits across bridge structures are undertaken on a yearly/bi-annual basis.
- Condition assessment required across the 50 culvert/pipe bridges still servicing the community, internal resources being trained to undertake these inspections.

Other references

Table 2.1: Key Stakeholders in the AM Plan

Key Stakeholder	Role in Asset Management Plan
Councillors	<ul style="list-style-type: none"> ■ Represent needs of community/shareholders, ■ Establish the strategic vision and budget ■ Allocate resources to meet the organisation's objectives in providing services while managing risks, ■ Ensure organisation is financial sustainable.
CEO/Directors	<ul style="list-style-type: none"> ■ Implement the strategic vision and budget set out by the elected Council ■ Establish the operational vision and policy ■ Oversee delivery of services
Infrastructure and Operation Directorate/ Strategic Assets	<ul style="list-style-type: none"> ■ Development of delivery of the Span and Culvert/ Pipe Bridge Asset Management Plan through the Infrastructure & Operations Directorate
Community	<ul style="list-style-type: none"> ■ Service levels through consultation, representation and expectation and the customer request system.

Our organisational structure for service delivery from infrastructure assets is detailed below,



2.2 Goals and Objectives of Asset Ownership

Our goal for managing infrastructure assets is to meet the defined level of service (as amended from time to time) in the most cost effective manner for present and future consumers. The key elements of infrastructure asset management are:

- Providing a defined level of service and monitoring performance,
- Managing the impact of growth through demand management and infrastructure investment,
- Taking a lifecycle approach to developing cost-effective management strategies for the long-term that meet the defined level of service,

- Identifying, assessing and appropriately controlling risks, and
- Linking to a Long-Term Financial Plan which identifies required, affordable forecast costs and how it will be allocated.

Key elements of the planning framework are

- Levels of service – specifies the services and levels of service to be provided,
- Risk Management,
- Future demand – how this will impact on future service delivery and how this is to be met,
- Lifecycle management – how to manage its existing and future assets to provide defined levels of service,
- Financial summary – what funds are required to provide the defined services,
- Asset management practices – how we manage provision of the services,
- Monitoring – how the plan will be monitored to ensure objectives are met,
- Asset management improvement plan – how we increase asset management maturity.

Other references to the benefits, fundamentals principles and objectives of asset management are:

- International Infrastructure Management Manual 2015 ¹
- ISO 55000²

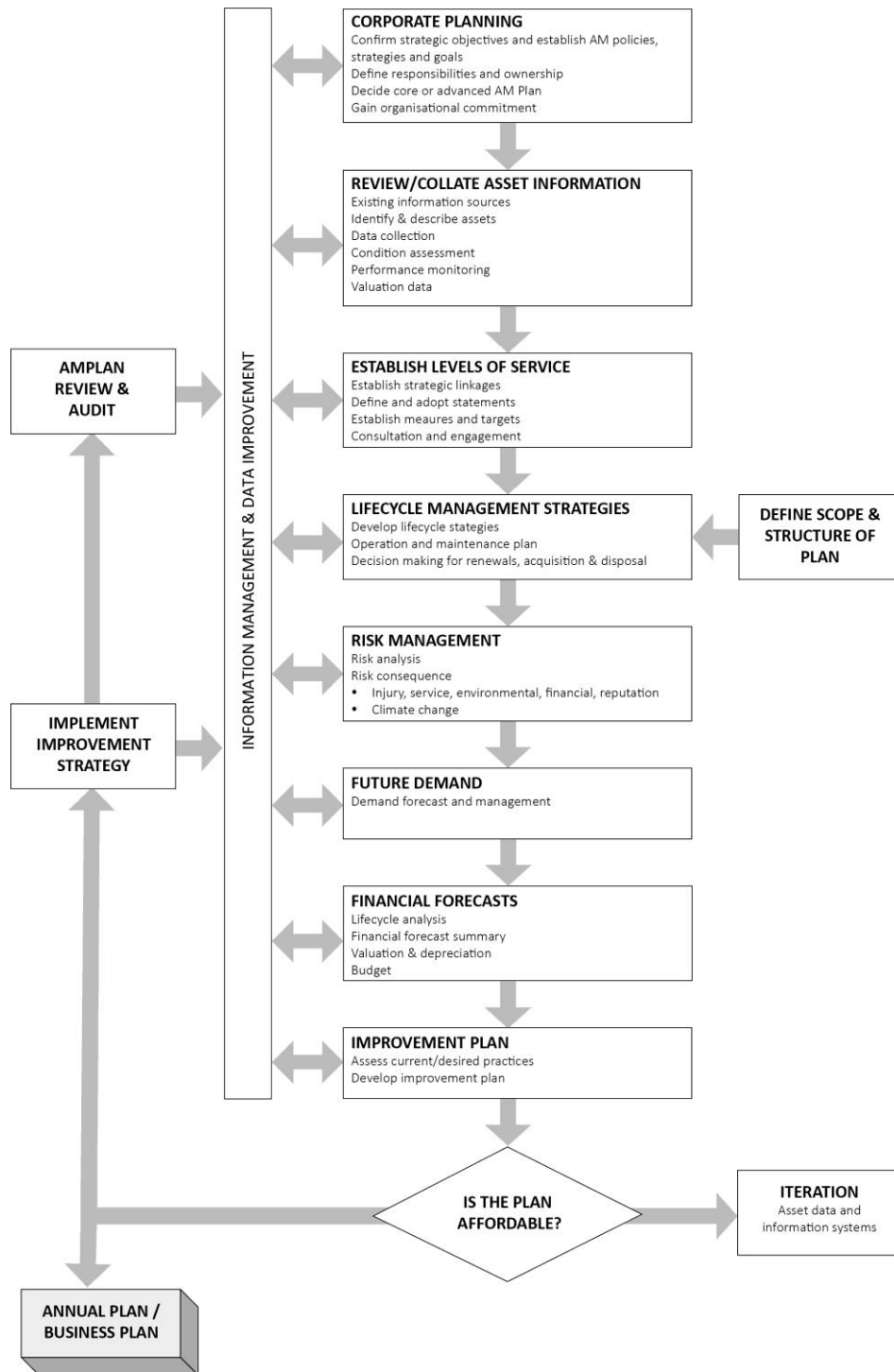
A road map for preparing an AM Plan is shown below.

Road Map for preparing an Asset Management Plan

Source: IPWEA, 2006, IIMM, Fig 1.5.1, p 1.11

¹ Based on IPWEA 2015 IIMM, Sec 2.1.3, p 2 | 13

² ISO 55000 Overview, principles and terminology



3.0 LEVELS OF SERVICE

3.1 Customer Research and Expectations

This AM Plan is prepared to facilitate consultation prior to adoption of levels of service by the Adelaide Hills Council. Future revisions of the AM Plan will incorporate customer consultation on service levels and costs of providing the service. This will assist the Adelaide Hills Council and stakeholders in matching the level of service required, service risks and consequences with the customer's ability and willingness to pay for the service.

We currently have no research on customer expectations. Requests from the Customer Request System are not categorised and are not available, but professional judgement indicates the volume would be extremely low. The majority of requests are either sealing/potholing issues or additional footbridge/pedestrian access across span bridges.

3.2 Strategic and Corporate Goals

This asset management plan is prepared under the direction of the Adelaide Hills Council vision, mission, goals and objectives.

Our goal is:

A functional built environment.

- Consider external influences in our long term asset management and adaptation planning
- Sustainable management of our built assets ensures a safe, functional and well serviced community

Strategic goals have been set by the Adelaide Hills Council. The relevant goals and objectives and how these are addressed in this asset management plan are summarised in Table 3.2.

Table 3.2: Goals and how these are addressed in this Plan

Goal	Objective	How Goal and Objectives are addressed in the AM Plan
A functional BUILT ENVIRONMENT	B4 - Sustainable management of our built assets ensures a safe, functional and well serviced community	Asset Management Planning is a key part of the long term planning to ensure that the bridge asset remain safe, functional and appropriately maintained.
A functional BUILT ENVIRONMENT	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	Providing funding and fit for purpose assets that are well serviced and responsive to the changing needs of the community.

3.3 Legislative Requirements

There are many legislative requirements relating to the management of assets. Legislative requirements that impact the delivery of the Roads, Footpath and Kerb service are outlined in Table 3.3.

Table 3.3: Legislative Requirements

Legislation	Requirement
Local Government Act (1999)	Sets out the role, responsibilities and powers of local governments including the preparation of long term financial plan supported by infrastructure and asset management plans for sustainable service delivery
Road Traffic Act (1961)	The act provides legislative requirements on the use of roads by vehicles and other road users.
Australian Road Rules	Requirements for users of the roads to obey
Australian Standards	Various standards that provide guidance and specifications for the management of transport assets
Native Vegetation Act (1991)	Management of the roadside will require an understanding of this act.
Australian Accounting Standards	Sets out the requirements to sustainably protect the environment during both the construction and life of the asset.

3.4 Customer Values

Service levels are defined in three ways, customer values, customer levels of service and technical levels of service.

Customer Values indicate:

- what aspects of the service is important to the customer,
- whether they see value in what is currently provided and
- the likely trend over time based on the current budget provision

Table 3.4: Customer Values

Service Objective:			
Customer Values	Customer Satisfaction Measure	Current Feedback	Expected Trend Based on Planned Budget
Safe and Traversable Bridges	Customer Surveys & Complaints	Minimal complaints received	Increase in minor/major safety issues unless maintenance increased
Bridge accessible	Customer Surveys & Complaints	Minimal complaints	Bridge closures may be required unless funding for minor/major repairs.
Pedestrian Access	Customer Complaints	3-5 Requests per year requesting additional capacity across bridges for pedestrians	No change to service but incorporated review into bridge renewals where service can be supplied/warranted

3.5 Customer Levels of Service

The Customer Levels of Service are considered in terms of:

Condition How good is the service ... what is the condition or quality of the service?

Function Is it suitable for its intended purpose Is it the right service?

Capacity/Use Is the service over or under used ... do we need more or less of these assets?

In Table 3.5 under each of the service measures types (Condition, Function, Capacity/Use) there is a summary of the performance measure being used, the current performance, and the expected performance based on the current budget allocation.

These are measures of fact related to the service delivery outcome (e.g. number of occasions when service is not available or proportion of replacement value by condition %'s) to provide a balance in comparison to the customer perception that may be more subjective.

Table 3.5: Customer Level of Service Measures

Type of Measure	Level of Service	Performance Measure	Current Performance	Expected Trend Based on Planned Budget
Condition	Condition of Bridges	Undertake condition assessments at regular intervals	Span Bridges Condition – Number Good – 1 Fair – 26 Poor – 14 Very Poor - 1 Culvert Bridges Good – 2 Fair – 10 Poor – 31 Very Poor - 7	Span Bridges – In the short term the span bridges require increased investment to ensure the risk level is acceptable. Culvert Bridges – The condition on the span bridges is due for re-assessment to provide a detailed review of the required maintenance and renewals
	Confidence levels		Span Bridges High – Condition Assessment 2020 Culvert Bridges Medium to Low Level 1 Inspections undertaken in 2018	Span Bridges Increase in the budget based on the condition assessment Culvert Bridges Increase required based on outcomes from span bridges likely to be similar impact for culvert bridges
Function	Measure of the asset is appropriate for its intended use.	Bridge Hierarchy or Type	Breakdown of current hierarchy Split in to Span Bridges/Large Culverts that by definition are functional for their intended use.	Minor impact on the planned budget as the majority of the bridges within the network are functional and are intended for the use they currently provide
	Confidence levels		Span Bridges - High Recent Condition Assessment collection size and spans Culvert Bridges High to Medium	Span Bridges High – No functional requirements highlighted from recent audit so minimal impact on how span bridges function. Culvert Bridges Medium based on the culvert bridges are appropriate and function under current conditions.

Capacity	Whether the capacity of the assets are sufficient	Appropriate size to minimise impact to the service, or measure the failure of existing structure due to capacity issue.	No measure undertaken but in general the closure of a bridge due to flooding (under capacity) is during significant rainfall events impacting customers for minimal times throughout the year.	Aging structures identified for renewal are considered for capacity at the time. Minimal impact on the budget due to capacity across the network.
	Confidence levels		Medium Medium (Professional judgement supported by data sampling)	Medium Medium (Professional judgement supported by data sampling)

3.6 Technical Levels of Service

Technical Levels of Service – To deliver the customer values, and impact the achieved Customer Levels of Service, are operational or technical measures of performance. These technical measures relate to the activities and allocation of resources to best achieve the desired customer outcomes and demonstrate effective performance.

Technical service measures are linked to the activities and annual budgets covering:

- **Acquisition** – the activities to provide a higher level of service (e.g. widening a road, sealing an unsealed road, replacing a pipeline with a larger size) or a new service that did not exist previously (e.g. a new library).
- **Operation** – the regular activities to provide services (e.g. opening hours, cleansing, mowing grass, energy, inspections, etc).
- **Maintenance** – the activities necessary to retain an asset as near as practicable to an appropriate service condition. Maintenance activities enable an asset to provide service for its planned life (e.g. road patching, unsealed road grading, building and structure repairs),
- **Renewal** – the activities that return the service capability of an asset up to that which it had originally provided (e.g. road resurfacing and pavement reconstruction, pipeline replacement and building component replacement),

Service and asset managers plan, implement and control technical service levels to influence the service outcomes.³

Table 3.6 shows the activities expected to be provided under the current 10 year Planned Budget allocation, and the Forecast activity requirements being recommended in this AM Plan.

Table 3.6: Technical Levels of Service

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
TECHNICAL LEVELS OF SERVICE				

³ IPWEA, 2015, IIMM, p 2 | 28.

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
Acquisition	New or Gifted assets fit for purpose	Condition assessed at time of acquisition	No planned maintenance for early life cycle	Ensure appropriate resources are supported operationally to derive asset condition at acquisition. No planned acquisitions or gifted assets identified.
		Budget	\$0	\$0
Operation	Project Management Support in Delivering Bridge Renewals	Bridge renewed or component at optimal time	Internal project management costs linked to renewals (Between 13-15%) \$206,000 10 Year Planning Period	Funding mechanism controlled outside AMP and operational costs will be aligned with the renewal spend \$143,000 10 Year Planning Period
	Bridge Audit	Condition Assessment Years 2025 & 2030	Not Funded	\$200k for the 10 year planning period.
		Budget	\$206,000	\$143k - 10 Yr Planning period – Project Management Costs (Separately Funded) \$200k – Two Bridge Condition Assessments – 10 Yr Planning Period.
Maintenance	Maintain Bridges	100 bridges across the network	Minimal based prior to bridge condition assessment	Funding required for Span & Culvert Bridges based on 2020 Condition and Maintenance Priorities \$49,000k Per Year from 2022-2025 \$24,000k Per Year from 2026-2031 Reduction based on clearance of maintenance priorities.
		Budget	\$1,000	\$49,000 Per Year (2022-2025) \$24,000 Per Year (2026-2031)

Lifecycle Activity	Purpose of Activity	Activity Measure	Current Performance*	Recommended Performance **
Renewal	Renew bridge/and/or components when required to ensure bridge fit for purpose and minimal risk	Condition Assessment Based	Span Bridges – Comprehensive list of renewal components identified from condition assessment	Span Bridges - Planned expenditure based on condition assessments conducted
			Culvert Bridges – Condition Assessment required to establish renewal baseline	Culvert Bridges- Indicative spending based on 2020 Span Bridge condition assessment and planning.
		Budget	\$1,490,000 Ten Year Period	\$1,033,000 Ten Year Period
Disposal	Bridges	Planned disposals	Nil	No disposals planned
		Budget	\$0	\$0

Note: * Current activities related to Planned Budget.

** Expected performance related to forecast lifecycle costs.

*** The forecast amount has been reduced after the condition assessment of 2020 which highlighted several bridges in a state of disrepair. These have been attended to before the life of this plan, thus reducing the overall spend.

It is important to monitor the service levels regularly as circumstances can and do change. Current performance is based on existing resource provision and work efficiencies. It is acknowledged changing circumstances such as technology and customer priorities will change over time.

4.0 FUTURE DEMAND

4.1 Demand Drivers

Drivers affecting demand include things such as population change, regulations, changes in demographics, seasonal factors, vehicle ownership rates, consumer preferences and expectations, technological changes, economic factors, agricultural practices, environmental awareness, etc.

4.2 Demand Forecasts

The present position and projections for demand drivers that may impact future service delivery and use of assets have been identified and documented.

4.3 Demand Impact and Demand Management Plan

The impact of demand drivers that may affect future service delivery and use of assets are shown in Table 4.3.

Demand for new services will be managed through a combination of managing existing assets, upgrading of existing assets and providing new assets to meet demand and demand management. Demand management practices can include non-asset solutions, insuring against risks and managing failures.

Opportunities identified to date for demand management are shown in Table 4.3. Further opportunities will be developed in future revisions of this AM Plan.

Table 4.3: Demand Management Plan

Demand driver	Current position	Projection	Impact on services	Demand Management Plan
Nil	No demands identified			

4.4 Asset Programs to meet Demand

The new assets required to meet demand may be acquired, donated or constructed. Additional assets are discussed in Section 5.4.

Acquiring new assets will commit the Bridges 21/22 to ongoing operations, maintenance and renewal costs for the period that the service provided from the assets is required. These future costs are identified and considered in developing forecasts of future operations, maintenance and renewal costs for inclusion in the long-term financial plan (Refer to Section 5).

4.5 Climate Change Adaptation

The impacts of climate change may have a significant impact on the assets we manage and the services they provide. In the context of the Asset Management Planning process climate change can be considered as both a future demand and a risk.

How climate change impacts on assets will vary depending on the location and the type of services provided, as will the way in which we respond and manage those impacts.⁴

As a minimum we consider how to manage our existing assets given potential climate change impacts for our region.

Risk and opportunities identified to date are shown in Table 4.5.1

⁴ IPWEA Practice Note 12.1 Climate Change Impacts on the Useful Life of Infrastructure

Table 4.5.1 Managing the Impact of Climate Change on Assets and Services

Climate Change Description	Projected Change	Potential Impact on Assets and Services	Management
Storm Intensity	More extreme weather events	Potentially more localised flooding	Ensure process in place to manage capacity, fit for purpose and increased maintenance to ensure vegetation is removed.

Additionally, the way in which we construct new assets should recognise that there is opportunity to build in resilience to climate change impacts. Building resilience can have the following benefits:

- Assets will withstand the impacts of climate change;
- Services can be sustained; and
- Assets that can endure may potentially lower the lifecycle cost and reduce their carbon footprint

Table 4.5.2 summarises some asset climate change resilience opportunities.

Table 4.5.2 Building Asset Resilience to Climate Change

New Asset Description	Climate Change impact These assets?	Build Resilience in New Works
Asset Design	Fit for purpose	Building resilience into assets at design will increase the asset life based on climate impacts, and also lower which comes at an increased cost.

The impact of climate change on assets is a new and complex discussion and further opportunities will be developed in future revisions of this AM Plan.

5.0 LIFECYCLE MANAGEMENT PLAN

The lifecycle management plan details how the Bridges 21/22 plans to manage and operate the assets at the agreed levels of service (Refer to Section 3) while managing life cycle costs.

5.1 Background Data

5.1.1 Physical parameters

The assets covered by this AM Plan are shown in Table 5.1.1.

Span and Culvert Bridges

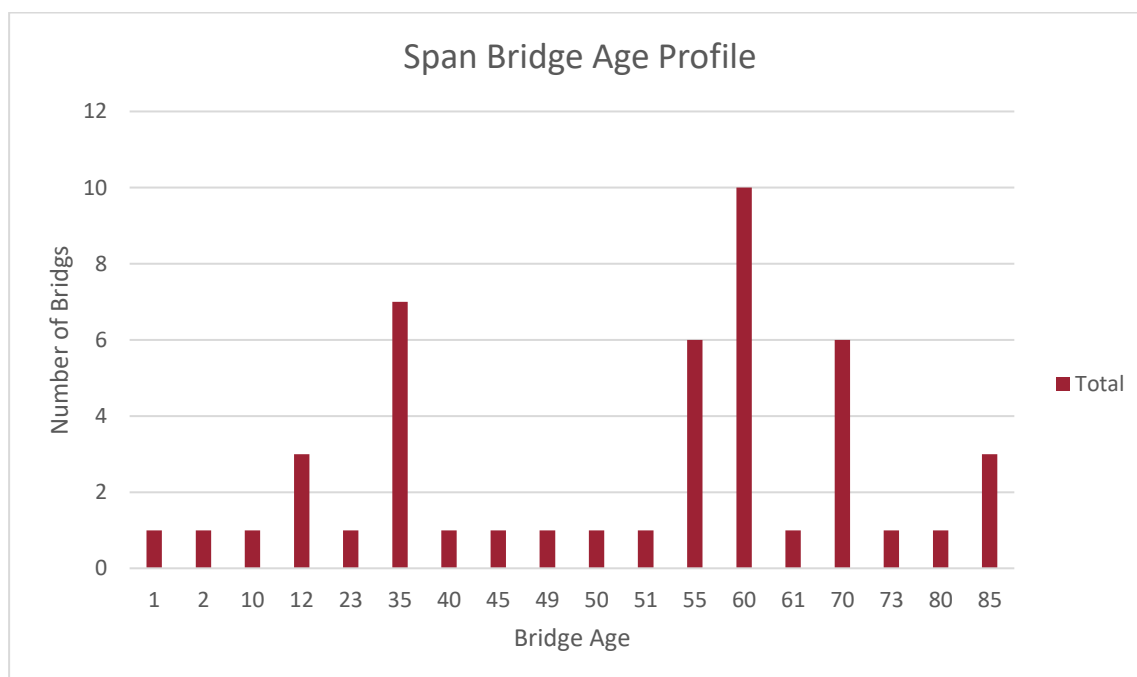
The age profile of the assets included in this AM Plan are shown in Figure 5.1.1.

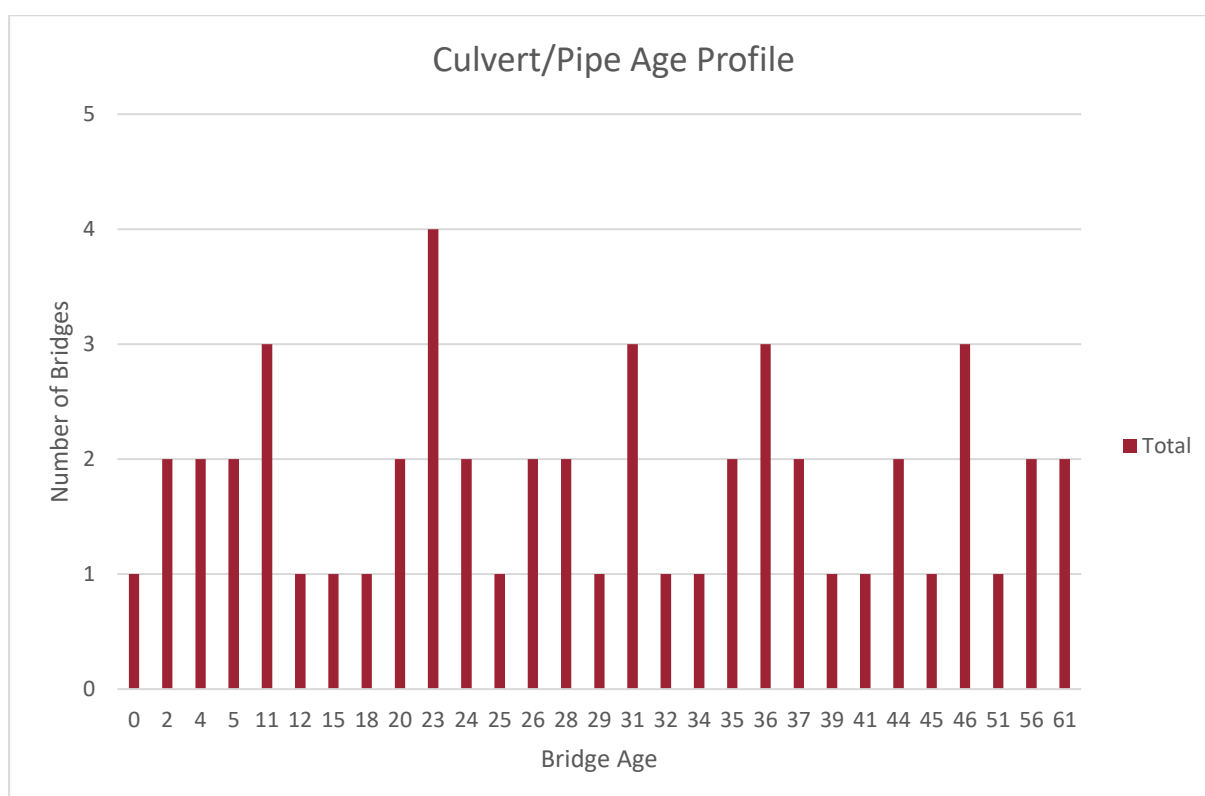
Table 5.1.1: Assets covered by this Plan

Asset Category	Dimensions	Replacement Value
Span Bridges (Span longer than 6m)	Span Bridges – 27 Bridges Culvert Bridges – 20 Bridges	\$ 13,821,965
Culvert Bridges (Span less than 6m)	Culvert – 44 Bridges Pipe – 6 Bridges	\$ 6,426,872
Totals		\$ 20,248,837

All figure values are shown in current day dollars.

Add discussion about the age asset profile. Outline how past peaks of investment that may require peaks in renewals in the future. Comment on the overall age versus useful lives of the assets.





Adelaide Hills Council has a portfolio of span and culvert bridges that whilst aging have had regular audits and provisioned funds to replace components. The componentised nature can often misrepresent the condition/age profile of the bridge. Construction may indicate the bridge is 70 years old but renewals throughout its life has ensured the main structural components are replaced to ensure safe passage, this can often skew the age of the structure. Similar to a house that is 60 years old that is re-clad or re-roofed it is old but the key components each with their own lifecycle have been replaced when due.

The age or the remaining useful life of the span bridges for the 10 year life of this plan indicates that of the 5 bridges across the network that are considered end of life, 3 have been identified for partial renewal, 1 has been completely reconstructed since the time of the audit and the remaining are flagged for minor/major work across this plan. This has reduced the overall funding required for the ten year period.

The forward projections beyond the 20 year period indicates 10 bridges ending or nearing their useful life, at an indicative cost of \$2.5 to \$3 million over the 10 years between 2030 to 2040 so an increased spend has been identified across these years.

5.1.2 Asset capacity and performance

Assets are generally provided to meet design standards where these are available. However, there is insufficient resources to address all known deficiencies. Locations where deficiencies in service performance are known are detailed in Table 5.1.2.

Table 5.1.2: Known Service Performance Deficiencies

Location	Service Deficiency
Span Bridges	Minimal funding currently allocated for maintenance, and minimal maintenance being undertaken.
Culvert Bridges	Data collection and condition assessment required

Span and Culvert Bridges	Level 1 bridge assessments required, currently not resourced or funded

The above service deficiencies were identified from professional judgement, internal processes and asset condition assessments.

Condition is currently monitored for Span Bridges every 10 years, with a Level 1 planned annually (Not funded)

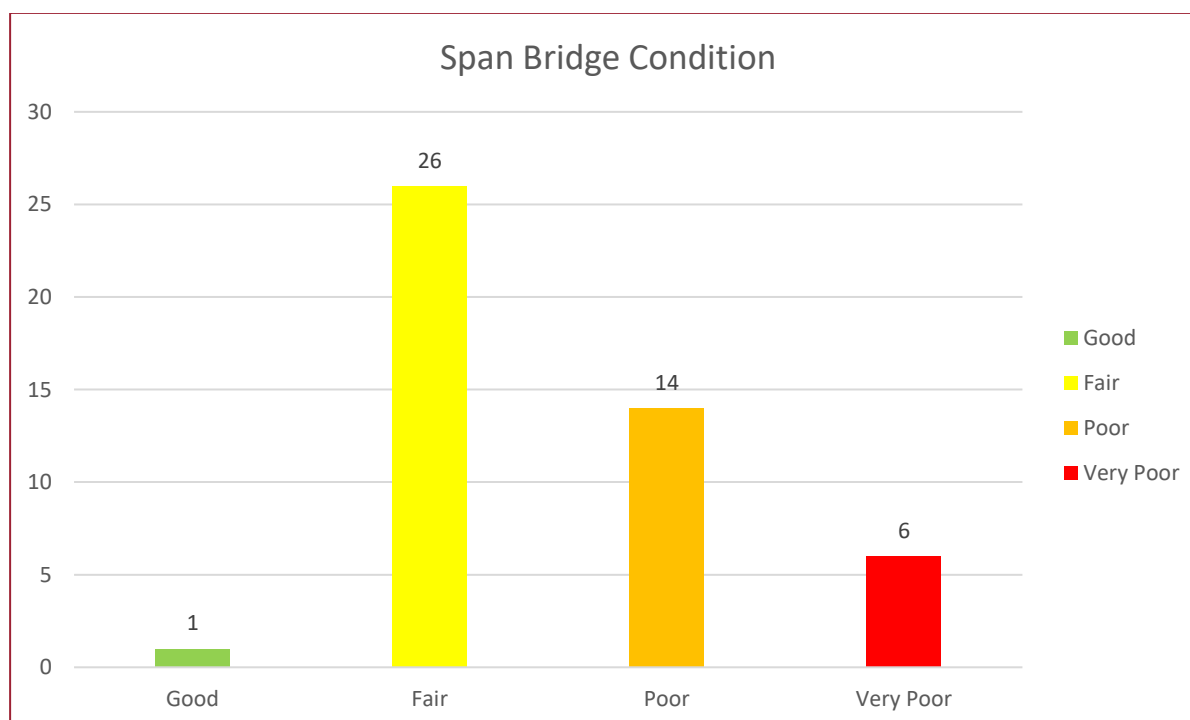
Condition is measured using a 1 – 5 grading system⁵ as detailed in Table 5.1.3. It is important that a consistent approach is used in reporting asset performance enabling effective decision support. A finer grading system may be used at a more specific level, however, for reporting in the AM plan results are translated to a 1 – 5 grading scale for ease of communication.

Table 5.1.3: Condition Grading System

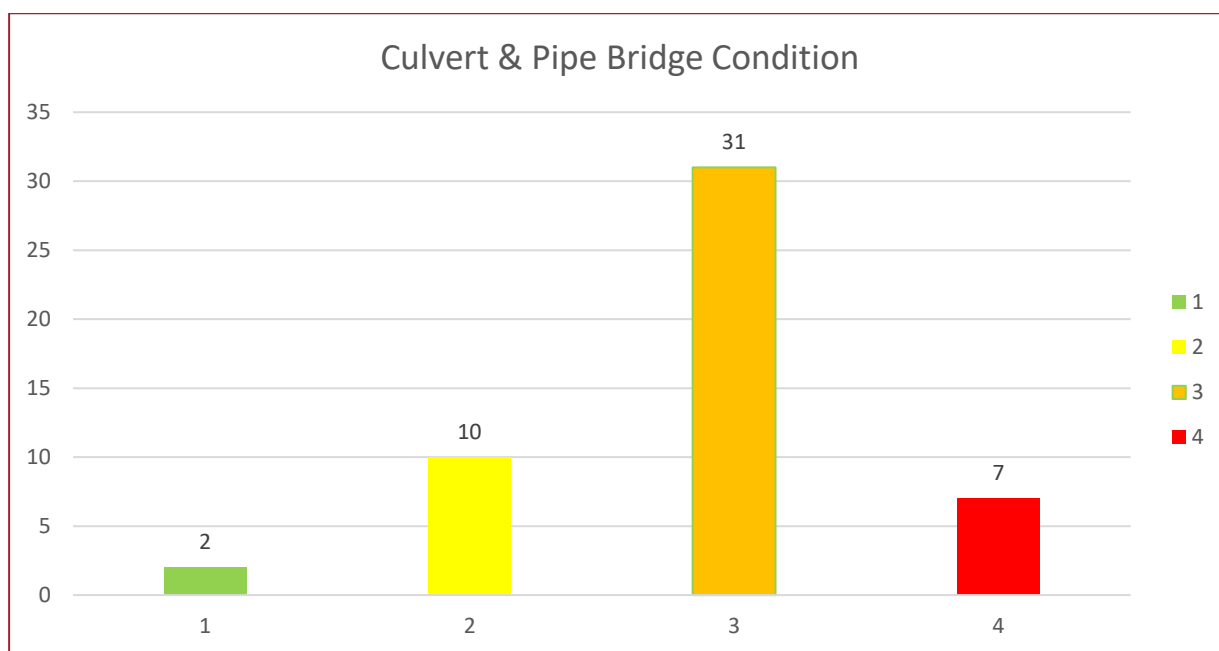
Condition Grading	Description of Condition
1	Very Good: free of defects, only planned and/or routine maintenance required
2	Good: minor defects, increasing maintenance required plus planned maintenance
3	Fair: defects requiring regular and/or significant maintenance to reinstate service
4	Poor: significant defects, higher order cost intervention likely
5	Very Poor: physically unsound and/or beyond rehabilitation, immediate action required

The condition profile of our assets is shown in Figure 5.1.3.

Figure 5.1.3: Asset Condition Profile



⁵ IPWEA, 2015, IIMM, Sec 2.5.4, p 2 | 80.



Bridge Conditions that have been assessed highlight that the span bridge portfolio is reasonably healthy, and the bridges within the very poor range have either been recently refurbished or are planned as part of the newly formulated renewal plans. The span bridge is generally a long lived asset, but the components identified for renewal will be prevalent in the future 20 plus year period as the majority heads towards the end of its useful life.

The culvert portfolio is usually a low value, lower risk item with less components and complexity and the upcoming condition audit process will reset the condition to a realistic 2021-22 level of detail for planning purposes.

All figure values are shown in current day dollars.

5.2 Operations and Maintenance Plan

Operations include regular activities to provide services. Examples of typical operational activities include cleaning, street sweeping, asset inspection, and utility costs.

Maintenance includes all actions necessary for retaining an asset as near as practicable to an appropriate service condition including regular ongoing day-to-day work necessary to keep assets operating. Examples of typical maintenance activities include pipe repairs, asphalt patching, and equipment repairs.

The trend in maintenance budgets are shown in Table 5.2.1.

Table 5.2.1: Maintenance Budget Trends

Year	Maintenance Budget \$
2021/2022	\$1,000
2022/2023	\$49,000 (Projected)
2023/2024	\$49,000 (Projected)

Maintenance budget levels are considered to be inadequate to meet projected service levels, which may be less than or equal to current service levels. Where maintenance budget allocations are such that they will

result in a lesser level of service, the service consequences and service risks have been identified and are highlighted in this AM Plan and service risks considered in the Infrastructure Risk Management Plan.

Assessment and priority of reactive maintenance is undertaken by staff using experience and judgement.

Asset Hierarchy

An asset hierarchy provides a framework for structuring data in an information system to assist in collection of data, reporting information and making decisions. The hierarchy includes the asset class and component used for asset planning and financial reporting and service level hierarchy used for service planning and delivery.

The hierarchy for the range of bridges is intrinsically linked to the road hierarchy that has been established in the Transport Asset Management Plan, and the bridges will be serviced based on location, volume and traffic and the risk is linked to the number of vehicles using the bridge.

The service hierarchy is shown in Table 5.2.2.

Table 5.2.2: Asset Service Hierarchy

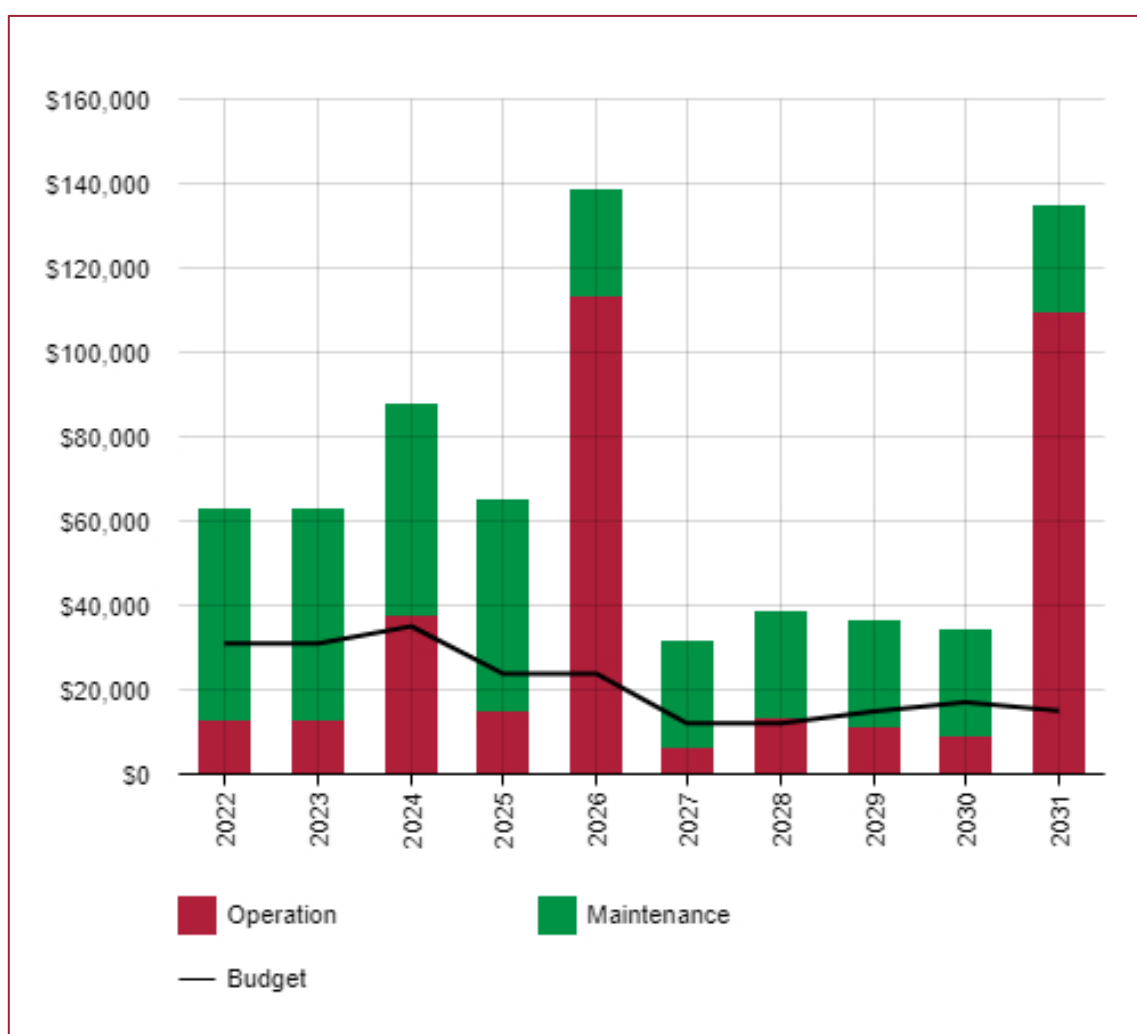
Service Hierarchy		Service Level Objective
Bridges	Urban Distributor	Urban Distributor Roads are roads that link suburbs, towns or areas that provide a direct link through a town or area or act as a bypass route around a town or urban area.
	Urban Collector	Urban Collector roads collect traffic from suburban areas and channel traffic directly to town centres or major points of activity. They may also link suburbs or towns directly to distributor roads. Urban Collector roads are appropriate for heavy vehicle traffic but B-Double and heavy transport movements are generally restricted.
	Urban Local	Urban Local roads carry low traffic volumes and provide access within an urban area or town and should not be thoroughfares and should be designed with traffic calming features to discourage through traffic and high speed traffic.
	Rural Distributor	Rural Distributors are roads that directly link rural areas and/or towns. They are bitumen sealed and carry large medium to volumes of traffic and are designed as freight routes.
	Rural Collector	Rural Collector roads collect traffic from rural areas and channel traffic to rural towns or to Rural Distributor roads. Rural Collector roads are suitable for heavy vehicles and farm machinery and are generally bitumen sealed but may be unsealed.
	Rural Local	Rural Local roads have low traffic volumes and link rural properties and

		areas to Rural Distributor and Rural Collector roads. Rural Local roads are generally unsealed and require a regular grading or maintenance program, unsealed roads policy derives the criteria for upgrading these to seal.
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Summary of forecast operations and maintenance costs

Forecast operations and maintenance costs are expected to vary in relation to the total value of the asset stock. If additional assets are acquired, the future operations and maintenance costs are forecast to increase. If assets are disposed of the forecast operation and maintenance costs are expected to decrease. Figure 5.2 shows the forecast operations and maintenance costs relative to the proposed operations and maintenance Planned Budget.

Figure 5.2: Operations and Maintenance Summary



Operational Spikes are Bridge Condition Assessments – 2026 & 2031

All figure values are shown in current day dollars.

Based the 2020 Span Bridges condition assessment a large volume of maintenance and monitoring has been identified across the bridge network, including spalling, concrete & seal cracking/patching, vegetation removal and safety barrier/railing that requires maintenance.

Acknowledging this maintenance can will provide a prolonged bridge life if undertaken, the aim of delivering the maintenance backlog is to sync with the renewals also identified to create packages of work. Eg; bundling all the safety barrier or vegetation work, and the smaller maintenance items attached to the larger renewals to be undertaken with other bodies of work.

The indicative costs provided throughout the condition assessment have been utilised with an additional on cost to cover site costs and traffic management. The figure for maintenance for the span bridges is approximately \$40k per year, equating to around 3% of the total value of the span bridges (IPWEA guidelines suggest 5% as best practice). This figure has been extended to the culvert/pipe bridges at an estimated value of \$15k per year, bringing the total planned budget figure to \$55k for the first 5 years of the plan and reduced to \$30-50k once additional condition assessments are undertaken.

Maintenance items identified from 2020 Condition Assessment for Span Bridges.

Maintenance Type	Urgent	High	Medium	Low	Grand Total
Deck drainage		1	6		7
Avenue Road Bridge		1			1
Euston Road Bridge			1		1
Old Mount Barker Road			1		1
Onkaparinga Road			1		1
Oval Road Culvert			1		1
Spoehr Road Bridge			1		1
Tiers Road Culvert			1		1
Guardrail/barrier maintenance		2	14	3	19
Avenue Road Bridge			1		1
Burns Road			1		1
Carey Gully Road Bridge			1		1
Checker Hill Road Culvert			1		1
Euston Road Bridge				1	1
Hynes Bridge			1		1
Kemp Road Bridge			1		1
Knotts Hill Road Bridge 1			1		1
Lower Hermitage Road Bridge			1		1
Merchants Road Bridge		1			1
Milan Terrace Bridge			1		1
Nicholls Road Culvert			1		1
Onkaparinga Road			1		1
Pfeiffer Road Bridge				1	1
Sires Road East Culvert			1		1
Spoehr Road Bridge				1	1
Stradbroke Road			1		1
Swamp Road Bridge			1		1
Watts Gully Road Bridge		1			1
Guardrail/barrier refurbishment			1	1	2
Hynes Bridge				1	1
Tiers Road Culvert			1		1
Investigation					
Foxhill Road Bridge					
Joint refurbishment		1	1		2

Carey Gully Road Bridge			1		1
Nicholls Road Culvert		1			1
Miscellaneous concrete repairs			11	3	14
Corkscrew Road Bridge			1		1
Graebers Road Bridge				1	1
Lower Hermitage Road Bridge			2		2
Onkaparinga Road			1		1
Oval Road Culvert				2	2
Somerset Road Bridge			2		2
Stevens Road Bridge			1		1
Tiers Road Bridge			1		1
Tiers Road Culvert			1		1
Watts Gully Road Bridge			2		2
Miscellaneous works		2	8	5	15
Checker Hill Road Culvert		1			1
Euston Road Bridge				1	1
Foxhill Road Bridge			1		1
Hynes Bridge			2		2
Knotts Hill Road Bridge 1			1		1
Knotts Hill Road Bridge 2				1	1
Onkaparinga Road			1	1	2
Oval Road Culvert				1	1
Pfeiffer Road Bridge			1		1
Shillabeer Road Bridge				1	1
Sires Road East Culvert			1		1
Spoehr Road Bridge			1		1
Stevens Road Bridge		1			1
Pavement Maintenance			3	3	6
Adelaide Gully Road Bridge			1		1
Carey Gully Road Bridge				1	1
McVitties Road Bridge				1	1
Montacute Road Culvert			1		1
Nicholls Road Culvert			1		1
Swamp Road Bridge				1	1
Structural concrete repairs	1	16	19		36
Adelaide Gully Road Bridge		1			1
Aldgate Valley Road Bridge		2	1		3
Avenue Road Bridge		1			1
Beaumont Road Bridge		1	2		3
Bonython Road Bridge		1			1
Euston Road Bridge		1			1
Graebers Road Bridge			1		1
Hynes Bridge			2		2
Kingsland Road Bridge		1	1		2
McVitties Road Bridge			1		1
Merchants Road Bridge		1			1
Nicholls Road Culvert		1			1
Onkaparinga Road			1		1
Oval Road Culvert			3		3
Pfeiffer Road Bridge			1		1
Rathjen Road Culvert (Complete)	1		2		3

Shillabeer Road Bridge			1		1
Spoehr Road Bridge		1			1
Stradbroke Road			1		1
Sturt Valley Road Culvert		1			1
Tiers Road Bridge			2		2
Tiers Road Culvert		2			2
Watts Gully Road Bridge		2			2
Structural steelwork painting			7		7
Aldgate Valley Road Bridge			1		1
Avenue Road Bridge			1		1
Camac Road Bridge			1		1
Graebers Road Bridge			2		2
Merchants Road Bridge			1		1
Spoehr Road Bridge			1		1
Structural steelwork repairs			2		2
McVitties Road Bridge			1		1
Onkaparinga Road			1		1
Timber deck repairs			1		1
Aldgate Valley Road Bridge			1		1
Underpinning/scour protection		1	6		7
Adelaide Gully Road Bridge		1			1
Burns Road			1		1
Foxhill Road Bridge			1		1
Knotts Hill Road Bridge 2			1		1
Montacute Road Culvert			1		1
Stevens Road Bridge			1		1
Watts Gully Road Bridge			1		1
Vegetation control		2	2	25	29
Beaumont Road Bridge		1		1	2
Burns Road				1	1
Checker Hill Road Culvert				1	1
Corkscrew Road Bridge				1	1
Forbes Road Bridge				1	1
Foxhill Road Bridge				1	1
Hartley Vale Road Culvert				1	1
Hollands Creek Rd Bridge #4				1	1
Hynes Bridge				1	1
Kemp Road Bridge				1	1
Knotts Hill Road Bridge 1				1	1
Knotts Hill Road Bridge 2				1	1
Lower Hermitage Road Bridge				1	1
McVitties Road Bridge				1	1
Milan Terrace Bridge				1	1
Montacute Road Culvert				1	1
Nicholls Road Culvert				1	1
Oval Road Culvert				1	1
Rathjen Road Culvert				1	1
Somerset Road Bridge				1	1
Stevens Road Bridge				2	2
Stradbroke Road		1			1
Sturt Valley Road Culvert			1	1	2

Tiers Road Bridge			1	1	2
Watts Gully Road Bridge				1	1
Waterway clearance			7	1	8
Aldgate Valley Road Bridge			1		1
Burns Road			1		1
Camac Road Bridge			1		1
Graebers Road Bridge			1		1
Kingsland Road Bridge			1		1
Nicholls Road Culvert			1		1
Sires Road East Culvert			1		1
Tiers Road Culvert				1	1
Onkaparinga Road			1		1
Grand Total	1	25	89	41	156

5.3 Renewal Plan

Renewal is major capital work which does not significantly alter the original service provided by the asset, but restores, rehabilitates, replaces or renews an existing asset to its original service potential. Work over and above restoring an asset to original service potential is considered to be an acquisition resulting in additional future operations and maintenance costs.

Assets requiring renewal are identified from one of two approaches in the Lifecycle Model.

- The first method uses Asset Register data to project the renewal costs (current replacement cost) and renewal timing (acquisition year plus updated useful life to determine the renewal year), or
- The second method uses an alternative approach to estimate the timing and cost of forecast renewal work (i.e. condition modelling system, staff judgement, average network renewals, or other).

The typical useful lives of assets used to develop projected asset renewal forecasts are shown in Table 5.3. Asset useful lives were last reviewed in 2020 for Span Bridges.

Table 5.3: Useful Lives of Assets – Span Bridges

Span Bridges				
Structure Type	Deck Material	Superstructure Material	Substructure Material	Base Life (Years)
Bridge	Concrete	Concrete	Concrete	100
Bridge	Concrete	Concrete	Steel	90
Bridge	Concrete	Masonry	Concrete	100
Bridge	Concrete	Steel	Concrete	95
Bridge	Concrete	Steel	Steel	90
Bridge	Timber	Steel	Concrete	80
Bridge	Timber	Steel	Steel	80
Bridge	Timber	Steel	Timber	75
Bridge	Timber	Timber	Concrete	75
Bridge	Timber	Timber	Steel	75
Bridge	Timber	Timber	Timber	70
Box/Arch Culvert	Concrete	Concrete	N/A	90
Pipe Culvert	Concrete	N/A	N/A	60
Masonry Arch	Masonry	Masonry	N/A	100
Culvert & Pipe Bridges				

Structure Type	Base Life (Years)
Pipe	60
Culvert – Precast or Insitu	60

The Culvert and Pipe Bridge useful lives will be reviewed once a condition assessment is undertaken as part of this process.

Revaluation Unit Rates

ARRB as part of the 2020 the valuation process ensured that the bridge and its key components have been established into a proforma method to calculate the bridges current replacement cost based on the type and the dimensions of each bridge. An example for a **Cast In Situ Concrete Deck Slab** below calculates out the value for each bridge, hence the rates are grouped but calculated out on a bridge by bridge basis.

Modern Equivalent Structure - Cast In Situ Concrete Deck Slab				
Spans	Length (m)	Width (m)	Height (m)	
1	6	6	2	
Bridge Component	Replacement Cost	Notes		
Abutment - Concrete	\$ 65,523.78	assume abutment wall concrete is 500mm thick, abutment foundation is 1m wide x 0.8m long		
Deck - Concrete	\$ 50,302.32	assume deck concrete is 300mm thick		
Deck Surface - Asphalt	\$ 11,844.30	assume deck surface extends 5m each side		
Wingwalls - Concrete	\$ 7,548.96	assume wingwall concrete is 300mm thick		
Barriers - Steel	\$ 22,080.67	assume barrier extends 10m each side		
Total	\$ 157,300.03			

The estimates for renewals in this AM Plan were based on the alternative method.

The following span bridges have been identified for renewal with major components comprising the majority of the renewals – headwalls, deck (timber), improved drainage and structural concrete repairs over the life of the 10 year plan.

- Aldgate Valley Road Bridge
- Avenue Road Bridge
- Beaumont Road Bridge
- Checker Hill Road Culvert
- Euston Road Bridge
- Foxhill Road Bridge
- Kingsland Road Bridge
- Montacute Road Bridge
- Nicholls Road Culvert
- Onkaparinga Road
- Sires Road East Culvert
- Somerset Road Bridge
- Spoehr Road Bridge
- Stradbroke Road
- Tiers Road Culvert Woodside)

5.3.1 Renewal ranking criteria

Asset renewal is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g. replacing a bridge that has a 5 t load limit), or
- To ensure the infrastructure is of sufficient quality to meet the service requirements (e.g. condition of a playground).⁶

It is possible to prioritise renewals by identifying assets or asset groups that:

- Have a high consequence of failure,
- Have high use and subsequent impact on users would be significant,
- Have higher than expected operational or maintenance costs, and
- Have potential to reduce life cycle costs by replacement with a modern equivalent asset that would provide the equivalent service.⁷

The ranking criteria used to determine priority of identified renewal proposals is detailed in Table 5.3.1.

The renewal ranking criteria is linked to the asset hierarchy in table 5.2.2 that is linked to the road hierarchy.

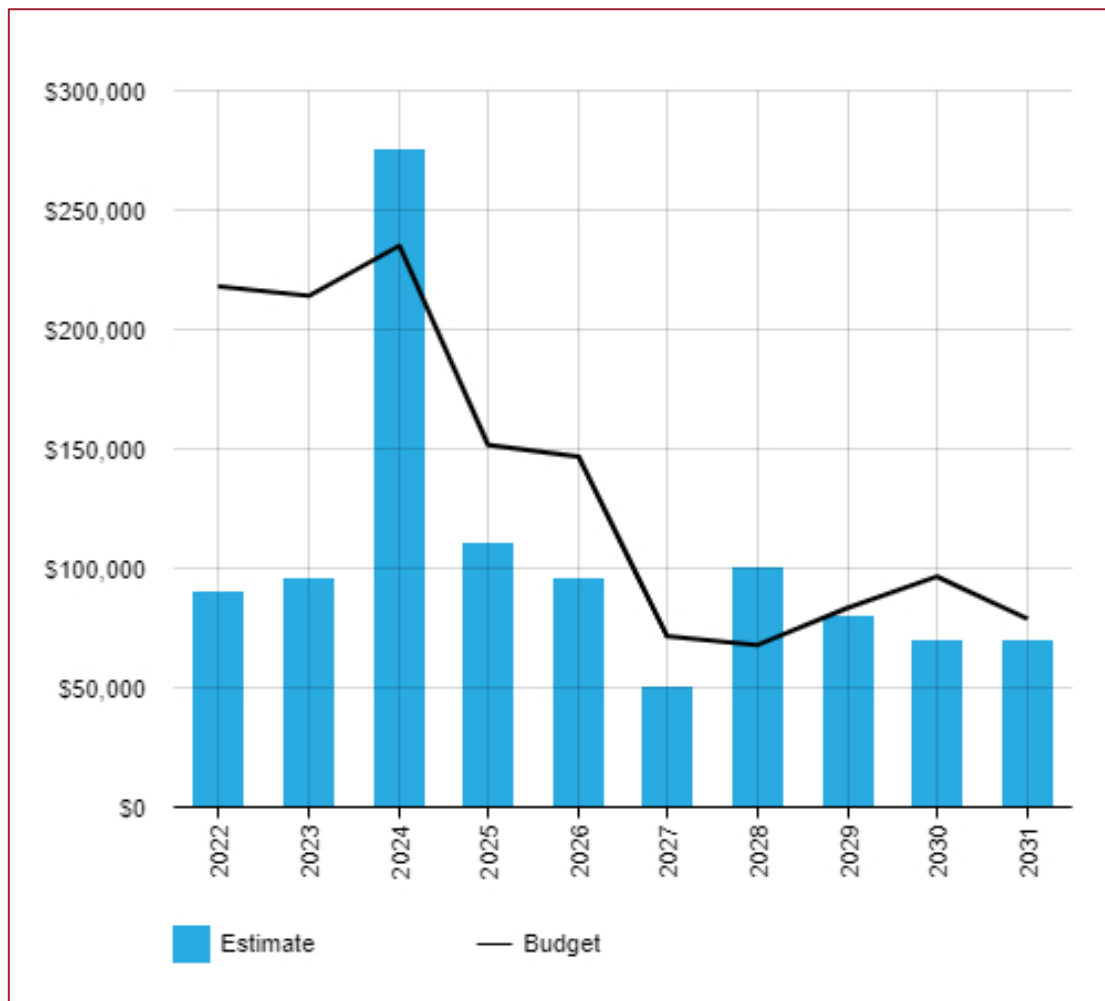
5.4 Summary of future renewal costs

Forecast renewal costs are projected to increase over time if the asset stock increases. The forecast costs associated with renewals are shown relative to the proposed renewal budget in Figure 5.4.1. A detailed summary of the forecast renewal costs is shown in Appendix D.

Figure 5.4.1: Forecast Renewal Costs

⁶ IPWEA, 2015, IIMM, Sec 3.4.4, p 3|91.

⁷ Based on IPWEA, 2015, IIMM, Sec 3.4.5, p 3|97.



All figure values are shown in current day dollars.

The forecast renewal costs have been reduced based on projected component replacements identified within the 2020 condition assessment process. Several bridge components (Rathjen Road, Beaumont Road & Montacute Road) have been brought forward as part of the renewal program for 2021/22, not included within this asset management plan.

Council plans to undertake a Level 1 (simple) audit of the remaining 50 culvert/pipe bridges and items identified may impact the renewal program if major components are identified for renewal.

The expected budget beyond 2030 is predicted to increase due to span bridge components identified for renewal will reach end of life.

5.5 Acquisition Plan

Acquisition reflects are new assets that did not previously exist or works which will upgrade or improve an existing asset beyond its existing capacity. They may result from growth, demand, social or environmental needs. Assets may also be donated to the Bridges 21/22.

No bridges are identified as being gifted or constructed during the life of this plan

5.5.1 Selection criteria

Proposed acquisition of new assets, and upgrade of existing assets, are identified from various sources such as community requests, proposals identified by strategic plans or partnerships with others. Potential upgrade and new works should be reviewed to verify that they are essential to the Entities needs. Proposed upgrade and new work analysis should also include the development of a preliminary renewal estimate to ensure that the

services are sustainable over the longer term. Verified proposals can then be ranked by priority and available funds and scheduled in future works programmes. The priority ranking criteria is detailed in Table 5.5.1.

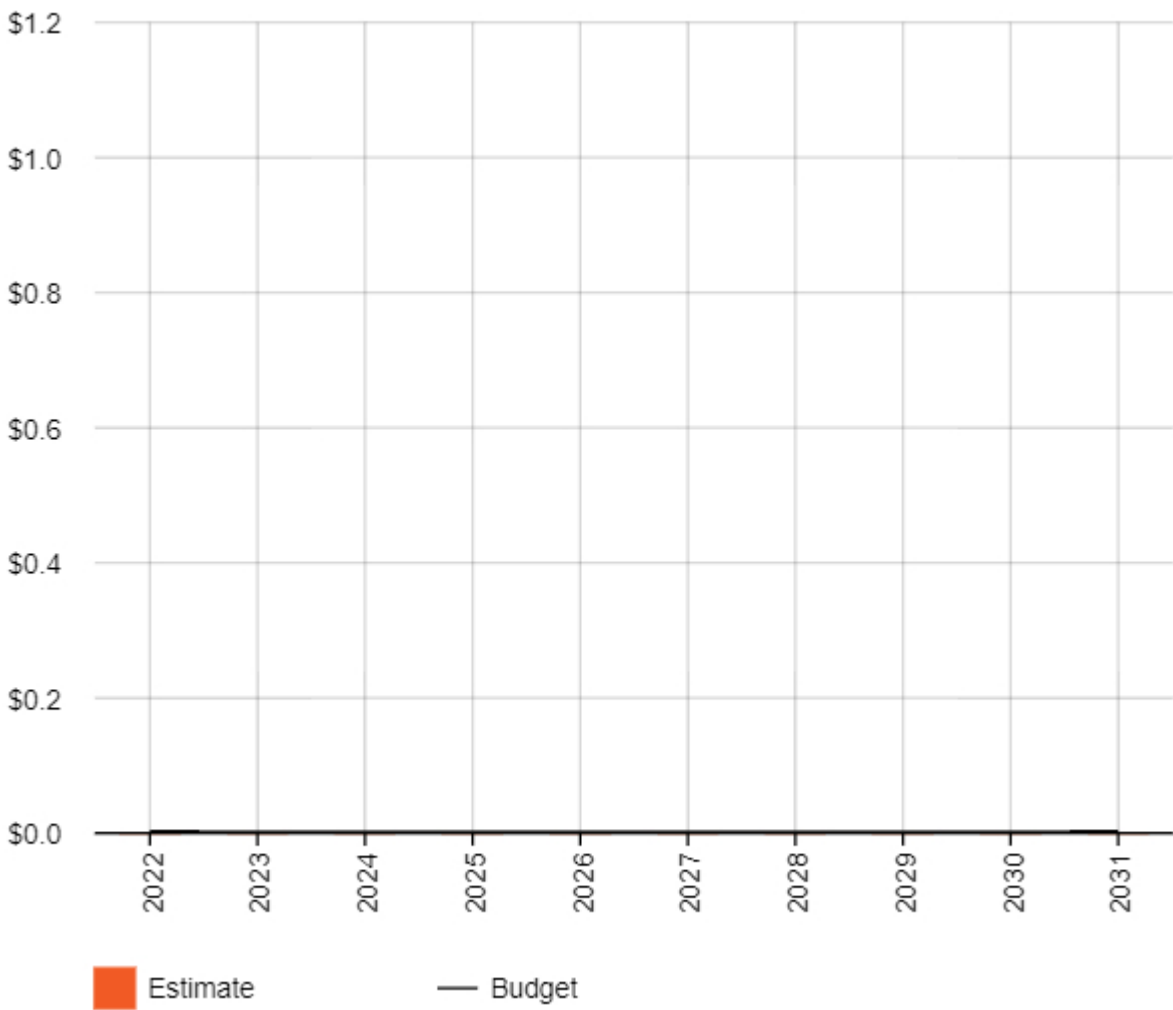
Table 5.5.1: Acquired Assets Priority Ranking Criteria

Criteria	Weighting

Summary of future asset acquisition costs

Forecast acquisition asset costs are summarised / summarized in Figure 5.5.1 and shown relative to the proposed acquisition budget. The forecast acquisition capital works program is shown in Appendix A.

Figure 5.5.1: Acquisition (Constructed) Summary

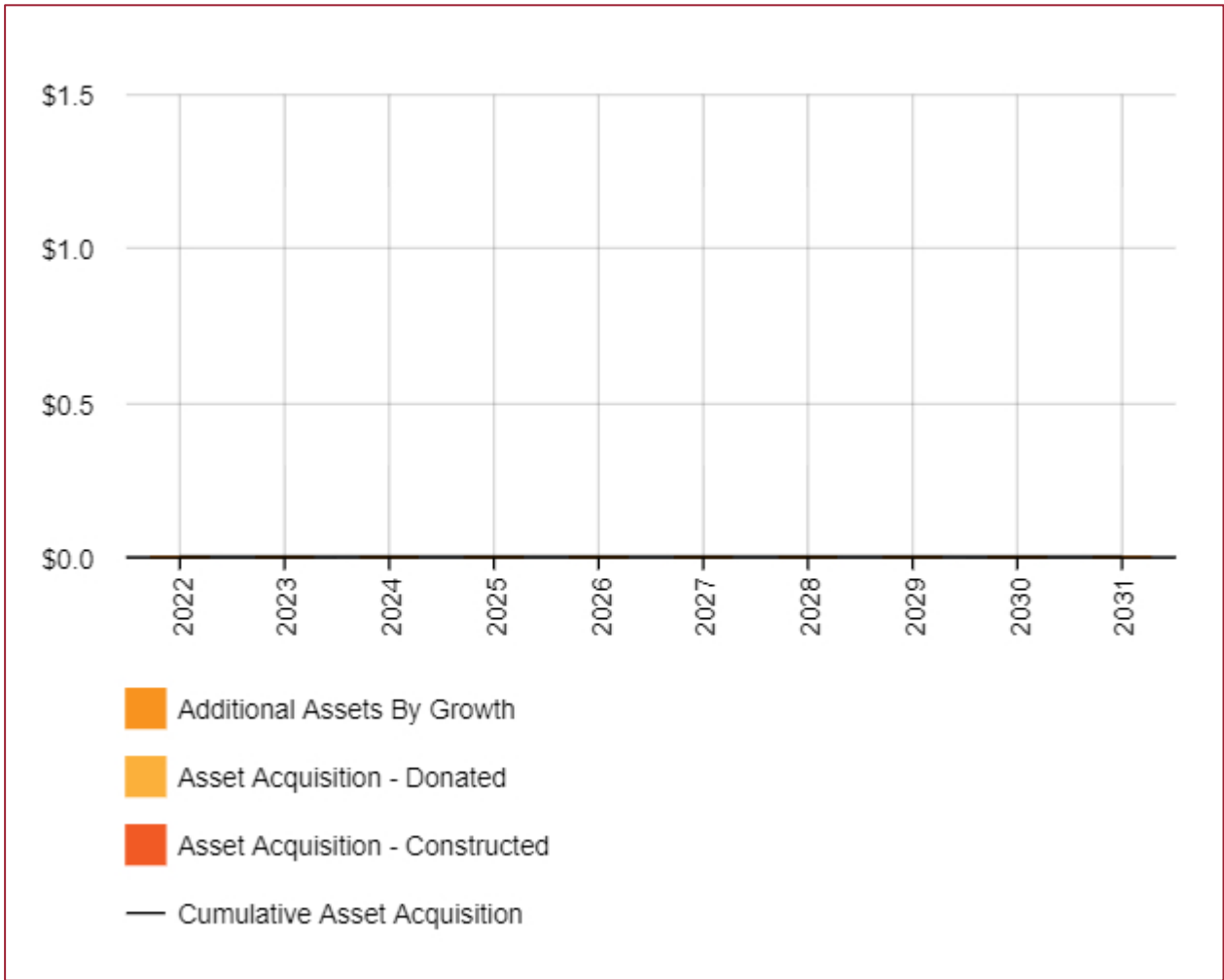


All figure values are shown in current day dollars.

When an Entity commits to new assets, they must be prepared to fund future operations, maintenance and renewal costs. They must also account for future depreciation when reviewing long term sustainability. When reviewing the long-term impacts of asset acquisition, it is useful to consider the cumulative value of the

acquired assets being taken on by the Entity. The cumulative value of all acquisition work, including assets that are constructed and contributed shown in Figure 5.5.2.

Figure 5.5.2: Acquisition Summary



All figure values are shown in current dollars.

Expenditure on new assets and services in the capital works program will be accommodated in the long-term financial plan, but only to the extent that there is available funding.

Council does not plan to acquire or construct any assets through the life of this plan.

5.6 Disposal Plan

Disposal includes any activity associated with the disposal of a decommissioned asset including sale, demolition or relocation. Assets identified for possible decommissioning and disposal are shown in Table 5.6. A summary of the disposal costs and estimated reductions in annual operations and maintenance of disposing of the assets are also outlined in Table 5.6. Any costs or revenue gained from asset disposals is included in the long-term financial plan.

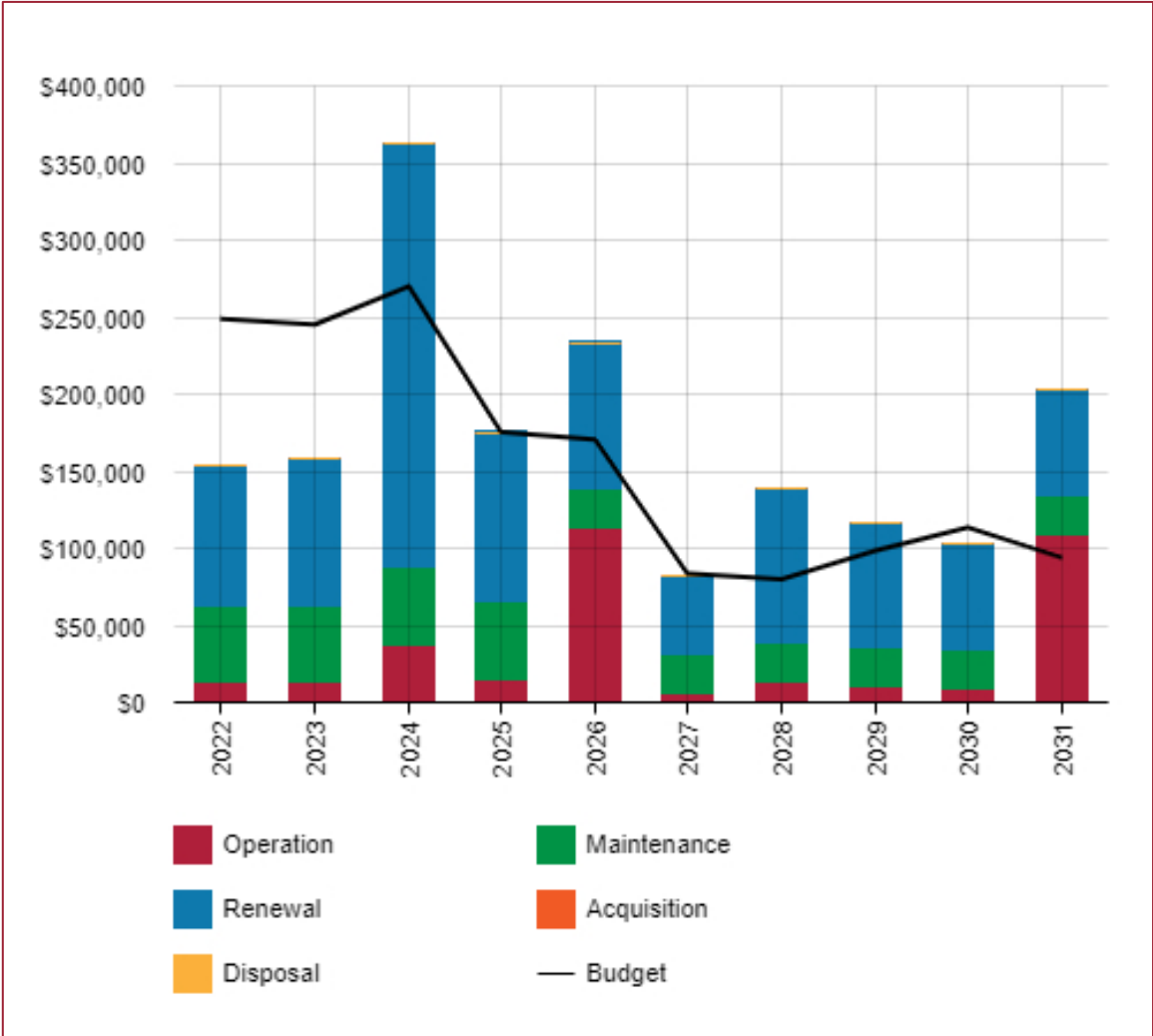
5.7 Summary of asset forecast costs

The financial projections from this asset plan are shown in Figure 5.7.1. These projections include forecast costs for acquisition, operation, maintenance, renewal, and disposal. These forecast costs are shown relative to the proposed budget.

The bars in the graphs represent the forecast costs needed to minimise the life cycle costs associated with the service provision. The proposed budget line indicates the estimate of available funding. The gap between the forecast work and the proposed budget is the basis of the discussion on achieving balance between costs, levels of service and risk to achieve the best value outcome.

No assets identified for disposal throughout the life of this plan.

Figure 5.7.1: Lifecycle Summary



All figure values are shown in current day dollars.

Identified savings within the renewal program due to components being completed early through the renewal/audit process have reduced the overall renewal budget, but the condition assessment process has identified a large number of maintenance items to be maintained into order to prolong the lifecycle of the bridges identified. The pro-active maintenance process is linked to the core condition assessment process, and has been identified within the operation budget for re-collection in 2026 and 2031 to ensure the high risk bridge assets is fit for purpose.

6.0 RISK MANAGEMENT PLANNING

The purpose of infrastructure risk management is to document the findings and recommendations resulting from the periodic identification, assessment and treatment of risks associated with providing services from infrastructure, using the fundamentals of International Standard ISO 31000:2018 Risk management – Principles and guidelines.

Risk Management is defined in ISO 31000:2018 as: ‘coordinated activities to direct and control with regard to risk’⁸.

An assessment of risks⁹ associated with service delivery will identify risks that will result in loss or reduction in service, personal injury, environmental impacts, a ‘financial shock’, reputational impacts, or other consequences. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, and the consequences should the event occur. The risk assessment should also include the development of a risk rating, evaluation of the risks and development of a risk treatment plan for those risks that are deemed to be non-acceptable.

6.1 Critical Assets

Critical assets are defined as those which have a high consequence of failure causing significant loss or reduction of service. Critical assets have been identified and along with their typical failure mode, and the impact on service delivery, are summarised in Table 6.1. Failure modes may include physical failure, collapse or essential service interruption.

Table 6.1 Critical Assets

Critical Asset(s)	Failure Mode	Impact
Avenue Road Bridge, Stirling	Collapse/Component Fail	Main rail line impacted between Adelaide to Melbourne.
Onkaparinga Road, Bridgewater	Collapse/Component Fail	Main rail line impacted between Adelaide to Melbourne.
Montacute Road, Montacute	Collapse/Component Fail	Significant alternate route for current access into the city.

By identifying critical assets and failure modes an organisation can ensure that investigative activities, condition inspection programs, maintenance and capital expenditure plans are targeted at critical assets.

6.2 Risk Assessment

The risk management process used is shown in Figure 6.2 below.

It is an analysis and problem-solving technique designed to provide a logical process for the selection of treatment plans and management actions to protect the community against unacceptable risks.

The process is based on the fundamentals of International Standard ISO 31000:2018.

⁸ ISO 31000:2009, p 2

⁹ REPLACE with Reference to the Corporate or Infrastructure Risk Management Plan as the footnote

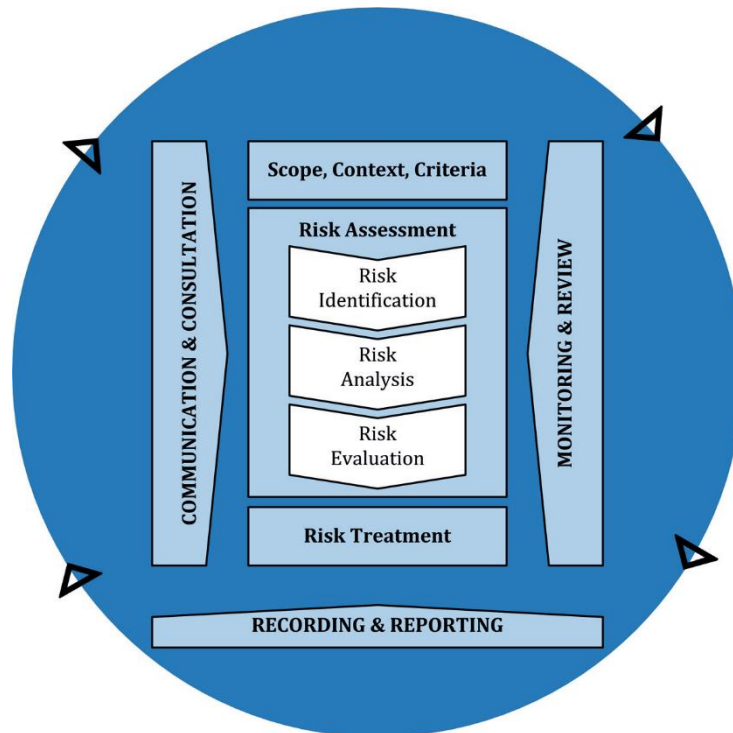


Fig 6.2 Risk Management Process – Abridged
Source: ISO 31000:2018, Figure 1, p9

The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, development of a risk rating, evaluation of the risk and development of a risk treatment plan for non-acceptable risks.

An assessment of risks¹⁰ associated with service delivery will identify risks that will result in loss or reduction in service, personal injury, environmental impacts, a ‘financial shock’, reputational impacts, or other consequences.

Critical risks are those assessed with ‘Very High’ (requiring immediate corrective action) and ‘High’ (requiring corrective action) risk ratings identified in the Infrastructure Risk Management Plan. The residual risk and treatment costs of implementing the selected treatment plan is shown in Table 6.2. It is essential that these critical risks and costs are reported to management and the Senior Leadership Team

Table 6.2: Risks and Treatment Plans

Service or Asset at Risk	What can Happen	Risk Rating (VH, H)	Risk Treatment Plan	Residual Risk *	Treatment Costs
Bridges	Failure/Collapse	Med	Undertake Yearly Level 1 inspections	Low	\$5-10k per year
Bridges on Monitor List	Failure/Collapse	Medium	Undertake monitoring program per assessment	Low	\$10k once off

Note * The residual risk is the risk remaining after the selected risk treatment plan is implemented.

¹⁰ REPLACE with Reference to the Corporate or Infrastructure Risk Management Plan as the footnote

6.3 Infrastructure Resilience Approach

The resilience of our critical infrastructure is vital to the ongoing provision of services to customers. To adapt to changing conditions we need to understand our capacity to ‘withstand a given level of stress or demand’, and to respond to possible disruptions to ensure continuity of service.

Resilience recovery planning, financial capacity, climate change risk assessment and crisis leadership.

Our current measure of resilience is shown in Table 6.3 which includes the type of threats and hazards and the current measures that the organisation takes to ensure service delivery resilience.

Table 6.3: Resilience Assessment

We do not currently measure our resilience in service delivery. This will be included in future iterations of the AM Plan.

6.4 Service and Risk Trade-Offs

The decisions made in adopting this AM Plan are based on the objective to achieve the optimum benefits from the available resources.

6.4.1 What we cannot do

There are some operations and maintenance activities and capital projects that are unable to be undertaken within the next 10 years. These include:

- Undertake backlog of maintenance items identified in the ARRB level 2 span bridge condition assessment undertaken in 2020
- Monitor all suggested items identified in the ARRB level 2 span bridge condition assessment undertaken in 2020
- Provide internal resources to condition assess bridge assets

6.4.2 Service trade-off

If there is forecast work (operations, maintenance, renewal, acquisition or disposal) that cannot be undertaken due to available resources, then this will result in service consequences for users. These service consequences include:

- Bridge closure and rerouting
- Loss of reputation for council
- No access to services

6.4.3 Risk trade-off

The operations and maintenance activities and capital projects that cannot be undertaken may sustain or create risk consequences. These risk consequences include:

- Bridge failure
- Bridge component failure – eg; safety rail/barrier, pipe or culvert collapse, deck failure (potholing, severe cracking)
- Bridge closure

These actions and expenditures are considered and included in the forecast costs, and where developed, the Risk Management Plan.

7.0 FINANCIAL SUMMARY

This section contains the financial requirements resulting from the information presented in the previous sections of this AM Plan. The financial projections will be improved as the discussion on desired levels of service and asset performance matures.

7.1 Financial Sustainability and Projections

7.1.1 Sustainability of service delivery

There are two key indicators of sustainable service delivery that are considered in the AM Plan for this service area. The two indicators are the:

- asset renewal funding ratio (proposed renewal budget for the next 10 years / forecast renewal costs for next 10 years), and
- medium term forecast costs/proposed budget (over 10 years of the planning period).

Asset Renewal Funding Ratio

Asset Renewal Funding Ratio¹¹ 144.24%

The 20 year prediction sees twice the number of bridges recognised for renewal or reconstruction which indicatively projects an increase by 100% of the spend to fulfil the sustainability ratio

The Asset Renewal Funding Ratio is an important indicator and illustrates that over the next 10 years we expect to have 0.0% of the funds required for the optimal renewal of assets.

The forecast renewal work along with the proposed renewal budget, and the cumulative shortfall, is illustrated in Appendix D.

Medium term – 10 year financial planning period

This AM Plan identifies the forecast operations, maintenance and renewal costs required to provide an agreed level of service to the community over a 10 year period. This provides input into 10 year financial and funding plans aimed at providing the required services in a sustainable manner.

This forecast work can be compared to the proposed budget over the first 10 years of the planning period to identify any funding shortfall.

The forecast operations, maintenance and renewal costs over the 10 year planning period is \$150,000 average per year.

The proposed (budget) operations, maintenance and renewal funding is \$150,000 on average per year giving a 10 year funding shortfall of 9,300 per year. This indicates that 94.16% of the forecast costs needed to provide the services documented in this AM Plan are accommodated in the proposed budget. Note, these calculations exclude acquired assets.

Providing sustainable services from infrastructure requires the management of service levels, risks, forecast outlays and financing to achieve a financial indicator of approximately 1.0 for the first years of the AM Plan and ideally over the 10 year life of the Long-Term Financial Plan.

Note – The forecast budget v the planned (LTFP) shows a reduction in funding as opposed to what was originally forecast, thus leading to a high asset funding renewal ratio. This is partly offset by the increase in maintenance and is reflected with 2 audits required (\$200k), and the reduction in planned renewals reduces the overhead for delivery of the planned project management fees across the life of the plan.

¹¹ AIFMM, 2015, Version 1.0, Financial Sustainability Indicator 3, Sec 2.6, p 9.

7.1.2 Forecast Costs (outlays) for the long-term financial plan

Table 7.1.3 shows the forecast costs (outlays) required for consideration in the 10 year long-term financial plan.

Providing services in a financially sustainable manner requires a balance between the forecast outlays required to deliver the agreed service levels with the planned budget allocations in the long-term financial plan.

A gap between the forecast outlays and the amounts allocated in the financial plan indicates further work is required on reviewing service levels in the AM Plan (including possibly revising the long-term financial plan).

We will manage the 'gap' by developing this AM Plan to provide guidance on future service levels and resources required to provide these services in consultation with the community.

The primary short term gap is the lack of maintenance expenditure currently available to maintain the asset class.

Forecast costs are shown in current dollar values.

Table 7.1.2: Forecast Costs (Outlays) for the Long-Term Financial Plan

Year	Acquisition	Operation	Maintenance	Renewal	Disposal	Total
2022	0	30000	1000	218000	0	249000
2023	0	30000	1000	214100	0	245100
2024	0	34000	1000	235000	0	270000
2025	0	22800	1000	151700	0	175500
2026	0	22800	1000	146700	0	170500
2027	0	11000	1000	71500	0	83500
2028	0	11000	1000	67900	0	79900
2029	0	13900	1000	83600	0	98500
2030	0	16000	1000	96500	0	113500
2031	0	14000	1000	78900	0	93900

Year	Acquisition	Operation	Maintenance	Renewal	Disposal
2022	0	\$ 13,000	\$ 50,000	\$ 90,000	0
2023	0	\$ 13,000	\$ 50,000	\$ 95,000	0
2024	0	\$ 38,000	\$ 50,000	\$ 275,000	0
2025	0	\$ 15,300	\$ 50,000	\$ 110,000	0
2026	0	\$113,300	\$ 25,000	\$ 95,000	0
2027	0	\$ 6,500	\$ 25,000	\$ 50,000	0
2028	0	\$ 13,700	\$ 25,000	\$ 100,000	0
2029	0	\$ 11,200	\$ 25,000	\$ 80,000	0
2030	0	\$ 9,200	\$ 25,000	\$ 69,000	0
2031	0	\$109,700	\$ 25,000	\$ 69,000	0

7.2 Funding Strategy

The proposed funding for assets is outlined in the Entity's budget and Long-Term financial plan.

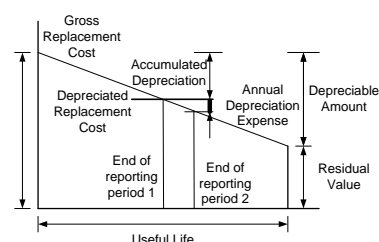
The financial strategy of the entity determines how funding will be provided, whereas the AM Plan communicates how and when this will be spent, along with the service and risk consequences of various service alternatives.

7.3 Valuation Forecasts

7.3.1 Asset valuations

The best available estimate of the value of assets included in this AM Plan are shown below. The assets are valued at fair value:

Replacement Cost (Current/Gross)	\$20,248,837
Depreciable Amount	\$20,248,837
Depreciated Replacement Cost ¹²	\$8,672,636
Depreciation	\$315,560



7.3.2 Valuation forecast

Asset values are forecast to increase, and may change depending on the valuation of the culvert bridges once condition assessed and valued.

Additional assets will generally add to the operations and maintenance needs in the longer term. Additional assets will also require additional costs due to future renewals. Any additional assets will also add to future depreciation forecasts.

No assets identified for construction.

7.4 Key Assumptions Made in Financial Forecasts

In compiling this AM Plan, it was necessary to make some assumptions. This section details the key assumptions made in the development of this AM plan and should provide readers with an understanding of the level of confidence in the data behind the financial forecasts.

Key assumptions made in this AM Plan are:

- Renewal forecasts have been made by professional judgement, condition assessments & existing datasets
- A 3% uplift has been included for maintenance, operations or renewal over the long term forecast.
- Current day dollars

7.5 Forecast Reliability and Confidence

The forecast costs, proposed budgets, and valuation projections in this AM Plan are based on the best available data. For effective asset and financial management, it is critical that the information is current and accurate. Data confidence is classified on a A - E level scale¹³ in accordance with Table 7.5.1.

Table 7.5.1: Data Confidence Grading System

Confidence Grade	Description
A. Very High	Data based on sound records, procedures, investigations and analysis, documented properly and agreed as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$
B. High	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$

¹² Also reported as Written Down Value, Carrying or Net Book Value.

¹³ IPWEA, 2015, IIMM, Table 2.4.6, p 2|71.

Confidence Grade	Description
C. Medium	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated $\pm 25\%$
D. Low	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete, and most data is estimated or extrapolated. Accuracy $\pm 40\%$
E. Very Low	None or very little data held.

The estimated confidence level for and reliability of data used in this AM Plan is shown in Table 7.5.2.

Table 7.5.2: Data Confidence Assessment for Data used in AM Plan

Data	Confidence Assessment	Comment
Demand drivers	C	Professional Judgement
Growth projections	B	Strategic Plan
Acquisition forecast	B	No assets recognised for acquisition
Operation forecast	B	Included in the long term financial plan
Maintenance forecast	C	Included in the long term financial plan, targeted approach to capturing maintenance information
Renewal forecast - Asset values	B-C	ARRB Condition Assessment and Professional Judgement
- Asset useful lives	B	ARRB Condition Assessment and Professional Judgement
- Condition modelling	C	ARRB Condition Assessment and Professional Judgement
Disposal forecast	B	No assets identified for disposal

The estimated confidence level for and reliability of data used in this AM Plan is considered to be medium to high based on recent condition assessment.

8.0 PLAN IMPROVEMENT AND MONITORING

8.1 Status of Asset Management Practices¹⁴

8.1.1 Accounting and financial data sources

This asset management plan utilises accounting and financial data. The source of the data is Finesse Financial Suite

8.1.2 Asset management data sources

This asset management plan also utilises asset management data. The source of the data is Confirm Asset Management System

8.2 Improvement Plan

It is important that an entity recognise areas of their asset management plan and planning process that require future improvements to ensure effective asset management and informed decision making. The improvement plan generated from this asset management plan is shown in Table 8.2.

Table 8.2: Improvement Plan

Task	Task	Responsibility	Resources Required	Timeline
1	Undertake condition assessment and valuation across the remaining culvert and pipe bridges assets – Planned for 2022	Strategic Assets	\$10,000	2022
2	Develop process to manage monitor program	Strategic Assets	Internal	2022
3	Review yearly maintenance requirements	Strategic Assets/Civil Services	Internal	2023
4	Reclassify potential culvert bridges that identify as storm water assets.	Strategic Assets	Internal	2024
5				

8.3 Monitoring and Review Procedures

This AM Plan will be reviewed during the annual budget planning process and revised to show any material changes in service levels, risks, forecast costs and proposed budgets as a result of budget decisions.

The AM Plan will be reviewed and updated annually to ensure it represents the current service level, asset values, forecast operations, maintenance, renewals, acquisition and asset disposal costs and planned budgets. These forecast costs and proposed budget are incorporated into the Long-Term Financial Plan or will be incorporated into the Long-Term Financial Plan once completed.

The AM Plan has a maximum life of 4 years and is due for complete revision and updating within 2 years of each local government election.

8.4 Performance Measures

The effectiveness of this AM Plan can be measured in the following ways:

¹⁴ ISO 55000 Refers to this as the Asset Management System

- The degree to which the required forecast costs identified in this AM Plan are incorporated into the long-term financial plan,
- The degree to which the 1-5 year detailed works programs, budgets, business plans and corporate structures consider the 'global' works program trends provided by the AM Plan,
- The degree to which the existing and projected service levels and service consequences, risks and residual risks are incorporated into the Strategic Planning documents and associated plans,
- The Asset Renewal Funding Ratio achieving the Organisational target (this target is often 90 – 100%).

9.0 REFERENCES

- IPWEA, 2006, 'International Infrastructure Management Manual', Institute of Public Works Engineering Australasia, Sydney, www.ipwea.org/IIMM
- IPWEA, 2015, 3rd edn., 'International Infrastructure Management Manual', Institute of Public Works Engineering Australasia, Sydney, www.ipwea.org/IIMM
- IPWEA, 2008, 'NAMS.PLUS Asset Management', Institute of Public Works Engineering Australasia, Sydney, www.ipwea.org/namsplus.
- IPWEA, 2015, 2nd edn., 'Australian Infrastructure Financial Management Manual', Institute of Public Works Engineering Australasia, Sydney, www.ipwea.org/AIFMM.
- IPWEA, 2020 'International Infrastructure Financial Management Manual', Institute of Public Works Engineering Australasia, Sydney
- IPWEA, 2018, Practice Note 12.1, 'Climate Change Impacts on the Useful Life of Assets', Institute of Public Works Engineering Australasia, Sydney
- IPWEA, 2012, Practice Note 6 Long-Term Financial Planning, Institute of Public Works Engineering Australasia, Sydney, <https://www.ipwea.org/publications/ipweabookshop/practicenotes/pn6>
- IPWEA, 2014, Practice Note 8 – Levels of Service & Community Engagement, Institute of Public Works Engineering Australasia, Sydney, <https://www.ipwea.org/publications/ipweabookshop/practicenotes/pn8>
- ISO, 2014, ISO 55000:2014, Overview, principles and terminology
- ISO, 2018, ISO 31000:2018, Risk management – Guidelines
- 'Strategic Plan 2020 – 2024'
- 'Annual Business Plan 21/22'

10.0 APPENDICES

Appendix A Acquisition Forecast

No assets identified for construction or gifted to Council.

Table A3 - Acquisition Forecast Summary

Year	Constructed	Donated	Growth
2022	0	0	0
2023	0	0	0
2024	0	0	0
2025	0	0	0
2026	0	0	0
2027	0	0	0
2028	0	0	0
2029	0	0	0
2030	0	0	0
2031	0	0	0

Appendix B Operation Forecast

B.1 – Project management costs incurred in delivering bridge/component renewals (budgeted through existing operations budget)

Table B2 - Operation Forecast Summary

Year	Operation Forecast	Additional Operation Forecast	Total Operation Forecast
2022	\$ 30,000	\$ -	\$ 13,000
2023	\$ 30,000	\$ -	\$ 13,000
2024	\$ 34,000	\$ -	\$ 38,000
2025	\$ 22,800	\$ -	\$ 15,300
2026	\$ 22,800	\$ -	\$ 113,300
2027	\$ 11,000	\$ -	\$ 6,500
2028	\$ 11,000	\$ -	\$ 13,700
2029	\$ 13,900	\$ -	\$ 11,200
2030	\$ 16,000	\$ -	\$ 9,200
2031	\$ 14,000	\$ -	\$ 109,700

Add \$100 k for 2025 and 2030

Appendix C Maintenance Forecast

C.1 – Increase in maintenance identified through condition assessment process 2020

Table C2 - Maintenance Forecast Summary

Year	Maintenance Forecast	Additional Maintenance Forecast	Total Maintenance Forecast
2022	\$ 1,000	\$ -	\$ 50,000
2023	\$ 1,000	\$ -	\$ 50,000
2024	\$ 1,000	\$ -	\$ 50,000
2025	\$ 1,000	\$ -	\$ 50,000
2026	\$ 1,000	\$ -	\$ 25,000
2027	\$ 1,000	\$ -	\$ 25,000
2028	\$ 1,000	\$ -	\$ 25,000
2029	\$ 1,000	\$ -	\$ 25,000
2030	\$ 1,000	\$ -	\$ 25,000
2031	\$ 1,000	\$ -	\$ 25,000

Appendix D Renewal Forecast Summary

D.1 – The forecast budget for renewals based on the recent condition assessment is below the projected long term financial plan projections.

The predicted spend for the following 10 years from 2031 to 2041 has identified approx. 10 bridges reaching end of life, this is projected to be around \$330k per year.

Table D3 - Renewal Forecast Summary

Year	Renewal Forecast	Renewal Budget
2022	\$ 90,000	\$ 218,000
2023	\$ 95,000	\$ 214,100
2024	\$ 275,000	\$ 235,000
2025	\$ 110,000	\$ 151,700
2026	\$ 95,000	\$ 146,700
2027	\$ 50,000	\$ 71,500
2028	\$ 100,000	\$ 67,900
2029	\$ 80,000	\$ 83,600
2030	\$ 69,000	\$ 96,500
2031	\$ 69,000	\$ 78,900

Appendix E Disposal Summary

E.1 - No disposals identified

Table E3 – Disposal Activity Summary

Year	Disposal Forecast	Disposal Budget
2022	0	0
2023	0	0
2024	0	0
2025	0	0
2026	0	0
2027	0	0
2028	0	0
2029	0	0
2030	0	0
2031	0	0

Appendix F Budget Summary by Lifecycle Activity

Total lifecycle costs.

Table F1 – Budget Summary by Lifecycle Activity

Year	Acquisition	Operation	Maintenance	Renewal	Disposal	Total
2022	\$ -	\$ 30,000	\$ 1,000	\$ 218,000	\$ -	\$ 249,000
2023	\$ -	\$ 30,000	\$ 1,000	\$ 214,100	\$ -	\$ 245,100
2024	\$ -	\$ 34,000	\$ 1,000	\$ 235,000	\$ -	\$ 270,000
2025	\$ -	\$ 22,800	\$ 1,000	\$ 151,700	\$ -	\$ 175,500
2026	\$ -	\$ 22,800	\$ 1,000	\$ 146,700	\$ -	\$ 170,500
2027	\$ -	\$ 11,000	\$ 1,000	\$ 71,500	\$ -	\$ 83,500
2028	\$ -	\$ 11,000	\$ 1,000	\$ 67,900	\$ -	\$ 79,900
2029	\$ -	\$ 13,900	\$ 1,000	\$ 83,600	\$ -	\$ 98,500
2030	\$ -	\$ 16,000	\$ 1,000	\$ 96,500	\$ -	\$ 113,500
2031	\$ -	\$ 14,000	\$ 1,000	\$ 78,900	\$ -	\$ 93,900

Appendix G – Monitoring Program for Span Bridges



Road Name	Chainage	Latitude	Longitude	Action	Priority	Date Noted
120 Aldgate Valley Road - Mylor		- 35.03706563	138.7538003	Monitor holes between stones noted throughout abutment 1 masonry wall.	Monitor	2/10/2020
Adelaide Gully Road		- 34.80949554	138.8358106	Monitor spalling at Abutment 2 right hand side wingwall.	Monitor	1/10/2020
Avenue Road - Stirling		- 35.00771485	138.7097066	Prepare vegetation control plan for vegetation encroaching on bridge barriers, wearing surface, kerbing, abutment 2 and wingwalls.	Monitor	29/9/2020
Avenue Road - Stirling		- 35.00771485	138.7097066	Monitor mortar joints on approach 2 barrier.	Monitor	29/9/2020
Brooks Bridge Swamp Road - Uraidla		-34.9733588	138.7354993	Monitor movement between culvert units.	Monitor	8/10/2020
Brooks Bridge Swamp Road - Uraidla		-34.9733588	138.7354993	Monitor cracking noted on culverts.	Monitor	8/10/2020
Camac Road - Balhannah		- 34.98993369	138.8079558	Monitor cracking noted on abutment 2 and abutment 2 wingwalls.	Monitor	6/10/2020
Corkscrew Road - Montacute		-34.8776435	138.7558069	Monitor concrete defects (cracking, delamination and spalling) throughout abutment 1 and abutment 2.	Monitor	1/10/2020

Corkscrew Road - Montacute		-34.8776435	138.7558069	Seal horizontal cracking through mid point of abutment 1 left hand side wingwall.	Monitor	1/10/2020
Forbes Road - Aldgate		-35.026101	138.7400836	Monitor separation between batter protection and headstock at abutment 1.	Monitor	2/10/2020
Forbes Road - Aldgate		-35.026101	138.7400836	Monitor cracking in batter protection at abutment 2.	Monitor	2/10/2020
Foxhill Road - Mount George		-35.00172892	138.7563556	Monitor rotten timber decking.	Monitor	6/10/2020
Hollands Creek Rd - Cudlee Creek		-34.85534481	138.8285511	Monitor cracking on both abutments.	Monitor	1/10/2020
Kain Avenue - Bridgewater		-35.0098741	138.7497889	Monitor scouring in waterway at left hand side of abutment 2.	Monitor	7/10/2020
Kingsland Road - Aldgate		-35.01565246	138.7362072	Monitor the deterioration of the deck wearing surface	Monitor	2/10/2020
McVitties Road - Birdwood		-34.83058997	138.9814416	Monitor cracks on masonry abutments and wingwalls.	Monitor	30/9/2020
Milan Terrace - Aldgate		-35.01625828	138.7247395	Verify the original condition of the channel to see if the channel material is eroded, or it is silt accumulation (e.g. photo 25)	Monitor	8/10/2020
Old Carey Gully Road - Piccadilly		-34.9890259	138.7407639	Monitor cracking on abutment 2 right hand side wingwall.	Monitor	8/10/2020
Old Carey Gully Road - Piccadilly		-34.9890259	138.7407639	Monitor loose masonry stones at top of abutment 2 left	Monitor	8/10/2020

				hand side wingwall.		
Old Mount Barker Road - Bridgewater		- 35.00486218	138.7527311	Monitor cracking between masonry stones noted on abutment 1.	Monitor	7/10/2020
Old Mount Barker Road - Bridgewater		- 35.00486218	138.7527311	Monitor mortar missing at base of abutment 1 left hand side wingwall.	Monitor	7/10/2020
Sires Road East - Kersbrook		- 34.75105196	138.8728587	Monitor separation between pipe culvert units.	Monitor	28/9/2020
Spoehr Road - Balhannah		- 34.99555302	138.8121114	Monitor abutment 1 and abutment 2 for movement.	Monitor	6/10/2020
Stevens Road - Mylor		- 35.03396509	138.7460595	Monitor abutments for further movement.	Monitor	2/10/2020
Stradbroke Road		-34.895313	138.690743	Monitor vertical separation noted on abutment 1 wall of original structure and left hand side of deck.	Monitor	1/10/2020
Tiers Road - Woodside		- 34.94671629	138.856516	Monitor rotation of wingwall.	Monitor	7/10/2020

Appendix H

Sample of Bridge Audit Condition Assessment Sheet

Structure Condition Inspection Report										L2/1		Sheet Page 1 of 34	
		Structure ID		BR044		Owner		Local Government Agency					
Structure Name		Beaumont Road Bridge		Region		Adelaide Hills Council							
Local Authority		Adelaide Hills Council		Coordinates		-34.99944141, 138.790874							
Road Number		-		Road Name		Beaumont Road - Verdun		Chainage					
Road Type		Local Access		Waterway		Unknown		Year Built					
Structure Type		Culvert		Function		Road over waterway							
Superstructure Type		Pipe culvert		Superstructure Material		Precast reinforced concrete							
Span Arrangement		1/1.5, 1/1.5, 3/1.5		Overall Length (m)		1.5		Overall Width (m)		10.8			
General Comment													
Pipe culvert with 1.5 m diameter.													
Date Inspected		06/10/2020		Inspected By		Alex Aldana		Inspection Type		Programmed		Entered By	
Date Reviewed		16/11/2020		Reviewed By		Hanson Ngo		Date of Last Inspection				Next Inspection Due	
Original Rating		CS4		Original Comment		Structure was found in very poor condition at the time of inspection.							
WL1 Rating				WL1 Comment									
WR1 Rating				WR1 Comment									
Overall Inspection Comment													
Structure rated very poor with cracking throughout pipe culvert and separation/movement between pipe culvert units.													
Component Condition Inspection Report										L2/2			
Component Location				Exposure Class	Quantity	Unit	Quantity per Condition State				Defect	Action Required?	
Modification	Group	Component	Standard Number				1	2	3	4			
O	AP1	GR1	55S	1	1	Ea.	1	0	0	0	No major defects noted. Refer to photo 8.	<input type="checkbox"/>	
O	AP1	AP1	52O	1	1	Ea.	0	1	0	0	Pothole development noted to left hand side. Refer to photos 9-10.	<input checked="" type="checkbox"/>	
O	AP1	GR2	55S	1	1	Ea.	1	0	0	0	No major defects noted. Refer to photo 11.	<input type="checkbox"/>	
O	S1	BR1	51S	1	2	Lin. m	2	0	0	0	No major defects noted. Refer to photo 12.	<input type="checkbox"/>	
O	S1	WS1	14O	1	16	m²	8	8	0	0	Break up and pothole develop noted to left hand edge. Crocodile cracking noted to right hand side. Refer to photos 13-14.	<input checked="" type="checkbox"/>	
O	S1	BR2	51S	1	2	Lin. m	2	0	0	0	No major defects noted. Refer to photo 15.	<input type="checkbox"/>	
O	AP2	GR1	55S	1	1	Ea.	1	0	0	0	No major defects noted. Refer to photo 16.	<input type="checkbox"/>	
O	AP2	AP1	52O	1	1	Ea.	1	0	0	0	No major defects noted. Refer to photo 17.	<input type="checkbox"/>	
O	AP2	GR2	55S	1	1	Ea.	1	0	0	0	No major defects noted. Refer to photo 18.	<input type="checkbox"/>	
O	A1	WW1	63C	2	2	Ea.	0	1	1	0	Overgrown vegetation encroaching on left hand side wingwall. Typical cracking in masonry on left hand side. Loss of fines throughout right hand side wingwall. Moderate spalling up to 40 mm deep on rhs wingwall. Severe cracking up to 35 mm and delamination noted on rhs wingwall. Vegetation encroaching on rhs wingwall. Refer to photos 19-26.	<input checked="" type="checkbox"/>	
O	S1	CBS1	8C	2	5	m²	2	0	0	3	Severe crack up to 9mm wide near abutment 2. 30 mm separation between pipe and culvert base slab. Refer to photos 27-29.	<input checked="" type="checkbox"/>	
O	S1	HW1	63C	2	1	Ea.	1	0	0	0	No major defects noted. Refer to photo 30.	<input type="checkbox"/>	
O	S1	PC1	60P	2	12	Lin. m	0	0	0	12	PC: 5 units. Unit 1, 3, 4 and 5 are 2.4m long. Unit 2 is 1.2m wide. Pipe diameter is 1.5m. Misalignment noted between all units. Unit 4 and 5 are held together with a steel bracket. 40 mm separation between unit 1 and 2. Horizontal cracking to PC2, up to 0.3 mm, noted at midheight. 40 mm Separation between unit 2 and unit 3. Longitudinal cracking to unit 3, 4 and 5, up to 0.3 mm wide, noted at top. Horizontal cracking to unit 3, up to 0.3 mm wide, noted at midheight. Horizontal cracking to PC3, up to 0.3 mm, noted at midheight. 40 mm separation between unit 3 and 4. 120mm separation between unit 4 and 5. Moderate to severe spalling at reinforcement. 60 mm separation between right hand side wingwalls and pipe unit 5. Loss of backfill behind joints. Refer to photos 7, and 31-44.	<input checked="" type="checkbox"/>	
O	S1	HW2	63C	2	1	Ea.	0	0	0	1	Severe crack noted up to 50 mm wide. Refer to photos 45-46.	<input checked="" type="checkbox"/>	
O	S1	CBS2	8C	2	0	m²	0	0	0	0	Unable to inspect as under 25% of component is accessible due to being underwater. Transversed component on foot, no defects noted. No major	<input type="checkbox"/>	

**ADELAIDE HILLS COUNCIL
AUDIT COMMITTEE MEETING
Monday 18 October 2021
AGENDA BUSINESS ITEM**

Item: 7.4

Responsible Officer: Kira-marie Laverty
Corporate Planning and Performance Coordinator
Office of the Chief Executive

Subject: Service Review Framework

For: Decision

SUMMARY

Council has resolved to implement the *Service Review Framework* (the Framework) as part of the *Annual Business Plan 2021-22*. The Framework will provide Council with principles and guidelines for conducting an external Service Review to evaluate the adequacy, effectiveness and efficiency of the reviewed services.

The purpose of this report is to provide the Framework **Appendix 1** to the Audit Committee for review in their capacity of providing advice to the Council on the adequacy and effectiveness of the systems and processes regarding financial management and reporting, internal control and risk management, internal audit and governance.

RECOMMENDATION

The Audit Committee resolves:

1. That the report be received and noted
 2. To recommend to Council to adopt the *Service Review Framework* contained in *Appendix 1*
-

1. GOVERNANCE

➤ **Strategic Management Plan/Functional Strategy/Council Policy Alignment**

Strategic Plan 2020-24 – A brighter future

Goal A Progressive Organisation

Objective O2 Our customers find it easier to interact and do business with Council and have an improved customer experience.

Priority O2.2 Modernise our services and enhance the customer experience by making service delivery faster, more convenient and more proactive.

Priority 2.4 Continuously strive to measure and improve performance and service delivery across all functions.

- Objective O3 Our organisation is financially sustainable for both current and future generations
- Priority O3.4 Assess the range and level of services undertaken to ensure they fulfil Council's legislative and strategic intent

Council also operates an Internal Audit Program which, while undertaking somewhat similar review activities, has as its main focus to evaluate the adequacy and effectiveness of the systems of internal control within the Council to manage risk.

The Internal Audit Program and this Framework are complimentary but separate governance activities

➤ **Legal Implications**

Section 8 of the *Local Government Act 1999* (the Act) sets out the principles that a council must act to uphold and promote observance in the performance of its roles and functions. The following principles are particularly relevant in the context of the Framework:

- (g) manage its operations and affairs in a manner that emphasises the importance of service to the community;
- (h) seek to ensure that council resources are used fairly, effectively and efficiently and council services, facilities and programs are provided effectively and efficiently;
- (i) seek to provide services, facilities and programs that are adequate and appropriate and seek to ensure equitable access to its services, facilities and programs;
- (ia) seek to balance the provision of services, facilities and programs with the financial impact of the provision of those services, facilities and programs on ratepayers;
- (j) achieve and maintain standards of good public administration;
- (k) ensure the sustainability of the council's long-term financial performance and position.

While the Audit Committee does not have a specific function in relation to Service Reviews under its current Terms of Reference, the Committee's review of the Framework is consistent with its overall role to assist Council to accomplish its objectives by monitoring and providing advice on the adequacy and effectiveness of the systems and processes regarding financial management and reporting, internal control and risk management, internal audit and governance.

➤ **Risk Management Implications**

Lack of effective strategic planning and resource allocation processes

Inherent Risk	Residual Risk	Target Risk
Extreme (4A)	Low (3E)	Low

The Framework is a mitigation action in addition to the many controls that are already in place for this risk.

➤ **Financial and Resource Implications**

The Service Review Framework development and resulting Service Reviews is a funded initiative in the Annual Business Plan 2021-22. The funding relates directly to the annual cost of appointing an external contractor to conduct one review.

Future resource implications related to conducting Service Reviews will be for the staff time required to participate in the reviews and any implementation of the Review Report recommendations. These costs will be explored more fully in future Service Review Briefs and reports to Council.

➤ **Customer Service and Community/Cultural Implications**

The purpose of the Framework is to assist in clarifying the community's service aspirations and assess how efficiently and effectively those aspirations are being met through the current service ranges and levels.

➤ **Sustainability Implications**

The analysis of Council's service ranges and levels will assist in identifying process efficiency and savings opportunities as well as confirming Council's compliance with statutory obligations

➤ **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: The Service Review Framework was discussed in the 26 March 2021 Annual Business Plan and Budget workshop.

Advisory Groups: Not applicable

Administration: The Executive Leadership Team have been consulted in the development of the Framework.

External Agencies: The Service Review process of other councils have been considered in the development of the Framework.

Community: Not applicable

2. BACKGROUND

Council resolved to implement the *Service Review Framework* (the Framework) as part of the *Annual Business Plan 2021-22*. The Framework provides Council with principles and guidelines for conducting an external Service Review to evaluate the adequacy, effectiveness and efficiency of the reviewed services.

The high level overview and proposed scope of the Framework was discussed with Council at the 2021-22 Annual Business Plan and Budget workshop on 26 March 2021.

3. ANALYSIS

The implementation of the Framework will be staged in the following phases:

Phase 1 – Adoption of the Framework

- The Framework **Appendix 1** outlines the principles and guidelines for conducting an external review

Phase 2 – Selection of the Function(s) to be reviewed

- A function is group of like services which will be reviewed by the external consultant
- Each function will be scored annually against a series of criteria to determine the priority for review and indicative schedule of reviews
- The criteria will include, but may not be limited to the:
 - Volume of transactions
 - Resourcing (revenue, expenditure and staffing)
 - Customer feedback (where available)
 - Statutory requirements
- The criteria and indicative schedule will be reviewed annually and provided to Council

Phase 3 – Develop a Service Review Brief

- Once the function has been selected, a Service Review Brief will be developed setting out the Function, underlying services being reviewed and the specific objectives/area of focus
- The Service Review brief will be provided to Council prior to commencement

Phase 4 – Conduct the Service Review

- Engage the Service Review consultant
- Undertake the Service Review fieldwork guided by the *Australian Centre of Excellence for Local Government - Service Delivery Review* guidelines.
- Prepare the Review Report incorporating recommendations, management responses, actions, timeframes and responsible officers.
- Provide report to Audit Committee for review and to Council for adoption.

Suggested criteria and objectives for the Service Reviews can be provided to the Governance and Performance team for consideration in Phase 2 and 3 of the process.

4. OPTIONS

The Committee has the following options:

- I. To recommend to Council to adopt the *Service Review Framework* contained in **Appendix 1** (Recommended)
- II. To recommend to Council to adopt the *Service Review Framework* with changes as specified by the Committee
- III. To not recommend to Council to adopt the *Service Review Framework* (Not Recommended)


5. APPENDICES

- (1) Service Review Framework – draft October 2021

Appendix 1

Service Review Framework – draft October 2021

COUNCIL POLICY

 Adelaide Hills COUNCIL	Service Review Framework
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Policy Number:	GOV-24
Responsible Department(s):	Governance and Performance
Relevant Delegations:	As per the Delegations Register and as detailed in this Policy
Other Relevant Policies:	<i>Internal Audit Policy</i>
Relevant Procedure(s):	N/A
Relevant Legislation:	N/A
Policies and Procedures Superseded by this policy on its Adoption:	N/A
Adoption Authority:	Council
Date of Adoption:	<i>To be entered administratively</i>
Effective From:	<i>To be entered administratively</i>
Minute Reference for Adoption:	<i>To be entered administratively</i>
Next Review:	No later than October 2024 or as required by legislation or changed circumstances

Version Control

Version No.	Date of Effect	Description of Change(s)	Approval
0.1	8/10/21	Draft for consultation	N/A

DRAFT

Service Review Framework

1. INTRODUCTION

- 1.1 Council has a culture of continuous improvement across all of its services and activities.
- 1.2 In addition to these continuous improvement processes, it is also prudent to periodically conduct an objective and in-depth analysis of Council's key services to assist Council in clarifying the community's service aspirations and assessing how efficiently and effectively those aspirations are being met through the current service ranges and levels. These in-depth analyses are known as Service Reviews (Reviews).
- 1.3 This Service Review Framework (the Framework) provides Council with principles and guidelines for conducting external Service Reviews.

2. OBJECTIVES

- 2.1 The objective of this Service Review Framework is to facilitate 'value for money' in service provision through the analysis of factors such as:
- Service clarity, replicability and quality
 - Customer (internal or external) priorities, aspirations and experience
 - Alignment to the Council's strategic intent
 - Statutory obligations
 - Service delivery modes and alternatives (including outsourcing and shared services)
 - Process efficiency and saving opportunities
 - Service delivery effectiveness and performance assessment

3. DEFINITIONS

- 3.1 A **"Function"** is a group of like services.
- 3.1.1 A **"Service"** is any specific activity undertaken to deliver outcomes for stakeholders as part of carrying out Council's functions and objectives.
- 3.1.2 A **"Functional Area"** is the section or teams in Council where the services are performed.

4. POLICY STATEMENT

- 4.1 Council is committed to implementing and maintaining a Service Review Framework that assures stakeholders that it is fulfilling its responsibilities and meeting the needs of the community through effective and efficient services.
- 4.2 A fundamental component of this Framework is the operation of an objective review that evaluates the adequacy, effectiveness and efficiency of the Council services under review and the extent to which the services delivered met the community's aspirations.

5. SCOPE

- 5.1 The Framework sets out the elements for conducting an external Service Review using a consultant. This Policy does not cover internal Service Reviews or activities which may be conducted within teams as part of their continuous improvement practices.
- 5.2 Council also operates an Internal Audit Program which, while undertaking somewhat similar review activities, has as its main focus to evaluate the adequacy and effectiveness of the systems of internal control within the Council to manage risk.
- 5.3 The Internal Audit Program and this Framework are complimentary but separate governance activities.

6. ELEMENTS OF THE SERVICE REVIEW

6.2 Function vs Service

- 6.2.1 Services within Council have been grouped together into a Function for the purpose of planning, resourcing and performance reporting. There are currently 44 Functions identified within Council.
- 6.2.2 The Service Reviews will be undertaken on a Function and the like Services that are grouped within it. Some Functions have a larger number of Services and therefore not every Service under a Function may be able to be included in a Review.

6.3 Determining the Function(s) to be reviewed

- 6.3.1 Each Function will be scored annually against a series of criteria to determine the priority for review and an indicative schedule of reviews developed for the forthcoming 3 years. The criteria will include, but may not be limited to, the:
- Volume of transactions
 - Resourcing (revenue, expenditure and staffing)
 - Customer feedback (where available)
 - Statutory requirements
- 6.3.2 The criteria and indicative schedule will be reviewed annually and provided to Council.

6.4 Service Review Brief

- 6.4.1 Once the schedule has been determined, a Service Review Brief will be developed setting out the Function and underlying Services being reviewed along with the specific objectives/areas of focus for the Review. The Service Review Brief will be provided to Council.

6.5 Timing

- 6.5.1 The timing for the Review(s) within the financial year will be based on the availability of the consultant and capacity of the Functional Area to participate.

6.6 Methodology

- 6.6.1 The methodology to be utilised by the consultant in the review is based on the *Australian Centre of Excellence for Local Government - Service Delivery Review* guidelines (the

Guidelines). Other business improvement tools and processes (i.e. Lean, Six Sigma, etc.) may be utilised depending on the Review to be conducted.

6.6.2 The Guidelines are built around seven main steps and include suggested tools and resources to assist in service review delivery. The seven main steps are:

- Establish the building blocks
- Set the project up
- Gather existing information
- Analyse services
- Engage stakeholders
- Implement change
- Evaluate and drive continuous improvement

6.7 Review Output

6.7.1 At the conclusion of a Review, the consultant will be required to prepare a report setting out, but not limited to, the following:

- Description of Service(s) (range, level, volumes, inputs, outputs, etc.)
- Customer/stakeholder analysis
- Assessment of Service(s) appropriateness, effectiveness and efficiency (including where applicable, benchmarking data from other comparable organisations)
- Process maps of Service(s)
- Recommendations
 - Refinements to current Service provision quality, effectiveness and efficiency
 - Proposals (as applicable) to change service range, level, delivery modes, etc.
 - Implementation plan including action, responsible officers and due dates

6.8 Implementation Plan Monitoring and Reporting

6.8.1 Recommendations from the Service Reviews that are adopted by Council will be monitored and the progress and evaluation of implementation will be reported to Council on a biannual basis.

6.8.2 Resourcing or other implications arising from Service Reviews will be the subject of separate reports to Council as required.

7. **FUTURE EXPANSION**

7.1 This Framework has the potential to be expanded for additional reviews in the future if additional funding and/or resources are applied

8. **DELEGATION**

8.1 The Chief Executive Officer has the delegation to:

- Approve, amend and review any procedures that shall be consistent with this Policy; and
- Make any formatting, nomenclature or other minor changes to the Policy during the period of its currency.

9. AVAILABILITY OF THE POLICY

- 9.1 This Policy will be available for inspection at the Council's Offices during ordinary business hours and via the Council's website www.ahc.sa.gov.au. Copies will also be provided to the public upon request, and upon payment of a fee in accordance with the Council's Schedule of Fees and Charges.

DRAFT

**ADELAIDE HILLS COUNCIL
AUDIT COMMITTEE MEETING
Monday 18 October 2021
AGENDA BUSINESS ITEM**

Item: 7.5

Responsible Officer: Lachlan Miller
Executive Manager Governance and Performance
Office of the Chief Executive

Subject: Confidential Items Review October 2021

For: Decision

SUMMARY

Section 91 of the *Local Government Act 1999* requires a review of confidential orders at least once every 12 months.

A review of the Audit Committee's Register of Confidential Items has been undertaken and there is one (1) item that requires a new confidentiality order. The Audit Committee must determine the period of confidentiality for this items

NB: If the meeting wishes to discuss the status of any items in a manner that will result in the disclosure of information currently under an s91(7) confidentiality order, it should first consider making a s90 order to move into confidence.

RECOMMENDATION

The Audit Committee resolves:

1. That the report be received and noted.
2. That the items held as confidential in the Confidential Items Register (Appendix 1) be noted.
3. Pursuant to Section 91(7) of the *Local Government Act 1999*, the Audit Committee 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 Audit Committee on a confidential basis under Sections 90(2) and 90(3)(e) of the Act:
 - Report of 19 October 2020, Item No. 7.2.1, Cyber Security Audit, 51/AC20 remain confidential until the control deficiencies are mitigated and that this order be reviewed every twelve (12) months.

On the grounds that the document(s) (or part) relates to matters affecting the security of the council, members or employees of the council, or council property, or the safety of any person.

1. GOVERNANCE

➤ Strategic Management Plan/Functional Strategy/Council Policy Alignment

Strategic Plan 2020-24 – A brighter future

Goal 5	A Progressive Organisation
Objective O4	We actively represent our community
Priority O4.3	Attract and develop a diverse and capable elected body that represents, promotes and reflects the composition of the community
Priority O4.3	Advocate to, and exert influence with, our stakeholders on behalf of our community to promote the needs and ambitions of the region
Objective O5	We are accountable, informed, and make decisions in the best interests of the whole community
Priority O5.1	Enhance governance structures and systems to prudently adapt to changing circumstances and meet our legislative obligations

The review of the Audit Committee's *Confidential Items Register* is an important element of the Audit Committee's commitment to open and transparent decision making which facilitates public accountability.

➤ Legal Implications

Section 91(7) of the *Local Government Act 1999* sets out the provisions regarding the making of orders to retain documents and discussions considered at Council and Council Committees in confidence.

Section 91(9) requires that these orders must specify the duration of the order or the circumstances in which the order will cease to apply or must be reviewed. Any order that operates for a period exceeding 12 months must be reviewed at least once in every year.

To enable management of any order made under Section (90) a Confidential Orders Register is maintained.

➤ Risk Management Implications

Reviewing confidentiality orders assists with mitigating the risks of:

Confidential information is released which prejudices Council's and/or third parties' interests.

Inherent Risk	Residual Risk	Desired Risk
Extreme (3A)	Low (3E)	Low (3E)

Information scheduled for release under a confidentiality order is not duly released resulting in a breach of legislation and depriving the community of public information.

Inherent Risk	Residual Risk	Desired Risk
Extreme (3A)	Low (3E)	Low (3E)

Note: there are a number of other controls that assist with managing these risks.

➤ **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: Director Corporate Services
Governance & Risk Coordinator
Manager Information Services

External Agencies: Not applicable

Community: Not applicable

2. BACKGROUND

An Extract of the Confidential Items Register is contained on Council's website and is reviewed on a monthly basis. Items that have progressed to the specified point and are no longer of a confidential nature are released in accordance with the respective resolution. Items that remain in confidence are displayed on the Register.

For administrative efficiencies, items may be included in reviews even though they may not be due for such. Processing items in this way eliminates the need for additional reports to the Audit Committee whilst maintaining the confidential status of items.

3. ANALYSIS

The Register of Confidential Items has been reviewed and there is one (1) item that requires a new confidentiality order applied at this time. An extract of the register is attached (**Appendix 1**) which provides a summary of all existing confidential orders highlighting those orders that require new confidentiality provisions, as follows:

- **No 365 – Cyber Security Report**

The Period of Confidentiality for this item concludes 19 October 2021.

It is recommended that a new confidentiality order be applied and that the item remain confidential until the control deficiencies are mitigated and that this order be reviewed every twelve (12) months.

4. OPTIONS

The Audit Committee has the following options:

- I. To extend the period of confidentiality as per the recommendations. (Recommended)
- II. Determine an alternative period of confidentiality. (Not Recommended)
- III. Allow the confidentiality order to expire thus releasing the information. (Not Recommended)

NB: If the meeting wishes to discuss the status of any items in a manner that will result in the disclosure of information currently under an s91(7) confidentiality order, it should first consider making a s90 order to move into confidence.

5. APPENDIX

- (1) Extract of Confidential Items Register

Appendix 1

Extract of Confidential Items Register

Extract of Confidential Items Register Items in Confidence 31 August 2021														
Register No	Date of Meeting	Council/Committee	Agenda No	Resolution Number	Officer	Responsible People Leader	Report Title	LG Act S90 Provision	Release date (no longer than 12 mths)	Original Resolution regardingPeriod of Confidentiality	Revised Period of Confidentiality	Next Review Date (3 mths less than relase date)	Notes for Update	Still in confidence
141	27/07/2021	Council	166/21	166/21	Natalie Westover	Terry Crackett	46 Mt Barker Road Stirling - Old Stirling Police Station	90(3)(d) & (j)	27/07/2022	that the minutes, report, related attachments and the discussion and considerations of the subject matter be retained in confidence until the Land has been sold, but not longer than 12 months		27/04/2022		Yes
140	22/06/2021	Ordinary Council	18.2.1	147/21	Jennifer Blake	David Waters	Event Opportunity - SANTOS TDU 2022	90(3)(j)	30/06/2022	that the report, related attachments and the minutes of Council and the discussion and considerations of the subject matter be retained in confidence until Council receives written confirmation from the South Australian Tourist Commission that the event information is no longer confidential, but not longer than 30 June 2022.		30/03/2022		Yes
379	22/06/2021	Ordinary Council	18.1.1	144/21	James Sinden	Terry Crackett	Cyber Security Plan	90(3)(e)	22/06/2022	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 control deficiencies are mitigated but no longer than 30 June 2023.		22/03/2022		Yes
377	25/05/2021	Ordinary Council	18.1.1	105/21	Jennifer Blake	David Waters	Multi-Year Road Rally Proposal	90(3)(d)	31/12/2023	that the report and related attachments of Council and the discussion and considerations of the subject matter be retained in confidence until 31 December 2023.		25/02/2022		Yes
376	24/05/2021	Audit Committee	8.1.1	AC32/21	James Sinden	James Sinden	Cyber Security Report	90(3)(e)	30/06/2023	that the report, related attachments and the minutes of the Audit Committee and the discussion and considerations of the subject matter be retained in confidence until the control deficiencies are mitigated but no longer than 30 June 2023.		24/02/2022		Yes
374	23/03/2021	Council	18.1	63/21	Marc Salver	Marc Salver	Sale of Land for Recovery of Debt, Lenswood	90(2) 90(3)(i)	22/03/2022	that the report, related attachments and the minutes of Council and the discussion and considerations of the subject matter be retained in confidence until either the Warrant of Sale process for the land in question is completed and a settlement reached or until legal proceedings have concluded, but no longer than 12 months.		1/12/2021		Yes
373	27/01/2021	Council	18.2	20/21	David Collins	Peter Bice	CWMS Review	90(3)(d)	22/06/2022	that the report, related attachments and the discussion and considerations of the subject matter be retained in confidence until 30 July 2021.	The Report of 27 January 2021, Item No. 18.2, CWMS Review, 20/21 remain confidential until 30 July 2023 and that this order be reviewed every twelve (12) months.	22/03/2022	Last reviewed by Council 22 June 2021	Yes
372	27/01/2021	Council	18.1	17/21	Ashley Curtis	Peter Bice	AHC Tender 202021-12 Supply of Limestone Rubble	90(3)(k)	27/01/2022	resolves that an order be made under the provisions of sections 91(7) and (9) of the Local Government Act 1999 that: • The report and the minutes of Council and the discussion and considerations of the subject matter be retained in confidence until the contracts are signed, but not longer than 12 months. • Appendix 1 be retained in confidence until 28 February 2023.		1/11/2021		yes
365	19/10/2020	Audit	7.2	51/AC20	Terry Crackett	James Sinden	Cyber Security Audit	90(3)(e)	19/10/2021	that the report related attachments and the minutes of the Committee and the discussion and considerations of the subject matter be retained in confidence until the control deficiencies are mitigated		19/07/2021		Yes
360	23/06/2020	Council	18.1.1	122/20	Jennifer Blake	David Waters	Event Opportunity	90(3)(j)	22/06/2022	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 2021. 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.	The Report of 23 June 2020 Item No. 18.1, Event Opportunity, 122/20 remain confidential until the SATC publicly release the official race routes for 2022 and that this order be reviewed every twelve (12) months.	22/03/2022	Last reviewed by Council 22 June 2021	Yes
343	7/05/2019	Special Council	19.1	103/19	Terry Crackett	Andrew Aitken	Unsolicited Approach to Purchase Community Land	90(3)(d)	22/06/2022	That the Report of 07 May 2019, Item No. 19.1, Unsolicited Approach to Purchase Community Land 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.	The Report of 07 May 2019, Item No. 19.1, Unsolicited Approach to Purchase Community Land, 103/19 until the matter is further presented to Council and that this order be reviewed every twelve (12) months.	22/03/2022	Last reviewed by Council 22 June 2021	Yes
331	1/08/2018	Special Council	7.2.1	183/18	Terry Crackett	Andrew Aitken	Retirement Village Review	90(3)(b)	22/06/2022	This item has been partially released, given Council's original resolution detailed 'Until settlement with the exception of Clause 8 and Appendix 2 which shall be retained in confidence until 31 July 2023'. The Report of 01 August 2018, Item No. 7.1, Retirement Village Review, 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. 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.	Clause 8 and Appendix 2 of the Report of 01 August 2018, Item No. 7.2.1, Retirement Village Review, 183/18 remain confidential until 31 July 2023 and that this order be reviewed every twelve (12) months.	22/03/2022	Last reviewed by Council 22 June 2021	Yes
240	22/04/2014	Council	18.2.1	85/14	John McArthur	Peter Bice	AHRWMA	90(3)(b,d,i)	22/06/2022	That the Report of 22 April 2014, Item No. 18.2Adelaide Hills Regional Waste Management Authority on the grounds that the document(s) (or part): (i) 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 (ii) would, on balance, be contrary to the public interest. Commercial information of a confidential nature (not being a trade secret) the disclosure of which: (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and (ii) would, on balance, be contrary to the public interest. Specifically, the present matter relates to Council considering an offer from a competitor with regard to where to take its waste stream, and to consider the long term implications and options in relation to the Regional Waste Management Authority of which it is a member, and due to the fact that the competitor has initiated legal proceedings against the aforementioned Authority where Council disposes of its waste. This order shall operate until further order of the Council and will be reviewed at least annually in accordance with the Act. 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.	The Report of 22 April 2014, Item No. 18.2.1, AHRWMA, 85/14 remain confidential until the matter is determined and that this order be reviewed every twelve (12) months.	22/03/2022	Last reviewed by Council 22 June 2021	Yes

**ADELAIDE HILLS COUNCIL
AUDIT COMMITTEE MEETING
Monday 18 October 2021
AGENDA BUSINESS ITEM**

Item: 7.6

Responsible Officer: Kira-marie Laverty
Corporate Planning & Performance Coordinator
Office of the Chief Executive

Subject: Quarterly Council Performance Report – Q1 2021-22

For: Information

SUMMARY

As a local government entity, Council has a number of legislative obligations regarding the preparation and distribution of corporate planning and reporting information to the elected body and the community. In addition to these mandated requirements, Council has over time created a number of additional elements to improve the integration, transparency and accountability of its activities. The Quarterly Council Performance Report is just one of these elements.

A revised suite of corporate performance indicators and targets were developed in consultation with Council Members, the Strategic Leadership Team and relevant officers as part of the *2020-21 Annual Business Plan* process and have continued to be incorporated into the *Annual Business Plan 2021-22*. These were aligned to the new *Strategic Plan 2020-24 – A brighter future* adopted in April 2020.

The Quarterly Council Performance Report for Q1 (**Appendix 1**) covers the period 1 July 2021 to 30 September 2021, and shows the performance against the corporate performance indicators as well as discussing key highlights aligned with the Strategic plan.

The purpose of this report is to inform the Audit Committee of Council's performance against the *Annual Business Plan 2021-22* targets in order to assist in their role as advisors to Council on the adequacy and effectiveness of processes involving financial management, reporting, risk and governance. The Performance Report will also be provided to Council at its 26 October 2021 meeting.

RECOMMENDATION

The Audit Committee resolves that the report be received and noted.

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 O5.3 Demonstrate accountability through robust corporate planning and reporting that enhances performance, is relevant and easily accessible by the community

The Quarterly Council Performance Report is part of the performance reporting suite contained in the *Corporate Planning & Performance Framework*.

➤ Legal Implications

Chapter 8 - Administrative and financial accountability of the *Local Government Act 1999* sets out the key legislative obligations regarding corporate planning and reporting obligations, as follows:

- S122 – Strategic management plans – development, content requirements, consultation, review and availability of strategic plan, asset management plan and long-term financial plan;
- S123 – Annual business plans and budgets - development, content requirements, consultation, review and availability of annual business plan and budget
- S127 – Financial statements – preparation, content, auditing and availability of the financial statements;
- S131 – Annual reports – preparation, content, distribution and availability of the annual report

Additional requirements are contained in the *Local Government (General) Regulations 2013* and the *Local Government (Financial Management) Regulations*.

➤ Risk Management Implications

Quarterly Council Performance Reporting will assist in mitigating the risk of:

Ineffective performance management and reporting processes leading to poor performance and/or loss of stakeholder confidence

Inherent Risk	Residual Risk	Target Risk
Extreme (4B)	Low (3E)	Low (3E)

Note that there are many other controls that assist in mitigating this risk. The quarterly performance reports are part of the current control suite and therefore there is no additional mitigating impact of this report.

➤ **Financial and Resource Implications**

The Corporate Planning & Performance Coordinator role, which coordinates the performance reporting function, is funded in the Governance & Performance Department budget.

Quarterly Council Performance Reporting assists in showing the financial and resource performance to plan as per the targets, initiatives and activities outlined in the *2020-21 Annual Business Plan*.

➤ **Customer Service and Community/Cultural Implications**

Providing integrated, consultative corporate planning and effective and transparent performance reporting to the Council and community has the potential to increase the level of trust and confidence in Council.

➤ **Sustainability Implications**

Quarterly Council Performance Reporting assists in demonstrating the outcomes related to Council's economic, social and environmental initiative

➤ **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: Council's Executive Leadership Team, relevant Managers, and Officers were consulted during preparation of the quarterly performance report.

External Agencies: Not applicable

Community: Not applicable

2. BACKGROUND

At its 19 June 2018 meeting, Council adopted (Res 128/18) the *Corporate Planning & Performance Framework*, of which a key element was the establishment of a suite of Corporate Business Performance Indicators which are aligned with Adelaide Hills Council's Strategic Plan goals and will enable the tracking of performance over time.

Over the 2019-20 financial year, Quarterly Council Performance Reports were drafted showing the performance against the Corporate Performance indicators, strategic initiatives and key activities of the *2019-20 Annual Business Plan*.

A revised suite of corporate performance indicators and targets were developed in consultation with Council Members, the Strategic Leadership Team and relevant officers as part of the 2020-21 Annual Business Plan process. These were aligned to the new *Strategic Plan 2020-24 – A brighter future* adopted in April 2020. These indicators have continued to be used in the *Annual Business Plan 2021-22*.

A change has been made to the timing of reports for the 2021-22 financial year. Reports are now provided to Council and the Audit Committee at the meeting directly following the end of the quarter.

A change has been made to the Customer Service Standard related to the European Wasp Nest removal resulting from the Council resolution to charge for treatment of European wasp nests at the 22 June 2021 meeting. The wording of this statistic has changed from “We will investigate and action reported European Wasp nests within 7 days” to “We will action requests to treat European Wasp nests within 7 days from receipt of payment”.

12.7 Draft 2021-22 Fees and Charges

Moved Cr Chris Grant
S/- Cr Kirsty Parkin

124/21

Council resolves:

1. That the report be received and noted.
2. To adopt the 2021-22 Fees and Charges Schedule included at Appendix 1 to apply on and from 1 July 2021.
3. Council notes that the statutory fees will be included on the fees and charges register available for public inspection subsequent to being gazetted.

Carried unanimously

Council resolved at the 28 September 2021 meeting to establish more visible and accessible reporting mechanisms on significant projects across the district. Part of this is to include this information in the Quarter Council Performance reports. Due to the timing of the motion, this information will be available from Q2 onwards.

11.4 Community Project Update

7.25pm Cr John Kemp left the meeting
7.34pm Cr John Kemp returned to the meeting

Moved Cr Kirsty Parkin
S/- Cr Leith Mudge

202/21

That Council establishes additional, more accessible and visible reporting mechanisms to provide information on the progress of significant projects across the district for the community and associated sporting clubs and associations. This could include more detailed information on key milestones and target dates and would be made available on the Adelaide Hills Council website for easy accessibility. This information would be updated on at least a quarterly basis.

Carried Unanimously

3. ANALYSIS

To reflect the alignment to the *Strategic Plan 2020-24 – A brighter future* the format of the Quarterly Council Performance Report is formatted to show Council's performance against the 5 strategic goals:

- Built Environment
- Community Wellbeing
- Economy
- Natural Environment
- Organisation

The report also includes the Customer Service Standards, Capital Works performance, and Quarterly Financial Performance.

Overall performance results for Quarter 1 include:

- 67 of Strategic initiatives are in progress, 1 is completed, 1 was deferred, 11 were not started and 17 are behind schedule.
- 8 of the 19 corporate performance indicators were met or exceeded, 9 were not met and 1 could not be assessed this quarter.
- 8 of the 17 customer service standards were met or exceeded, 3 were not met, and 6 had no instances reported or could not be assessed this quarter.

Comments within the report provide additional information on the strategic initiatives and performance indicators where they are not currently on track or under target.

See the attached Quarterly Council Performance Report – Quarter 1 2021-22 (**Appendix 1**) for details.

4. OPTIONS

As this is an information report, the Audit Committee is limited to receiving and noting the report however additional feedback can be provided to the Governance and Performance team for consideration of future enhancements for the 2021-22 FY reports.

5. APPENDIX

- (1) Quarterly Council Performance Report – Q1 2021-22

Appendix 1

Quarterly Council Performance Report – Q1 2021-22

Quarterly Council Performance Report

Quarter 1 – 1 July to 30 September 2021



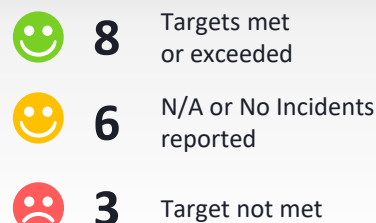
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2. Performance by Strategic Goal	3
3. Customer Service Standards	16
4. Capital Works Performance	19
5. Quarterly Financial Performance	20

1. Executive Summary



Customer Service Standards



Capital Performance

\$1.2m of infrastructure delivered

\$1.9m of works ordered

Focus in Q1 has been on scoping new projects, as well as commencing construction on projects designed last financial year.

Significant road renewal programs and renewal of Gumeracha courts to commence in Q2.

Highlights

- Over 18,000 Rate notices were sent out late July with over 2,100 of those ratepayers now receiving their rate notice electronically.
- The passing of the *Statutes Amendment (Local Government Review) Act 2021* provides the sector with some confidence and clarity with the implementation of some long-overdue reforms. While the commencement timeframes of some of the changes are yet to be determined, the current roadmap will see the majority of the reforms implemented over the next two years.
- Council provided an automatic revaluation relief rebate to assist ratepayers in response to increases in valuations from the Office of the Valuer-General.
- Review of the operational accommodation requirements has been undertaken, with additional leased office space secured to enable building upgrade works to be progressed and future requirements considered.
- Skytrust (WHS System) implementation has continued. One improvement is use of online training where a number of WHS courses have been run and completed, and most recently, ICAC training was sent organisation wide.

Risk and Challenges

- Current market conditions which continue to influence the high costs and limited contractor availability, still present delivery challenges across a broad range of project and service areas.
- There is a high volumes of Section 7 searches due to entering Spring which is putting pressure on meeting the legislated timeframes.
- Delays to the implementation of the Cyber Security Plan due to a key staff member resigning.

2. Performance by Strategic Goal

A functional Built Environment

Highlights

✓ Transition to the Planning, Development & Infrastructure Act (PDI Act)

- 90% of the project is now complete with only 6 actions remaining to be finalised.
- Business continuity issue being addressed by PlanSA to make provision for a backup system in the event of Portal outages during business hours. Awaiting further information from PlanSA.

✓ LED Street lighting replacement

- Council is seeking quotes to upgrade main street lights in the townships of Aldgate, Summertown and Uraidla.

✓ Bridgewater Oval drainage

- Planning, in partnership with the club is well underway, with works due to commence late in the year in line with cricket schedules.

✓ Bushland park lookout tower

- Contractor engaged for construction in second half of financial year.
- Native vegetation needs to be assessed for access to the site.

✓ Public Toilet upgrades

- Construction works have commenced on both Bridgewater Oval and Aldgate Main Street toilet upgrades. Steamroller Park upgrade is due to commence in October.

✓ Planning & Development

- The new state PlanSA system has been in place for 6 months and after some initial issues is working well.
- Development Application lodgments remain consistent with levels under the *Development Act 1987*.
- Publicly notified development has reduced slightly but there are still a large number of applications with complex planning assessment.
- Building assessment remains at a ratio of approximately two thirds by private certifiers and one third by Council

✓ Energy Upgrades, Battery & Efficiency Actions

- Installed an additional 132kW of solar PV panels on key Council Facilities including the Coventry Library and Birdwood treatment plant facility resulting in lowered operating costs at site.
- The plant operation at the Birdwood facility will be modified to maximise the use of the solar panel array.
- Tender documents prepared for a new air-conditioning system on the Coventry Library.

✓ Mill Road, Lobethal - School Crossing

- Contractors engaged for construction during October school holidays

✓ Birdwood footpath from kindergarten to playground

- Contractor engaged to undertake construction during October school holidays

✓ Asset Management

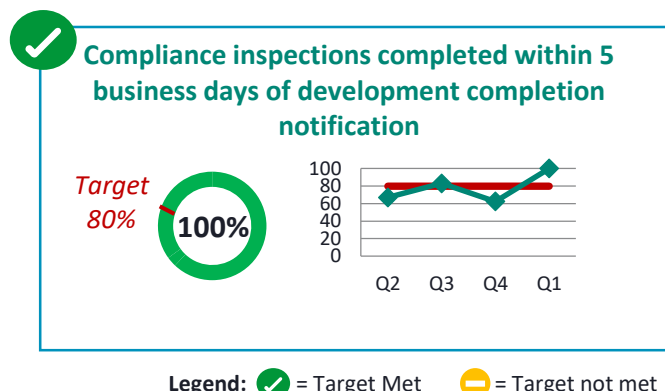
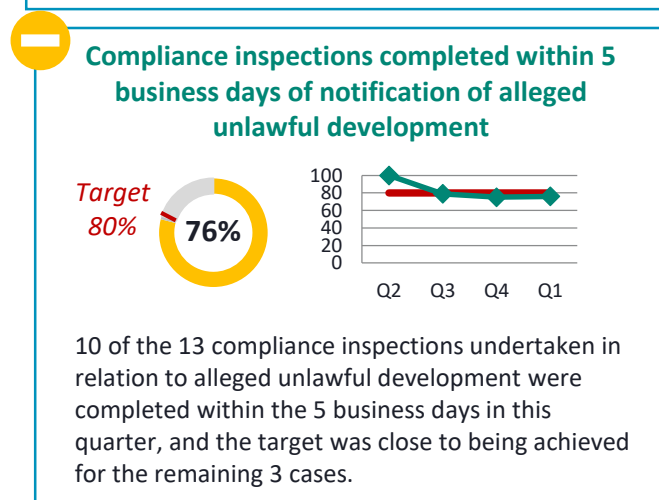
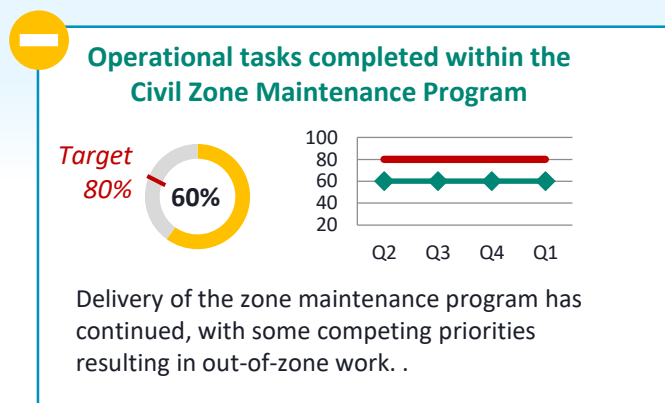
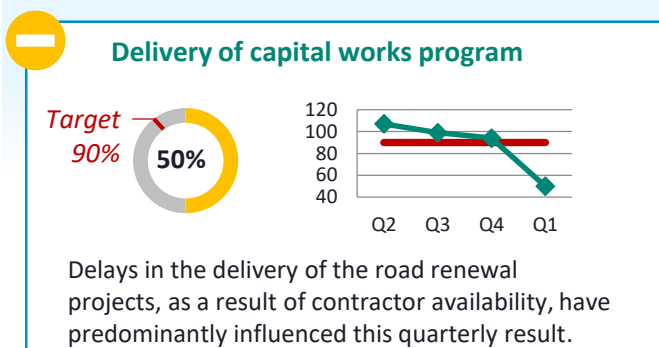
- Council received a final report on the condition of its road bridges from the Australian Road Research Board. The condition audit report will form the basis of Council's new bridge asset management plan.
- Council's enterprise asset management system has now been set up to capture park asset data and condition in the field which will ensure improved management of these important community assets.

Risks & Challenges

- ✗ **Installation of further Electric Vehicle (EV) charging stations**
 - Council applied for State Government grant funding to install EV charging stations in Stirling and Woodside. Currently waiting on the outcome of the funding.
- ✗ **Aldgate Main Street amenity upgrade**
 - Council has completed the final project scoping that includes consideration of access and inclusion universal design elements.
- ✗ **Mount Lofty Gardens - Lampert Road Safety Upgrade**
 - Extensive community consultation has occurred and identified community concerns which need to be resolved before continuing the project.
- ✓ **Water reuse for Woodside recreation ground irrigation**
 - Analysis reports presented to Council during the quarter on environmental and economic costs. Further decisions from Council required to progress project further.
- ✗ **Crafrers Village Main Street Traffic Calming and Open Space Upgrades**
 - Survey undertaken and landscape designer commencing scoping of project
 - Further refinement of the project scope required with community engagement to be considered in the Masterplan
- ➔ **Integration of Development Assessment Systems**
 - Project on hold waiting on outcome of PlanSA system enhancements
- ✗ **Purchase of Electric Vehicles cars for fleet**
 - 9 hybrid vehicles on order. There has been delays in getting new vehicles due to COVID-19 impacts on imports.
- ✗ **Mount Barker Road, Aldgate 'Park and Ride'**
 - Council has been working with the Department for Infrastructure and Transport and Australian Rail Track Corporation to resolve land ownership and licences for the facility.

Legend: ✓ = On Track ⚪ = Not Started ➔ = Deferred ✗ = Behind Schedule 😊 = Completed ✓ = Not a Strategic initiative

Performance Indicators



Legend: ✓ = Target Met ⚪ = Target not met

Progress on Strategic Initiatives from the Annual Business Plan

Project ID	Strategic Initiatives	Status
B1001	Recreation Trails & Cycling Route Upgrades	✓
B1003	New Bus Shelter Installation Program	✓
B1004	New and Upgrade Footpath Program	✓
B1006	Crafrers Village Main Street Traffic Calming and Open Space Upgrades	✗
B2001	Federation Park and Oval masterplan implementation	—
B2002	Gumeracha Main street project - stage 2	✓
B2004	Gumeracha Main Street Stormwater	😊
B2005	Transition to the Planning, Development & Infrastructure Act (PDI Act)	✓
B2006	Local Heritage Grant Fund	✓
B2007	Integration of Development Assessment Systems	➡
B3001	Water reuse for Woodside recreation ground irrigation	✓
B3002	Implement irrigation systems (renewal / upgrades)	✓
B3005	Energy Upgrades, Battery & Efficiency Actions from new Carbon Management Plan	✓
B3006	LED Street lighting replacement	✓
B4006	Asset management – Additional System Licenses and Field Devices	✓
B4007	Asset Management Plans for Buildings	✓
B4009	Building Upgrades – minor	✓
B4011	Community Wastewater Management System Capacity Upgrades (Birdwood & Woodside gravity mains)	✓
B4014	Road Safety Program including co-contribution to Road Blackspot	✓
B4015	Installation of further Electric Vehicle charging stations	✗
B4016	Purchase of Electric Vehicles cars for fleet	✗
B4019	Aldgate Main Street amenity upgrade	✗
B4021	Merchants Rd slip repair	✓
B4022	Western Branch Creek erosion protection - design only.	✓

Progress on Strategic Initiatives from the Annual Business Plan

Project ID	Strategic Initiatives	Status
B4023	Bushland Park lookout tower	✓
B4024	Bridgewater Oval Drainage	✓
B4025	Play space Audit	—
B4026	Woodside Rec Ground - Driveway & Carpark Upgrade	—
B4027	Woodside Recreation Ground - Masterplan progression	—
B4028	Aldgate Bridgewater Crafers Stormwater Master Plan	✓
B4030	Mill Road, Lobethal - School Crossing	✓
B4031	Public Toilet Upgrades – Stirling, Aldgate and Bridgewater	✓
B4032	Mount Barker Road, Aldgate ' Park and Ride'	✗
B4033	Upper Sturt Road Walking Path	—
B4034	Strathalbyn Rd - Service road Sealing	✓
B4035	Hunters Road - Amenity Upgrade	✓
B4036	Mount Lofty Gardens - Lampert Road Safety Upgrade	✗
B4037	Birdwood footpath from kindergarten to playground	✓
B4038	Bus Stop replacement - main street Stirling	✓
B4039	Civil Services Cadet engineer	✓
B4040	Crafers to Stirling Bikeway Stirling	✓

Highlights

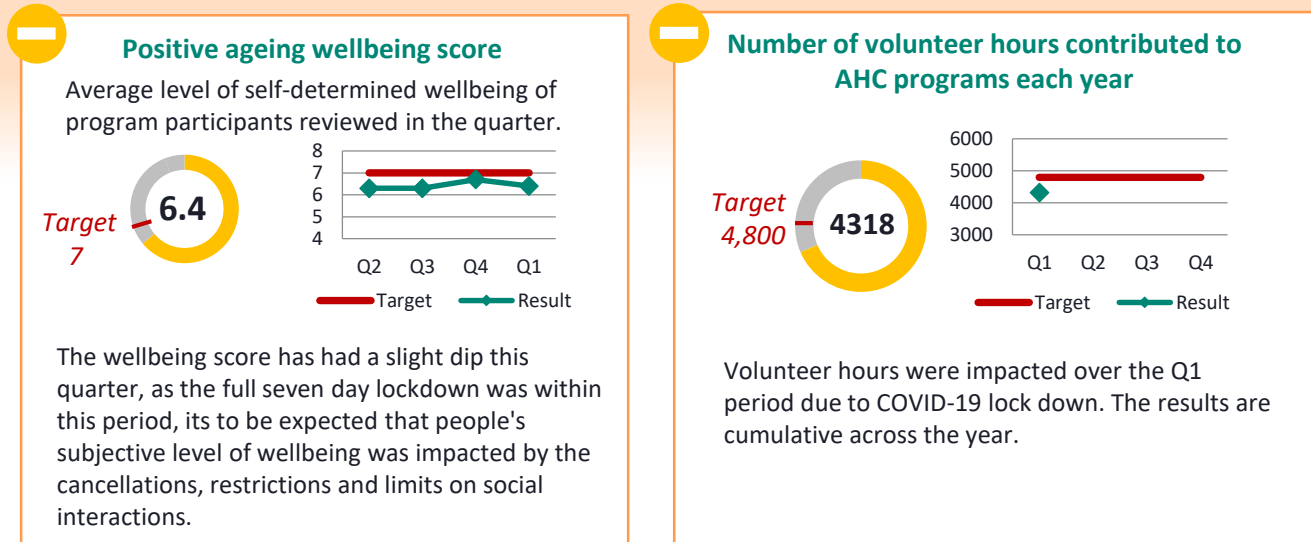
- ✓ **Accessibility planning**
 - Training provided to staff on creating accessible Council documents for people with disability
 - Independent accessibility audit of Council websites and sample pdf documents completed. Findings shared for learnings to be incorporated in future designs.
 - Accredited access advisers engaged to assess and inform strategic plans and projects to ensure improvements are considered for accessibility and inclusion. This includes:
 - Assessment of existing footpath network
 - Various streetscape upgrade plans
 - Assessment of re-development plans for FABRIK Arts and Heritage Hub
- ✓ **Community Resilience and Readiness program**
 - Community-led Emergency Resilience Workshops completed with the Charleston community on 30 September 2021.
 - Successful delivery of pilot parenting course integrating content from Emerging Minds and Families SA. Local Primary Schools are now booking in presentations.
 - CFS engagement officers booked in for various presentations at community events over Preparedness Month in October.
- ✓ **Heathfield Oval Change room upgrade**
 - Demolition on this project is now complete, and construction has begun, with foundations and plumbing undertaken in recent weeks.
 - Various Members of Parliament visited the site in August in line with funding agreement obligations.
- ✓ **Cemeteries**
 - Imaging of all Council cemeteries has been undertaken for integration into the Cemetery Management System. Once live, this will provide better information to the community in relation to burial details and locations.
- ✓ **Mylor BMX - Pump track at Sherry Park**
 - Several stages of consultation have been completed.
 - A 'Bike Reference Group' has been formed to assist staff and contractors to design the track.
 - A successful tenderer has been appointed.
- ✓ **Community Wellbeing Indicators**
 - The final version of the Community Wellbeing Indicators Framework ("Indicators of Community Wellbeing for the Southern and Hills Local Government Area (S&HLGA)") was endorsed by the S&HLGA Board in August 2021.
 - The project is a finalist in the Minister's Award for Excellence in Public Health. These will be announced at the Local Government Association's AGM on 29 October 2021.
 - Work is underway to look at how this new tool can be used by Council to measure and enhance wellbeing
- ✓ **Aboriginal Cultural Centre Development**
 - Fabrik collaborated with Country Arts SA to present the 2 day Regional Arts Australia "Artlands" conference in September which had a strong First Nations focus.
 - The event provided a significant opportunity for participants to develop an understanding of First Nations' cultures and creative practices.
- ✓ **Reconciliation Action Plan (RAP) Initiatives**
 - Draft of the Aboriginal Place Naming Strategy written in consultation with the Adelaide Hills Reconciliation Working Group.
- ✓ **Emergency management**
 - Updates made to Council's Incident Operations Manual and the final Draft Emergency Management Plan completed.
 - Activities to prepare for the 2021-22 high risk weather season were undertaken

Risks & Challenges

- ✗ **The Summit Community Centre natural amenity space**
 - Garden bed updated with asthetic rock outlining walk way. Down pipe completed to have water run off into native grasses.
 - Some issues with products used in Stage 1 are in process of being resolved causing delays to stage 2.
- ✗ **Gumeracha court resurfacing**
 - The tender process for this project has been undertaken, with a preferred tenderer appointed.
 - Some elements of the project (including retaining, pathways & some electrical elements) have been removed due to cost pressures.
- ✗ **Bridgewater court resurfacing**
 - The club associated with this project have requested to change the project scope to include some foundation works. As a result, they have applied for additional funds from the Office for Recreation & Sport's grant funding program.
 - It is unlikely that the outcome of this application will be known in time to meet Council's current grant funding requirements.
- ✓ **Hills home and community support**
 - Staff have needed to be extremely adaptable in Q1 due to the 7 day lockdown, and in establishing how we can continue to deliver the ongoing program with increased COVID-19 requirements
- ✗ **Regional health planning**
 - Further extension until 30 June 2022 sought for the next S&HLGA Regional Public Health Plan to allow time to finalise current projects and then develop and consult on the new plan.
- ✗ **Heathfield High School Sports Court redevelopment**
 - The Heathfield High School have committed to contributing \$250,000 towards the resurfacing project to ensure that it can be completed. Consultation and negotiations on this have contributed to project delays.
 - Project costs included in tender submissions were considerably over the available budget.
- ✗ **Capital Divestment (related to Lobethal Woolen Mill)**
 - Prospective purchaser has identified some potential issues requiring further investigation by Council.
 - Outcome of the engineering study and structural assessment of the site will impact the outcome of negotiations with the prospective purchaser and remaining tenant. Once issues are resolved negotiations will continue

Legend: 🟢 = On Track 🟡 = Not Started 🟠 = Deferred ✗ = Behind Schedule 😊 = Completed ✓ = Not a Strategic initiative

Performance Indicators



Progress on Strategic Initiatives from the Annual Business Plan

Project ID	Strategic Initiatives	Status
C1001	Accessibility Planning - Staffing	✓
C1002	Accessibility Planning materials	✓
C1003	Mylor BMX - Pump track at Sherry Park	✓
C1004	Gumeracha Library upgrades	✓
C1005	Stirling region Skate Park	—
C2003	The Summit Community Centre Natural Amenity Space	✗
C4001	Community Wellbeing Indicators - staffing	✓
C4002	Regional Health Planning Initiatives - Staffing	✗
C4004	Gumeracha Court Resurfacing – Federal Government Community Development Grant Funding	✗
C4006	Play Space Upgrades	✓
C4009	AHC contribution to Heathfield High School Sports Court Redevelopment	✗
C4017	Bridgewater Court Resurfacing	✗
C4018	Community Resilience and Readiness program	✓
C4019	Heathfield Oval Changeroom Upgrade	✓
C4020	Play space upgrades at Lobethal Bushland Park	✓
C5001	Reconciliation Action Plan (RAP) initiatives	✓
C5002	Aboriginal Cultural Centre development	✓
C6001	Fabrik activation - Capital	✓
C6002	Capital Divestment - Sales Revenue	✗
C6003	Capital Divestment - Capital Cost	✗
C6004	Activation Arts & Heritage Hub - Operating (Income)	✓
C6005	Activation Arts & Heritage Hub - Operating (Expenditure)	✓
C6006	Grow our involvement in the Women's Tour Down Under	✓
C6007	Support for Small Community Events	✓
C6009	Public Art (including Acquisition)	✓

Highlights

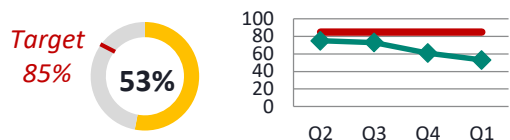
- ✓ **Expression of interest related 'Free' camping sites in the district**
 - A proposal to seek expressions of interest from individuals or community groups to host and manage a Free Camping facility was presented to Elected Members in August.
- ✓ **Business survey**
 - The Biannual Business Survey was undertaken with 109 responses which is a 30% increase from the 2019 survey.
 - Data from the survey reflects increasing business confidence for the year ahead.
- ✓ **Creative Industries report**
 - A report has been written for Council by EconomyID which provides an overview of the number and characteristic of creative industry businesses within the Adelaide Hills.
 - This will enable Fabrik to better connect with and support local Creative Industry businesses.
- ✓ **Additional tree safety work required to support the Tour Down Under**
 - Council is currently awaiting announcement of any cycling courses whether for Tour Down Under or other type of festival.
 - Once confirmed, staff will begin the process of assessing the vegetation and follow up works as required.
- ✓ **Business workshop**
 - Council supported the promotion of Business SA Strengthening Business workshop in July. The workshop which was held in Handorf, was attended by about 40 businesses and focused on issues specific to the Adelaide Hills business community including resilience, and on-line sales and marketing.

Risks and Challenges

- ✗ **Place making program to shape, activate and coordinate community place making**
 - Resources for this project have been supporting the introduction of the new planning and development code, which is an important element in guiding this project.

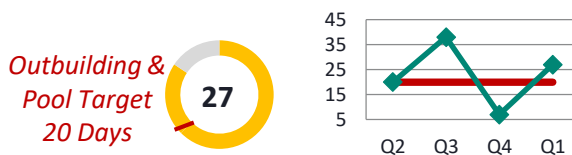
Performance Indicators

Percentage of planning consents completed within statutory timeframes



We are currently unable to accurately report on new applications for this indicator due to discrepancies with data management in the new PlanSA system. Of the 67 applications approved in the old system, 36 of these were determined within the statutory timeframes. Most of the applications that did not meet the timeframe were ones of a complex nature that involved public notification and agency referrals.

Average number of days for applications to be approved - building consent



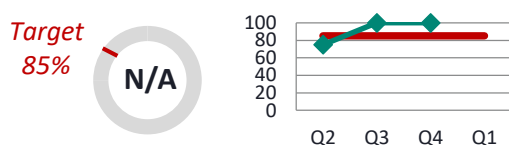
One case was approved in the old system in Q1 which exceeded the target timeframe by 7 days.

We are currently unable to accurately report on any new applications for this indicator due to discrepancies with data management in the new PlanSA system.

Legend: = Target Met or N/A = Target not met

= N/A – cant be assessed

Percentage of new development application decisions upheld in Council/CAPs favour under appeal



There is one new appeal of a CAP decision this quarter and one on-going appeal, both of which are yet to be determined.

Progress on Strategic Initiatives from the Annual Business Plan

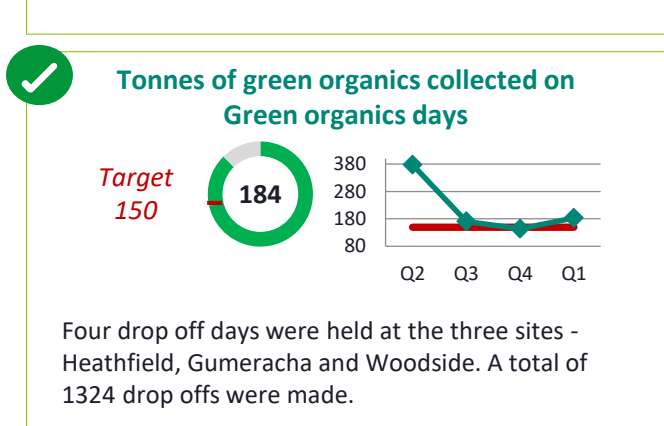
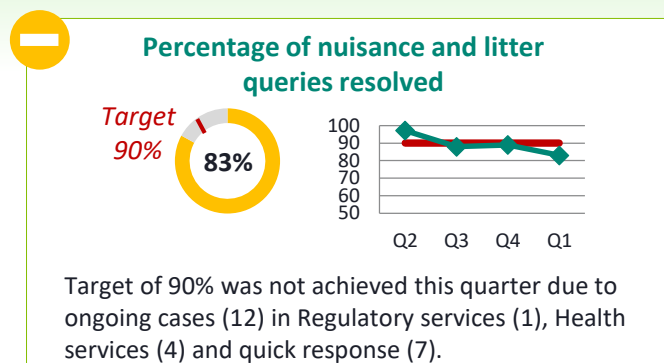
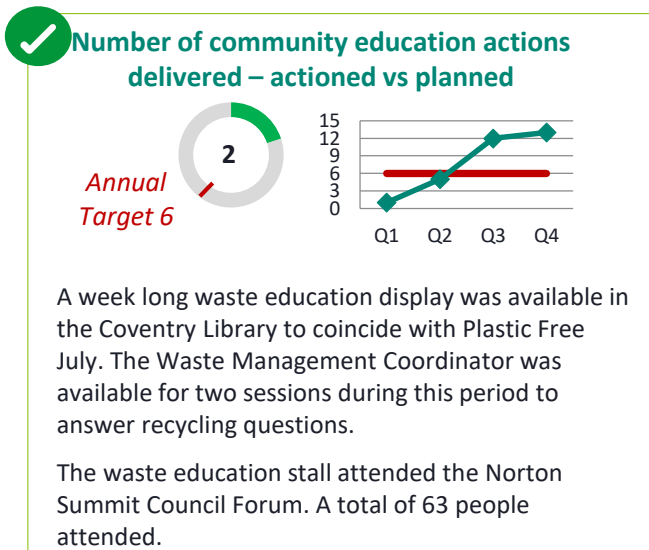
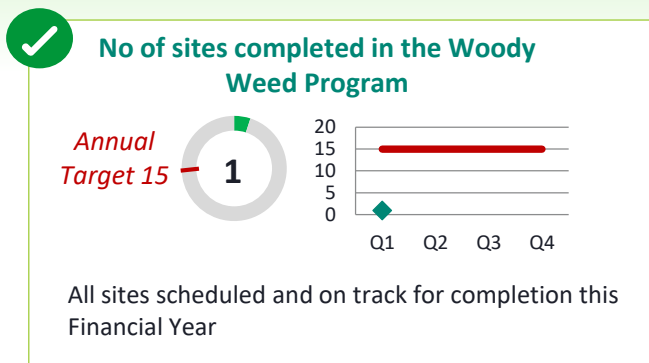
Project ID	Strategic Initiatives	Status
E1003	Undertake an expression of interest process related to the level of interest and viability of 'Free' Camping Sites in the district	
E2001	Review and upgrade Council signage and branding	
E2002	Place making program to shape, activate and coordinate community place making	
E4001	Additional Tree Safety Work required to support the Tour Down Under	
E4002	UNESCO World Heritage Bid	

Highlights

- ✓ **Long Term Strategic Tree Planting Program**
 - Plantings scheduled for Q4 on Piccadilly Road Crafrers and potentially on Onkaparinga Valley Road, Charleston (if approved by SA Power Networks)
- ✓ **Strategic Tree Planting - Avenue of trees**
 - Trees have been ordered and scheduled for planting on Woodside road in Q4.
- ✓ **Heritage Agreements for land under Council's care and control**
 - Heritage Applications to be lodged for MiMi Reserve, Stock Road Reserve (Mylor), Heathfield Stone Reserve and Carey Gully Water Reserve.
 - Heathfield Stone requires rededication from Stone Reserve to Conservation Reserve. The internal process for this has commenced, but will also require approvals from the Lands Title Office.
- ✓ **Internal resourcing of Tree Team**
 - Three new positions have been advertised and interviews completed. Preferred candidates should be appointed in Q2.
 - Elevated Work Platform truck has been ordered and expect delivery by the end of the financial year.
- ✓ **Undertake Kerbside Waste Audits**
 - Discussion between member councils of Adelaide Hills Regional Waste Management Authority to explore a joint auditing project which could achieve greater outcomes than individually funded audits.

Legend: ✓ = On Track ⚪ = Not Started ⏸ = Deferred ✗ = Behind Schedule 😊 = Completed ✓ = Not a Strategic initiative

Performance Indicators



Legend: ✓ = Target Met ⚪ = Target not met

Progress on Strategic Initiatives from the Annual Business Plan

Project ID	Strategic Initiatives	Status
N1003	Long Term Strategic Tree Planting Program	✓
N1004	Strategic Tree Planting - Avenue of trees	✓
N1005	Internal resourcing of Tree Team	✓
N2002	Heritage Agreements for land under Council's care and control	✓
N2003	Native Vegetation Marker Program to protect and manage roadside vegetation	✓
N2006	Develop and review Council Management Plans for high value reserves	✓
N2008	Develop informative and attractive signage in Council reserves/playgrounds	—
N2010	Post prescribed burn weed management	✓
N3001	Local Climate Adaptations for landscape conservation	—
N3002	Resilient community facilities and open space including water fountains	—
N5001	Undertake Kerbside Waste Audits	✓



Highlights

✓ Resource to manage Skytrust (WHS system) implementation

- The successful implementation of Skytrust has continued with all actions from the WHS Action Plan being completed by the end of September.
- A new WHS Improvement Plan has been established and Skytrust work will continue to be implemented as defined.

✓ Cemetery mapping and imaging

- The majority of drone imaging has been completed and the information will be incorporated into the Cemetery Management System prior to it going live

✓ Local Government legislative reform proposals

- The first tranche of legislative reforms came into effect in September 2021 with the second tranche due in November 2021. Policies and associated processes are being revised to comply with changes and will be the subject of future Audit Committee and Council reports.
- A number of the legislative reforms are yet to have commencement dates determined or subordinate legislation drafted which will likely result in a lengthy transition period.

✓ Revaluation Initiative Project

- As a result of an Revaluation Initiative Project undertaken by the Office of the Valuer-General across all of South Australia, Council was aware of increased variability in valuation increases for the 2021-22 rating period, particularly within primary production land use. As a response, Council provided an automatic revaluation relief rebate.
- A number of ratepayers have contacted Council about their valuation change and most have indicated that they will follow up directly with the Office of the Valuer-General for a detailed explanation for their individual property.

✓ Update of Business continuity plan and implementation

- Departmental managers have completed the Maximum Acceptable Outage (MAO) analysis for each of the Council's service areas. The resulting critical functions will be subject to further analysis for inclusion in the draft Business Continuity Plan (BCP).

✓ Develop or respond to Boundary Reform Proposals

- Council's motion to the September Greater Adelaide Region Order of Councils (GAROC) meeting has resulted in a resolution to the Local Government Association AGM in October to advocate to the Boundaries Commission for:
 1. a review of the boundary reform legislation once one proposal has been fully tested and
 2. for a timeframe to be inserted in the Guidelines regarding the maximum duration of a Stage 2 proposal lodgment.



Customer experience improvement projects

- Collaboration on potential improvements has commenced resulting from Customer Experience surveys feedback.



Rates for 2021-22

- Over 18,000 Rate notices were sent out late July. Ratepayers receiving their rate notice electronically has increased to over 2,100.

Risks & Challenges

✗ Cyber & Systems Security - Program Management

- Due to the resignation of a key staff member in this program, delays are expected until a new staff has been appointed.

✗ Heathfield Resource Recovery Centre (HRRC) – concreting of bays and upgrades

- Project delayed due to unplanned work in the Sustainability, Waste and Emergency Management area. Alternative project delivery options are currently being explored.

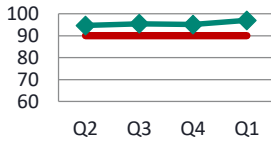
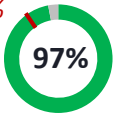


Performance Indicators



Decisions (Council resolutions) considered in open Ordinary and Special Council meetings during the period

Target 90%

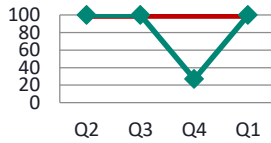


Council considered two confidential items during Q1.



Freedom of Information (FOI) requests completed within the legislated timeframe

Target 100%



Three received during this quarter, one completed and two still ongoing with extension of time letters issued. Three completed this quarter from previous quarters (some partial release) all with extension of time letters issued (two overdue).



Number of lost time injuries

Annual Target

0

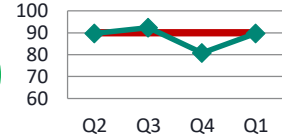
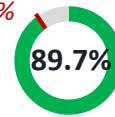
Actual

0



Council member attendance at ordinary and special meetings for the period

Target 90%

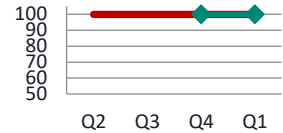


There were four Leaves of Absence (LOA), three apologies and one absence during the quarter.



Percentage of Ombudsman investigations upholding Council's decisions

Target 100%



Two Ombudsman decisions are still in determination & one Ombudsman decision in favour of Council.



Employee Turnover

Annual Target

7-15%

Actual

3.72

The assessment against the target figure will only be realised at the end of financial year. Across the year a rolling update is provided.



Progress on Strategic Initiatives from the Annual Business Plan

Project ID	Strategic Initiatives	Status
O1001	Resource to manage Skytrust (WHS system) implementation	✓
O1002	Update of Business Continuity Plan and implementation	✓
O1003	Heathfield Resource Recovery Centre (HRRC) - Concreting of Bays	✗
O1004	Heathfield Resource Recovery Centre (HRRC) - Pedestrian movement safety upgrade	✗
O2001	New council website and e-services	✓
O2003	Customer experience improvement projects	✓
O2004	Customer Experience Training	✓
O2006	Cemetery mapping and imaging	✓
O3001	Service Review Framework Development	✓
O4003	Develop or respond to Boundary Reform Proposals	✓
O4004	Council Member Honour Boards	—
O5001	Local Government legislative reform proposals	✓
O5003	Corporate Plan Review	—
O5005	Resource to manage building & swimming pool compliance inspections	✓
O6002	Cyber & Systems Security - Program Management	✗

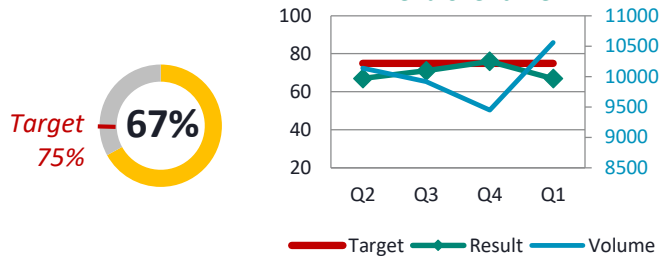
3. Customer service standards

5.1 General Customer Standards

Answering Incoming Phone Calls

Volume of calls = 10,561

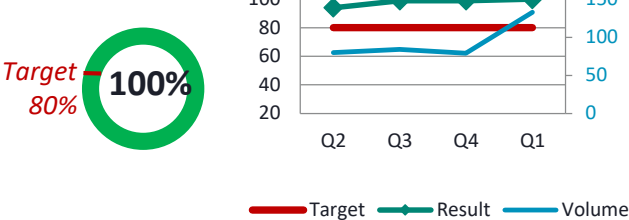
Contact centre calls answered within 30 sec



Updating Customer Details

Volume of updates = 133

Details updated within 5 days



5.2 Service Specific Standards – Time Based Indicators

New Event Applications

Volume of applications = 1

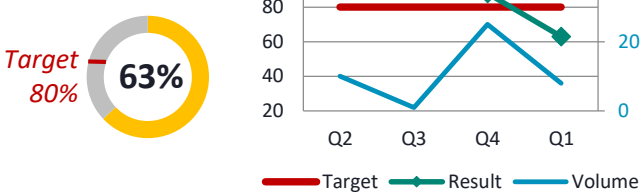
Acknowledgement of receipt within 5 days



Illegal Burning Complaints

Volume of complaints = 8

Investigated within 24 hours



Of the 3 complaints that did not meet the standard, 2 were for the same incident and the other complaint was actioned within the timeframe, however due to technical limitations of the system, the case was not resolved until the standard had expired.

Health Complaints

Volume of complaints = 0

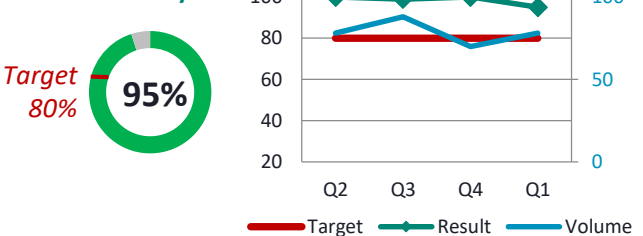
Investigated within 24 hours



Illegally Dumped Rubbish

Volume of reports = 78

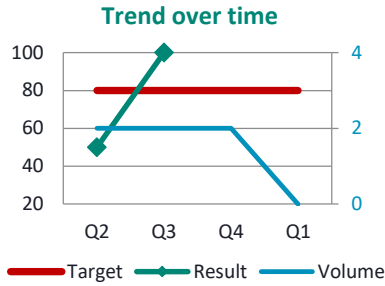
Rubbish removed within 3 days



Library Services

Volume of requests = 0

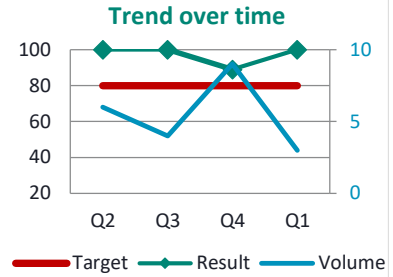
Response to requests to purchase materials within 10 days



Dog Attacks

Volume of attack reports = 3

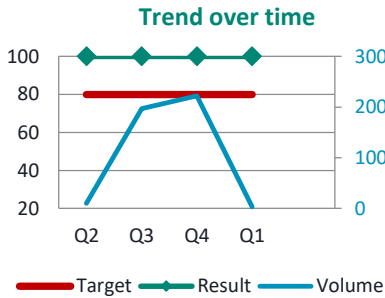
Response within 24 hours



Wasps

Volume of reports = 3

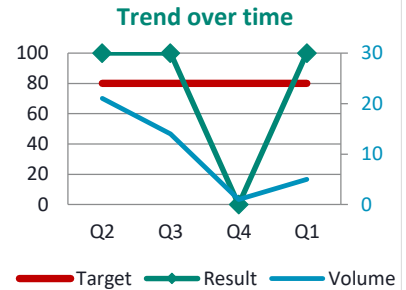
Investigate and action within 7 days



Development Applications

Volume of applications = 5

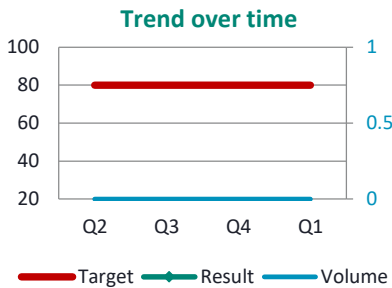
Approval of fast track development applications within 28 days



Missed Bins

Volume of requests = 0

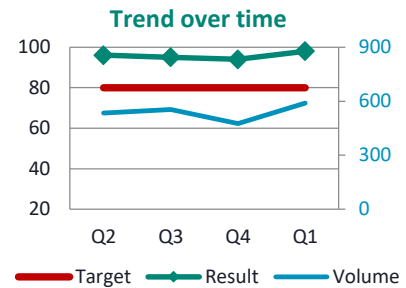
Missed bins collected within 2 days



Request for Bin Repair or Replacement

Volume of requests = 590

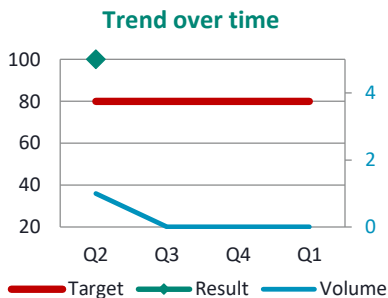
Requests actioned within 7 days



Footpath Repairs - Hazardous

Volume of repairs = 0

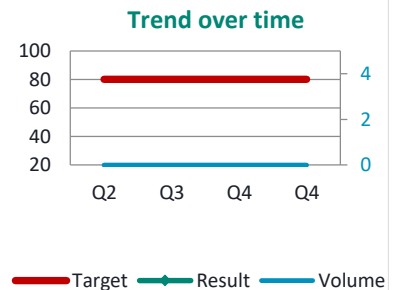
Responded and made safe within 24 hours



Road Repairs - Hazardous

Volume of repairs = 0

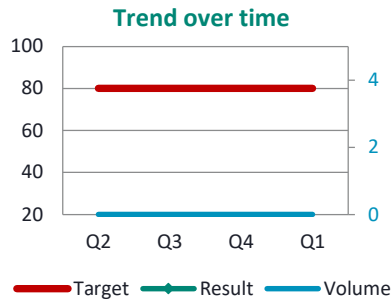
Responded and made safe within 24 hours



Stormwater Repairs - Hazardous

Volume of reports = 0

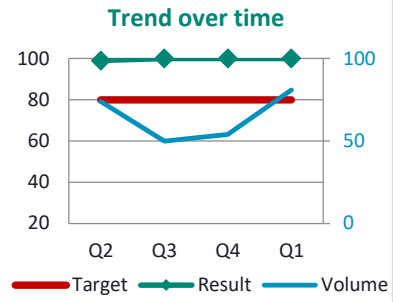
Responded and made safe within 24 hours



Trees - Hazardous

Volume of reports = 81

Responded and made safe within 24 hours

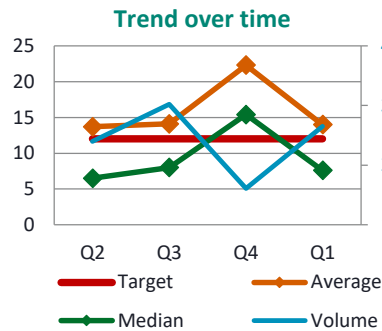
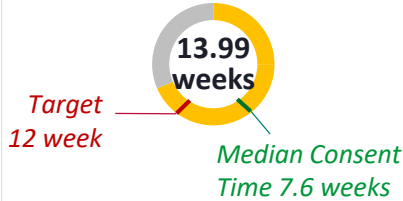


5.3 Service Specific Standards – Other Indicators

Development Applications

Volume of planning consents = 265

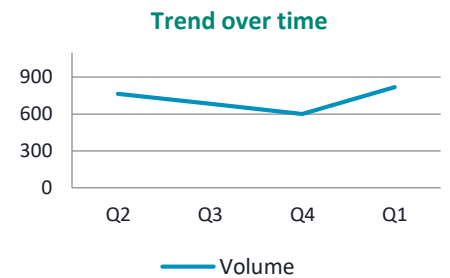
Average consent time from date of receipt



The 13.99 weeks are the average of applications across the two systems. There is an average of 36.25 weeks to issue consent on the high complexity applications that still exist in the old system. In the new Plan SA system, the average is 6 weeks to issue consent, with overall more consents granted.

Low Risk Infrastructure Requests – Number of New Requests

Volume of new requests = 921



Low Risk Infrastructure Requests – Average Time to Resolve

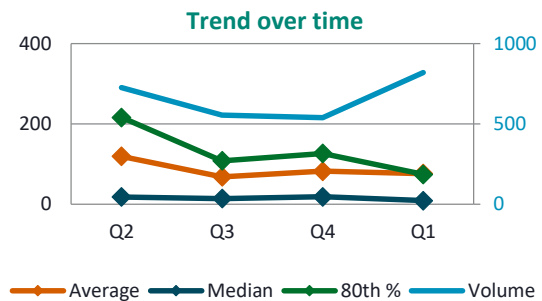
Volume of Requests = 820

Resolution time of requests

Average = 76 days

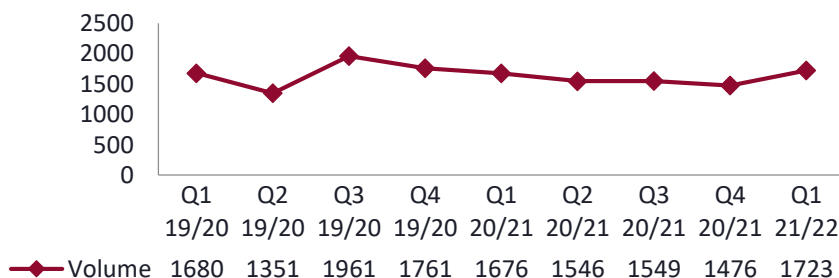
Median = 9 days

80th Percentile = 74.16 days



Overall Volume of Requests

Trend in volume of requests/customer cases for which there is an adopted service standard, excluding the volume of phone calls



3. Capital Works Program

Quarter 1 of 2021-21 FY represents the commencement of the 2021-22 Capital Works Program, with \$1.23M of infrastructure delivered during this period and another \$1.94M of works ordered. The primary focus of this quarter has been on scoping new projects, as well and commencing construction on projects that were designed in 2020-21 Financial Year.

Highlights

- Works on the Gumeracha Main Street streetscape substantially commenced, with new paving being laid.
- Works on the Stirling to Crafers Bikeway continued, including a new pedestrian crossing on Mt Barker Rd near the roundabout.
- The Charleston Playspace Renewal was opened to the public, and was very well received.

What’s Next

- Significant road renewal programs will commence in Quarter 2,
- Renewal of the Gumeracha playing courts will commence in Quarter 2,
- The Mill Rd, Lobethal, school crossing will be completed in Quarter 2.

Financial Performance by Asset Category (preliminary numbers)

Asset Category	YTD Actuals \$'000	YTD Budget \$'000	YTD Var Fav / (unfav) \$'000	Annual Budget \$'000
Bridges	17	25	8	272
Buildings	127	490	363	5,997
Cemeteries	4	8	4	78
CWMS	18	27	9	274
Footpaths	173	172	-1	1720
Guardrails	-	10	10	100
Kerbing	-	20	20	200
Local Roads & Community Infrastructure Program (LRCIP) – phase 1	72	103	32	103
Local Roads & Community Infrastructure Program (LRCIP) – phase 2	43	163	120	1,432
Other - Ret Walls, Street Furniture & Bus Stops	18	40	22	467
Roads	52	417	365	4,172
Sport & Recreation	76	261	185	3,878
Stormwater	200	55	-145	725
Fleet	81	305	223	2,886
ICT	81	535	455	1,149
Library	3	11	8	15
Plant & Equipment	10	15	5	123
	974	2,658	1,683	24,955

4. Financial Performance

Overall Funding Statement as at 30 September 2021

Note: These figures are preliminary only. The fully reconciled figures will be presented to Council as part of the Budget Review report in November.

	YTD Actual	YTD Budget	YTD Variance	Annual Adopted Budget
	\$'000	\$'000	\$'000	\$'000
Total Operating Income	43,843	43,408	435	50,751
Total Operating Expenditure	9,793	10,449	654	49,794
Operating Surplus / (Deficit) before Capital	34,050	32,959	1,090	957
Capital Expenditure	974	2,658	1,683	24,955
Capital Income	1,443	1,350	93	7,776
Net expenditure - Capital projects	(468)	1,308	1,776	17,179
Net Lending / (Borrowing) Result for Year	34,518	31,652	2,866	(6,460)

Adelaide Hills Council Operating Summary By Directorate as at September 2021				
	YTD Actuals \$'000s	YTD Budget \$'000s	YTD Var fav / (unfav) \$'000s	Annual Adopted Budget \$'000s
Income				
CEO	-	-	-	39
Community Capacity	684	678	5	2,133
Corporate Services	40,020	39,926	94	41,561
Development & Regulatory Services	608	349	259	1,228
Infrastructure & Operations	2,531	2,454	76	5,790
Income Total	43,843	43,408	435	50,751
Expenditure				
CEO	693	655	(38)	2,112
Community Capacity	1,877	2,161	285	7,770
Corporate Services	2,205	2,278	73	6,267
Development & Regulatory Services	1,033	1,048	15	3,913
Infrastructure & Operations	3,986	4,306	320	29,732
Expenditure Total	9,793	10,449	654	49,794
Operating Surplus / (Deficit)	34,050	32,959	1,090	957



Adelaide Hills
COUNCIL

MORE INFORMATION



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